

# WAVES OF CHANGE





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# Welcome to our Sustainability Report 2014-15

At Jubilant, we are committed to Sustainability and consider People, Profit, Planet, Products and Partners as critical facets. Our actions are our blue-print to contribute to Sustainable Development as a responsible member of the society.

We endeavor to constantly engage in delivering value to our stakeholders—our customers, shareholders, employees, local communities, statutory & regulatory institutions, non-governmental organisations, and other opinion makers through our promise of Caring, Sharing, Growing. By focussing on quality, operational efficiency and EHS Compliance, we strive to maintain a direct link between sustainability and our business priorities. Our sustainable business principles are enablers for our growth.

We are challenging ourselves every year. Our sustainability ambitions are a blend of stakeholder expectations with own improvement aspirations and we focus on resource efficiency, environmental protection, occupational health & safety and



community engagement. We believe these are significant components for long term business viability and we stand committed to these.

It has been a long and momentous journey since we began applying the concept of sustainability and we continue to follow the chosen path.

## OUR PROMISE

*Caring, Sharing, Growing*

*We will, with utmost care for the environment and society, continue to enhance value for our customers by providing innovative products and economically efficient solutions; and for our stakeholders through growth, cost effectiveness and wise investment of resources*

## 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

# Chairmen's Message

With all our efforts, this year we could register zero fatality and 40% reduction in total injury since last year.

We have great pleasure in presenting to you Jubilant Life Sciences Limited's 13th Corporate Sustainability Report FY2014-15. We are an integrated global pharmaceuticals and life sciences company with a diversified products portfolio. The four key pillars of our success are: Integrated operations, Global outreach, Innovation and Sustainability. In order to create long-term sustainability, we follow the triple bottom line approach of Economic, Environment and Social Performance. Our promise of Caring, Sharing, Growing along with our stakeholders forms the genesis of all our activities directed towards sustainable growth of the Company.

The fruitful journey of our Company took a sharp curve with our new idea 'Instrument for Change' inked last year and following careful deliberations we formulated our Sustainability Strategy 2020 with focussed targets for the coming years. Today, we stand at the fulcrum of a curve where we are beginning to see some of the initial wins towards this direction and continue with our key focus on the strategy. These

initial "waves of change" ushered in the Company are further driving brighter and better opportunities to implement innovation through the change.


## Caring, Sharing, Growing with Stakeholders

The Company is poised to build on its growth momentum for revenue and margins in the years ahead. To inculcate stronger management focus and support ambitious growth aspirations the Company consolidated Pharmaceuticals and Life Science Ingredients under two independent verticals to decouple the Pharmaceuticals segment (under Jubilant Pharma Ltd.) from the Life Science Ingredients (LSI) segment

The four key pillars of our success are: Integrated operations, Global outreach, Innovation and Sustainability.







thereby harnessing the true potential in each business to aid focussed faster growth for the Company. From a macro-economic standpoint, the year was challenging as JLSL reported a consolidated revenue of Rs. 5,826 Crore, Pharmaceuticals revenue stood at Rs. 2,682 Crore and LSI revenue was Rs. 3,144 Crore.

### Operating responsibly

As a responsible and employee friendly organisation, we ensure complete workplace safety of our employees, especially at the sites. We are proud to share that we registered Zero Fatality and 40% reduction in Total Injury at all our facilities, a clear sign of underpinning our safety systems.

We have set up state-of-the-art environment protection equipment at our manufacturing facilities and are constantly expanding and innovating our signature environmental protection facilities. This year, we installed 16 Online Monitoring Systems across various stacks at our facilities.

### On the right track

FY2014-15 has been an important year for Jubilant Life Sciences in terms of business re-alignment, results and sustainability actions. A major differential in 2014-15 has been the Stakeholder Prioritisation and Materiality Assessment conducted internally.

This was done by engaging our senior leadership team to assess the key stakeholders and priority issues influencing the decisions of our stakeholders. This was an effort to assess if our initiatives are in line with the material issues and stakeholder priorities.

### Enhanced Collaboration

Communities are our partners for change. We engage with the community on a regular basis. We are working on four prime areas of intervention - improvement of level of elementary education, enhancing health indices through innovative services, escalating employability and enabling a conducive environment for social entrepreneurship.



## We are founding member of GRI's Sustainability and Transparency Consortium in the Chemical Sector.

The Company has realigned its efforts as per the new Company's Act 2013 amendment and formulated our CSR Policy and rechristened the Board Sustainability Committee as 'Sustainability & CSR Committee'.

### Responsible Care

To enhance our internal systems and inculcate the latest techniques for environment, health and safety management across our value chain, the Company has decided to implement the Responsible Care Management System. Under Phase I, Responsible Care Management System will be implemented at our Corporate Office and the Gajraula location. The Responsible Care Policy, inked on December 26, 2014, requires all the functions to perform their operations, products and services as per the Responsible Care principles, ensuring safety and security and protecting health and environment.

As we look forward to another exciting year of challenges and opportunities, we aim to continue our efforts to constantly create value for our shareholders by integrating sustainability in all our operational parameters. We present our performance and challenges through this Report and look forward to your valuable feedback.

*Shyam S. Bhartia*

**Shyam S Bhartia**  
Chairman &  
Managing Director

*Hari S. Bhartia*

**Hari S Bhartia**  
Co-Chairman &  
Managing Director

## OUR VALUES



# 01 Business Overview

We have been amongst the first few companies in India to have believed in transparency and to come up with a Sustainability Report way back in 2002-03.

Being preferred partner of choice for Life Science Ingredients customers, we believe in Applying Science to Enrich Life.



Radiopharmaceutical Operations, Canada

The four key pillars of our success are integrated operations, global outreach, innovation and sustainability

Jubilant Life Sciences Limited (JLSL) is a globally integrated pharmaceutical and life sciences company. Our portfolio includes Pharmaceuticals (Active Pharmaceutical Ingredients, Solid Dosage Formulations, Radiopharmaceuticals, Allergy Therapy Products, Contract Manufacturing of Sterile Injectables, Drug Discovery Solutions and India Branded Pharmaceuticals) and Life Science Ingredients (Life Science Chemicals, Nutrition Products and Advance Intermediates &

Specialty Ingredients) . We have 7 manufacturing facilities in India and 3 in North America.

It has indeed been an exciting journey since the Company began its operations as Vam Organic Chemicals. Since then, we have taken a path of transformation and become a diversified speciality chemicals and pharmaceuticals company, offering a wide range of products. Since last 13 years we are leveraging sustainability for our growth.



## Life Science Ingredients

Life Science Chemicals,

Nutrition Products

Advance Intermediates & Specialty Ingredients)

## Pharmaceuticals

Active Pharmaceutical Ingredients,

Solid Dosage Formulations,

Radiopharmaceuticals,

Allergy Therapy Products,

Contract Manufacturing of Sterile Injectables,

Drug Discovery Solutions

India Branded Pharmaceuticals



7

We have seven manufacturing facilities across India.

3

We have three manufacturing facilities across the USA and Canada.

## Jubilant Pharma Ltd... Our wholly-owned subsidiary

2014 has been a milestone year as the Company consolidated Pharmaceuticals and Life Science Ingredients under two independent verticals to decouple the Pharmaceuticals segment (under Jubilant Pharma Ltd.) from the Life Science Ingredients (LSI) segment thereby harnessing the true potential in each business to aid focussed faster growth for the Company.

Jubilant Pharma Ltd. product range includes Active Pharmaceutical Ingredients, Solid Dosage Formulations, Radiopharmaceuticals,

Allergy Therapy Products, Contract manufacturing of Sterile Injectables. Its manufacturing facilities include two plants in India and three in North America. In this report, we are giving a Geographical Overview to introduce this new company – covered in Chapter 8 and 9.

We are also the first Indian Company to have joined the organisational stakeholder program of Global Reporting Initiative (GRI), when it was launched in India in 2005.

## Highlights



**EBITDA** FY2014-15  
₹ 7,317.1 Million

**₹7.3bn**

**Revenue** FY2014-15  
₹ 58,262.48 Million

**₹58bn**

**Major  
Operating  
Cost**  
FY2014-15

**₹35.6bn**

**Community  
Investment**

FY2014-15  
around Indian Operations

**₹21.6mn**



Over the years, the Company has leveraged its state-of-the-art R&D facility to grow, diversify and scale higher. We have a team of 900 highly qualified R&D professionals working at Jubilant Life Sciences and its subsidiaries in India and abroad. Also, Jubilant has a customer base spread across 100 countries.

## Business Segments

Pharmaceuticals &  
Life Science Ingredients

## Manufacturing Locations

10

India, USA  
and Canada

## Ground Presence

India, China, USA, Belgium  
and Canada

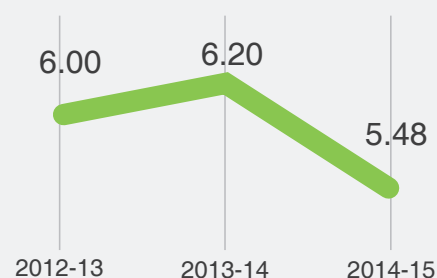
## Listings

Bombay Stock  
Exchange  
National Stock  
Exchange &  
ISIN

## Community Investment around Indian Plants ₹ million



## Total Water Withdrawal Million m<sup>3</sup>



## Net taxes paid to Government

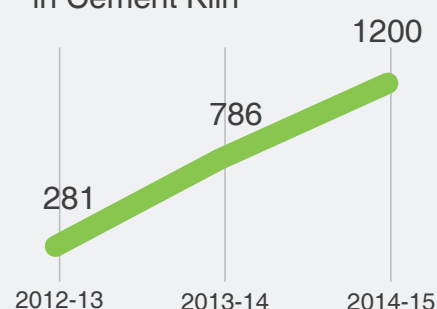
₹737.46  
million

at the consolidated level  
(excluding deferred taxes  
and minimum alternate tax)

## Fatal Accidents



## Hazardous Waste Co-processing in Cement Kiln



# Global Presence



## OUR MANUFACTURING FACILITIES:

### Jubilant Life Science Ingredients

- **Nira, Maharashtra, India**  
Manufacturing facility for Life Science
- **Samlaya, Gujarat, India**  
Manufacturing facility for Nutrition Products
- **Bharuch, Gujarat, India**  
Manufacturing facility for Vitamins and Pyridine derivatives
- **Ambernath, Maharashtra, India**  
Manufacturing facility for Pyridine derivatives
- **Gajraula, Uttar Pradesh, India**  
Largest manufacturing facility in the world for Pyridine and its derivatives





#### **Jubilant Pharma Limited**

- **Kirkland, Canada**  
Manufacturing facility for Radiopharmaceuticals,  
CMO of Sterile Injectables
- **Spokane, USA**  
Manufacturing facility for Allergy Therapy Products  
and CMO of Sterile Injectables
- **Salisbury, USA**  
Manufacturing facility for Generics
- **Nanjangud, Karnataka, India**  
Manufacturing facility for APIs
- **Roorkee, Uttarakhand, India**  
Manufacturing facility for Generics

## Awards & Accolades

Our stakeholders have recognized our commitment and contribution to the Society through various awards. We are inspired by their recognition and will continue our efforts in the future.



ASSOCHAM  
Responsible  
Organisation  
Excellence  
Awards-2015

### Best IT Implementation

Dataquest Business Technology  
Awards for Best IT Implementation  
in Analytics, Mobility, Cloud, ERP/  
CSM/CRM March 2015

### Responsible Organisation Excellence

ASSOCHAM's 'Responsible  
Organisation Excellence'  
Award 2014-15 - February 2015

### Insights Award

I.C.O.N.I.C IDC Insights Award, under  
'Health and Life Sciences' vertical -  
February 2015

### Excellence in Corporate Governance

Golden Peacock Global Award for  
Excellence in Corporate Governance  
for the year 2014, October 2014

### Process Innovator Award

FICCI 'Chemicals & Petrochemicals  
Awards' 2014 - "Process Innovator  
of the Year 2014" in Fine Chemicals  
category - October 2014

### Business Excellence Award

Golden Peacock Business Excellence  
Award 2014, recognised under the  
'Chemicals and Pharmaceutical  
category' to the Gajraula Plant, India -  
September 2014

## Golden Peacock Global Award for Excellence in Corporate Governance



## Environment Award

15th Annual Greentech Environment Award 2014 - Gold Category Winner under Chemicals and Pharmaceutical sector - Gajraula Plant, India - January 2015

## Excellence in Corporate Social Responsibility

Two Awards at UBM India Pharma Awards 2014: Excellence in Corporate Social Responsibility & Excellence in Environment, Health & Safety (EHS) - December 2014

## Energy Efficiency Award

CII Energy Efficient Unit Award 2014, conferred to Gajraula Plant, India - November 2014

## Quality Systems Excellence Awards

3rd FICCI Quality Systems Excellence Awards for Manufacturing 2014 - First Prize in the large size category presented to Gajraula Plant, India - June 2014

## Sustainability Leaders Award

50 Most Talented Sustainability Leaders Award, conferred to Jubilant Life Sciences's CSO Mr. Ganesh C. Tripathy during the World CSR Congress February 2015

## Express Uptime Champion Award

CIO 100 Awards and Express Uptime Champion Award conferred on Jubilant Life Science's CIO Mr. Umesh Mehta - November 2014



## 02 Report Profile

Jubilant has a robust mechanism for reporting triple bottom line performance i.e., economic, environmental and social.



The report was submitted for the GRI Application Level Service and GRI has confirmed that the report was prepared according to the GRI G3.1 Guidelines, at Application Level A+.

For more information on our Sustainability Initiatives and in case of queries, clarifications or feedback related to the Report, you can write to:

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This 13th Corporate Sustainability Report is published as per the Global Reporting Initiative (GRI) G3.1 Guidelines at Application Level A+ for the Financial Year 2014-15. It is brought out in addition to the Company's Annual Report and the Annual Report for Jubilant Bhartia Foundation. The last Corporate Sustainability Report for the Company for 2013-14 "Instrument for Change" was released in 2014. An annual reporting cycle is maintained for all our Corporate Sustainability Reports and these are available on the Company's website [www.jubl.com](http://www.jubl.com).

Jubilant has a robust mechanism for reporting triple bottom line performance i.e., economic, environmental and social. The

report is compiled in-house by the Corporate Sustainability team. The primary data from the manufacturing facilities are compiled through designated softwares and systems such as BAAN, HRIS, SAP. BAAN, an Enterprise Resource Planning (ERP) software, is deployed for financial accounting and reporting and People Soft Human Resource Information System (HRIS) is utilised for human resource data accounting. The data presented in the report is verified through systematic internal & external audits. While determining the materiality issues for the Company, both internal & external stakeholders were considered (For details refer Stakeholder Prioritization & Materiality Assessment section Chapter

The Sustainability Reports for all the years are available on the Company's website [www.jubl.com](http://www.jubl.com)



The key subsidiary companies of Jubilant Life Sciences covered in the Report are as follows:

#### 1. Jubilant Pharma Ltd. (JPL)

- Jubilant HollisterStier LLC, Spokane, USA
- Jubilant DraxImage Inc., Kirkland, Montreal, Canada
- Jubilant Cadista Pharmaceuticals Inc., Salisbury, USA
- Jubilant Generics Ltd.

#### 2. Jubilant Chemsys Limited, India

#### 3. Jubilant Clinsys Limited, India

#### 4. Jubilant Biosys Limited, India

#### 5. Jubilant Infrastructure Limited, India

11). These include stakeholders who can affect the operations/ performance of the Company and others who are affected/ impacted by the Company. Based on this materiality assessment and other internal & external factors, the Company decided to report on all Core and few additional Indicators of GRI G3.1 Version.

There are no changes in the scope, boundary and measurement methods for this year's report. There are no significant changes during the reporting period regarding size or ownership of the Company. The only change in the structure is that R&D at Noida, API plant at Nanjangud and Solid Dosage Formulations plant at Roorkee are now held by Jubilant Generics Limited, a 100% owned step-down

subsidiary of Jubilant Life Sciences Limited. However, all of these locations were covered under previous reporting boundary of Jubilant Life Sciences.

All operations of the Company within India and North America are covered, which include 10 Manufacturing Facilities, Research and Development centres and the Corporate Office at Noida. Energy and Water Consumption data for the employee colonies are included wherever they are adjacent to our manufacturing locations. All the marketing offices are out of the scope of this Report. The Report also includes subsidiaries which are directly under the control of the Company and those which have a significant impact on the sustainability performance of the organisation.

### Restatement

In this report, we have made corrections in the figures of ODS (R22) Emission quantity, Total indirect energy and GHG emission quantity and % Renewable Raw Material for the year 2013-14

### Independent Assurance

M/s Ernst & Young LLP has conducted independent assurance for this report and their Assurance Statement is a part of this report.

## 03 Economy... Growing with Number

The Company believes in a sustainable business growth model, while caring for the environment. It ensures internal controls through its internal audit team and the annual statutory audit is carried out by the third party in line with the country's regulation. The financial performance is assessed and publicly reported on approval of the Board, periodically.

The Company ensures internal controls through its internal audit team and the annual statutory audit is carried out by the third party in line with the country's regulation.



“Sustained strong performance in our Radiopharmaceuticals business and normalisation of CMO operations supported revenue growth in the Pharmaceuticals segment. In Life Science Ingredients, Nutritional Products and Fine Ingredients recorded healthy growth. Going forward, we expect the Pharmaceuticals segment to drive revenue growth with improvement in profitability in key businesses across both the segments. We also expect the management consolidation to drive the businesses in a focussed manner and to improve its operating performance. We will also continue our endeavours to strengthen the balance sheet.”

Chairman, and Co-Chairman & Managing Director



## FY2015 Highlights

₹ 5,826 cr

Consolidated  
Revenue

₹ 2,682 cr

Consolidated  
Pharmaceuticals  
Revenue

46%

Consolidated  
Pharmaceuticals revenue  
contribution to the overall  
revenue mix

₹ 3,144 cr

LSI revenue

54%

LSI revenue  
contribution to the  
overall mix

₹ 4,157 cr

International  
revenues

71%

International revenues  
contribution to the  
overall revenues

₹ 732 cr

International  
EBITDA

12.6%

International  
EBITDA Margins

## Geographical Overview

In FY2015, revenues from North America were at Rs. 2,191 Crore, contributing 38% to the revenue mix. Revenues from Europe and Japan stood at Rs. 1,175 Crore, contributing 20% to the revenue

mix. Revenues from ROW including China stood at Rs. 791 Crore, contributing 14% to the revenue mix. Domestic revenues stood at Rs. 1,669 crore, up 13% YoY and contributing 29% to the revenue mix. In monetary terms, 40.79 % of the material was sourced locally whereas 59.21 % was sourced from other countries for Indian operations in 2014-15.



GRI G3.1	Economic Performance	Units	2011-12	2012-13	2013-14	2014-15
<b>EC1</b>	<b>Direct Economic Value generated</b>					
	REVENUE	INR Million	43,031.30	51,659.50	58,033.63	58,262.47
	EBITDA	INR Million	8,930	10,858	10,267	7,317.1
	Normalised PAT	INR Million	3,633	3,449	3,235	(-) 96.6
<b>EC2</b>	<b>Economic Value Distributed</b>					
	Major operating costs	INR Million	25,388.26	29,394.21	35,034.46	35,562.06
	Employee wages and benefits	INR Million	8,363.64	9,625.84	11,051.68	10,902.76
	Payments to providers of capital	INR Million	555.36	559.05	544.55	575.12
	CSR Investment Around Indian Operations	INR Million		22.4	21.19	21.6
	Retained Earnings	INR Million	22,411.01	24,601.91	26,110.68	24,375.86
	Community Investment	INR Million	39.53	41.58	72.33	102.48
<b>EC3</b>	<b>Company Contribution in Long term employee benefits</b>					
	PF Contribution	INR Million	220	244	279	304
	Pension Contribution	INR Million	20	23	23	40
	Superannuation Contribution	INR Million	15	14	12	10
	Total	INR Million	255	281	314	354
<b>EC4</b>	<b>Significant financial assistance received from government</b>					
	Total	INR Million			250.15	182.07

## Customer Safety, Privacy and Product Stewardship

At Jubilant, a multi-pronged approach is established for Customer Safety, where in internal teams constantly work to upgrade product safety information, ensure high quality product and appropriate packaging and labelling of the products, in accordance with customer specifications, applicable international guidelines and regulatory requirements. Material Safety Data Sheets (MSDS) are maintained and provided to customers for all products. Depending on the type of product and end customers, systems are in place for appropriate handling of products during transportation and end use. The Company pays special attention to protecting its customers' intellectual rights and privacy. There have been no reported incidence of breach of customer privacy and losses of customer data.

Jubilant complies with national and international product safety standards such as Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) for European Union and China, Feed Additives and Pre-mixtures Quality System (FAMI-QS), and KOSHER and other notification



Plantation by Mr. Brian Roberts, DOW Customer visit, Ambernath 11 April, 2014

obligation of countries such as Turkey, Taiwan, Australia, New Zealand and Japan. We are committed to achieve REACH objective of enhanced protection for human health and environment and diligently follow the REACH guidelines of the European Chemical Agency. Jubilant has already successfully completed the registration of all first-tier and second-tier chemicals. Registration of third-tier chemicals is currently in progress. Jubilant has also



DOW Customer visit at Ambernath 11 April, 2014





Majority of our Chemical movement is through GPS controlled ISO Containers

successfully passed the REACH and CLP inspection (Classification, Labelling and Packaging Inspection) carried out by the National Enforcement Authority of the EU member State.

All the products under our animal nutrition business are FAMI-QS certified which ensures safety, quality and regulatory compliance of specialty feed ingredients and their mixtures for animal nutrition. Some of these products are used in the food industry and the facilities (Nira and Bharuch) involved in manufacturing these products are KOSHER certified. This is to assure the customer that none of the products contain any ingredients of animal origin. In addition to the above systems, Jubilant Life Sciences also has AFSSAPS (Agence Francaise de Produits Safety Agency), GMP approvals for certain products, PMDA approval (Pharmaceuticals and Medical Devices Agency, Japan) for exporting Risperidone HCl to the Japanese market, KFDA (Korea Food and Drug Administration) for exporting Valsartan and Losartan to the Korean

market, COFEPRIS approval for exporting Pinaverium Bromide to the Mexican market, ANVISA, Brazil approval for exporting Carbamazepine to the Brazilian market and TGA, Australia approval for exporting certain products to Australia. The Carbon Dioxide manufacturing facility at Gajraula has been certified for Food Safety System Certification (FSSC) 22000:2012.

International labelling guidelines are followed for communication of hazards, along with customer specific requirements. The Company also uses Braille Code for products meant for the end-consumers in Europe. CLP guidelines are followed for the customers in Europe, 'China GHS' (Global Harmonised System) for China, 'Korea GHS' for the Korea and 'World GHS' is followed for United States and the rest of the world.

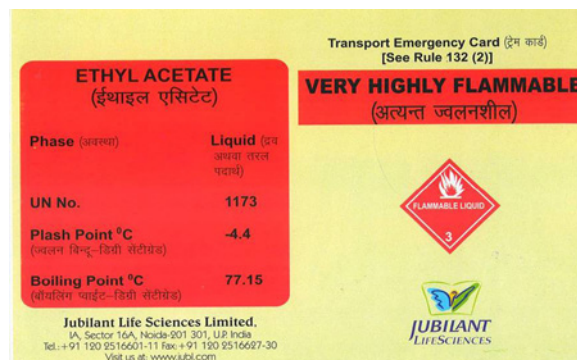


Sample Trem Cards

Transport Response and Emergency Management (TREM) cards are provided to the drivers with necessary information for reducing hazards due to emergency situation during transportation. The Company adheres to the transport labels which are governed by the guidelines of the International Air Transport Association (IATA), for shipments by Air, and International Maritime Dangerous Goods (IMDG), for shipments by the Sea, and ADR (European Agreement concerning the International Carriage of Dangerous Goods by Road) for road transport. Labels are updated to meet the requirements of these guidelines and regulations, as and when required. Customer feedback is taken using a standard customer feedback form at least once a year.

During the reporting period, there has been no non-compliance with regulations resulting in penalty with regards to safety impacts of Jubilant's products and services during their lifecycle. However, the Jubilant HollisterStier LLC facility at Spoken received a warning letter from the US Food

and Drug Administration (FDA) in 2013-14 due to certain Current Good Manufacturing Practices (cGMP) concerns observed by the regulators. All the queries raised by the US FDA have been answered within the due date. FDA has changed the status of the Spokane site, USA from "official action indicated" to "voluntary action indicated", and issued an Establishment Inspection Report (EIR) to the site. These changes in status and the issuance of an EIR to the Spokane site means the FDA considers all previous inspections of Spokane to be successfully concluded.



Emergency Information Stickers

The Company has established a system of audit of External Manufacturers once in a year. An essential part of the evaluation is the regular ongoing partnership with suppliers to drive meaningful improvements.



## Environmental Impact of Products and Services

Due to the inherent nature of our products, their environmental impact mainly depend upon the way they are handled. The environmental impact arising out of the manufacturing processes of the products are taken care of in line with local regulations at the manufacturing locations. The products are packaged in bulk quantity which considerably reduces the Company's consumption of packaging materials. Certain products are transported in tankers, thereby eliminating the use of packaging material. Some products are sent in drums and carboys, which are reused wherever feasible. The overall environmental impact, in case of business to business (B2B) model, is limited and is also taken care of by the customers.

## EHS & Quality Evaluation of External Manufacturing

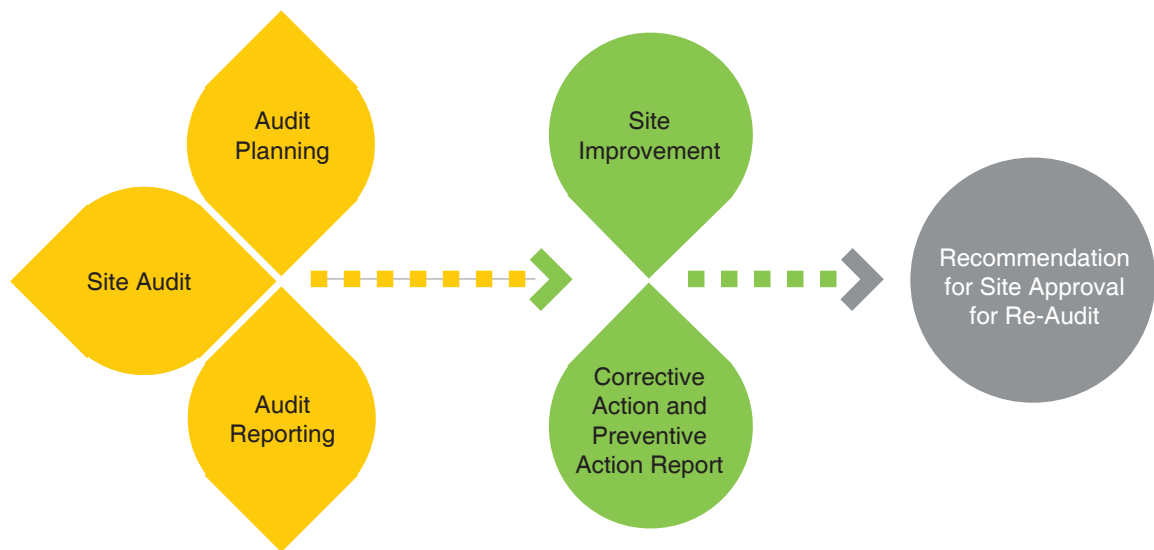
In order to go deep into our supply chain to enforce our quality, environmental, health, safety and security standards, we have introduced EHS & Quality Evaluation of our External Manufacturing sites in 2013. This is a formal system aimed at improving external manufacturing sites to maintain quality, provide a safe working environment with minimal environmental impact and compliance to applicable laws.

The Company has established a system of audit of External Manufacturers once in a year with a defined EHS checklist, but not limited to it. This year, the vendor evaluation system has been re-designed to cover voluntary requirements as per GRI G4, RC 14001 and also IFC EHS performance standard requirement. The new system is under approval and will be rolled out in the coming year.

All the External Manufacturers will be audited by our internal EHS & Quality team and the auditors shall ensure validation of desired regulatory licenses and approval, safety systems in place, penetration and awareness of EHS & Quality system and status of previous EHS & Quality audit observation.



## EHS & Quality Evaluation of External Manufacturing



On the audit completion, an audit report must be shared with the auditee, defining audit observations in three main categories, i.e., Mandatory, Essential and Desirable requirements and compliance percentage. An essential part of the evaluation is the regular ongoing partnership with suppliers to drive meaningful improvements. External manufactures shall provide the audit compliance report with supporting documents including a time-bound action plan and the resources required. These reports will be evaluated for adequate and satisfactory results, based on which the audit will be closed and external manufacturers will be recommended for approval. The new vendors are only registered, post satisfactory vendor evaluation.

The EHS and Quality Evaluation of External Manufacturing sites is a challenge — and a continuous one. We intend to make meaningful improvement at the sites we work with. During 2013-14 our auditors conducted 15 comprehensive in-person audits in the first phase. In 2014-15, a total of 9 new and 22 existing raw material and packaging material supplier's evaluation was conducted. In addition, our quality team has also evaluated 18 numbers of existing and new contract manufacturers in the current reporting period. During the year, dedicated EHS audit was conducted for 3 external manufacturers of India Pharma Business. There were no reported cases of violation of human rights regulation by our suppliers during the reporting period. Once the suppliers performance was rated, we could partner with them and work onsite to drive change. Accountability and improvement — for the suppliers and for ourselves — are among our core objectives, and hence, we are continually strengthening our efforts.

## 04 Safety... Our Top Priority

The primary nature of our business necessitates a solid foundation for our safety. Therefore, maintaining the health and safety of our employees is critical to our Company

Our constant focus is to sustain the high morale of our employees at all times. Safety Training and Awareness workshops are conducted regularly, covering both permanent and contract employees, to avoid and reduce unsafe acts and situations within the location premises.

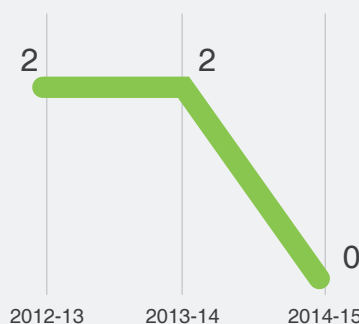
The year 2014-15 will be marked as a promising one in the history of Jubilant Life Sciences in terms of employees' safety. During the year, we achieved 'Zero Fatality' across all our manufacturing locations. The organisation has matured from having 2 fatalities each in past two years to Zero fatality this year. Our approach of 'Safety as a value' was introduced in 2013. As a key input to change, post-accident surveillance has been conducted with non-tolerance which raised the importance of safety within the organisation.

The Behaviour Based Safety approach introduced last year, along with the aspect of safety integration added in all our business discussions covering CEO Reviews, SBU Reviews and Plant Reviews, have showed positive results in emphasising need for safety at the workplace.

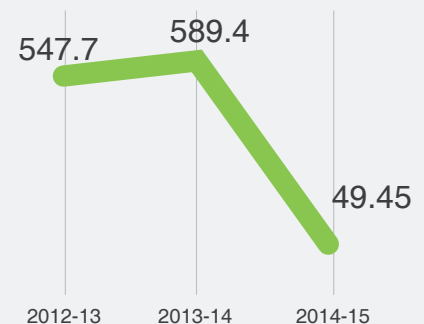
### Enhancement of Leading Indicators

We have introduced improved tracking system for First Aid cases, Medical Treatment cases and Near Miss incidents. We have also improved training hours, hazardous analysis and planned inspections. Last year, a total of 47371, man-hours of safety training was conducted involving permanent and contract employees.

Fatal Accidents



Lost Time Severity Rate



## Safety as a Key Performance Indicator

In addition, safety targets have been made a part of the key performance indicators (KPI) of all HODs and the Senior Leadership team, this year. We have made safety as our line managers' accountability and a mainstream activity. Inter-departmental safety audits are being conducted once each quarter. With all the efforts, our First Aid Cases have reduced showcasing our commitment towards safety of our employees. Reducing reportable accidents remains a top priority for protecting our people.

The company believes that Safety is a journey, and this is only a good beginning. We are yet to take a rewarding course and need to go a long way ahead. Safety is non-negotiable and we must relentlessly focus on driving safety through visible leadership.



Suraksha Mitra:  
Our Safety  
Mascot

Safety Tool Box  
Talk at the begning  
of the shift



Safety PPE display at Manufacturing Locations



## Behaviour Based Safety

Leadership plays a critical role in driving the safety culture. With the intention of bringing about safety at the forefront, we rolled out the “Behaviour Based Safety” (BBS) campaign last year across our manufacturing locations in India and it has shown positive results already. The key elements of BBS were: Six Step Process, Safety Committees Structure, Personal Safety Plan, Training by Experts and Internal Training.

## Quantitative Risk Assessment

In addition, the Company decided to conduct Quantitative Risk Assessment (QRA) for its manufacturing facilities in order to identify critical chemical hazards related to storage facilities, pipelines and bulk transport inside the plant premises. The QRA Study included verification of existing safety measures to prevent an incident, identification of gaps in present safety measures, and scenario assessment along with suitable corrective actions for augmenting the current system for prevention of accidents. In 2012-13 the QRA study has been conducted for Bharuch & Gajraula plants and this year the QRA Study was conducted for Nira & Nanjangud.

Occupational Health Centre at Nira



## National Safety Day celebration at Nira



## 4rth March-National Safety Day Celebrations

Safety Week is a tool used by Jubilant to support the National Safety Council (NSC)-India Safety Day initiative to spread awareness on workplace safety and industrial accidents. Every year, week long celebrations are organized at Jubilant to mark the importance of National Safety Day – 4rth March. Various safety awareness campaigns and activities are carried out to inspire employees about the importance of safety.

The NSC theme for 2015 was “Build a safety culture for sustainable supply chain”. Jubilant celebrated National Safety Week by adopting this theme with a special focus on our Outsourced manpower; our key stakeholders and a part of Supply Chain. The week was celebrated with Outsourced Manpower & the agencies providing us the manpower for our activities.

This was inspired by the idea of continuous risk mitigation at Shop Floor through line managers, with the focus of involving everyone as part of risk reduction. The Five Strategic Improvement Areas adhered to were: Mandatory one-hour training on basic Do's & Don'ts; HOD training, PPE inspection and proper PPE use demonstrations, Tool box talk and participation at the beginning of Shift and Unsafe act spotting and counselling sessions. Each manufacturing plant crafted its own agenda. The awareness campaigns included: Safety pledge, Safety exhibition, Contract Workers Trainings, Quiz Slogan and Poster competition. In addition to this, there was a training for emergency responders on the roles and responsibilities of emergency responders in case of an emergency, along with the fire equipment operation training. The campaign was extended to the local community also.

## 05 Environment Preservation... For Future Generations

To maintain and preserve the environment is always a challenge to a chemical and pharmaceuticals business. However, Jubilant is always set to travel the extra mile and meet the impending challenges.

Chemical Effluent Treatment Plant at Gajraula



Our specific performance against each of these objectives are reported to our Board of Directors and also presented in our Corporate Sustainability Report. In addition to this, specific EHS Goals are set and tracked under the Environment and Safety Management Systems at the respective manufacturing locations.

Our management has adopted the best available technologies to manage the environmental issues arising out of its activities. In 2014-15, a total expenditure of about 393 Million INR was incurred along with approval of capital expenditure projects worth 132 Million INR for environmental pollution control and management measures.



## Online Monitoring Equipment

Jubilant has installed 16 Continuous Online Emission Monitoring Systems at Gajraula, Nira and Bharuch for the online monitoring of vital pollution parameters, including SO<sub>x</sub>, NO<sub>x</sub> and PM.

Online Stack Monitor at Gajraula



## Resource Optimisation

Jubilant has taken up several resource saving initiatives at each of its manufacturing locations. During the reporting period, a total of 88 new projects were taken up by the Business Excellence team, which led to a savings of 383 Million INR. In addition, a saving of 54.3 Million INR was incurred from the implemented projects of the previous year. All these initiatives helped the Company save 0.25 Pj energy, amounting to 2.4% of the total energy consumed by the Company.

Other than a small spillage of 50 litres of spent sulphuric acid in one of our plants, no other case of significant spill has been reported during the reporting period.

## Awareness Initiative

World Environment Day was celebrated on 7th June, 2014 involving the employees and their family members at the Head Office and all its units. Also, on 5th September, 2014, an external sustainability training was conducted by M/s Ernst & Young Pvt. Ltd., involving 107 employees from the Corporate Office and five plants in India.

## Energy Management

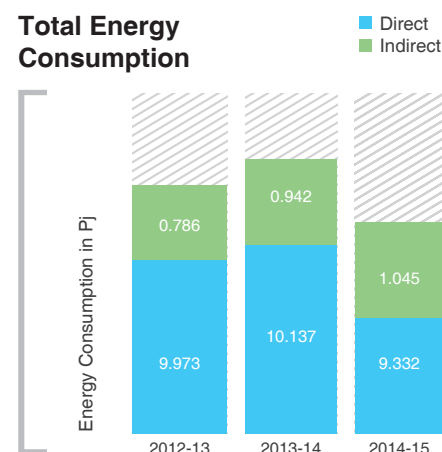
The total energy consumption decreased by 6% against the previous year. Of the total energy consumed, 10.1% has been through indirect sources, as against 8.5% in the last year, while 4.7% of the total direct energy was by way of renewable energy sources vis-à-vis 6.85% in the previous reporting year.

“CII Energy Efficient Unit Award 2014, conferred to our Gajraula Plant, India November 2014”

World Environment day celebration at Corporate Office



Total Energy Consumption

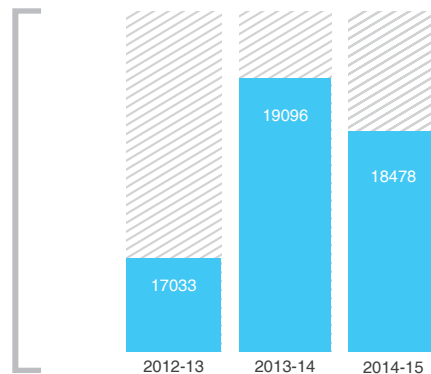


“This year a new rain water harvesting structure has been constructed at our Corporate Office at Noida, with total connected roof top area of 1,430 sq. meter.”

## Water and Waste Water Management

Jubilant is continuously optimising its water consumption through process modification and the adoption of new technologies. The Company strives to recycle usable water from the effluents after treatment with the aim of reducing our fresh water intake. The Company has also implemented rain-water harvesting facilities, enabling recharging of ground water. Most of our major manufacturing locations have adopted a “zero discharge” strategy. The Company has also installed waste-water treatment facilities at all the major plants. Currently, none of the water sources are significantly affected by the withdrawal of water.

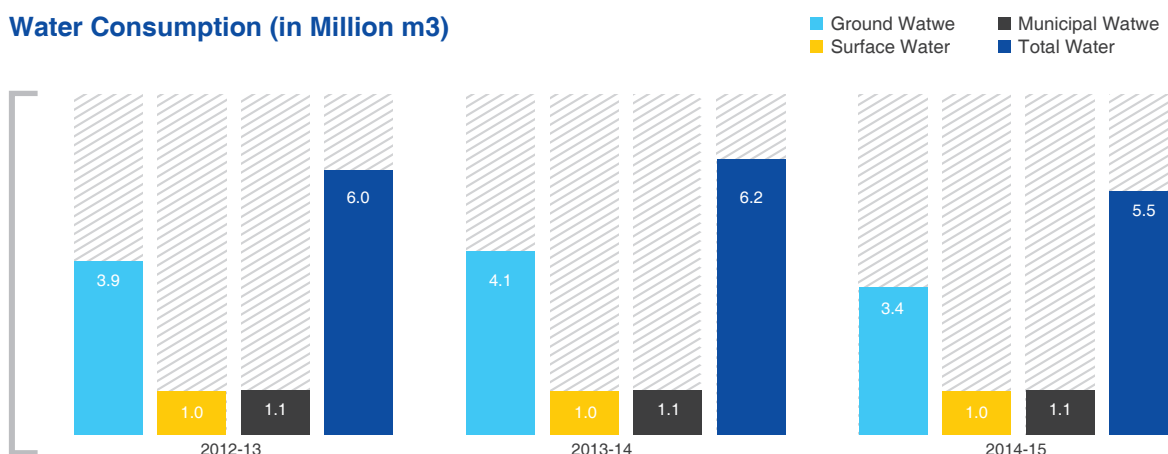
### Total Hazardous Waste Disposed (MT)



## Waste Optimisation

The Company is moving away from waste treatment to a waste minimisation mode. Such a move involves sustainable recovery of resources by seeking optimal recovery of materials from the wastes. Some of the salts currently recovered from the Effluent Treatment Plants are: Potassium Carbonate from Citalopram Hydro Bromide Process, Ammonium Bromide and Ammonium Chloride from Tramadol Hydrochloride Process, Sodium benzoate from Ox-carbamazepine process, Sulphuric Acid from Lamotrigine process, and Dimethyl Sulfoxide (DMSO) from Citalopram manufacturing process. At Jubilant, the non-hazardous wastes are either recycled or reused by the third parties. Fly ash, metal scrap, plastic scrap, paper and wooden material scraps are a few major contributor of non-hazardous waste.

### Water Consumption (in Million m3)



## Waste Storage Area at Gajraula Plant



Hazardous waste storage area

## Co-processing hazardous waste in cement kiln

Jubilant has adopted a co-processing technique for scientific disposal of some of its hazardous waste. By adoption of this method, hazardous waste material which was earlier incinerated in-house is now sent to cement kilns for co-processing. This assists in utilisation of hazardous wastes as an alternative fuel for the cement industry. Co-processing leads to complete thermal destruction of such hazardous wastes.

During the current reporting period, the volume of hazardous waste co-processed has increased to 1,200 MT against 786 MT in the previous year.



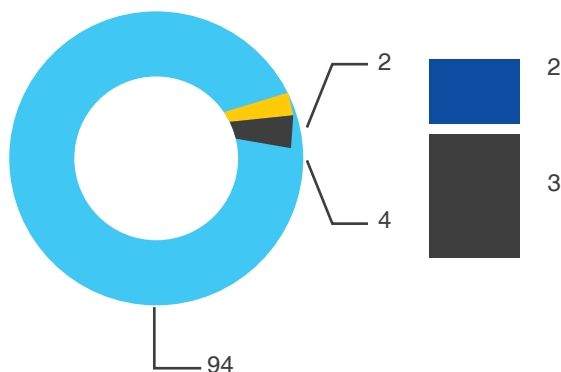
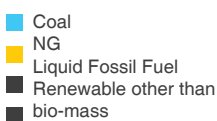
## Climate Change Mitigation and Response

Climate change is real and our impacts do matter. Hence, we constantly strive to reduce our energy consumption and bring down our carbon footprint. Bio-mass, biogas and bio-diesel are the key renewable energy sources in the overall energy mix of our Company. We have also invested significantly to generate energy from our distillery effluent in the form of bio-gas and slop, fired in the boiler. Jubilant monitors and reports its GHG emissions regularly. It is one of the few companies in India disclosing GHG emissions and taking voluntary reduction initiatives by participating in the Carbon Disclosure Project (CDP), which is holding the largest database of primary corporate climate change information in the world.



Plantation in an around Gajraula

### 2014-15 Direct GHG mix in %



## Transport Emission Reduction

Jubilant is gradually shifting its transportation mode from road to rail to further reduce the Company's carbon footprint. In order to do this, the Company is re-organizing its transportation from Mundra Port to Gajraula Route and adopting railways. This has helped us to reduce 1406 tCO<sub>2</sub>e GHG emissions during current year against 674 tCO<sub>2</sub>e in last year (data revised this year) .

## Plant Emissions Reduction

We realise that air pollution and climate change issues are linked to different types of emissions from its operations. We have put in place necessary control measures, along with a monitoring system to check their performance against local regulations. While electrostatic precipitators, scrubbers, thermal oxidizers and cyclones are used for air pollution control, other initiatives such as technology change, switching to renewable energy and improving energy efficiency are also applied to reduce GHG emissions. The Company does not manufacture products containing Ozone Depleting Substances (ODS). The banned ODS has been phased out as per the applicable regulations. At Jubilant, the emission of ozone depleting substances is primarily due to the use of ODS-based refrigerants in air-conditioners and chilling plants. This year, the total ODS emission was 259 kg CFC 11 equivalent, as against 223 kg CFC 11 equivalent in 2013-14.

15th Annual Greentech Environment Award 2014 - Gold Category winner under Chemicals and Pharmaceutical sector - Gajraula plant, India January 2015

## Bio-Diversity

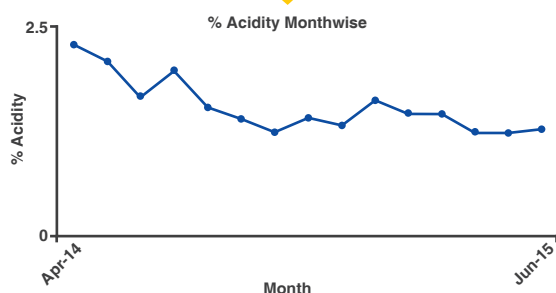
All our manufacturing facilities are located outside any biodiversity sensitive or notified protected area therefore there is no such case of habitats significantly affected by discharges of water and runoff from Jubilant. Further, the Company conducted avifauna studies at Gajraula & Nira in the year 2009 & 2012. No species listed in the International Union for Conservation of Nature (IUCN) Red List and National Conservation List was found to exist in or near the operations of the Company.

Ambient condition at our Manufacturing Locations



## Transformative Efforts in Technology Development & Advancement

### Recovery of Chemicals and Reduction of Effluents: Acetic Anhydride Plant-Nira



**Acidity Reduction in Effluent at Nira**

Through process modelling and piloting, it has been established to reuse the final effluent stream as a replacement for fresh de-mineralised (DM) water at Nira acetic anhydride plant. This water was earlier being used for dilution in the manufacturing process of acetic anhydride. The initiative resulted in 40% reduction in chemical content in the effluent and the quantity of effluent sent to EPP for treatment by 50%. This eventually led to reduction of operating cost and the environmental footprint.

### Advanced Effluent Treatment Technology at Ambernath



**New Effluent Treatment Plant at Ambernath**

A new technology for effluent treatment based on non-biological Advance Oxidation Process (AOP) has been developed and installed at Ambernath. The technology, experimented for the first time in Jubilant, has been implemented through rigorous testing and piloting for its performance for effluents from the Synthetic Organic Manufacturing process. Due to non-biological treatment process, the process control, performance during fluctuation and recuperation after any disturbance happens within hours, as compared to few weeks taken in a biological process. The facility provides an assured and reliable treatment system, thus reducing the environment footprint at Ambernath.



## New Technologies for Environment Management

## Membrane Filtration for reducing Distillery Effluent Quantity



Electro-Oxidation Effluent Treatment Technology

We are continuously pursuing effluent reduction norms, and we are also engaged with Various Research Organisations to develop alternate treatment schemes for our effluents.

We are currently engaged with leading research institutes such as NEERI, Nagpur; NCL, Pune; IIT Delhi and various other private organisations with technical know-how on AOP for effluent treatment. During the year, we successfully developed a treatment scheme with a private organisation for effluents using Electro Oxidation Process for Ambernath. We are also piloting with these organisations for other effluent streams. Jubilant makes a vital contribution to the chemical industry's prosperity through the support extended to entrepreneurs and small experiments. The initiatives taken during the year are expected to yield promising results in the forthcoming year.



High Pressure Reverse Osmosis Plant at Nira

We have adopted the Membrane Filtration technology for reducing the distillery effluents by recovering water and treating the rejects through bio-composting. During the year, we undertook rigorous joint developmental activities with the OEM at Nira. For the first time in India we adopted a High Pressure Membrane Filtration System that will increase water recovery by 20%. This will reduce the quantity of reject effluents being treated in bio-composting. This technology is far more economical compared to the only other alternate option of incineration. It will pave way for sustained operations at Nira and also promising for adoption at Gajraula.

## 06 Community Development... Sharing with Partners

We engage with communities around our manufacturing locations with the objective of bringing about progressive social change through our community development programs. Jubilant Bhartia Foundation (JBF) is a “not for profit” organisation established in 2007 by the Company to implement its Corporate Social Responsibility programs.



Women Empowerment and Awareness

The new amendment in the Company's Act 2013, Sec-135, Schedule VII is applicable on our Company and accordingly we have re-aligned our efforts. The Company has formulated its Corporate Social Responsibility Policy this year and renamed its Sustainability Committee as 'Sustainability and CSR Committee'. The Committee accorded its approval

to implement its CSR activities through “Jubilant Bhartia Foundation” which is a Section 25 Company (Sec 8 as per new Act) in line with the provisions of the Act. The Company continues to focus on the communities around its manufacturing locations in India for its CSR projects.

## Our Community Initiatives are aligned to the Millennium Development Goals:

### Goal 1: Eradicate Extreme Poverty and Hunger

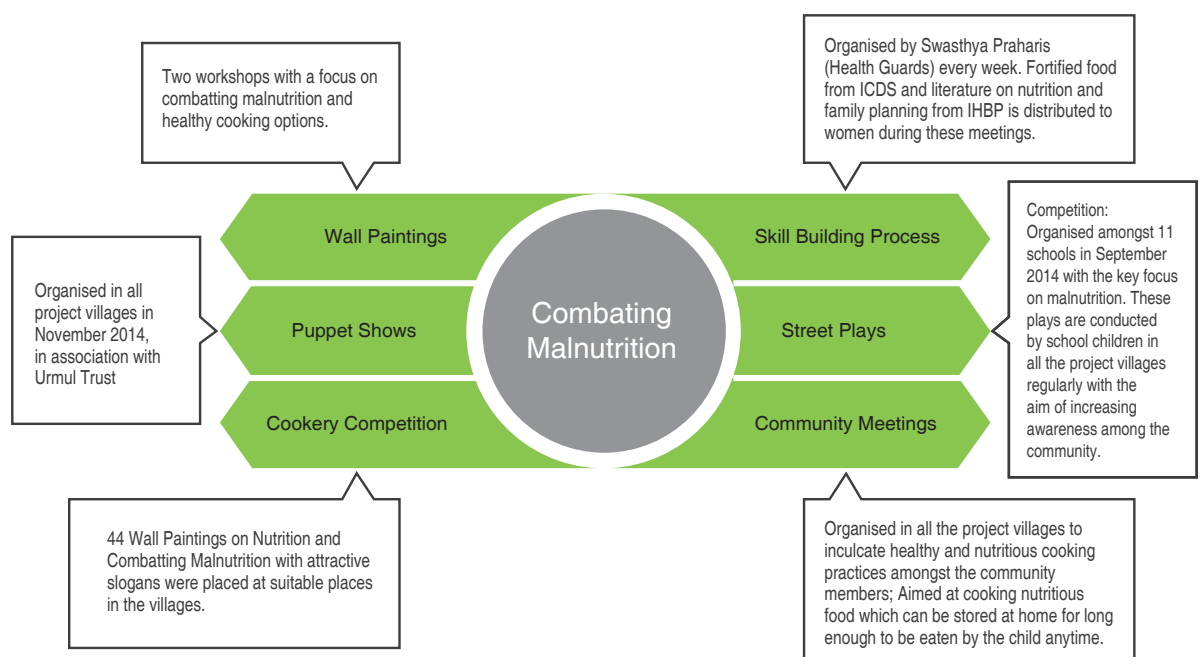
#### Malnutrition Eradication

The Company realises that health, hygiene, nutrition and education are contributors to the social development of children and the community at large. We are targeting our efforts towards these at all the stages of a child's growth to ensure children survive and thrive. Elimination of hunger and malnutrition has been included as one of our main objectives as a nutrition-business company.

This year, Jubilant has signed a Statement of Commitment with the SUN Network - Scaling Up Nutrition. Through this Integrated Malnutrition Eradication Project, the Company is committed to improve

the nutritional status of children under the age of 6 years in the project controlled areas. The project focusses on behavioural change communication and creating a supporting environment. As a pilot, the project has been kick-started in 11 villages in Gajraula covering Sultanther, Tigariya Khadar, Allipur, Bhikanpur, Chhoya, Navada, Katai, Tigariya Bhoad, Naipura, Sehwaspur Dor and Kumrala. Baseline survey conducted during the year revealed that 34% of the children surveyed were malnourished, with 11% being severely malnourished and needed immediate medical attention. Malnourishment was more prominent among girls as compared to boys. The survey pointed out that the root cause of this malnutrition in the area is lack of awareness among the community, which the Company is now targeting.

#### Malnutrition Eradication Project





## Empowering Community: Vocational Training Programs



### Vocational Training

Youth Trained	2014-15
Gajraula	853
Nanjangud	1002
Nira	223
<b>Total</b>	<b>2114</b>

Our Modular Employable Skill programs include Mobile & Tractor Repairing, Stitching, Retail Management, Soft Skill Development and Beautician Courses.

We are focussed on improving the nutritional intake and the status of mothers and children, right from the pre-natal stage till their growing years. Emphasis is laid on adequate nutritional food intake by expecting mothers and the promotion of breast-feeding. Various nutrition-oriented awareness programs were conducted which included Comprehensive Audio Visual based IEC programmes, Skill Building Workshops, Community Meetings, Street Plays, Baseline Surveys, Cookery Competition, Wall paintings and Puppet Shows.

Jubilant focuses on enhancing the employability and livelihood

opportunities for the neighbouring community through skills development. In partnership with LabourNet, a social enterprise, we are extending trainings on various Modular Employable Skills with forward linkages for placement and self-employment. The skills development programs are conducted at our Vocational Training Centers (VTC) located at Gajraula, Nanjangud and Nira, aimed towards enabling trainees find their career path on successful completion. Modular Employable Skill programs conducted at our Centres includes Mobile & Tractor Repairing, Stitching, Retail Management, Soft Skill Development and Beautician Courses.

## Strengthening Education



### Goal 2: Achieve Universal Primary Education

The Company truly supports the cause of “Education for All” and it is our primary area of intervention to empower the communities. Project Muskaan is our key initiative to improve the quality of learning in our communities, which are operational since 2007. Government Primary Schools are our strategic partners in this project. Month-wise activities are planned in the selected project schools with the aim of enhancing the interest of students and motivating them to attend the school regularly. These activities include: Mass sapling plantation, Drawing competition, story-telling competition, Crafts day, Essay completion and Street playing competition. The project is aptly named ‘Muskaan’, as it aims to bring a smile on every child’s face.



### Master Training for Muskaan Mathemagic

The Master Training program was conducted with an intention to skill JBF coordinators and few selected teachers in effectively utilising the IDEK Maths kit to be launched under the Muskaan Mathemagic Project. This kit has been specially created by an expert panel for improving the pedagogy used in schools to impart education, especially in the government primary schools. The kit comprises of activity materials which increases the visual perception and concept clarity of a child to understand numbers and calculations. It helps the child learn mathematics through games, banking, set replacements, colour combinations, among other things, thereby improving their foundation. This training was conducted during 31st July to 2nd August, 2014 at Bangalore, with Ms. Annapurna, Founder of Satya Foundation, being the Training Faculty. The participatory training module helped participants discuss different methods of instructions and teaching with the help of the kit.



## Goal 3: Promoting Gender Equality and Empower Women

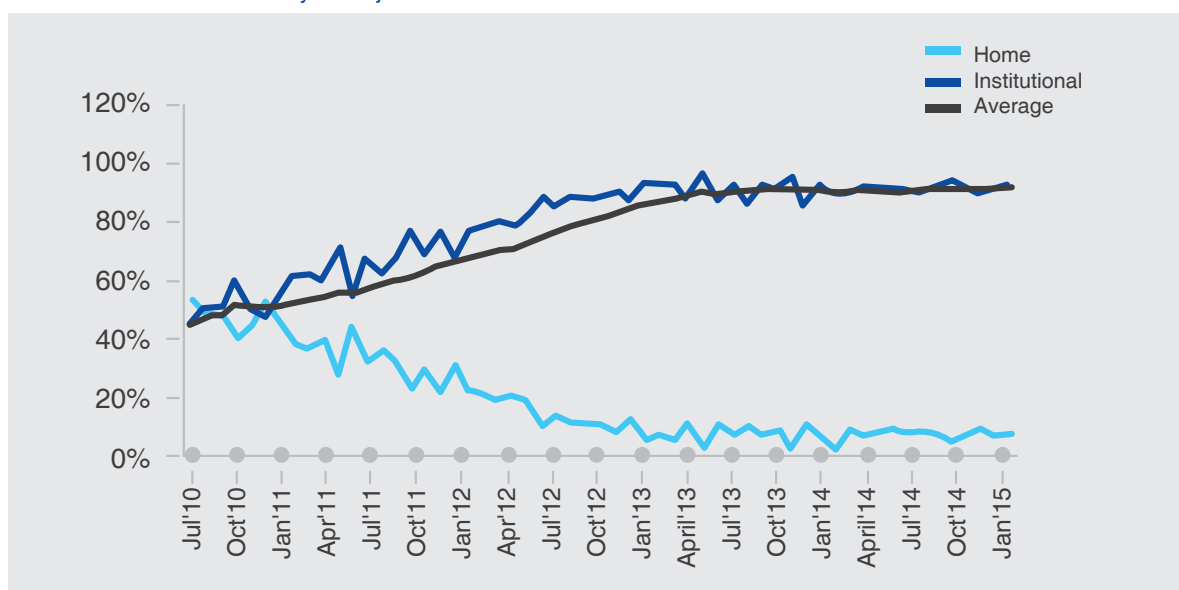
The Company abides by its policy on non-discrimination and supports equal access to health care, quality education at all levels, career and vocational guidance, employment, equal remuneration, occupational health and safety and social security. The JBF ensure women's access to education, health and skills development. Swasthya Prahari (Health Guard) is an initiative to train women as health workers by providing them with the necessary training on maternal child health and care. These Swasthya Praharies work with the Foundation on various health programmes on an incentive basis. The initiative empowers women to be health guards and ensure the well-being of other women through them. Apart from this, Self Help Groups (SHGs) created by the Company provide an opportunity to women to become economically independent. The Company provides training to women to form SHGs and further links them with local banks. Women are also motivated to open micro-enterprises to add to the total income of their family. With infrastructural support from Jubilant, the stitching centre at Nanjangud, operated by a local Self Help Group is also running successfully since the past four years.

## Goal 4 & 5: Reduce Child Mortality and Improve Maternal Health

Jubilant Bhartia Foundation, through the Swasthya Prahari project, keeps a close watch on Birth Rate, Infant Mortality Ratio (IMR) and institutional delivery in project villages of Gajraula location. The project is being implemented through women health guards who promote institutional delivery and regular immunisation, along with providing counselling to expecting and lactating mothers. They also provide information on nutrition of children and mothers. The increase in institutional delivery over the years is evident in the graph below:



Trend of Institutional Delivery in Project Area



Source: Jubilant Bhartia Foundation database



## Goal 6: Combat HIV/AIDS, Malaria and other Diseases

The Company has established and Integrated Counselling & Testing Centre (ICTC) at Gajraula, which is responsible for identification of HIV-infected people and their proper counselling. Jubilant also operates a DOTS centre for treatment of Tuberculosis at Gajraula for diagnosis and counselling services. Apart from this, various other regular health camps are organised in the community around the manufacturing locations.

The Company observes World AIDS Day on December 1 every year at all the locations to create awareness on AIDS with help of distribiton of pamphlets and red ribbons to employees, contractor labourers, drivers and the community people.



## Goal 7: Ensure Environmental Sustainability

The month-wise activities under Project Muskaan include the 'Har Aangan Me Ped' initiative, through which sapling plantation was done across 100 Government School students. This year, the activity was organised at Bharuch, Nanjangud, Samlaya and Roorkee. More than 3,000 saplings were distributed amongst local school students to engage them in environment conservation activities.



The Company is operating one HIV-Integrated Counselling & Testing Centre and one DOTS centre for treatment of Tuberculosis

## Goal 8: Develop a Global Partnership for Development

The Company is spreading its areas of community interventions through JBF's partnership projects. Continued partnerships with several local and global organisations make the CSR projects more sustainable and effective.

The India Social Entrepreneur of the Year Award is a joint initiative of JBF and Schwab Foundation (a sister concern of the World Economic Forum) for Social Entrepreneurship. The award is being given to recognise promising and successful social entrepreneurs, with excellence in large-scale system change models.

These social entrepreneurs are one of the key enablers of inclusive growth who implement practical and sustainable solutions to address challenges in numerous areas such as health, education, and environment, access to technology and job creation.

Dr. H. Sudarshan of the Karuna Trust was bestowed as the winner of the Social Entrepreneur of the Year Awards India-2014 by Mr. Arun Jaitley, Minister of Finance, Corporate Affairs and Defence, Government of India, who was the Chief Guest of the program with over 200 participants.

Winner Dr H. Sudarshan receiving the Social Entrepreneur of the Year Award from Mr. Arun Jaitley



Social Entrepreneur of the Year Award Ceremony

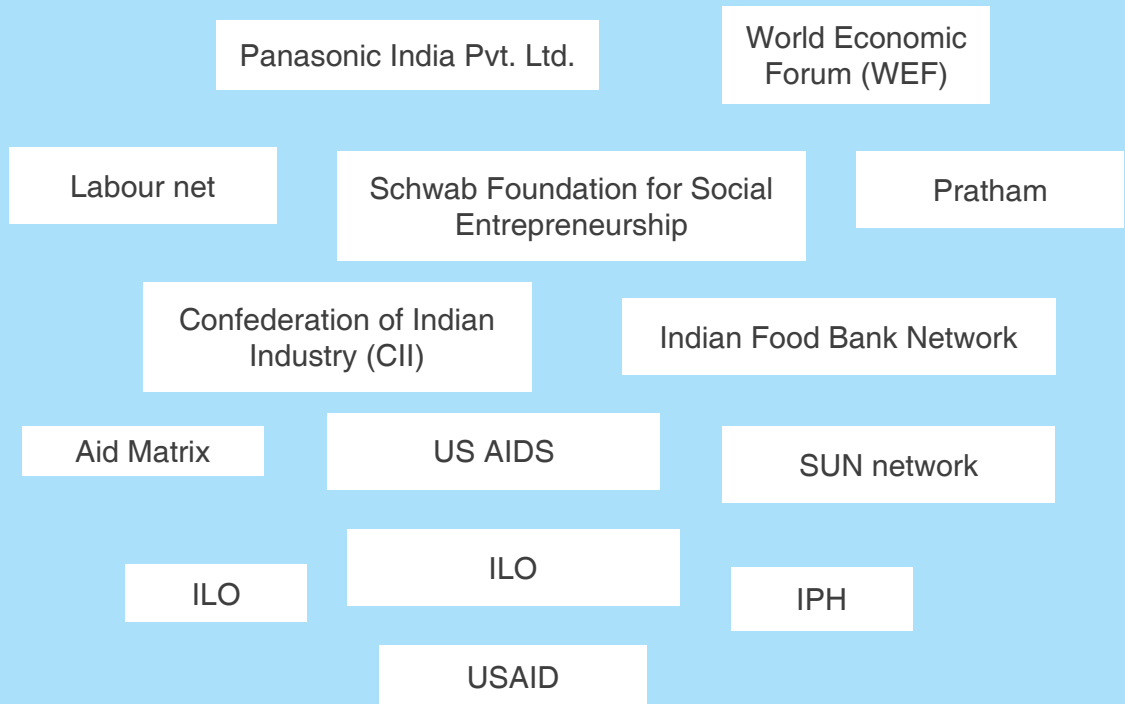


## FACE:

JBF, along with the Confederation of Indian Industry (CII), has set up Food and Agriculture Centre of Excellence (FACE) to contribute to the ongoing policy dialogue related to agriculture and food security concerns. The Centre, through its integrated approach of action-oriented programs and capacity building, will address the issues from the farm gate to the consumer end.



### Jubilant's major partners under its various programs:



Business **Network**



## 07 Employees... Our Assets

A happy and confident workforce is the key to our success. It starts from recruiting qualified professionals, designed onboarding & regular training, periodic performance discussions and rewarding meritocracy. Our Business Principles commit us to provide our people with a safe working environment respecting their human rights; promoting their professional development; and creating an inclusive work environment.

**Table 1: Total workforce as on March 31, 2015**

Jubilant Life Sciences Ltd.	Executives	Workmen	Total	Temp & Labour Supply	Job Contracts/ Projects	Over All
Corp office/ Branches	792	0	792	27	52	871
Gajraula	579	263	842	566	443	1851
Samlaya	44	26	70	79	49	198
Nira	152	110	262	126	13	401
Ambernath	143	26	169	88	55	312
Bharuch	229	25	254	142	135	531
<b>( A )</b>	<b>1939</b>	<b>450</b>	<b>2389</b>	<b>1028</b>	<b>747</b>	<b>4164</b>
<b>Indian subsidiaries</b>						
Jubilant Generics						
*R&D Noida	368	0	368	47	105	520
*Nanjangud	594	219	813	47	238	1098
*Roorkee	296	201	497	65	85	647
Jubilant Biosys	238	0	238	0	11	249
Jubilant Chemsys	270	0	270	0	12	282
Clinsys	23	0	23	0	0	23
Jubilant Infrastructure	91	64	155	95	228	478
<b>Total ( B )</b>	<b>1880</b>	<b>484</b>	<b>2364</b>	<b>254</b>	<b>679</b>	<b>3297</b>
<b>International subsidiaries</b>						
JOL China	12	0	12	0	1	13
JOL USA	5	0	5	0	0	5
Cadista	103	185	288	44	0	332
Clinsys Inc	5	0	5	0	0	5
Jubilant Pharma NV	10	0	10	0	0	10
Jubilant LifeSciences NV	2	0	2	0	0	2
Jubilant Hollisterstier	232	305	537	51	0	588
Jubilant DraxImage	19	435	454	11	0	465
<b>Total ( C )</b>	<b>388</b>	<b>925</b>	<b>1313</b>	<b>106</b>	<b>1</b>	<b>1420</b>
<b>Grand Total (A+B+C)</b>	<b>4207</b>	<b>1859</b>	<b>6066</b>	<b>1388</b>	<b>1427</b>	<b>8881</b>

\* These locations, earlier direct under Jubilant Life Sciences Ltd. (JLL), are now held by Jubilant Generics Ltd. (JGL), a 100% owned step down subsidiary of JLL.

## Performance Management System

At Jubilant, a Performance Management System (PMS) has been designed and implemented to enable identification and assessment, reward good performance, encourage talent, and ensure motivation amongst the employees. Talent management is the key to success in a competitive marketplace. We are continuously engaged in

building an excellence-based culture to meet the current and future business challenges. A Performance Linked Incentive System is in place to monitor performance of each employee. We have also put in place wage agreements at each of our locations, along with the trade unions and works committee.

**Table 2: Headcount Age Breakup**

Age in Years	JLSL (7 Indian Plants+3 NA Plants)			JPL (2 Indian Plants + 3NA Plants)		
	EX	WK	Grand Total	EX	WK	Grand Total
> 50 yrs	258	406	664	123	296	419
30-50 yrs	1336	1084	2420	651	763	1414
< 30 yrs	797	305	1102	470	286	756
Grand Total	2391	1795	<b>4186</b>	1244	1345	2589

**Table 3: Headcount Gender Breakup**

Gender	JLSL (7 Indian Plants+3 NA Plants)			JPL (2 Indian Plants + 3NA Plants)		
	EX	WK	Grand Total	EX	WK	Grand Total
F	186	444	630	178	444	622
M	2205	1351	3556	1066	901	1967
Grand Total	2391	1795	<b>4186</b>	1244	1345	2589



Increasing brand awareness and pride to work for Jubilant

## Employee Training and Engagement

Imparting regular quality training to employees is fundamental to improving the existing talent pool of the company. As part of the learning and development opportunities, we organise various internal and external trainings on a regular basis. Some of our key capability development programs are those on leadership development, strategic initiatives, self development, and such other customised programs.

There is a dedicated learning and development team which continuously works for identification of training needs, preparation of training calendar and conduction of training. All the new employees have to mandatorily participate in the induction training upon joining the organisation. The Induction Training Module has been redesigned this year, also covering topics on the Company's policies and procedures on human rights, occupational health and safety, and environment, in addition to other operational issues.

**Table 11: Training Data: All Indian & NA units, R&D, Corporate Office and Branch Offices**

Manufacturing Location	Executive	Workmen	Grand Total	T. Hours	Mandays	Avg Mandays per head per annum
HOBR (Corp+Branches)	792	0	792	4936	617	0.8
Ambernath	143	26	169	3952	494	2.9
Bharuch (including Infra)*	320	89	409	12392	1549	3.8
Gajraula	579	263	842	26920	3365	4.0
Nira	152	110	262	8704	1088	4.2
Samlaya	44	26	70	1328	166	2.4
R&D	368	0	368	1064	133	0.4
Roorkee	296	201	497	22504	2813	5.7
Nanjangud	594	219	813	23912	2989	3.7
Jubilant Cadista	103	185	288	4432	554	1.9
Jubilant Hollisterstier	232	305	537	22560	2820	5.3
Jubilant DraxImage	19	435	454	313	39	0.1
Grand Total	3642	1859	5501	133017	16627	3.0

**Table : JLSL Training Break up as on March 2015**

Including: All Indian & NA units, R&D, Corporate Office and Branch Offices

Category	Headcount	Training Man-days	Avg. Training/Employee	Gender	Headcount	Training Man-days	Avg. Training/Employee
Executive	3642	11092	3	Female	757	1758	2
Worker	1859	5535	3	Male	4744	14869	3
Total	5501	16627	3	Total	5501	16627	3



## Employee Benefit Schemes

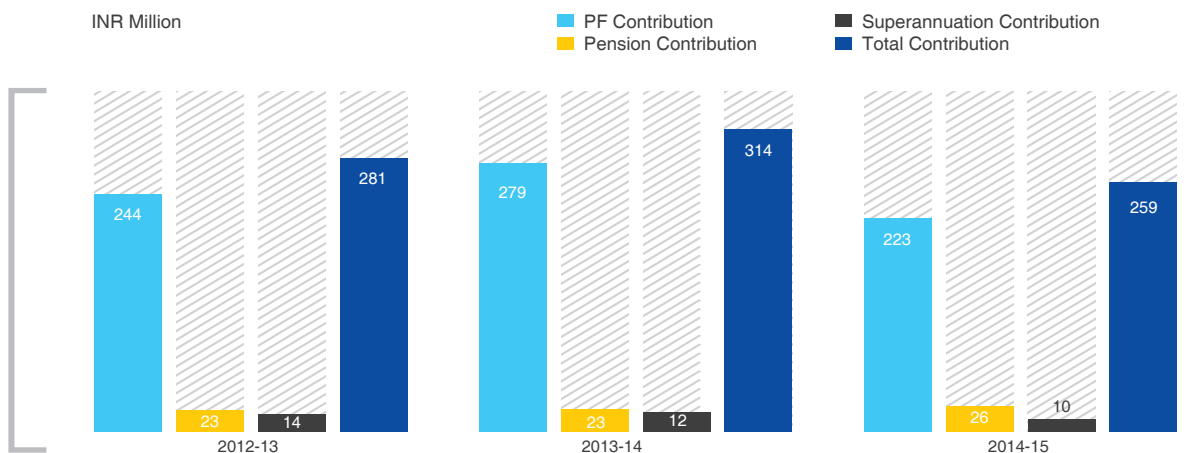
Long-term employee benefits include Pension, Provident Fund, Super-Annuation and Gratuity. These constitute the key elements of employee's post-retirement benefits in India. Other post - employment benefits include Leave Encashment and Gratuity which are awarded to an employee at the time of separation. International subsidiaries of the Company contribute to various social security plans and insurance schemes, as per the local requirements and generally accepted practices in their respective country of incorporation.

Further, to improve employee satisfaction and retention, the Company has put in place several employee benefit schemes, both statutory and beyond. These include maternity leave for female employees, disability and invalidity coverage, as per the Industrial Dispute and Workers Compensation Act and Group Mediclaim Insurance for employees and their dependents.

The Company provides certain exclusive benefits to full-time employees at the manufacturing units. Some of these are education and hostel fees reimbursement for certain employees' children; accommodation in township; loan at nominal rates of interest for purchase of computer, and vehicle and housing.

The full-time employees of the Company in North American Units have benefits different to that of the Indian operations. Some of the select benefits include Short Term / Long Term Disability Insurance (Company paid) Benefits, Health Club Reimbursement, Jury Duty Leave / Court Appearances and Military LOA (Leave). The Company believes that jury duty and court subpoenaed appearances are a responsibility of good citizenship. The Company, therefore, provides employee pay for up to 21 calendar days per summons. Under Military Leave, the Company supplements military pay up to 20 days of training, 120 days of emergency military leave and re-employment rights for unpaid full-time military leave. All the female employees in Indian units and all employees in North American units are entitled to parental leave. All our employees availing the leaves returned to work during the period.

### The Company Contribution to Employee Benefits



## Harmonized Labour Relations

Jubilant Life Sciences encourages its employees, both permanent and contract, in their efforts to develop good relations and constructive bargaining practices with the Management. Local human resource personnel takes care of employee relations and interacts with the employees and contractors about various services, measures and initiatives to assist them in creating and maintaining a workplace that is conducive for work.

Trade Unions exist at three locations and Works Committee has been formed by the employees at one location. All arrangements with respect to collective bargaining and trade unions are as per the applicable laws of the land. The entire workforce at Jubilant is represented in formal joint management- worker health and safety committees. Health & Safety topics are also included in the local formal agreements of the manufacturing facilities of the Company with trade unions. In India, 617 employees are covered by collective bargaining agreements with trade unions and worker committee. At the Montreal Unit of the Company, as of March 31, 2015, 183 employees were covered by Trade Unions/ Collective Bargaining Agreements.



## Minimum Notice Period

The minimum notice period is mentioned in the appointment letter of all permanent employees, including workers. While the minimum notice period varies for management staffs depending on their position in the organisation, the minimum

notice period for termination of a permanent worker is 30 days and the same is mentioned in their appointment letter. This is in accordance with the prevailing regional/ country labour laws.

**Table 10: Voluntary Attrition rate break up of all Indian & NA units, R&D, Corporate Office and Branch Offices**

ATTRITION	MANPOWER AS ON 31ST MARCH 2015			ATTRITION YTD			ATTRITION % (ytd)		
LOCATION	EXECUTIVE	WORKMEN	TOTAL	EXECUTIVE	WORKMEN	TOTAL	EXECUTIVE	WORKMEN	TOTAL
CORPORATE OFFICE	415	0	415	63	0	63	15.2%	0%	15.2%
BRANCHES	377	0	377	177	0	177	46.9%	0%	46.9%
AMBERNATH	143	26	169	33	0	33	23.1%	0%	19.5%
BHARUCH	229	25	254	100	7	107	43.7%	28.0%	42.1%
GAJRAULA	579	263	842	50	3	53	8.6%	1.1%	6.3%
NIRA	152	110	262	8	1	9	5.3%	0.9%	3.4%
SAMLAYA	44	26	70	9	1	10	20.5%	3.8%	14.3%
R & D NOIDA	368	0	368	104	0	104	28.3%	0%	28.3%
ROORKEE	296	201	497	80	30	110	27.0%	14.9%	22.1%
NANJANGUD	594	219	813	178	0	178	30.0%	0.0%	21.9%
CADISTA	103	185	288	14	11	25	13.6%	5.9%	8.7%
HOLLISTER STIER	232	305	537	48	30	78	20.7%	9.8%	14.5%
DRAXIS	19	435	454	1	58	59	5.3%	13.3%	13.0%
Over All	3551	1795	5346	865	141	1006	24.4%	7.9%	18.8%

**Table 8: LSI (5 Indian Plants) Attrition Age Breakup**

LSI (5 Indian Plants)

Age in Years	EX	WK	Grand Total
30-50 yrs	88	5	93
< 30 yrs	109	6	115
> 50 yrs	3	1	4
Grand Total	200	12	212

**Table 9: LSI (5 Indian Plants) Attrition Gender Breakup**

LSI (5 Indian Plants)

Gender	EX	WK	Grand Total
F	3	0	3
M	197	12	209
Grand Total	200	12	212



## Human Rights Policy under Business Code of Conduct

'Human Rights' is an important aspect of today's civilized society. At Jubilant, we are committed to our Sustainability Mission and signatory to the UNGC Principles with human rights commitments. We have formulated our policies and systems to ensure protection of Human Rights of all those concerned and these are defined in our Business Code of Conduct. These policies cover issues of Child Labour, Forced & Compulsory Labour, Non Discrimination and Freedom of Association and Collective Bargaining. The Business

Code of Conduct is available to all the employees through the intranet. There have been no significant fines or non-monetary sanctions for non-compliance pertaining to human rights, corruption, labour practices during this reporting period. There were no reported cases of child labour, forced or compulsory labour reported within the organisation or with our suppliers. Also, there have been no violations involving rights of indigenous people in Jubilant during this reporting period.

### Human Rights Policy under Business Code of Conduct

#### CHILD LABOUR

"Jubilant Life Sciences believes in protection of the young and vulnerable. It is Company's policy not to employ child labour. In order to ensure this, every new recruit is required to submit a proof of age. Further, the Company is committed to work in a pro-active manner to eradicate child labour by actively contributing to the improvement of children's social situation. To promote this, the Company encourages its Suppliers also to work towards a no child-labour policy."

#### NON-DISCRIMINATION

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

#### FREEDOM OF ASSOCIATION

"We respect the right of our employees to form association in accordance with the local laws applicable. At our locations we are engaging in open and continuous dialogue with the associations. Our employees have the right to join associations of their own choosing or to refrain from joining one, unless otherwise prohibited / necessitated by law."

#### FORCED AND COMPULSORY LABOUR

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



## Operational Responsibility and Ombudsman

The operational responsibility of human rights is vested on the Human Resource (HR) Head at each of our manufacturing location reporting to the Corporate HR Head. The HR Head oversees the implementation of human rights policies and takes responsibility of resolving any violations arising. This year, the Company rolled out the second round of e-learning module on "Human Rights - Concept, Global and Indian Regulation & Framework at Jubilant". Another 475 employees participated in this training in addition to 1,347 participants last year.

The Company's Whistle-Blower Policy has created a dedicated Ombudsman team for addressing the grievances reported by the employees. A charter of the Ombudsman has also been prepared and made available on the intranet of the Company. This Charter allows all the stakeholders, including employees, to voice their concerns and guide the Company to resolve the issues efficiently. Under this policy, the employees can report any information which they believe reflects serious malpractice, impropriety, abuse or violation of code of conduct, in relation to the Company's functioning.

The Company has a dedicated email id which can only be accessed by the Ombudsman Office for anonymous reporting. The online portal ([www.cwiportal.com](http://www.cwiportal.com)) is another way of reporting concerns and maintaining complete anonymity of the whistle-blower. Ten cases were reported to the Ombudsman's Office during this reporting period. Out of these, investigation is complete in six cases and complaints were found not to be genuine. Remaining four cases are still under investigation.

## Public Policy

The Company engages with stakeholders such as the government, regulatory agencies, NGOs, and industry associations in identifying and framing public policy matters. The Company also uses the industry association forums to voice its views about policies. There has been no financial and in-kind contribution to political parties, politicians and related institutions.

## Anti-competitive Behaviour

Jubilant adheres to the Government of India Competition Policy which protects the interests of consumers and producers by promoting and sustaining a fair competition. There have been no legal actions on anti-competitive behaviour, anti-trust and monopoly practices on the Company.

### OMBUDSMAN



### PORTAL

[www.cwiportal.com](http://www.cwiportal.com)



### E-MAIL

[ombudsman@jubl.com](mailto:ombudsman@jubl.com)

In house developed e-learning module used as training tool for "Human Rights – Concepts & Framework at Jubilant"

## 08 USA Operations

The Company operates two manufacturing facilities in USA at Spokane and Salisbury offering Allergy Therapy Products, Generics (Tablets & Capsules), and Contract Manufacturing of Sterile Injectables.

Our customer base includes allergists, primary care physicians, ENT doctors and clinics, hospitals, and pharmacies in the USA, Australia, Canada, and many other international markets. We have more than 200 allergenic extracts and mixes and a line of specialised skin test devices in the market. A continuous focus on product innovation equips us with the capability to offer doctors the required tools to treat and cure patients suffering from the effects of allergies.

### Spokane Managing Environment Footprint

Our approach is to manage our environment footprint and comply with the environmental regulations to continually improve our performance in line with the best practices and also prepare for future risks and opportunities. Hence, we are committed to develop and promote methods of waste reduction and recycling in the interest of minimising undesirable effects on air, water, land, and human health. The facility took an initiative to reduce reverse osmosis waste water by implementing an “on call” system; which could lead to reduction in municipal water intake per month, as well. Apart from this, we have taken the initiative to replacing fluorescent lamps with LED’s in the plant.

### Partnership with Neighbouring Community

The Spokane facility works towards assisting the 2nd harvest food bank and “Toys for Tots” Christmas programs. We are also conducting Commute Trip Reduction (CTR) program in accordance with the city of Spokane CTR program. As part of this program, incentives are offered to those who engage in carpooling or scout for alternate means of transportation. This year, we collected over 120 Coats for the “Coats for Kids” program, Spokane area. These were donated to the local area kids to help them remain warm this winter. Apart from these, we also participated in the “Toms Turkey Drive” providing needy families in the Spokane area with a turkey and trimmings for Thanksgiving meals for their families.

### Employee Engagement Activities

The employee activities for the year included: Shock Arena Football Game Group Night(s), Indians Baseball Game Group Night(s), Hockey Night, WSU Football Game, Weekly Lunch Truck Options, Food Trucks, On-Site Contests (Door decorating), Christmas Gift Cards for all the employees. Our “My Life” program is a Health & Productivity Management Program for the employees. The purpose is to ensure maintaining optimal health or improving health status of the participants. The program covers company-subsidised semi-annual health screenings at the facility, reduction in monthly health premiums and waiver increases from 10% to 20% for employees and their dependents.



## Salisbury

### Safe and Environmentally Conscious Operations

We aim to provide our employees, contractors, visitors, neighbours with a safe environment and we believe that all accidents are preventable. We regularly review our operations to assess the risk of major accidents and implement relevant measures to prevent their occurrence. Environment, Health and Safety performance is monitored, measured and reported on an ongoing basis to the Top Management and the Board of Director. The facility's safety compliance is governed by the Maryland Occupational Safety and Health (MOSH) - the state-run program based on OSHA standard. We work to improve the safety and health of Maryland's areas working men and women through the following standards - providing training, outreach and education. In order to train the employees, warehouse employee safety training and operator certification training is organised for fork truck drivers. Also, all new hires, including regular full-time and temporary, receive Safety Orientation and Training within their first week of employment.

Jubilant remains focussed on protecting the environment, in line with our stated commitment to reduce our impact to a level that is as low as reasonably practicable. This involves on-going assessment, mitigation, monitoring and reporting on environmental impacts at all our operations. Also, this year we have installed LED lighting to support energy-efficient lighting and installed highly-efficient condensing gas boilers in our new building.

### Partnership with Neighbouring Community

Considering the problems and needs of stakeholders in the surrounding communities, the Company involves the benefit-sharing process for community development. This year, the Company sponsored a special fund-raising event for the United Way Campaign at the Perdue Shorebirds Stadium on September 12, 2014. Apart from these, the Company sponsored Softball, Bowling and Flag Football teams, run by the Wicomico Parks, Recreation & Tourism municipal department.

### Employee Engagement Activities

We believe the knowledge, capability, commitment and dedication of our employees is essential for the organisation's successful business operations and achievement of its goals for sustainability. To motivate employees, we organise semi-annual Town Hall Meetings and present Awards to the employees. Also, we organised Annual Christmas celebration with luncheon. In addition to this, 22 Managers were provided 'Quality of Leadership' training; a 2½ day program focussing on leadership styles, effectiveness, competencies and commitment.

The Company sponsors Rite Aid Foundation and Rite Aid CMNH Gold Tournament, which benefits the Children's Miracle Network Hospitals. The Company participates in H-E-B Tournament of Champions for their charitable trust, Anda Annual Supply Chain Symposium, and Amerisource Bergen Company (ABC) and magazine sponsor for US Pharmacist – Cadista.

The World Trade Center Institute (WTCI-State of Maryland) hosted the 19th Maryland International Business Leadership Awards. The facility was honoured as one of the winners who guided their Company and the State of Maryland to new global heights, March 2015. Also, Ward Barney, Global Head of Operations is now a member of Maryland Economic Development Commission.

## 09 Canada Operations

Our success is an outcome of extensive research and development in the pharmaceuticals space, which has enabled us to move up the pharmaceutical value chain for products and services across geographies.



The Company operates one manufacturing facility in Kirkland, Canada where it is producing Sterile & Non-Sterile products. Radioactive Pharmaceuticals (Sterile Products) are used for diagnosis and treatment of diseases for Cardiology, Oncology, Lung, Kidney, Brain and bone as well as Radiotherapy for Thyroid and Cancer. Our success is an outcome of extensive research and development in the pharmaceuticals space, which has enabled us to move up the pharmaceutical value chain for products and services across geographies. We have been constantly investing in various growth platforms, thereby promoting a culture of innovation.

### Managing Environment Footprint

Our approach is to manage our environment footprint and comply with environmental regulation, to continually improve our performance in line with best practices and also prepare for future risks and opportunities. Hence, we are committed to develop and promote methods of waste reduction and recycling in the interest of minimising undesirable effects on air, water, land and human health. The entire pharmaceutical waste at the facility is collected, segregated and recycled / reused with the help of Sorinco - our partner in waste management. Sorinco is recycling, reusing and transforming hazardous waste and non-hazardous waste into energy.

In order to manage Atmospheric Emissions at the site, we have a system of air cleaners which are used to filter cartridges which recycle air into the building. Further, in order to manage Waste Water at site, the Company follows all the applicable environmental regulations and we have regular monitoring and reporting every quarter with the help of Avizo.

## Safe Operations

We enforce the importance of safety. We ensure our facilities are well-designed, inspected, maintained and operated. To support this aim, we continue to roll out initiatives to strengthen our safety culture. This includes improving the safety leadership skills of staff, simplifying our requirements, rewarding successful performance, implementing LOTO – Lock Out Tag Out, Respiratory Program, Confined Space Rules and the Corrosives Protection Plan.

Health and Safety Trainings are provided on diverse subjects covering Workplace Hazardous Material Information System (WHMIS), Extinguishers, Chemical & Radioactive Spills, Confined Space, Lock Out Tag Out (LOTO), Respiratory Protection, Transportation of Hazardous Material, Working at Height, Using Argon, Using Gas Detector, Evacuation Plan, and Personal Safety Plan.

We also extend our health and safety practices to our Vendors. Our Vendors are responsible for compliance with Health & Safety requirements of the sites and maintenance of equipment used for transportation, up-to-date certification of drivers, including transportation of dangerous goods.

## Energy Saving Initiatives

In order to reduce our carbon footprint and use energy judiciously, various energy conservation initiatives are carried out

each year. During this year, the following initiatives were undertaken:

1. Heat exchanger was installed on Boiler Chimney - a system of energy recovery and recycling. The heat exchanger was installed for the purpose of heating the sanitary water storage tank to recover energy.
2. Installation of variable speed drives for the reverse osmosis system for modulating the operation pressure of reverse osmosis pumps, in accordance with the actual demand of purified water.
3. Project lighting improvement in the Warehouse / Offices for the modernization of lighting.
4. Recovery blow down distiller for reuse as feed water boiler.
5. Automatic purge system installation for control of conductivity in water boilers. Reduction of manual purges the system and improvement of water quality.
6. Automatic Control Installation on the chemical dosage in boilers according to real needs of the new water supply.

## Partnership with Neighbouring Community

Jubilant is a partner of Quebec's Rubanrose Association against Breast Cancer. During the year, the Company organised 'Osez le donner - Dare to give it' campaign in order to create awareness on the Breast Cancer in collaboration with Rock Détente and DeSerres.

Jubilant is associated with the 'West Island Mission' – an organisation that provides food assistance and other related aid to the less fortunate living in the West Island of Montreal. The Company organised a campaign for collection of non-perishable food from the employees for donation to the 'West Island Mission's Food Bank'.



# 10 Sustainability Performance – Year at a Glance

GRI G3.1	Environmental Performance	Units	2012-13	2013-14	2014-15	
			JLSL	JLSL	JLSL	JPL
EN1	<b>Major Raw Material Consumption</b>		693	753	680	12
	Renewable Material	1000 MT	333	346	281	0
EN2	Non-Renewable Material	1000 MT	360	407	399	12
EN3	<b>Direct Energy Consumption</b>					
	Non renewable energy sources					
	Coal	MT	440225	470625	453489	0
	Energy from Coal	Peta Joules	8.503	8.95	8.39	0
	LDO	MT	43	29.7	166.5	0
	Energy from LDO	Peta Joules	0.002	0.001	0.007	0
	RFO	MT	1065	205	0	0
	Energy from RFO	Peta Joules	0.042	0.01	0	0
	HSD	MT	4608	2921	2541	558.0242
	Energy from HSD	Peta Joules	0.199	0.13	0.11	0.024
	FO	MT	4642	773	1388	414
	Energy from FO	Peta Joules	0.188	0.03	0.05	0.016
	Energy from Natural gas	Peta Joules	0.365	0.33	0.33	0.125
	Total direct energy consumption from Non renewable energy sources	Peta Joules	9.299	9.44	8.9	0.1654
	<b>Renewable energy sources</b>					
	Bio-gas	1000Nm3	29145	26309	21505	0
	Energy from Bio-gas	Peta Joules	0.522	0.47	0.385	0
	Bio-diesel	MT	928	2634	468	468
	Energy from Biodiesel	Peta Joules	0.032	0.1	0.018	0.018
	Total direct energy consumption from Renewable energy sources	Peta Joules	0.554	0.57	0.403	0.0176
	<b>Biomass as energy source</b>					
	Biomass	MT	10383	10744	2902	0
	Energy from Biomass	Peta Joules	0.12	0.12	0.03	0
	Total Direct Energy	Peta Joules	9.973	10.137	9.33	0.1829
EN4	<b>Indirect Energy Consumption</b>					
	Electricity purchased	1000 KWH	165,978	176,160	170,194	78,456
	Steam purchased	MT	55,023	96,424	140493	75145
	Energy equivalent	Peta Joules	0.786	0.94	1.045	0.4906
EN8	<b>Water Withdrawal</b>					
	Ground Water	Million m3	3.9	4.1	3.384953	0.11
	Surface Water	Million m3	1	1	0.972129	0
	Municipal Water	Million m3	1.1	1.1	1.123675	0.46
	Total Water Withdrawal	Million m3	6	6.2	5.480757	0.58

GRI G3.1	Environmental Performance	Units	2012-13	2013-14	2014-15	
			JLSL	JLSL	JLSL	JPL
EN 10	<b>Water Recycled and Re-used</b>					
	Water Recycled and Re-used	Million m3		0.973824	0.957906	0.1
EN 22	<b>Flyash Generation &amp; Disposal</b>					
	Land filling	1000 MT	105	58	64	0
	Resue in Cement & Brick Kiln	1000 MT	48	61	40	0
	Generation	1000 MT	153	119	103	0
EN 22	<b>Non-hazardous waste sold to third party</b>	MT		1981	2193	510
EN 22	<b>Hazardous Waste Disposal</b>	MT	17033	19096	18478	5003
	Liquid Waste Incineration	MT	7884	9025	6108	17
	Co-processing in Cement Kiln	MT	281	786	1200	1200
	To Authorised Agency	MT	1828	1668	2256	2100
	Secure Landfill	MT	5143	5991	7563	1654
	Solid Waste Incineration	MT	1897	1626	1350	33
EN 21	<b>Treated Effluent Discharge</b>	1000 m3	334	321	336.697	0.22
EN 20	<b>Air Emissions</b>					
	Particulate Matter	MT	293	308	237	2.55
	SO2	MT	636	788	783	1.55
	Nox	MT	226	332	321	4.99
EN 19	<b>Ozone Depleting Substances (ODS) Emissions</b>	Kg CFC11 eqv.		223	259	56
EN 16	<b>Total GHG Emissions</b>	1000 MT CO2e	1002	1037	988.56	70.93927
	Total Direct GHG Emissions	1000 MT CO2e			853.69	11.29932
	Total Indirect GHG Emissions	1000 MT CO2e			134.865	59.64
	<b>Social Performance</b>					
LA 7	<b>Safety Performance Statistics</b>					
	No. of Fatal accidents		2	2	0	0
	No. of lost time Injury (other than fatal)		26	29	42	19
	Total Lost days	12000*+247		12000*+331	853	370
	No. of First aid cases		625	627	323	78
	Lost Time Frequency Rate		1.25	1.48	2.43	2.72
	Lost Time Severity Rate		547.7	589.4	49.45	52.91
LA1	<b>Employee Headcount</b>					
	Indian Operations		6157	3947	2389	0
	Indian subsidiaries		1466	742	2364	1310
	International subsidiaries		1493	1496	1313	1279
	Total Jubilant Life Sciences		9116	6185	6066	2589

Notes:

\* 12000 on the account of 2 fatalities.

LTIFR: No. of accidents per million manhours worked

LTISR: No. of lost mandays/million manhours worked

JPL is a fully owned subsidiary of JLSL and its data has been showed separately for the Compliance to Financial Stakeholders. It includes manufacturing facilities at Nanjangud (India), Roorkee (India), Kirkland (Canada), Spoken (USA), Salisbury (USA) and R&Ds at Noida (India). JLSL data includes JPL data.

# 11 Sustainability... For our Growth

## Board Sustainability & CSR Committee

Our top management's emphasis on sustainable business flows through our Sustainability and CSR Committee at the Board Level, which monitors our progress on triple bottom line parameters. Last re-constituted on March 26, 2015, the Sustainability and CSR Committee comprises of the following members: Dr. Ashok Misra (Chairman, S&C Committee), Mrs. Sudha Pillai, Mr. Shyam S. Bhartia (Chairman), Mr. Hari S. Bhartia (Co-Chairman and Managing Director), Mr. Shyamsundar Bang (Executive Director). These members are permanent invitees to all the Sustainability Committee meetings, while the Company Secretary officiates as the Secretary of the Committee. The Committee, the Chief Sustainability Officer presents the Sustainability Performance of the Company meets once in six months. During the year, two meetings of the Committee were held on May 26, 2014 and October 28, 2014. The Sustainability Committee is apprised of the Company's sustainability performance covering the environment, economic and social indicators on a half-yearly basis. The decisions taken during these meetings are implemented by the Sustainability Team.

It is our commitment to support the 'Responsible Care' movement through a continuing effort in improving industry's responsible management of chemicals.

## Responsible Care

The rising concern over the effect of chemical substances on Environment, Safety and Health strongly urges chemical manufacturers to manage chemical substances in an effective way. It also stresses on continuously improving the manufacturing, storage, transport and distribution systems. With the aim to enhance our internal systems and bring in the latest techniques for environment, health and safety management across our value chain, the Company decided to implement the Responsible Care.

Responsible Care was rolled out on July 11, 2014 and Responsible Care Policy was inked on December 26, 2014. The policy requires all functions to perform their operations, products and services in accordance with the Responsible Care principles, ensuring safety and security and protecting health and environment. In Phase I, Responsible Care Management System will be implemented at the Corporate Office and at Gajraula.

We all are part of the scientific world of technologies. While scientific technologies are fundamental and indispensable to overcome global health and welfare concerns, a careful attention needs to be paid to the other aspect of science which may bring potential dangers on human beings.



## Stakeholder Prioritisation & Materiality Assessment

A formal system has been developed and introduced this year for Stakeholder Prioritisation & Materiality Assessment. In Phase I, the Stakeholder Prioritisation & Materiality Assessment Survey was conducted, internally engaging the senior leadership team to assess the Company's key stakeholders and key issues influencing decisions of stakeholders. A detail survey questionnaire with list of stakeholders and economic, environment and social issues was sent to top management for their identification & prioritization of key-stakeholders and issues material to these key stakeholders. Detail of the survey findings provided below. Based on the outcome of the survey, Phase II covering external stakeholders will be conducted. From now on, materiality assessment will be conducted involving company stakeholders once in three years with an objective to assess if the Company's targets, initiatives and strategy are in line with the views of key stakeholders.

Material Issues for the Company	Customers	Employees	Investors
Operating Cost	2.8		2.8
Retained Earnings	2.7		3.0
Community Investment & Engagement	2.7		
Climate Change impact on business	2.5		
Energy Consumption	2.3		
Employee Training		3.0	
Employee Benefits		3.0	
Workplace Health and Safety		3.0	
Employment and Retention		2.9	
Grievance Redressal		2.8	
Revenue			3.0
Corruption			2.7
Environment Regulations Compliance			2.6

The results of the Stakeholder Prioritisation assessment provided the key stakeholders for the Company, as perceived by our top management, and these are depicted in the Graph 1.

**Graph 1: Stakeholder Prioritisation 2014-15**



Analysing the Materiality Assessment results considering the top 5 material issues for our top 3 stakeholders, as perceived by our top management, the material issues for the Company were identified and depicted in the Graph 2.

**Graph 2: Material Issues for The Company**



# 12 Key Impacts, Risks and Opportunities

Jubilant's Vision is to establish and maintain enterprise wide risk management capabilities for active monitoring and mitigation of organisational risks on a continuous and sustainable basis.

Jubilant has a strong risk management framework in place along with a consistent monitoring system at the Board and Senior Management levels. It enables active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks. It also helps identify risks at an early stage for appropriate actions and management.

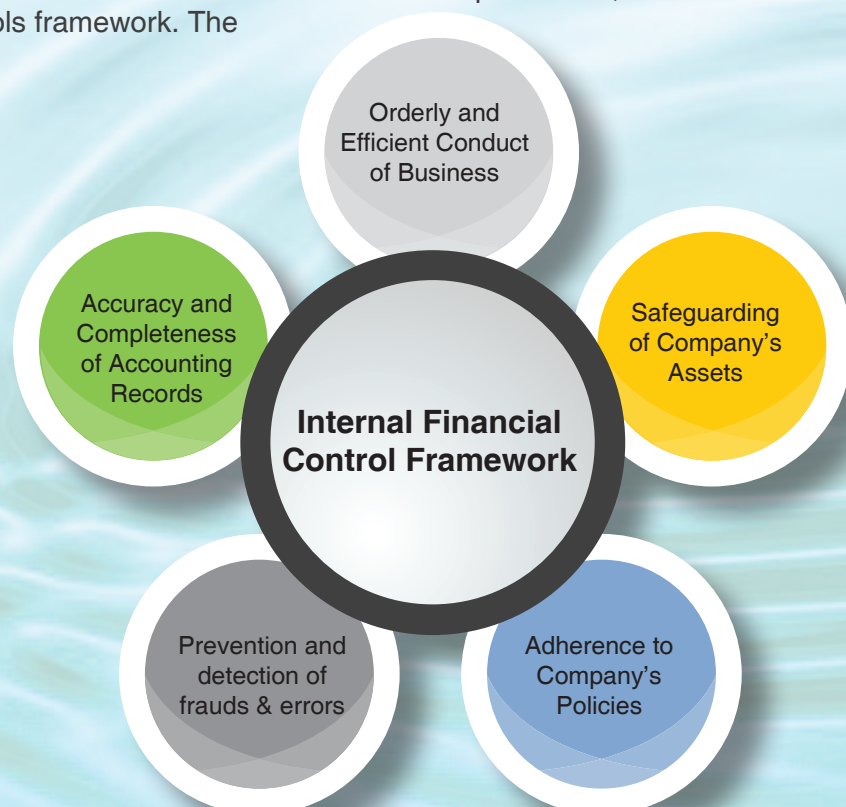
Departmental Heads are entrusted with the responsibility of identification and monitoring of risks. The issues identified are discussed and deliberated at review forums chaired by the Executive Directors and CEOs and a risk management plan is drawn upon. Progress against the risk management plan is periodically monitored and validated.

## Risk Management Structure

The Audit Committee, Executive Directors, CEOs and the Head of Management Assurance act as a governing body to monitor the effectiveness of the internal financial controls framework. The

## Internal Financial Control Framework

The Company has established 'Internal Financial Control Framework' as per the guidelines of Section 134(5)(e) of the Companies Act, 2013.





## Orderly and Efficient Conduct of Business: Compliance

The organisational structure of the Company defines the authority-responsibility relationship. There is a formal financial planning and budgeting system governed by 'Delegation of Authority' designed by the Board of Directors of the Company. Compliance with respect to various statutes, rules and regulations applicable to Jubilant is managed through the 'Statutory Compliance Reporting System' (SCRS). The system covers legal requirements applicable to all the manufacturing plants and indicates the requirements to each individual responsible and flags non-compliances, if any. Through the system, the Company is able to access all the legal requirements at a central server and their compliances, at any given point of time.

During the reporting period, there was no case of violation of environmental standards reported. Also, there were no significant penalties or non-monetary sanctions for non-compliance with environmental laws. There were also no incidences of non-compliance with regulations and voluntary codes concerning marketing communications and no significant fines for non-compliance with laws and regulations, concerning the provision and use of products and services. Also, there were no incidences of non-compliance with regulations or voluntary codes concerning products and services information and labelling during the year.

## Safeguarding of Company's Assets

The Company has taken an "all industrial risk policy" for its plants and the corporate office to safeguard its assets. It also carries out a physical verification of its assets.

## Adherence to Company's Policies

The Company has a two-tier policies and procedures viz Entity Level Controls and Process Level Controls. The entity level control includes a comprehensive Code of Conduct and Whistle Blower Policy. The Process Level Controls cover a wide range of key operating financial and compliance related areas such as Accounting, Order to Cash, Procurement to Payment, Inventory and Production, Treasury, Legal, Forex, Fixed assets, Direct and Indirect tax, R&D, and ITGC. The Company has completed nine years of its certification process wherein all the concerned Control Owners certify about 1,500 controls every quarter. Self-assessment certification of controls is done through a verifiable and transparent sign-off process. These certifications are reinforced by Activity and Location Owners, validated by the in-house team. And the results are presented to the Audit Committee every quarter by the CFO for exception review.



## Prevention and Detection of Frauds and Errors

The Companies Code of Conduct and Whistle Blower Policy provide a foundation for a workplace free from frauds. In order to detect frauds and errors, a perpetual internal audit activity is carried out by M/s Ernst & Young LLP. Based on their review, the Company takes necessary actions. Subsequently, follow-up audits are also carried out by in-house internal audit teams for potential vulnerable areas and to ensure implementation of the suggestions.

## Accuracy and Completeness of Accounting Records and Timely Preparation of Reliable Financial Information

The Company has a documented and updated Accounting Manual based on the existing Indian GAAP. The Accounting Manual contains detailed guidelines on all aspects of accounting applicable to the Company. It helps in ensuring that the Company is updated with the applicable accounting requirements. Financial consolidation is carried out through Hyperion-an ERP system and information is verified by the statutory auditors on a periodic basis as per the requirements of Companies Act, 2013, Listing agreement, and ICAI guidelines. The Company also has an "Accounting Centre of Excellence" which provides structured training on a wide range of topics covering Indian GAAP, Ind AS, IFRS, Companies Act, 2013, and Direct and Indirect Taxes.



## Enterprise Risk Management System

With the growing pressure of changing stakeholder expectations and public scrutiny, businesses worldwide need to be more cautious in managing business risks. The key risks and opportunities acknowledged by the Company are described below.

Potential Challenges	Jubilant's Response
<p><b>Competition</b></p> <p>With significant share of the business represented by exports across different businesses within the life sciences space, the Company faces stiff competition from both domestic as well as international market players.</p> <p>The risk of competition manifests in the form of certain competitors being the suppliers of core raw materials for Life Science Chemicals business, new entrants resorting to penetration pricing to make inroads, dumping strategy by outside manufacturers to fuel price wars from local players, amongst others.</p> <p>For its Pyridine product, the Company faces major competition from China because of the inability to match competition prices due to dumping duty.</p>	<p>The Company has drawn out detailed plans and combat strategies to safeguard existing business against competition which range from Customer and Account Management programs to offering improved quality and service experience to secure long term contracts.</p> <p>The Company has developed new suppliers for certain key raw materials. Significant research and development has been done to improve raw material consumption norms and increasing the manufacturing efficiency.</p> <p>Anti- dumping review on Pyridine is initiated in China and the outcome is expected by FY2016. We are increasing the volume in other markets and other customer business and also improving efficiencies across business functions to enhance profitability.</p>
<p><b>Cost Competitiveness: Rising Input Prices and Margin Pressure</b></p> <p>The Company offers low-cost manufacturing for most of its products and is a trustworthy partner for global corporations. Rising input prices amidst inflationary market conditions pose a risk to the Company's ability to retain price competitiveness and build reserves to drive future growth. Volatility in molasses and ethanol prices and the increase in input prices of core material such as Acetic Acid and Ammonia can have a cascading impact on the business in terms of increased cost of input materials.</p> <p>In Animal Nutrition business, Company sold its products at lower prices in comparison with the last financial year due to poultry production capacity expansion, which leads to pressure on prices of broiler and eggs and uncertainty in the domestic poultry market.</p>	<p>The Company has a full-fledged Business Excellence team responsible for planning and implementation of technical initiatives focussed on cost reduction. The Company also attempts to enter into long-term contracts with volume commitments and prices which are linked to key input material prices to mitigate the risk. Alternate supply sources are constantly explored and evaluated by the Supply Chain. Further, our attentive research and development initiatives help us in developing cheaper alternatives or re-engineering costs to counter increases in input costs. We are focussing on increasing volume in Animal Nutrition Business to compensate prices and also diversification into other species (Dairy/Aqua) and exports.</p>







## Potential Challenges

## Jubilant's Response

### Compliance and Regulatory Framework

The Company needs to comply with a broad range of regulatory controls on testing, manufacturing and marketing of its products in the pharmaceutical and life sciences space. In some countries, including the US, regulatory controls have become increasingly demanding. Failure to achieve regulatory approval of new products may imply that the Company will be unable to recoup its R&D investment through the sale of final products. Any change in regulations or reassessment of safety and efficacy of products based on new scientific knowledge or other factors could result in the amendment or withdrawal of existing approvals to market its products, which in turn could result in revenue loss. This may occur even if regulators take action falling short of actual withdrawal.

The Company has adopted measures to address these stricter regulations by increasing the efficiency of our R&D process, reducing the impact of extended testing and making our products available on time. The Company is proactively following up with regulatory authorities on pending approvals. Deficiencies raised by authorities are timely responded. Further, estimation of risk factor on account of failure / delay in obtaining approvals is duly considered while designing the business plans. The Company has also put in place a compliance management system called Statutory Compliance Reporting System (SCRS) to ensure compliance with all the applicable laws and regulations. The Company also undertakes training and orientation programs to keep the relevant process owners updated on new regulations and changes in the existing laws.

### Foreign Currency and Interest Rate Exposures

There has been a significant movement in exchange rates in the last couple of years. Due to the global operations, the Company has significant foreign currency exposures. Adverse movement in exchange rates can significantly impact the financial result of the Company. Volatility and uncertainty in foreign exchange rate creates complexity and challenges in determining the price which balances margin protection goal and at the same time is attractive to customers. Increase in borrowing cost may also adversely impact the profitability of the Company.

In order to mitigate risks related to foreign currency, the Company has a foreign currency risk management strategy in place to take calculated risks through hedges and forward covers. Jubilant has a committee of dedicated experts and professionals to periodically advice on matters relating to foreign currency risk management. Further, the risk management team formulates policies and guidelines which are periodically reviewed to align with the external environment and business exigency. Further, if required, currency and interest rate swaps are taken on loans and interest rate exposures. A quarterly update on foreign exchange exposures, outstanding forward contracts and derivatives is placed before the Board of Directors.

### Acquire and Retain Professional Talent

Acquisition and retention of right talent is critical to maintain desired operational standards. High attrition rate is an area of concern, along with lack of availability of qualified resources. Credible successors with the effective knowledge are required to maintain desired operational standards. Further, given the Company's dependence on R&D activity, it is imperative that it recruits and retains high quality R&D specialists.

The Company has committed substantial resources for recruiting and retaining qualified and experienced human resources. In order to execute its growth and diversification plans, the Company continues to hire new, highly-skilled scientific and technical personnel staff on one hand; and on the other hand, recognises and rewards talented individuals for effective employee retention. In certain businesses, campus sales trainees are being groomed for future sales positions.



We utilize a collaborative approach for Risk Management in order to explore and recognize opportunity arising from the risks and driving the same.

Potential Challenges	Jubilant's Response
<b>Protecting Intellectual Property Rights (IPRs)</b>	
Jubilant's success will partly depend on its ability to obtain and protect IPRs in the future and operate without infringing other IPRs. The Company's competitors may have filed patent applications, or may hold issued patents, relating to products or processes that compete with those that the Company is developing. Or else, their patents may impair its ability to do business in a particular geography.	In addition to patents, the Company has relied on trade secrets, know-how and other proprietary information. And hence, its employees, vendors and suppliers sign confidentiality agreements.
<b>Business Interruption due to Force Majeure</b>	
The Company's largest manufacturing facility for organic intermediates is at Gajraula, India. Any disruption or stoppage of work at this facility, for any reason, may adversely affect its business and results of operations not only for this, but the other business segments also which depend on supplies from Gajraula.	An Industrial All Risk insurance protection has been taken by Jubilant to ensure continuity of its business. Besides this, the presence of a majority of the workforce in the residential colony adjoining its manufacturing locations ensures sustenance of operations under challenging circumstances.
<b>Third Party Liability Risks</b>	
The Company's business inherently exposes it to potential liability from customers or end-users for defects in products and services, especially in highly regulated markets noted for their litigious nature and high awards of damages.	The Company carries Global Product Liability Insurance program with respect to its major manufactured products which provides a compensating safeguard against such risks, if they are to materialise.
<b>Environmental Compliance, Water availability and Waste disposal risks</b>	
R&D and manufacturing of products involve hazardous chemicals, processes and by-products and are subject to stringent regulations. Environmental laws and regulations in the jurisdictions, where it operates, may become more restrictive and may be enforced more strictly in the future. Also, customer requirements on quality and safety of products may increase.	The Company aims to manufacture products for its customers through optimised utilization of its resources and in a manner so minimise the effect on the environment. The Company has invested substantially and allocated other resources to proactively adopt and implement manufacturing processes to increase its adherence to environmental standards and enhance its industrial safety levels.
<b>Local Communities</b>	
The newly enacted Companies Act, 2013 mandates allocation of 2% of profits for CSR. Local communities around our manufacturing facilities located in rural areas of the Company are amongst our key stakeholders. Lack of education, healthcare facilities and livelihood opportunities are often a source of discontent. The local communities therefore have high expectations from the Company.	Jubilant Bhartia Foundation has institutionalised the process of community engagement over the years. We engage in CSR projects without creating dependency. We believe in a structured and need-based approach for community development at all our sites for which dedicated funds are committed. The nurtured relations have led us to be viewed by the community and other external stakeholders as their "neighbor of choice". The Company is fulfilling the mandate of the Companies Act, 2013.

# 13 Stakeholders... Engagement

Expectations, interests and growth of our stakeholders are vital for our own success. Our key stakeholders are Customers, Shareholders, Suppliers & Service Providers, Employees, Government, Media and the Community.

Expectations, interests and growth of our stakeholders are vital for our own success. Our key stakeholders are Customers, Shareholders, Suppliers & Service Providers, Employees, Government, Media and the Community. The Company has always endeavoured to maintain an active dialogue with all its stakeholders. Stakeholder engagement and solving their key concerns are important elements of our decision-making process. We have a robust system in place for maintaining a progressive relationship with the stakeholders. Our key engagements this year include the following:

## Customers

We have diversified our business globally and actively service our customers in more than 100 countries. We are engaged in a Business to Business (B2B) model. We work ceaselessly to provide our customers with quality products and services. Our consistent and unflagging efforts have made us global leaders in several product categories. The Company has implemented Salesforce.com-Customer Relationship Management (CRM) software in 2014-15. Salesforce brings the industry into the digital age using informatics and the cloud to customer queries more efficiently. Any customer can float a product query and dedicated business personnel responds to those queries online.

The Company regularly participates in various national and international exhibitions to engage with current and prospective customers. Further, customer satisfaction is assessed periodically for each business division and improvement initiatives are taken accordingly. Some of our customers assess our sustainability performance on a regular basis. The Company provides full co-operation to these customer surveys and takes it as a benchmarking exercise for its sustainability performance. During the year, Dow Chemicals, DuPont, De Heus, and Wild flavors have conducted on-line surveys and site audits of our Company.



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The Company shares information through the Quarterly Results, Annual Report, Corporate Sustainability Report and periodic Press Releases with its shareholders. Our key aim behind this is to enable them take informed investment decisions.

**Key Events Participated in 2014-15**

CPhI Japan - April 2014	Japan
VIV India - April 2014	India
Vitamins Feed Expo, China -April 2014	China
Chemspec Europe, Hungary - June 2014	Hungary
CPHI WW, France - October 2014	France
FI Asia, Indonesia – October 2014	Indonesia
Poultry India, Hyderabad- November 2014	Hyderabad, India
CPHI India, Mumbai - December 2014	Mumbai, India
VIV Asia, Thailand – March 2015	Thailand

## Investors

Jubilant Life Sciences values the contribution of all its investors immensely. The Company shares information through the Quarterly Results, Annual Report, Corporate Sustainability Report and periodic Press Releases with its shareholders. Our key aim behind this is to enable them take informed investment decisions. In order to promptly and effectively handle all types of investor issues, a dedicated email id [investors@jubl.com](mailto:investors@jubl.com) has been set up to solve their queries. Apart from this, feedback forms are circulated on an annual basis and the same are also made available online on our website [www.jubl.com](http://www.jubl.com). The shareholders also have an opportunity to share their valuable suggestions with the Board of Directors during the Annual General Meeting. Suitable actions are taken on the suggestions/ideas given by the shareholders and employees, subject to being found practical, appropriate and in the interests of the Company.

With a view to communicate on a real-time basis, the Company has been e-mailing quarterly results and press releases since the past eight years to all the shareholders whose e-mail IDs are available with the Company as soon as these are shared with the stock exchanges. In sync with the green initiative of the Ministry of Corporate Affairs, Government of India, since the year 2010-11, the Company has been e-mailing the Notice of the Annual General Meeting, Annual Report and Corporate Sustainability Report to shareholders who have registered their e-mail IDs with the Company. Physical documents are being mailed to shareholders whose e-mail IDs are not available in the Company's records.

The Annual General Meeting (AGM) 2014-15 for investors was held on September 2, 2014 at Gajraula, India. Apart from this, regular investor meets and three quarterly calls were conducted during the year. These were attended by over 150 participants from leading brokerage houses, foreign and domestic institutional investors, banks, insurance and portfolio management companies and rating agencies. These quarterly calls are a platform to convey and discuss the Company's financial and operational performance.





## Suppliers and Service Providers

Suppliers and service providers are intrinsic to our manufacturing operations and we have processes and systems to engage with them on a continuous basis. The various categories of suppliers include external manufacturers, raw material vendors, packaging vendors, machine suppliers, transporters, contract workmen providers, logistics providers and other service providers. Jubilant Life Sciences uses eJ-Buy which is an e-procurement model for paperless buying and systematic information flow.

We aim towards protection of human rights and our policies are extended to our suppliers and service providers integrated in our contract agreements and purchase orders. These cover prohibition of Child Labour, Forced & Compulsory Labour, Discrimination and others. Apart from this, the Suppliers are also made to fill a Supplier Self-Assessment Questionnaire which includes information regarding sourcing, manufacturing process, packaging and labelling, quality assurance and control, and environment, health and safety measures adopted.

Every year the Company organises Partners in Progress (PIP) meet for the suppliers, where supplier concerns are

addressed through various interactions on a continual basis and through the annual Partners in Progress meet. The suppliers are also updated about the Company's progress and plans during the meet and other interactions. This year, more than 203 participants from 200 suppliers participated in the PIP Meet held on April 16 and 17, 2014. Suppliers were also briefed about the JLS sustainability performance and requirement under GRI G4 reporting guidelines from suppliers.

## Transporters Safety Program: 'Nischay'

The Company is always concerned about road safety during transportation of its products and raw materials. All the road incidents due to third party transportation are analysed and actions are taken to avoid recurrence of such incidents. Three Defensive Driver Programs (Nischay) were conducted in Gajraula on October 9, 2014; at Nira on November 13, 2014; and at Bharuch on March 2, 2015. This involved more than 135 drivers, transport representatives, security personnel and commercial personnel and covered topics primarily on defensive driving and handling hazardous cargo. Both internal and external experts conducted these trainings.

## Employees

Our Employees are the agents of growth for the organisation. Supported by workplace policies, we focus on performance and recruit talented people regardless of their race, national origin, sex, gender identity, sexual orientation, age, disability or religion. We then reward and promote them based on their contribution to our success and we protect their workplace rights and freedoms. The Company recruits employees based on their skills and merit however, local employees are preferred while they meet the specific role set by the Company. Employee salaries are always higher than the minimum wages mandated by local regulation. All employees receive

a detailed orientation on our policies and procedures when they join the company. The training is refreshed regularly. Employee engagements are organised at all manufacturing facilities and offices on various occasions. This year the most engaging program was the organization-wide “My Jubilant, My Pride” program launched with the objective of instilling pride in the brand Jubilant. It was involved in on-ground activities such as ‘One for the Camera’ and engagement activities such as quiz competition and poster campaign. The program was a major success with the employees and was successful in instilling a positive culture.

### Various engagement programs organised at the Corporate Office are:

World Heart Day September 29, 2014	Walking up to our workstations, choosing a heart healthy lunch at the cafeteria and enjoying heart friendly snacks.
Muskaan Mathemagic Program Launch - July 2014	Poster Competition
Holi Celebration - March 4, 2015	Herbal Holi Colours stall was organised for Jubilant employees; with colours made by the inmates of Tihar Jail.
Breast Cancer Awareness Day – October 17, 2014	‘Wear Pink to Work’, distribution of Pink Ribbons in office and a talk by Dr. Geeta Kadayaprath, Senior Consultant (Breast Surgeon), Max Healthcare, was arranged for females employees about the disease in association with the Ogaan Cancer Foundation.

### Apart from these, four Blood Donation Camps were organised at HO, Bharuch, Roorkee and Nira.

S.No	Blood Donation Camps	Location	No. of Units of Blood Donated
1	19 December 2014	HO Noida	80
2	21 February 2015	Bharuch	122
3	18 March	Roorkee	150
4	1 December	Nira	39

## Government

The Company pro-actively interacts with the Government and regulatory authorities on an on-going basis through various industry bodies and related platforms. Jubilant strongly believes in being fully compliant with applicable laws and contributing to the development of the country.

## Media

The Company adheres to all the applicable laws, standards and voluntary codes related to marketing communications. It does not engage in marketing of any product or service that is banned or controversial. Regular media engagement activities are undertaken with an objective to keep stakeholders updated about critical business developments. The Company issued 23 Press Releases during the year.

## Community

Jubilant realises that healthy societies support healthy businesses. The community adjoining our manufacturing facilities is important for us and we work for enhancing their quality of life and livelihoods to have a positive impact on people's lives. JBF has been promoted specifically for the purpose of working in close co-ordination with the community to involve them and support them continuously.

Regular interface with the local opinion leaders and community representatives provides adequate feedback which helps us evaluate the requirement and impact of social initiatives. The feedback helps shape the community initiatives to address the community expectations.

Sr. Citizen felicitation programe photos



Sr. Citizen felicitation programe photos

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Apart from these, the Company contributes through disaster relief programs, scholarships and bursaries, plantation activities and celebrations. During the year, the Company extended Rs. 1.43 million to the Jammu & Kashmir Relief Program along with a special contribution of relief material worth Rs. 0.35 million by Gajraula employees to the flood-affected areas through the Rotary Club. Ten meritorious students were awarded the Jubilant Pratibha Puraskar at Gajraula, selected through common eligibility test. These students were provided monthly scholarship by the Company along with mentorship support by 10 employees. A Drawing Competition was organised at Gajraula, Bharuch, Nira, Samlaya, Nanjangud and Roorkee, involving more than 9,990 local students of Class IV & V. A School Pravesh Utsav was organised involving more than 590 local students around Bharuch and Samlaya. A Speech Competition was organised involving more than 7,460 local students around Gajraula. An Essay Competition was organised involving more than 7,600 local students around Gajraula and Nanjangud.

A theme-based Craft Competition was organised involving local students around Gajraula. International Literacy Day (8th September) Celebrated involving local students (more than 3,500) through "One Day – One Story" Campaign in association with Pratham Books in 6 locations. Street Play Competition was organised in October involving local students around Gajraula – 7,228 participants. Speech/Reading / Poem Recitation was organised in October in Gajraula, Bharuch, Samlaya, Roorkee and Nanjangud under Project Muskaan, involving 10,240 students. Essay writing & Hand Writing competition was organised in November in Gajraula, Bharuch, Samlaya, Roorkee and Nanjangud under Project Muskaan involving 9,796 students. Craft Day was organised in December in Bharuch, Samlaya, Roorkee and Nanjangud under Project Muskaan, involving 2,185 students. Story-telling activity was organised in the month of January in Bharuch, Samlaya, Nira and Nanjangud involving 2,967 students under Project Muskaan. Mathemaze was organised in March in Roorkee, Nira and Bharuch involving 1,471 students under Project Muskaan.

Farmer's Training Gajraula



Farmer's Training Gajraula

# 14 Governance and Advisory Structure

The Board along with its Committees provides leadership and strategic guidance to the Company's management to create sustainable values for all stakeholders, provide vision to the Company and oversee the implementation of the Board's decisions.

The Board of Directors ('Board') is the apex and highest governing body in Jubilant. The Board along with its Committees provides leadership and strategic guidance to the Company's management, while discharging its fiduciary responsibilities thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures. The Board's objectives are to create sustainable values for all stakeholders, provide vision to the Company and oversee the implementation of the Board's decisions.

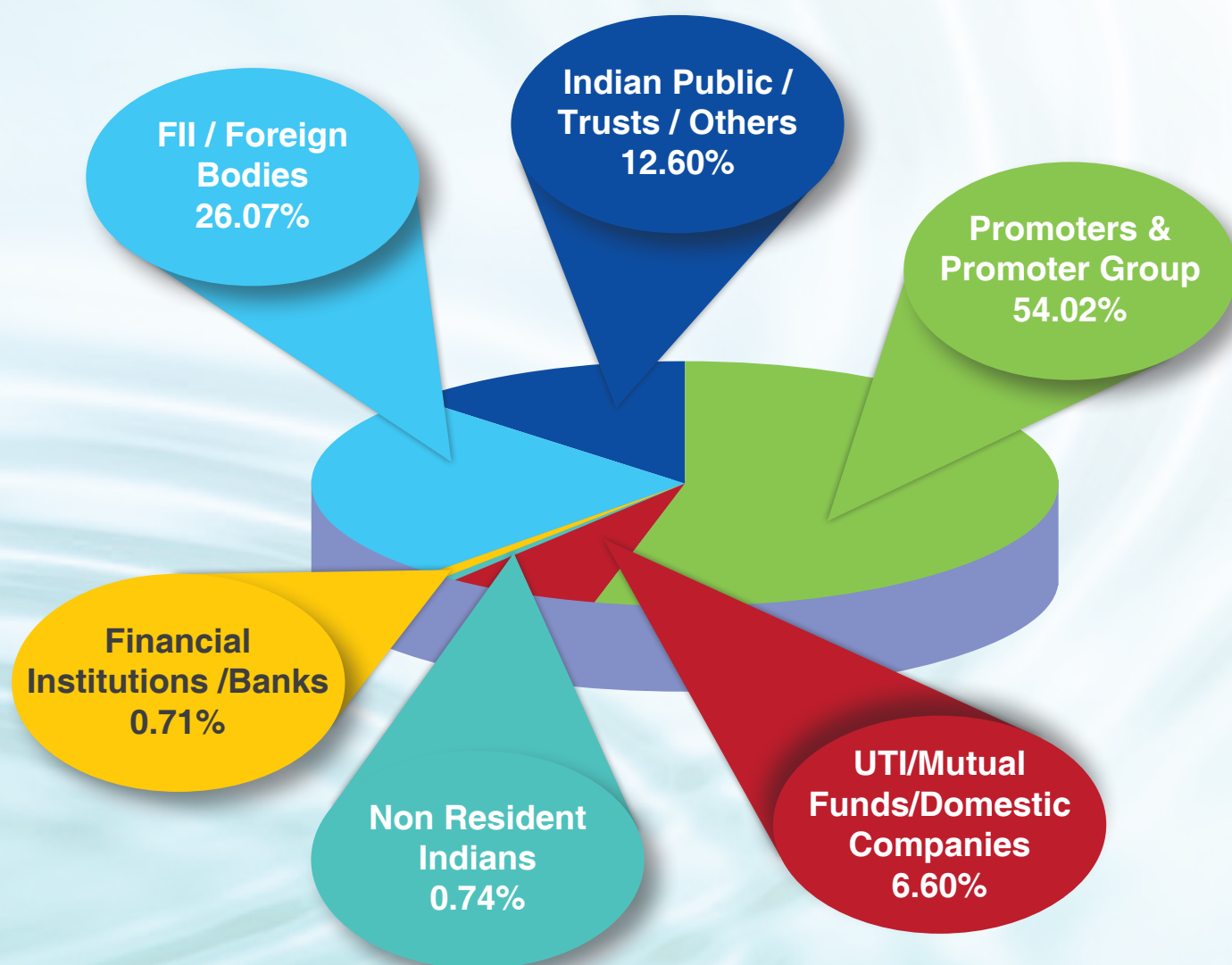
Jubilant has a balanced Board with a judicious mix of executive, non-executive, independent and non-independent Directors. Currently, the Board comprises of a Non-Executive Chairman (Promoter), Co-Chairman and Managing Director (Promoter), 1 Executive Director (Professional) and 4 Non-Executive Independent Directors. Of these, 6 are male Directors and there is one female Director. All the members of the Board are experienced and are above 50 years of age.

The Independent Directors constitute a majority of the Board, thus ensuring independence and transparency of the

Board's decision-making process. The Independent Directors are not associated with the Company in any executive capacity. They do not have any material pecuniary relationship with the Company other than their remuneration. The Independent Directors, by furnishing a Certificate of Independence to the Board, affirm their independence on an annual basis. The Company also has a 'Policy on Positive Attributes of Independent Directors'.

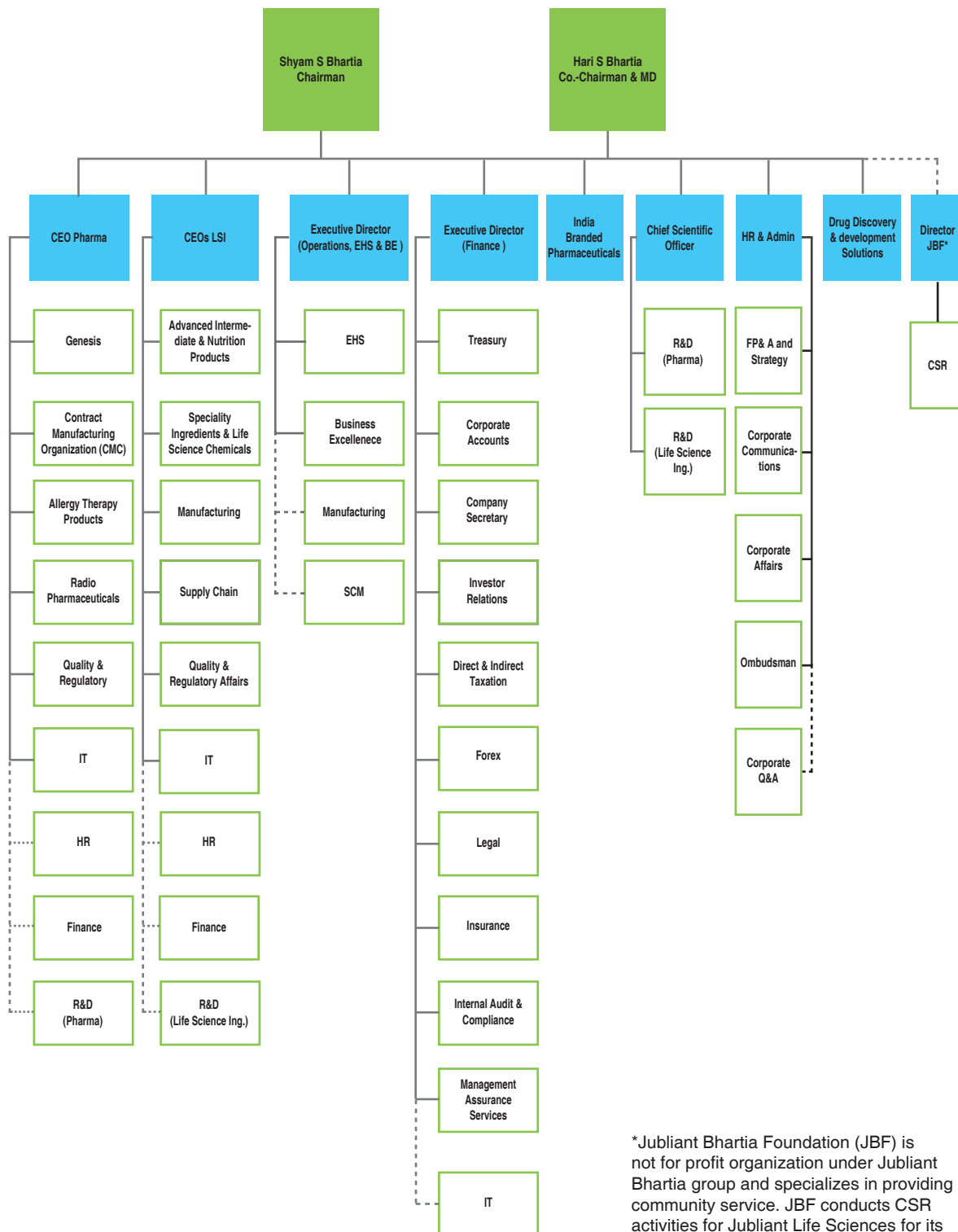
Co-Chairman & Managing Director (CCMD) is the highest Executive Officer of the Company. He belongs to the promoter group and has led the Company to its present growth and success. The Chief Executive Officers (CEOs) of various businesses are responsible for smooth functioning of their respective businesses and they are placed at one level below the Board. This also includes the development of business strategies as well as due consideration of the interests of all stakeholders. The business strategies and plans are reviewed during the Annual Strategy Meet by Chairman, CCMD, Executive Directors and CEOs.







## The Global Management Team of Jubilant is presented below:-



\*Jubilant Bhartia Foundation (JBF) is not for profit organization under Jubilant Bhartia group and specializes in providing community service. JBF conducts CSR activities for Jubilant Life Sciences for its operations in India.



To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees with clearly defined terms of reference and scope.

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees with clearly defined terms of reference and scope. Committee members are appointed by the Board with the consent of Individual Directors. The Committees meet as often as required. The minutes of the meetings of all Committees of the Board are placed before the subsequent Board meeting for noting. Major Committees are:

- Audit Committee
- Nomination, Remuneration & Compensation Committee
- Stakeholders Relationship Committee
- Corporate Governance Committee
- Sustainability & CSR Committee
- Finance Committee
- Issue Committee
- Fund Raising Committee

The role, terms of reference and composition of these committees are available in detail in the Corporate Governance Report, forming a part of the Annual Report.

There are several policies framed by the Board in compliance with the Companies Act and the SEBI Listing Agreement. Following are the key policies which act as broad guideline for smooth and transparent functioning of the Board:

- Policy on Board Diversity
- Disclosure policy
- Succession plan for board members and senior management
- Appointment and remuneration policy
- Corporate social responsibility policy
- Whistle blower policy
- Code of conduct of directors and senior management
- Policy for determining material subsidiaries
- Policy on materiality of related party transactions and dealing with related party transactions
- Insider trading code

To measure and drive business performance on a continuous basis, various Executive Committees have been constituted. The Committees comprise of Managing Director / Whole Time Director, Executive Director-Finance and other Senior Executives of the Company. Meetings of these Committees are held periodically depending upon the business requirements.

Some of these Committees are:

- Supply Chain Committee: To review various operational areas
- Purchase Committee: To ensure that key purchases pass through a leadership rigour and are done at an optimal price

- Business Performance Review Committee: To review key revenue and profitability drivers on a continuous basis
- Capex Committee: To have control on capital expenditure
- Credit Control Committee: To ensure tight control on working capital
- Functional Review Committee: To review various important operational and functional areas including EHS performance review

## Compensation for the members of the highest governance body

At Jubilant, Directors' Remuneration Policy aims at encouraging and rewarding good performance/contribution to its objectives. Remuneration of Non-Executive Directors comprises of:

- Sitting fees for attending Board and its Committees meetings; and
- Commission, as decided by the Board and approved by the members, within the ceilings as computed under the Companies Act, 2013 subject to a maximum of INR 1.0 million in a year per Director.

The remuneration of Executive Directors (Managing Directors and Whole-time Director) is paid as recommended by the Nomination, Remuneration and

Compensation Committee and approved by the Board and Shareholders. Remuneration of Executive Directors consists of a fixed component (salary, allowances, perquisites, and other benefits) and a variable component (variable pay or commission). Further, Executive Directors are also given Stock Options. However, Managing Directors who belong to Promoter Group are not eligible for Stock Options. The Nomination, Remuneration & Compensation Committees ensure that the levels of remuneration are sufficient to attract, retain and motivate Directors to run the Company successfully.

## Avoidance of Conflict of Interest

There is no formal written guideline or procedure for conflict resolution in the Company. However, in terms of the 'Code of Conduct for Directors and Senior Management', Directors and Senior Management must promptly disclose (to the Board of Directors in case of Directors and to the CCMD in case of Senior Management) if their personal interest interferes with the interest of the Company. Further, in terms of Clause 49 of the Listing Agreements with the Stock Exchanges, Senior Management is also required to confirm to CCMD on an annual basis that no material financial or commercial transaction has been entered into by them, which could have potential conflict with the interests of the Company at large. Such affirmations are placed before the Board.



The Company has implemented a 'Code of Conduct for Prevention of Insider Trading' in the Equity Shares of the Company for observance by its Directors and identified executives. The said Code, inter alia, prohibits purchase/sale of equity shares of the Company by Directors and identified executives while in possession of the unpublished price sensitive information in relation to the Company.

Conflicts arising, if any, can be resolved through informal discussions. However, if any conflict is unresolved, the following approach is adopted by the Company:

- Analyse or review the situation of conflict;
- Organise meeting jointly with the concerned parties to know their perspective; and
- Reconcile through the involvement of senior executives.

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

## Grievance Redressal

Jubilant has formulated a 'Whistle Blower Policy' to enable full-time employees and Directors to voice concerns anonymously without the fear of retaliation /victimisation / discrimination which is a sine qua non for an ethical organisation. To further augment the Corporate Governance standards, an independent office of the Ombudsman for the Jubilant Bhartia Group has been established. Any issue or concern may be reported by e-mail to [ombudsman@jubl.com](mailto:ombudsman@jubl.com) or by logging on to [www.cwiportal.com](http://www.cwiportal.com), an external web portal with whom Jubilant has tied up for processing issues/concerns independently and confidentially.

## Precautionary Approach

India is party to international protocols/ forums on precautionary approach and Indian laws & regulations are also based on these aspects. The Company has a system of Statutory Compliance Reporting System (SCRS) for managing compliances as a part of the precautionary approach to prevent any non-compliance. This system is web-based and is hosted on the Company's intranet and covers all Indian manufacturing locations of the Company.



# 15 Sustainability Strategy 2020: Performance and Way Forward

The Company takes pride in sharing that this year we achieved the targets set taken for Water, Safety and CSR, taken last year for 2020, based on 2012-13.

Baseline 2012-13		Targets 2020	Achievements 2014-15	Targets 2020	Achievements 2014-15
PILLARS	TARGETS	LSI		JPL	
WATER	Reduce Specific Water consumption	12%	14%	12%	28% (API) 40% (Dosage)
ENERGY	Reduce Specific Energy consumption	12%	7%	12%	15% (API) 39% (Dosage)
CLIMATE CHANGE	Reduce Specific GHG emissions	12%	6%	12%	10% (API) 31% (Dosage)
MANAGEMENT SYSTEM	Responsible Care Certification	All Plants	RCMS under implementation for Gajraula & Corporate Office	All Plants	Not yet started
SAFETY	Reduce total number of Manhours lost	30%	96%	60%	100% (API) (-) 55% (Dosage)
CORPORATE SOCIAL RESPONSIBILITY	Companies Act 2013	Comply with provisions on CSR	Complied	Comply	Complied
	Swasthya Prahari: Reduce mal-nutrition ratio amongst children below 5 years in 10 identified villages (Baseline 35%) in next 3 years	20%	On going	20%	On going
		Renovate Existing community health centre to improve infrastructure and services with the aim to extend affordable basic health care to the local community.			Project started



## SUSTAINABILITY POLICY

Jubilant Life Sciences Limited and its subsidiaries are committed to **Sustainability** and consider environmental protection, accountability, transparency and inclusiveness as the facets to Sustainable Development.

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

The nature of our activities defines resource efficiency, environmental protection, occupational health and safety, and transportation safety as significant components for long term sustainability of our business and we stand committed to these.

We are a part of the society and acknowledge our responsibility as a good corporate citizen. We endeavor to have an open dialogue with all our stakeholders and adopt structured plans to bring **Progressive Social Change** through strategic multi-stakeholder partnerships.

We intend to be a noteworthy force in integrating Sustainability across our business.

Shyam S Bhartia  
Chairman

Hari S Bhartia  
Co-Chairman & Managing Director

June 30, 2015





## GREEN SUPPLY CHAIN POLICY

Jubilant Life Sciences Limited and its subsidiaries are committed to protect the Environment by striving for the Greening of Supply Chain in collaboration with our stakeholders for long term Sustainability.

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

**P**rotect the environment by creating awareness

**A**dhere to environment, health & safety compliance

**R**educe, reuse and recycle resources

**T**rain and educate to say no to child labour

**N**ourish plantation and greenery in vicinity

**E**ncourage saving of water and electricity

**R**educe Greenhouse Gas emissions

**S**trive for sustainable partnership

**Shyam S Bhartia**  
Chairman

**Hari S Bhartia**  
Co-Chairman & Managing Director

June 30, 2015



## ENVIRONMENT, OCCUPATIONAL HEALTH AND SAFETY POLICY

Jubilant Life Sciences Limited and its subsidiaries are committed to proactively manage and achieve excellence in Environmental, Occupational Health and Safety (EHS) practices.

We shall achieve this by:

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

The Company shall design and develop, manufacture, handle, store and distribute its products in a manner that minimizes the risk to human beings and environment to go beyond compliance in all aspects of EHS.

**Shyam S Bhartia**  
Chairman

**Hari S Bhartia**  
Co-Chairman & Managing Director

June 30, 2015



## RESPONSIBLE CARE POLICY

Jubilant Life Sciences Limited and its subsidiaries are committed to excellence and continual improvement in Health, Safety, Security and Environment [HSSE] performance at its manufacturing units, research & development centers and offices; by leveraging our promise of Caring, Sharing, Growing.

The leadership is committed to implement Responsible Care Management System [RCMS] to promote sustainability across value chain. We shall endeavor to comply with all applicable national and international HSSE regulations.

Jubilant shall design and develop, manufacture, handle, store and distribute its products in a manner that minimizes the risk to human beings and environment, while satisfying the stakeholders' needs.

At Jubilant, every employee has an important role in implementing RCMS through establishment, periodic review and achieving its objectives and targets. We shall timely engage with stakeholders to communicate our Responsible Care performance and inspire them to adopt Responsible Care guiding principles.

We intend to be a noteworthy force in helping to create a more sustainable world.

**Shyam S Bhartia**  
Chairman & Managing Director

**Hari S Bhartia**  
Co-Chairman & Managing Director

December 26, 2014





## CLIMATE CHANGE MITIGATION POLICY

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

- Join hands with the employees, families & community to create awareness
- Undertake energy conservation measures
- Benchmark all activities for optimum use of resources
- Involve suppliers to reduce emissions through Greening of Supply Chain
- Limit Greenhouse Gas emission by process optimization and pollution prevention
- Adopt advanced information technology to reduce travel related emission
- Nourish the plantation in the units and the vicinity for carbon sequestration
- Transform above initiatives into actions

We shall endeavor to implement this policy to mitigate the risk of Climate Change at **JUBILANT**.

Shyam S Bhartia  
Chairman

Hari S Bhartia  
Co-Chairman & Managing Director

June 30, 2015

# United Nations Global Compact

Jubilant became a member of the UN Global Compact (UNGC) in 2010 with the aim of internalising the 10 Global Compact Principles in the areas of human rights, labour, environment and anti-corruption within its strategies, policies and operations. Through our support to UNGC, we aim to undertake projects to advance the broader development goals of the United Nations, particularly the Millennium Development Goals. From 2010 onwards, the Company is submitting its Communication on Progress (COP); our communications are available on the UNGC website.

## UNGC “THE TEN PRINCIPLES”

Area	Principle	Statement	Page No.
Human Rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	50
	Principle 2	Businesses should make sure that they are not complicit in human rights abuses	50
Labour	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	48
	Principle 4	the elimination of all forms of forced and compulsory labour	50
	Principle 5	the effective abolition of child labour; and	50
	Principle 6	the elimination of discrimination in respect of employment and occupation	50
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges	28
	Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility; and	29-33
	Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies	34-35
Anti-Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	50-51

# National Voluntary Guidelines

India's National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) were released by the Ministry of Corporate Affairs (MCA) in 2011. These set of nine principles offer businesses an Indian understanding and approach to inculcating responsible business conduct.

## NVG "THE NINE PRINCIPLES"

Area	Principle	Page No.
Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	72
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	19-22
Principle 3	Businesses should promote the well-being of all employees	44-51
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.	66-71, 36-42
Principle 5	Businesses should respect and promote human rights	50
Principle 6	Business should respect, protect, and make efforts to restore the environment	28-35
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	51
Principle 8	Businesses should support inclusive growth and equitable development	42
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner	19





# Memberships in Associations:

NAME OF THE ASSOCIATION/COMMITTEE	MEMBERSHIP TYPE
<b>Indian Operations</b>	
All India Distillers' Association	Corporate
All India Industrial Gases Manufacturers' Association	Corporate
All India Management Association (AIMA)	Corporate
American Chemical Society	Corporate
Catalysis Society of India	Corporate
Chemexil	Corporate
Confederation of Indian Industry (CII)	Corporate
Employers' Federation of India	Corporate
FEFANA (EU Association of Specialty Feed Ingredients and their Mixtures)	Corporate
Federation of Indian Chambers of Commerce & Industries (FICCI)	Corporate
Indo-Canadian Business Chamber (ICBC)	Corporate
Indian Chemical Council (ICC)	Corporate
Indian Chemical Society	Corporate
Indian Pharmaceutical Association	Corporate
International Society of Pharmaceutical Engineering (ISPE)	Corporate
Indian Speciality Chemical Manufacturers' Association (ISCMA)	Corporate
Global Reporting Initiative	Corporate
Karnataka Drugs and Pharmaceuticals Manufacturers' Association (KDPMA)	Corporate
Lucknow Management Association	Corporate
Mysore Chamber of Commerce & Industry	Corporate
Nanjangud Industries Association	Corporate
Pharmaceuticals Export Promotion Council (Pharmexil)	Corporate
PHD Chamber of Commerce and Industry	Corporate
Public Affairs Forum of India (PAFI)	Corporate
QCFI (Quality Federation Of India)	Corporate
The Energy and Resources Institute	Corporate
The Institution of Engineers (India)	Corporate
US-India Business Council (USIBC)	Corporate
Uttar Pradesh Alcohol based Industries Association (UPABIDA)	Corporate
World Economic Forum	Corporate
The United Nations Global Compact	Corporate
<b>North America Operations</b>	
Spoken:	
Washington Biotech/Biomedical Association (WBBA)	Unit
Employer Resources Northwest (ERNW)	Unit
Associated Industries of Spokane (AI)	Unit
Members of the American Society of Safety Engineers (ASSE)	Unit
Cadista:	
Greater Horsham Chamber of Commerce	Unit
NACDS	Unit



The report was submitted for the GRI Application Level Service and GRI has confirmed that the report was prepared according to the GRI G3.1 Guidelines, at Application Level A+.

## G3.1 Content Index

Application Level	A+		Self- Declared		Assured by	Ernst & Young LLP
STANDARD DISCLOSURES PART I: Profile Disclosures						
1. Strategy and Analysis						
Profile Disclosure	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission
1.1	Statement from the most senior decision-maker of the organization.	Fully	2			
1.2	Description of key impacts, risks, and opportunities.	Fully	60			
2. Organizational Profile						
2.1	Name of the organization.	Fully	6			
2.2	Primary brands, products, and/or services.	Fully	6			
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	9,10,72			
2.4	Location of organization's headquarters.	Fully	14			
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	10			
2.6	Nature of ownership and legal form.	Fully	73			
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	9,10,11,18			
2.8	Scale of the reporting organization.	Fully	6-11			
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	15			
2.10	Awards received in the reporting period.	Fully	12			

3. Report Parameters						
Profile Disclosure	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission
3.1	Reporting period (e.g., fiscal/ calendar year) for information provided.	Fully	14			
3.2	Date of most recent previous report (if any).	Fully	14			
3.3	Reporting cycle (annual, biennial, etc.)	Fully	14			
3.4	Contact point for questions regarding the report or its contents.	Fully	14			
3.5	Process for defining report content.	Fully	14			
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	15			
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	15			
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	15			
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	14			
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	15			
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	15			
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	87			



Profile Disclosure	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	15			
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	72, 75			
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	72			
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	72			
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	67-69			
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	76			
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	76			
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	72			
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	75-77			
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	58			

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	75, 76			
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	77			
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	32,84			
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	86			
4.14	List of stakeholder groups engaged by the organization.	Fully	66			
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	59			
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	59,66-70			
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	59			

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

G3.1 DMAs	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission	To be reported in
<b>DMA EC</b>	<b>Disclosure on Management Approach EC</b>						
<b>Aspects</b>	Economic performance	Fully	18				
	Market presence	Fully	18				
	Indirect economic impacts	Fully	18				
<b>DMA EN</b>	<b>Disclosure on Management Approach EN</b>						
<b>Aspects</b>	Materials	Fully	29				
	Energy	Fully	29				
	Water	Fully	29, 30				
	Biodiversity	Fully	29, 33				
	Emissions, effluents and waste	Fully	29, 30,31				
	Products and services	Fully	22				
	Compliance	Fully	61				
	Transport	Fully	32				
	Overall	Fully	28				
<b>DMA LA</b>	<b>Disclosure on Management Approach LA</b>						
<b>Aspects</b>	Employment	Fully	44-49				
	Labor/management relations	Fully	48				
	Occupational health and safety	Fully	24-27				
	Training and education	Fully	46				
	Diversity and equal opportunity	Fully	50				
	Equal remuneration for women and men	Fully	40,50				
<b>DMA HR</b>	<b>Disclosure on Management Approach HR</b>						
<b>Aspects</b>	Investment and procurement practices	Fully	67-68				
	Non-discrimination	Fully	50				
	Freedom of association and collective bargaining	Fully	48,50				
	Child labor	Fully	50				
	Prevention of forced and compulsory labor	Fully	50				
	Security practices	Fully	5,22				
	Indigenous rights	Fully	50				
	Assessment	Fully	50-51				
	Remediation	Fully	50,51,77				



G3.1 DMAs	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission	To be reported in
<b>DMA SO</b>	<b>Disclosure on Management Approach SO</b>						
<b>Aspects</b>	Local communities	Fully	36, 70, 71				
	Corruption	Fully	50, 84				
	Public policy	Fully	51				
	Anti-competitive behaviour	Fully	51				
	Compliance	Fully	51, 70				
<b>DMA PR</b>	<b>Disclosure on Management Approach PR</b>						
<b>Aspects</b>	Customer health and safety	Fully	19				
	Product and service labelling	Fully	20, 21				
	Marketing communications	Fully	70				
	Customer privacy	Fully	19				
	Compliance	Fully	19, 61				
<b>STANDARD DISCLOSURES PART III: Performance Indicators</b>							
<b>Economic</b>							
<b>Economic performance</b>							
<b>EC1</b>	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.	Partially	9, 18		Break up by country	Not material	Not material
<b>EC2</b>	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Fully	32				
<b>EC3</b>	Coverage of the organization's defined benefit plan obligations.	Fully	18, 47				
<b>EC4</b>	Significant financial assistance received from government.	Fully	18				
<b>Market presence</b>							
<b>EC5</b>	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Fully	69				
<b>EC6</b>	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Fully	16-18				
<b>EC7</b>	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	48				

G3.1 DMAs	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission	To be reported in
<b>Indirect economic impacts</b>							
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	8, 9, 18				
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	65				
<b>Materials</b>							
EN1	Materials used by weight or volume.	Fully	56				
EN2	Percentage of materials used that are recycled input materials.	Fully	56				
<b>Energy</b>							
EN3	Direct energy consumption by primary energy source.	Fully	56				
EN4	Indirect energy consumption by primary source.	Fully	56				
EN5	Energy saved due to conservation and efficiency improvements.	Fully	29				
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	29, 33				
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	29				
<b>Water</b>							
EN8	Total water withdrawal by source.	Fully	30, 56				
EN9	Water sources significantly affected by withdrawal of water.	Fully	30				
EN10	Percentage and total volume of water recycled and reused.	Fully	57				
<b>Biodiversity</b>							
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.	Fully	33				

G3.1 DMAs	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission	To be reported in
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Fully	33				
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Fully	33				
<b>Emissions, effluents and waste</b>							
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	57				
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	33				
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	33				
EN19	Emissions of ozone-depleting substances by weight.	Fully	33				
EN20	NOx, SOx, and other significant air emissions by type and weight.	Fully	57				
EN21	Total water discharge by quality and destination.	Fully	57				
EN22	Total weight of waste by type and disposal method.	Fully	57				
EN23	Total number and volume of significant spills.	Fully	29				
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	30				
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Fully	30				
<b>Products and services</b>							
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	22				
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Fully	22				



G3.1 DMAs	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission	To be reported in
<b>Compliance</b>							
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	21				
<b>Transport</b>							
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Fully	20, 21, 32				
<b>Overall</b>							
EN30	Total environmental protection expenditures and investments by type.	Fully	20				
<b>Social: Labor Practices and Decent Work</b>							
<b>Employment</b>							
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Fully	44-45				
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Fully	42-49				
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	47				
LA15	Return to work and retention rates after parental leave, by gender.	Fully	47				
<b>Labor/management relations</b>							
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	48				
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	49				
<b>Occupational health and safety</b>							
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Fully	48				
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Fully	57				

G3.1 DMAs	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission	To be reported in
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	24, 41				
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	48				
Training and education							
LA10	Average hours of training per year per employee by gender, and by employee category.	Fully	46				
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	46, 69				
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Fully	46				
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	72				
Equal remuneration for women and men							
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Fully	40				
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	67, 68				
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	Fully	67, 68				
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	51				

G3.1 DMAs	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission	To be reported in
Non-discrimination							
HR4	Total number of incidents of discrimination and corrective actions taken.	Fully	50, 51				
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	23, 50, 51				
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	23, 50				
Prevention of forced and compulsory labor							
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Fully	23, 50				
Security practices							
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Fully	51				
Indigenous rights							
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	50				
Assessment							
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Fully	50, 51				
Remediation							
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Fully	51				
Social: Society							



G3.1 DMAs	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission	To be reported in
Local communities							
S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Fully	36, 70				
S09	Operations with significant potential or actual negative impacts on local communities.	Fully	65, 70, 71				
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Fully	36, 65, 70, 71				
Corruption							
S02	Percentage and total number of business units analyzed for risks related to corruption.	Fully	50, 51				
S03	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	50, 51				
S04	Actions taken in response to incidents of corruption.	Fully	50, 51				
Public policy							
S05	Public policy positions and participation in public policy development and lobbying.	Fully	51				
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	51				
Anti-competitive behavior							
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Fully	51				
Compliance							
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	51				

G3.1 DMAs	Disclosure	Level of reporting	Location of disclosure	For partially reported disclosures, indicate the part not reported	Reason for omission	Explanation for the reason for omission	To be reported in
<b>Social: Product Responsibility</b>							
<b>Customer health and safety</b>							
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	19-23				
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	21				
<b>Product and service labelling</b>							
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	21				
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	61				
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	21, 66				
<b>Marketing communications</b>							
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	70				
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Fully	70				
<b>Customer privacy</b>							
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Fully	19				
<b>Compliance</b>							
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	21				

# External Assurance Statement



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

## Independent Assurance Statement

Ernst & Young LLP (EY) was engaged by Jubilant Life Sciences Limited (the 'Company') to provide independent assurance on its Corporate Sustainability Report 2014-15 (the 'Report') covering the Company's sustainability performance during the period 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015.

The development of the Report based on the Global Reporting Initiative (GRI-G3.1) Guidelines, its content, and presentation is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The assurance report should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

## Assurance standard

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

## Scope of assurance and methodology

The scope of our work for this assurance engagement was limited to review of information pertaining to environment, health & safety (EHS) and social performance for the period 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015. We conducted review and verification of data collection/ measurement methodology and general review of the logic of inclusion/ omission of necessary relevant information/ data and this was limited to:

- Review of consistency of data/information within the report as well as between the report and source;
- Verification of the sample data and information reported at the following units/locations:
  - Ambarnath (Maharashtra)
  - Nanjangud (Karnataka)
  - Gajraula (Uttar Pradesh)
  - Corporate Office at Noida (Uttar Pradesh)
- Execution of an audit trail of claims and data streams, on a selective basis, to determine the level of accuracy in collection, transcription and aggregation;
- Review of the Company's plans, policies and practices, pertaining to their social, environment and sustainable development.

## Limitations of our engagement

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2014 to 31st March 2015);
- Review of the 'economic performance indicators' included in the Report which, we have been informed by the Company, are derived from the Company's audited financial records;





- The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim or future intention.

#### Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, was drawn from our Climate Change and Sustainability network, and undertakes similar engagements with various Indian and international companies. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

#### Observations

During our review, we observed that the Company has compiled the Report on the basis of GRI-G3.1 Guidelines of the Global Reporting Initiative. It was observed that the data monitoring and calculation methodology for sustainability parameters is fairly robust.

#### Conclusion

Based on our scope of review and approach, nothing has come to our attention that causes us not to believe that the Report covers sustainability parameters that are relevant for the Company.

Ernst & Young LLP

Sudipta Das  
Partner

Dated: July 31, 2015  
Place: Gurgaon



**JUBILANT**  
**LIFESCIENCES**

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