Jubilant Industries Limited

CIN: L24100UP2007PLC032909
Registered Office: Bhartiagram, Gajraula - 244 223, District Amroha, Uttar Pradesh, India
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NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013)

Dear Members,

Notice is hereby given that the resolution as set out in this notice is proposed for consideration by the members of Jubilant Industries Limited (the "**Company**") for passing by means of Postal Ballot under Section 110 of the Companies Act, 2013, as amended ("**Companies Act**"), including any statutory modification(s) or re-enactment thereof for the time being in force, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and other applicable provisions or re-enactments thereof.

The proposed resolution as set out below along with the Explanatory Statement is being sent to you for your consideration, along with a Postal Ballot Form. The Company has appointed Mr. Sanjay Grover, a Practicing Company Secretary (FCS No. 4223, C.P. No. 3850) of M/s. Sanjay Grover & Associates, Company Secretaries, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

Please read carefully the instructions printed on the back of the Postal Ballot Form and give your assent (for) or dissent (against) to the resolution, which should reach the Scrutinizer, either by physical mode or through e-voting.

If you choose to vote through physical mode, you are requested to carefully read the instructions printed on this Postal Ballot Notice and the Postal Ballot Form and return the completed Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope (if posted in India) at the address given thereon. Please note that any postal ballot form(s) received after 6.00 p.m. on Friday, June 19, 2015 will be strictly treated as if no reply has been received from the Member. No other form or photocopy thereof is permitted.

In compliance with Clause 35B of the Listing Agreement and provisions of Section 110 of the Companies Act read with the Rules, e-voting facility is provided to all shareholders which would enable them to cast the vote electronically. The Company has engaged National Securities Depository Limited ("NSDL") for providing e-voting facility through their platform. The process and manner for e-voting is provided in the notes to the Postal Ballot Notice. It may be noted that e-voting is optional. In case a Member has voted through e-voting facility, he/she is not required to send the physical Postal Ballot Form. In case a Member votes through e-voting facility as well as sends his/her vote through physical Postal Ballot, the vote cast through e-voting shall only be considered and the voting through physical Postal Ballot shall not be considered by the Scrutinizer.

After completion of scrutiny, the Scrutinizer will submit his report to the Chairman. The results of Postal Ballot shall be declared by the Chairman or his authorized representative or any Director duly authorized by the Board on Monday, June 22, 2015 and the resolution will be taken as passed effectively on the date of declaration of the results. The Scrutinizer's decision on the validity of the Postal Ballot shall be final. The results of the Postal Ballot along with the Scrutinizer's Report will be displayed on the Company's website viz. http://www.jubilantindustries.com/ and on NSDL's website viz. https://www.evoting.nsdl.com/ for information of the Members, besides being communicated to the Stock Exchanges on which the shares of the Company are listed.

RESOLUTION THROUGH POSTAL BALLOT

To consider and, if thought fit, to give assent / dissent to the following resolution, as a Special Resolution:

"RESOLVED THAT pursuant to Clause 49 (V) (G) of the Listing Agreements executed between the Company and the BSE Limited and the National Stock Exchange of India Limited and applicable provisions of the Companies Act, 2013 read with rules, circulars, orders and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approvals, consents, permissions and sanctions as may be deemed necessary (including the approval of the Competition Commission of India being obtained by the Buyer), consent be and is hereby accorded for the transfer by way of slump sale by Jubilant Agri and Consumer Products Limited ("**JACPL**"), a wholly owned subsidiary of the Company, of its undertaking engaged in the business of operating retail hypermarket stores in Bengaluru, India consisting *inter alia* of the retail hypermarket stores operated by JACPL under the brand name "Total Super Store" located in Bengaluru along with certain specified assets and liabilities including dedicated employees and contracts, relating to such undertaking (collectively the "**Business Undertaking**") to Aditya Birla Retail Limited ("**Buyer**") for a lump sum consideration of Rs. 69,92,00,000 (Rupees Sixty Nine Crores Ninety Two Lakhs), which is to be discharged by the Buyer subject to such adjustments in a manner and on such terms and conditions as are set out in the Business Transfer Agreement executed between JACPL, the Buyer and the Company on May 12, 2015.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and deeds, things and execute documents as may be incidental and consequential thereto in order to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to delegate all or any of their powers herein conferred, to any Director(s) or any other officer(s)/authorized representative(s) of the Company to give effect to the aforesaid resolution."

By Order of the Board
For **Jubilant Industries Limited**

Date : May 12, 2015 **Deepak Gupta**
Place : Noida **Company Secretary**

Notes :

1. Explanatory Statement containing reasons for the proposed resolution, pursuant to Section 102 of the Companies Act, 2013 and other applicable provisions, the rules, circulars, orders and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), if any is annexed to the Notice.
2. The Notice is being sent to all the Members, whose names appear in the Register of Members / Records of Depositories as on May 8, 2015.
3. The Company is pleased to provide e-Voting facility as an alternate for its members to enable them to cast their votes electronically instead of through physical Postal Ballot. For this purpose, necessary arrangements have been made with NSDL to facilitate e-Voting.
4. Relevant documents referred to in this Notice, including the Business Transfer Agreement, and accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except Saturdays and holidays, between 11.00 a.m. and 1.00 p.m. up to date of declaration of results of Postal Ballot.
5. Please read the voting instructions printed on the back of the Postal Ballot Form, before exercising vote carefully.
6. The date of declaration of results of the postal ballot viz. June 22, 2015 shall be the date on which the resolution would be deemed to have been passed, if approved by requisite majority.
7. The instructions for e-Voting are as under:

   a) In case of Shareholders receiving an e-mail from NSDL

   i) Open e-mail and open PDF file viz. "JIL Info e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and password for e-Voting. Please note that the password is an initial password.

   ii) Launch internet browser by typing the URL: https://www.evoting.nsdl.com/

   iii) Click on Shareholder - Login

   iv) If you are already registered with NSDL for e-Voting, you can use your existing User ID and password for casting your vote.

   v) If you are logging for the first time, please enter the User ID and password provided in the PDF file attached with the e-mail as initial password.

   vi) The password change menu appears on your screen. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential.

   vii) Once the e-Voting Home page opens, click on e-Voting> Active Voting Cycles.

   viii) Select Electronic Voting Event Number ("EVEN") of Jubilant Industries Limited as given in the body of the e-mail. You are now ready for e-Voting as Cast Vote page opens.

   ix) Cast your vote(s) by selecting appropriate options and click on "Submit" and also "Confirm" when prompted.

   x) Upon confirmation, the message "Vote cast successfully" will be displayed.

   xi) Once the votes on the resolution are cast, the Shareholder shall not be allowed to change the same subsequently.

   xii) Institutional Shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send scanned certified true copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter/ Power of Attorney etc. together with the attested specimen signatures of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail at sanjaygrover7@gmail.com or JIL_postalballotmay2015@jubl.com with a copy marked to evoting@nsdl.co.in

   xiii) In case of any query, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com

   xiv) You can also update your mobile number and e-mail address in the user profile details of the folio which shall be used for sending future communication(s).

b) In case of Shareholders receiving physical copies of the Notice of Postal Ballot

i) Initial password, User ID and Electronic Voting Event Number ("EVEN") are provided at the bottom of the Postal Ballot Form.

ii) Please follow all the steps from Sl. No. (ii) to Sl. No. (xiv) above, to cast your vote.

8. As per the Rules, Notice of the Postal Ballot may be served on the Shareholders through electronic transmission. Notice of Postal Ballot and Form are being sent electronically to all the Shareholders whose e-mail addresses are registered with the Company/Depository Participants(s). In respect of others, these documents are being sent by permitted mode of despatch.

9. Shareholders who have received notice of the Postal Ballot by e-mail and who wish to vote through physical Postal Ballot Form can seek duplicate Postal Ballot Form from the Corporate Office of the Company at 1A, Sector 16A, Noida - 201 301, Uttar Pradesh, India or from the Registrar & Transfer Agent, M/s. Alankit Assignments Limited, 1E/13, Alankit Heights, Jhandewalan Extension, New Delhi - 110055 and fill in the details and send the same to the Scrutinizer at 1A, Sector 16A, Noida-201 301, Uttar Pradesh, India.

10. Kindly note that the Shareholders can opt for only one mode of voting i.e. either physical ballot or e-Voting. If you are opting for e-Voting, please do not vote by physical ballot and vice versa. However, in case a Shareholder casts his vote by physical ballot and also by e-Voting, voting done by valid e-Voting shall prevail and voting done through Postal Ballot will be treated as invalid.

11. The notice is being sent to all the Shareholders of the Company whose names appear in the Register of Members/ Record of Depositories as on Friday, May 8, 2015 (the "Record date"). Voting rights shall be reckoned on the paid up value of the shares registered in the name of the Shareholders of the Company as on the Record date i.e Friday, May 8, 2015.

12. The voting period commences at 9.00 a.m. on Thursday, May 21, 2015 and ends at 6.00 p.m. on Friday,June 19, 2015. The e-Voting module shall be disabled by NSDL for voting thereafter.

13. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

14. The Scrutinizer will submit his report after completion of the scrutiny, to the Chairman who will or in his absence any other person so authorised by them will, declare the results of voting by Postal Ballot on Monday, June 22, 2015 at 3.30 p.m. The results will be displayed at the Registered Office and the Corporate Office of the Company.

15. The results of the Postal Ballot will also be announced through newspaper advertisement and communicated to the Stock Exchanges. The results along with the Scrutinizer's report will also be displayed on the Company's website www.jubilantindustries.com as well as on the NSDL's website https://www.evoting.nsdl.com.

16. The resolution will be taken as passed effectively on the date of declaration of results, if the results of the Postal Ballot indicate that the requisite majority of the Shareholders of the Company have assented to the resolution.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 22 (1) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

1. Retail industry in India has significant challenges in short to medium term and it is estimated that growth will remain muted in medium term. The industry is in evolution stage in India, there is an element of high risk of any option getting unviable in future and even in medium term returns would not be high. The advent of e-commerce has further complicated the retail business leading to lower margins and increased competition from e-tailers which are adopting predatory pricing technique to gain market share.

   Further, Jubilant Agri and Consumer Products Limited's present operating level of the Retail Business is not economical and to further expand the business to achieve economies of scale it would require heavy capital investment. In view of the industry outlook which is not very healthy, the Management decided that it would not be prudent to continue to invest in retail business which has high risk and low return in short to medium term. On the contrary, it would be prudent to focus on other businesses of JACPL which are comparatively more stable and have better potential of earnings, as this would help in improving its overall profitability.

2. In view of the above, Jubilant Agri and Consumer Products Limited ("JACPL"), a wholly owned subsidiary of the Company, proposes to transfer its undertaking engaged in the business of operating retail hypermarket stores in Bengaluru, India consisting inter alia of the retail hypermarket stores operated by JACPL under the brand name "Total Super Store" located in Bengaluru along with certain specified assets and liabilities including dedicated employees and contracts relating to such undertaking (collectively the "Business Undertaking") to Aditya Birla Retail Limited (the "Buyer"). The Board of Directors of the Company has approved such sale by JACPL at its meeting on May 12, 2015 subject to necessary approvals, including approval of the shareholders of the Company.

3. The Business Undertaking will be transferred as a going concern, by means of a 'slump sale' (as defined under Section 2(42C) of the Income Tax Act, 1961), for a lump sum consideration of Rs. 69,92,00,000 (Rupees Sixty Nine Crores Ninety Two Lakhs), which is to be discharged by the Buyer subject to such adjustments in a manner and on such terms and conditions as has been agreed in a business transfer agreement executed among JACPL, the Buyer and the Company (the "**Business Transfer Agreement**") . In terms of the Business Transfer Agreement, JACPL and the Company (as the promoter and parent of JACPL) have provided various covenants, representations, warranties and indemnities to the Buyer in relation to the Business Undertaking, and the Company has undertaken to procure performance by JACPL of its obligations.

4. The members are also informed that JACPL is a "material non-listed subsidiary" of the Company, as defined under Clause 49 (V) (G) of the equity listing agreement(s) executed between the Company and the BSE Limited and the National Stock Exchange of India Limited (the "**Listing Agreements**"). It is proposed that the approval of the shareholders of the Company through a special resolution be sought for the sale of the Business Undertaking by JACPL to the Buyer under Clause 49 (V) (G) and applicable provisions of the Companies Act, 2013. The sale of the Business Undertaking to the Buyer is subject to the approvals, consents, permissions and sanctions as may be deemed necessary (including the approval of the Competition Commission of India being obtained by the Buyer)

5. None of the directors or key managerial personnel of the Company and their respective relatives, except to the extent of their Directorship in Jubilant Agri and Consumer Products Limited, is directly or indirectly financially or otherwise, interested in this resolution.

For **Jubilant Industries Limited**

Date : May 12, 2015
Place: Noida

Deepak Gupta
Company Secretary