Press Release

Jubilant Industries board approves scheme of arrangement to Restructure its business and enable Foray into Mall cum Hypermarket format

Noida, India, May, 11, 2011

Jubilant Industries Ltd, (JIL) a leading Agri & Performance Polymers company, headquartered in Noida, India, announced today that its board has approved the scheme of arrangement to restructure its businesses by vesting its Agri and Consumer Products business (ACP) with its wholly owned subsidiary Jubilant Agri and Consumer Products Ltd (JACPL).

JACPL, intends to acquire the division comprising sales of consumer products, whole sale trade & leasing of mall space of Enpro Oil Pvt Ltd (EOPL) to foray into the high growth potential Hypermarket business. JACPL is also engaged in agri and consumer products. JIL will issue its equity shares to the shareholders of EOPL, a Jubilant Bhartia Group Company, at a valuation determined by Price Waterhouse & Co (PwC) and a fairness opinion given by Kotak Mahindra Capital Company Ltd.

This scheme of arrangement among JIL, JACPL and EOPL is subject to court approval and has an appointed date of 1st April, 2011..

Commenting on this development, Hari S Bhartia, Chairman of Jubilant Industries Ltd said:

"Jubilant Industries' foray into Mall cum Hypermarket format is a strategic initiative that will enable the Company to grow faster and deliver better value to all its stakeholders. It will also facilitate better utilization of the resources to be deployed in the high growth Mall cum Hypermarket business which has huge untapped potential. Jubilant Bhartia Group has nurtured this business over a decade and this move will enable both the businesses to grow to the next level and create a better value proposition"

About EOPL

The division comprising sales of consumer products, whole sale trade & leasing of mall space business of EOPL under the brand name Total is an established chain in Bengaluru. It currently operates 4 stores in hypermarket and mall format, located in densely populated affluent areas serving over 8 lac customers every month. As per plans, another 2 stores would be operational in the next 3 months taking the total area under operation to over 9.4 lakh sq ft area housing popular brands. This business established since 2000**,** has been nurtured by the promoters of Jubilant Bhartia Group, and has recorded revenue of Rs. 315Crores for FY 2010-11, making store level operating profits. The business, led by experienced management team aims to expand the business with profitable growth, going forward.

The Business Highlights are attached in the Annexure 1.

Rationale & Benefits of the Scheme

JIL & JACPL

The rationale for vesting agri and consumer products business into a wholly owned subsidiary JACPL and acquiring the this business, by this entity is:

- To foray into Mall cum Hypermarket format – an upcoming sector with immense untapped potential
- To enable effective utilisation of the surplus cash generated by the ACP business of JIL for growing this business
- To enable the company to attract a different set of investors, strategic partners who can bring relevant experience for the growth of this business
- To provide growth prospects to shareholders and enable value creation

This Scheme has been drafted by Amarchand Mangaldas and on successful implementation of the scheme it is envisaged that the promoter holding in JIL will be at **65.5%** from the current level of 47.5%, on account of fresh issuance of shares by JIL, on account of this transaction.

This business restructuring between JIL, JACPL and EOPL will enable focused growth and value realization across operating entities and is in the best interest of the shareholders, creditors and employees and would result in enhancement of shareholder value for all entities.

About Jubilant Industries Ltd (JIL)

Jubilant Industries Ltd. headquartered in Noida, (UP) India is a Jubilant Bhartia group company. The Company's diversified portfolio includes a wide range of Crop Nutrition, Crop Growth and Crop protection Agri products and Performance Polymer products comprising Consumer Products like adhesives, wood finishes, emulsions, Food Polymers and Latex such as vinyl pyridine, SBR and NBR latex. www.jubilantindustries.com

For more info:

For Media
Seema Ahuja
Ph: +91-120 4361062, +91 9810631779
E-mail: seema_ahuja@jubl.com

For Investors
Nidhi Aggarwal
Ph: +91-120 4361002, +91 9810197755
E-mail: nidhi_aggarwal@jubl.com

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