



JUBILANT INDUSTRIES

December 26, 2018

BSE Limited

1st Floor, New Trading Ring
Rotunda Building, P.J. Tower
Dalal Street, Fort
Mumbai - 400001

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor
BandraKurla Complex
Bandra (E)
Mumbai - 400051

Scrip Code: 533320

Scrip Code: JUBLINDS

Subject: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Publication of Newspaper advertisement of Notice to Members u/s 201(2) of Companies Act, 2013

Dear Sir,

This is to inform you that the company has published today i.e December 26, 2018, the general notice to members in newspaper indicating the nature of the application is being made to the Central Government under section 201(2) of the Companies Act, 2013 for appointment of Mr. Manu Ahuja as a Chief Executive Officer and Managing Director for a period of three years effective from May 10, 2018.

Therefore, pursuant to Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with reference to captioned subject matter, we are hereby enclosing the copies of the advertisements published in MINT (English) and HINDUSTAN (Hindi) on December 26, 2018.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Jubilant Industries Limited**

Abhishek
Abhishek Mishra
Company Secretary
Encl.: a/a



A Jubilant Bhartia Company

OUR VALUES



Jubilant Industries Limited

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Liquidation under bankruptcy code a long and tedious journey

Attachment of assets by various probe agencies for past investigations a key issue for delays in liquidation

Maulik Vyas & Shayan Ghosh
MUMBAI

When Santanu T. Ray, a resolution professional, learnt that Conros Steel Pvt. Ltd will have to be liquidated, the first thing he did was to approach the committee of creditors (CoC) and requested all lenders to relinquish control over the company's assets, pledged as collateral for loans.

This control, or charge, as it is commonly called, is the lenders' right to sell the underlying asset, if the borrower fails to repay the loan. The requirement to get lenders to sign a letter and give up their claim is just one of the several problems being faced by liquidators appointed under the Insolvency and Bankruptcy Code (IBC).

With a large number of cases headed for liquidation, resolution professionals are still trying to make sense of the new regulations. Data from Insolvency and Bankruptcy Board of India (IBBI) showed that till 30 June, 136 firms were ordered to be liquidated. In the quarter to September, another 75 firms faced liquidation, taking the total number of resolution proceedings ending in liquidation to 212 since the commencement of IBC.

According to Ray, partner of AAA Insolvency Professionals, one major issue for delays in liquidation is the attachment of assets by the enforcement directorate (ED), service tax, income tax agency or other probe agencies and statutory authorities for past investigations.

"The liquidator has to file an application in the National Company Law Tribunal (NCLT) to get the necessary direction to the agen-



Procedures need to be smoothened further, say analysts

Since the commencement of the Insolvency and Bankruptcy Code, the number of resolution proceedings ending in liquidation is 212

As the law on liquidation is at a nascent stage, procedures need to be smoothened further, say analysts

Almost two years since the insolvency code came into force, the first firms that faced liquidation have not been dissolved yet

As the liquidator is allowed two years to liquidate a firm, analysts say progress may be seen in the latter half of 2019

cies to release the assets so that the liquidator can carry on with liquidation," said Ray, adding that until the asset is not "clean", buyers will not come forward, be it at the resolution or at the liquidation stage.

Ray is the liquidator for Mumbai-based Conros Steel, which owed around ₹784 crore to a consortium of banks and asset reconstruction companies (ARCs) led by the Central Bank of India. Public sector lender Punjab National Bank (PNB), the financial creditor, had filed the plea in the Mumbai bench of the NCLT against the defaulter. On 21 August, the tribunal had admitted the liqui-

ation application since the CoC did not receive any viable resolution plan, despite publishing the invitation to submit resolution plans twice.

Besides, liquidation of large companies that failed to attract resolution plans are also underway. In June 2017, the resolution process for 12 large accounts was initiated by banks after a nudge from the Reserve Bank of India (RBI). Together, they had an outstanding claim of ₹3.45 trillion against the ₹73,220.23 crore liquidation value.

Against Monnet Ispat and Energy Ltd's liquidation value of ₹2,365 crore, the claimants realized

₹2,917.12 crore in resolution, and for Amtek Auto Ltd, they realized ₹4,385.30 crore through resolution against the liquidation value of ₹4,129 crore.

Of the 12 large accounts, Jyoti Structures Ltd and Lanco Infotech Ltd have been ordered to be liquidated.

Lawyers said as the law on liquidation is at a nascent stage, procedures need to be smoothened further. Almost two years since IBC came into force, the first firms that faced liquidation such as UB Engineering and Innovative Industries have not been dissolved.

Some believe that as the liquidator is allowed two years to liquidate the firm, some progress will be seen in the latter half of 2019. If it stretches beyond two years, the liq-

uidator has to seek permission of NCLT, citing reasons for the delay.

Experts also said no one has enough facts on liquidation to judge its success. Ashish Chhawchharia, partner and head of Grant Thornton India's restructuring practice, said as liquidation orders under IBC are around four-to-six-months old, at least for sizeable cases, the process is still evolving.

The challenges of a liquidator, he added, include wading through complicated land ownership patterns of the corporate debtor.

"For instance, in some cases, while the compound of the factory and plant and equipment belongs to the company, a chunky parcel of land inside the premises belongs to the promoter or his family members and therefore cannot be attached under IBC, making the whole asset less attractive to the buyer who wants the entire premises," said Chhawchharia.

Ashish Pyasi, an advocate with law firm Dhir and Dhir Associates, explained that recovery of dues by the liquidator from receivables, especially in cases where the parties are litigating, makes it difficult to even realize those assets. "Further, the initiation of proceedings by the company under liquidation can be done only with the prior approval of the adjudication authority, which means that additional compliance is required before proceedings can even be initiated by the company."

Pyasi added that there have been cases where funds were not available and the assets were very less and the corporate insolvency resolution process cost and liquidation cost was higher than the available assets.



Sebi traditionally had 3 whole-time members and 4 independent members to ensure board's independence. ABHIJIT BHATLEKAR/MINT

Appoint at least two more independent directors: Sebi to govt

Jayshree P Upadhyay
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MUMBAI

The Securities and Exchange Board of India (Sebi) has written to the finance ministry seeking the appointment of at least two independent members, said two people with direct knowledge of the matter.

The aim is to resolve the problem of "lack of independent voices on its board". The move comes against the backdrop of the markets regulator not having enough independent directors, though such directors and their responsibilities towards boards have assumed increased importance in the wake of recent changes to corporate governance norms.

Sebi prescribes that half of its directors should be independent. However, its board has eight members, including the chairman and four whole-time directors. As such, less than half of the board is made up of independent directors.

The Sebi board is led by chairman Ajay Tyagi and has Madhabi Puri Buch, G. Mahalingam, Ananta Barua, and S.K. Mohanty as whole-time members. The three independent members are Subhash Chandra Garg, secretary, department of economic affairs, Inteji Srinivas, secretary, ministry of corporate affairs, and N.S. Vishwanathan, deputy governor, Reserve Bank of India (RBI).

The letter to the finance ministry aims at doing away with the issue of "lack of independent voices on its board". An email sent to a Sebi spokesperson on Monday did not elicit any response till press time.

"Sebi has written to the finance ministry seeking the appointment of two more independent members to its board to ensure that at least half the board is made up of independent members," said an official, requesting anonymity.

The equations on the board of the market regulator changed when part-time board member and senior lawyer Arun Sathe stepped down earlier this year and Sebi got an additional whole time

member. Sathe is a member of the Bharatiya Janata Party (BJP) and the elder brother of Lok Sabha Speaker Sumitra Mahajan. He is also a former full-time member of the Rashtriya Swayamsevak Sangh.

The markets regulator traditionally had three whole time members and four independent members to ensure independence at its board. However, the addition of Ananta Barua as whole time member in August skewed the balance.

"With amendments for additional whole time member there is also a need for an additional part time member," said one of the two people quoted above, also requesting anonymity.

Sebi has held two board meetings since the appointment of the additional member, one in September and one in December.

"While the RBI board meetings are relatively low-key affairs or routine matters, the Sebi board meetings are always followed by key decisions for the market and other stakeholders. So, there is an acute need for the Sebi board to be independent," said a senior academician, who did not wish to be identified. This also assumes importance in the wake of the debate on institutional independence and autonomy at public institutions such as the RBI. The debate started following reports that the government may use Section 7 of the RBI Act, which empowers the government to give directions to the central bank on matters of public interest.

Sebi has also on many occasions faced criticism that it uses a different brush for public sector undertakings and private sector companies. While Sebi penalised private sector companies for failing to maintain 25% public float, 30 PSUs are yet to meet the requirement long after the lapse of the August deadline.

"We go by provisions in our Act and allow exemptions only on that basis. On minimum public shareholding the government goes by its Acts (many PSUs are governed by different ministries)," Tyagi said on 12 December after the Sebi board meeting.

Fincare SFB aims to woo urban customers to grow deposit base

Shayan Ghosh
shayang@livemint.com
MUMBAI

Fincare Small Finance Bank (SFB) aims to attract urban depositors by luring them to its swanky new branches and offering higher interest rates, its managing director and chief executive officer (MD and CEO) Rajeev Yadav said in an interview.

"The older format branches could be on the ground floor or the first floor; the new ones would typically be on the first floor, air conditioned and in large cities. They rival any other swanky private sector branches," said Yadav.

The small finance bank, which began operations on 21 July 2017 after receiving the final licence from the Reserve Bank of India, has opened more than 50 such branches in Mumbai, Ahmedabad, Bengaluru, Chennai and the National Capital Region.

"This should go up to 75 by the end of this year," Yadav said. The bank has close to 50



Fincare Small Finance Bank MD and CEO Rajeev Yadav.

customer service points, including 380 brick-and-mortar branches and 130 banking correspondent outlets.

As of 30 September, the bank has 371,000 current and savings accounts (CASA) with an average balance of ₹2,126; and 21,577 fixed deposit accounts with an average balance of ₹6.3 lakh. The bank pays between 6-7% on its savings accounts and 4-9% on fixed deposits of varying maturities.

"In these branches you'll have more affluent products,

Our lending portfolios are more directed towards the semi-urban and rural areas of the country. However, our liability products are spread out in the urban and semi-urban centres," he said.

The deposit base lies in the urban and semi-urban areas whereas the potential for lending solutions lie in the rural areas, according to Yadav. He believes that there definitely is some room to pay a little bit more on the deposits.

"We are a very young institution and if we not to price ourselves well versus the smaller private sector banks, if the customer has a choice he will go to an older brand," Yadav said. SFBs will need to offer a better value proposition to the customers on the deposit side, as they are lending in segments that can absorb this higher cost of funds and not impact their overall net interest margins (NIMs), he said.

As of October 2018, Fincare SFB had more than 1.3 million customers in 10 states and one Union territory.

Indian bourses may extend losses

FROM PAGE 1

declining further, which is good news for a large importer like India and may improve macro-economic parameters of the country. Low crude oil prices will also help the local currency, he added.

The rupee fell to an all-time low of 74.14 against the dollar on 31 October. Year to date, the rupee is down 8.9%. Crude price rose 12.8% from January till October, but has plunged 33% since then.

Foreign institutional investors (FIIs) have sold Indian shares worth \$4.46 billion so far in 2018, the most in a decade. Domestic Institutional Investors (DIIs), including mutual funds and insurance companies, have invested a record ₹1.09 trillion in local equities this year.

Deepak Jasani, head of retail research, HDFC Securities, however, said that the tussle between Trump and the Fed is unlikely to directly impact India.

"Hence, our markets on Wednesday may not see a fall equal to the US market fall seen on Monday. Now, the US



This has been the worst December for the Sensex in the past four years. REUTERS

markets are close to being over-sold which is why we may see a bounce there within the next few days.

Following that, Indian markets may see a positive effect," Jasani said.

The tumult in Washington added to the concerns of investors, who have seen equities worldwide tumble over concerns of a slowing

US economy, the pace of rate hikes by the Federal Reserve and the ongoing trade war. The S&P 500 plunged almost 3% to end at a 20-month low on Monday.

The Federal Reserve hiked interest rates four times in 2018, the last one was announced in December. The US central bank, however, has forecast fewer rate hikes next year and signalled its tightening cycle is nearing an end in the face of financial market volatility and slowing global growth.

"The Trump bubble, which had brought gains in US stocks and the dollar, is collapsing," said Mitsushige Akino, executive officer at Ichiyoshi

Asset Management Co. in Tokyo. "The more stocks fall, the more investor sentiment gets worse, so there's more people who need to sell temporarily, such as stop-loss selling."

Reuters contributed to this story. nasrin.sa@livemint.com

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Website: www.jubilantindustries.com

NOTICE

Notice is hereby given pursuant to the provisions of Section 201(2) of the Companies Act, 2013 ("The Act"), Company intends to make an application to the Central Government under Section 196, 197, 198, 203 and the rules made thereunder read with Schedule V of the Act & other applicable provisions, if any, for seeking its approval towards appointment of Mr. Manu Ahuja (DIN:05123127) as Chief Executive Officer & Managing Director of the Company for a period of 3 years w.e.f. May 10, 2018, as approved by the Board of Directors at their Meeting held on May 10, 2018 and subsequently by the members in the Twelfth Annual General Meeting of the Company held on September 26, 2018

For Jubilant Industries Limited
Abhishek Mishra
Company Secretary
Place : NOIDA
Date : December 25, 2018
ICSI M. No.: F9566

JUBILANT AGRI AND CONSUMER PRODUCTS LIMITED
CIN : U52100UP2008PLC035862
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NOTICE

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For Jubilant Agri and Consumer Products Limited
Priyavrat Bhartia
Director
Place : NOIDA
Date : December 25, 2018
DIN: 00020603

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