

Ruchi Soya Industries Limited

Registered Office : 408, Tulsiani Chambers, Nariman Point, Mumbai 400 021

Notice

Notice is hereby given that the Twenty Fourth Annual General Meeting of the members of Ruchi Soya Industries Limited will be held at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400 018 on Thursday, the 30th September, 2010 at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended 31st March, 2010 together with the reports of the Directors and Auditors thereon.
2. To confirm interim dividend on Preference shares.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Mr. Prabhu Dayal Dwivedi, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. N. Murugan, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
7. To appoint Branch Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Navin Khandelwal, who was appointed as an additional director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, read with Article 148 of the Articles of Association of the Company and who holds office up to this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT Mr. A. B. Rao, Director (Legal) and Mr. R. L. Gupta, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may necessary in this regard."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Sanjeev Kumar Asthana, who was appointed as an additional director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, read with Article 148 of the Articles of Association of the Company and who holds office up to this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT Mr. A. B. Rao, Director (Legal) and Mr. R. L. Gupta, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may necessary in this regard."

10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (the "Act") (including any amendment thereto or re-enactment thereof), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreement entered into with the Stock Exchanges where the Equity Shares of the Company are listed (the "Stock Exchanges"), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 ("ICDR Regulations"), as amended, the Foreign Exchange Management Act, 1999 ("FEMA"), as amended and applicable rules, regulations, notifications and circulars issued thereunder, Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and all other applicable statutory and/or regulatory requirements, and subject to such approvals, consents, permissions and sanctions as might be required and subject to such conditions as may be prescribed while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) is hereby authorized to accept, the Board be and is hereby authorized on behalf of the Company to create, issue, offer and allot, including providing for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons, as may be permitted, in the course of one or more public or private offerings in domestic and/or one or more international market(s) with or without a green shoe option, Equity Shares and/or convertible securities, other than warrants, on Qualified Institutional Placement basis under ICDR Regulations, and/or Equity Shares through depository receipts, including American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), and/or convertible bonds, including Foreign Currency Convertible Bonds (FCCBs), Cumulative Convertible Preference Shares and/or other securities convertible into Equity Shares at the option of the Company and/or the holder(s) of such securities, and/or securities linked to Equity Shares, including non-convertible debentures with warrants or other securities with or without warrants, which may either be detachable or linked, and which warrant has a right exercisable by the warrant holder to subscribe for Equity Shares and/or warrants with an option exercisable by the warrant-holder to subscribe for Equity Shares and/or any instruments or securities representing either Equity Shares and/or convertible securities linked to Equity Shares (including the issue and allotment of Equity Shares pursuant to a Green Shoe Option, if any), (all of which are hereinafter collectively referred to as "Securities") to eligible investors, including Qualified Institutional Buyers, under applicable laws, regulations and guidelines (whether residents and/or non-residents and/or institutions/banks and/or incorporated bodies, mutual funds, venture capital funds and Indian and/or multi-lateral financial institutions and/or individuals and/or trustees and/or stabilizing agents or otherwise, and whether or not such investors are members of the Company), through prospectus and/or placement document and/or letter of offer or circular and/or on public and/or private/preferential placement basis, such issue and allotment to be made at such time/times, in one or more tranches, for cash, at such price or prices, in such manner and where necessary, in consultation with the Book Running Lead Managers, Merchant Bankers and/or

other Advisors or otherwise, on such terms and conditions, including terms as to appointment of Lead Managers, Underwriters, Advisors, Guarantors, Depositories, Custodians and/or other agencies, as the Board, may, in its absolute discretion, decide at the time of issue of Securities, provided that the total amount raised through the issuance of such Securities shall not exceed Rs.2,000 crore (Rupees Two Thousand crore) or its equivalent in one or more currencies, including premium, if any, as may be decided by the Board.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approvals, consents, permissions, if any of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and such of these Securities to be issued as are not subscribed may be disposed of by the Board in such manner and/or on such terms including offering or placing them with banks/financial institutions/mutual funds or otherwise, as the Board may deem fit and proper in its absolute discretion.

RESOLVED FURTHER THAT the Company and/or any agency or body or person authorized by the Board, may issue depository receipts representing the underlying Equity Shares in the capital of the Company or such other Securities in negotiable, registered or bearer form (as may be permissible) with such features and attributes as may be required and to provide for the tradeability and free transferability thereof as per market practices and regulations (including listing on one or more stock exchange(s) in or outside India).

RESOLVED FURTHER THAT the "Relevant Date" for determination of applicable price for issue of Equity Shares and / or convertible securities on Qualified Institutional Placement basis shall be as under :

- a) In case of allotment of Equity Shares, the date of meeting in which the Board decides to open the proposed issue;
- b) In case of allotment of convertible securities, either the date of the meeting in which the Board decides to open the issue or the date on which the holders of convertible securities become entitled to apply for Equity Shares.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted, including issue and allotment of Equity Shares upon conversion of any Securities referred to above or as may be necessary in accordance with the terms of the offer, subject to the provisions of the Memorandum and Articles of Association of the Company, all such Equity Shares ranking pari-passu inter se and with the then existing Equity Shares of the Company in all respects, including dividend, which shall be subject to relevant provisions in that behalf contained in the Articles of Association of the Company.

RESOLVED FURTHER THAT without prejudice to the generality of the foregoing, the Board be and is hereby authorized to prescribe with respect to the aforesaid issue of the Securities all or any of the terms or any combination of terms thereof in accordance with local and/or international practice including but not limited to conditions in relation to the offer, issue and allotment of the Securities, payment of

interest, dividend, premium and redemption or early redemption of Securities, debt service payments and any other payments whatsoever, voting rights and all such terms as are provided in domestic and/or international offerings of this nature including terms for such issue, or variation of the price or period of conversion of any Securities into equity shares or issue of equity shares during the duration of the Securities or terms pertaining to early redemption of Securities and/or conversion into equity shares as the Board may in its sole discretion deem appropriate.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize and approve the preliminary as well as the final offer documents, if required, for the proposed issue of the Securities and to authorize any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and on behalf of the Company together with the authority to amend, vary or modify the same as such authorized persons may consider necessary, desirable or expedient and for the purpose aforesaid, to give such declarations, affidavits, certificates, consents and/or authorities as may, in the opinion of such authorized person, be required from time to time, and to arrange for the submission of the preliminary and final placement document, and any amendments and supplements thereto, with any applicable government and regulatory authorities, institutions or bodies, as may be required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the issue of the Securities and to give effect to these resolutions, including, without limitation, the following:

- (i) seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in or outside India, and any other consents that may be required in connection with the issue and allotment of the Securities;
- (ii) giving or authorizing the giving of such declarations, affidavits, certificates, consents and authorities as may be required from time to time by concerned persons; and
- (iii) settling any questions, difficulties or doubts that may arise in regard to any such issue or allotment of Securities as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and any offer, issue and allotment of Securities, the Board be and is hereby authorized to take all such actions, give such directions and to do all such acts, deeds and things as may be necessary, desirable or incidental thereto and matters connected therewith including without limitation the entering into of arrangements including arrangements for underwriting, marketing, listing, trading, appointment of lead manager(s)/merchant banker(s), underwriter(s), guarantor(s), depository(s), custodian(s), stabilising agent(s), banker(s), advisor(s), registrar(s), paying and conversion agent(s), trustee(s), and other agents as may be required in order to facilitate or consummate the Issue, and to approve and execute all deeds, documents, instruments and writings and to pay any fees, commission, costs, charges and other outgoings in relation thereto and to settle all questions whether in India or abroad, for the Issue and to do all requisite filings with SEBI, the stock exchanges, the Government of India, the Reserve Bank of India, if

required and any other concerned authority in India or outside, and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Issue, and to give such directions that may be necessary or arise in regard to or in connection with any such offer, issue or allotment of Securities and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit and any such action, decision or direction of the Board shall be binding on all shareholders.

RESOLVED FURTHER THAT any director or directors of the Company or any other officer or officers of the Company as may be authorized by the Board, be and is or are hereby authorized to sign, execute and issue consolidated receipt/s for the Securities, listing application, various agreements, undertakings, deeds, declarations and all other documents and to do all such things, deeds and acts and to comply with all the formalities as may, in the opinion of such authorized person, be required in connection with or incidental to the aforesaid offering of Securities, including post Issue formalities.

RESOLVED FURTHER THAT the allotment of Securities under any Qualified Institutional Placement shall only be to qualified institutional buyers within the meaning of Regulation 2(1)(zd) of the ICDR Regulations, such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this resolution or such other time as may be allowed by SEBI Regulations from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to open one or more bank accounts in the name of the Company in Indian currency or foreign currency (ies) with such bank or banks in India as may be required in connection with the aforesaid issue, subject to requisite approvals from Reserve Bank of India, if any, and the director or directors of the Company or other officer or officers of the Company authorized by the Board be and is or are hereby authorized to sign and execute the application form and other documents required for opening the account, to operate the said account, and to give such instructions including closure thereof as may be required and deemed appropriate by these signatories, and that the said bank/s be and is/are hereby authorized to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the aforesaid signatories on behalf of the Company.

RESOLVED FURTHER THAT the common seal of the Company, if required to be affixed in India on any agreement, undertaking, deed or other document, the same be affixed in the presence of anyone or more of the directors of the company or anyone or more of the officers of the company as may be authorized by the Board in accordance with the Articles of the Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the issue of the Securities, including, without limitation, the following:

- i. finalization of the allotment of the Securities on the basis of the bids/applications received;
- ii. finalization of and arrangement for the submission of the preliminary and final offer document(s), and any amendments supplements thereto, with any applicable statutory and/or regulatory authorities, institutions or bodies, as may be required;
- iii. approval of the preliminary and final offer document

(including amending, varying or modifying the same, as may be considered desirable or expedient) as finalized in consultation with the lead manager(s)/underwriter(s)/advisor(s), in accordance with all applicable statutory and/or regulatory requirements;

- iv. finalization of the basis of allotment in the event of over-subscription;
- v. acceptance and appropriation of the proceeds of the issue of the Securities;
- vi. authorization of the maintenance of a register of holders of the Securities;
- vii. authorization of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as authorized person in its absolute discretion may deem necessary or desirable in connection with the issue and allotment of the Securities;
- viii. seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India, and any other consents that may be required in connection with the issue and allotment of the Securities;
- ix. seeking the listing of the Securities on any Indian stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;
- x. giving or authorizing the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time; and
- xi. deciding the pricing and terms of the Securities, and all other related matters.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorized on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors, other committee of officers of the Company, or Chairman or Managing Director or any other Director(s) or Officer(s) of the Company, as it may deem fit in its absolute discretion, in order to give effect to the aforesaid resolutions."

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 198, 309 and 310 read with Schedule XIII and all other applicable provisions, if any of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof, for the time being in force) the approval of members of the Company be and is hereby accorded to re-appoint Mr. A.B. Rao as Director (Legal) for a period of three years with effect from 1st April, 2010 on the terms and conditions as mentioned in the explanatory statement to the Notice,

with liberty to the Board of Directors to alter and vary the terms and conditions as it may deem fit and agreed to by Mr. A.B. Rao.

RESOLVED FUTHER THAT the payment of Rs.1,44,000/- made to Mr. A.B. Rao towards increment in remuneration for the financial year 2009-10 be and is hereby ratified.

RESOLVED FUTHER THAT Mr. V. K. Jain, Director (Commercial)) and Mr. R.L. Gupta, Company Secretary be and are hereby severally authorised to file necessary forms etc. with the Registrar of Companies and do all such acts, deeds, matters, and things as may be considered necessary in this regard."

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 198, 309 and 310 read with Schedule XIII and all other applicable provisions, if any of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof, for the time being in force) the approval of members of the Company be and is hereby accorded to ratify the excess remuneration of Rs.1,24,892/- paid to Mr. V. K. Jain, Director (Commercial) during the financial year 2009-10."

13. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT approval of members of the Company be and is hereby accorded to ratify the payment of remuneration of Rs.28,175/- made to Mr. S.P. Joshi (Ex Director) for the period from 1st April, 2009 to 26th July, 2009 being the date of his vacation of office of the Director of the Company."

14. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof, for the time being in force) the approval of members of the Company be and is hereby accorded for re-appointment of Mr. Dinesh Shahra, Managing Director with effect from 7th January, 2011 for a period of 5 years on the terms and conditions as mentioned in the Explanatory Statement annexed to the Notice, with liberty to the Board of Directors to alter and vary the terms and conditions as it may deem fit and agreed to by Mr. Dinesh Shahra.

RESOLVED FURTHER THAT Mr. A. B. Rao, Director (Legal), Mr. V. K. Jain, Director (Commercial) and Mr. R.L. Gupta, Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary in this regard."

15. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 1999, the approval of the members of the Company be and is hereby accorded to revise and amend the relevant provisions of the Employee Stock Option Scheme – 2007 to the following effect :

- a) Eligibility : The minimum period of association with the Company/Subsidiary company shall be 3 years.
- b) In case of voluntary resignation, all unvested options as on date of relieving will lapse. Further, the resigning employee will have an option to exercise the vested options on or before the date of relieving, beyond which such vested options will also lapse.
- c) Deletion of clause 6.6 (c) of the Scheme to make its provisions in line with the withdrawal of provisions of fringe benefit tax.

RESOLVED FUTHER THAT Mr.A.B. Rao, Director (Legal), Mr. V. K. Jain, Director (Commercial) and Mr. R.L. Gupta, Company Secretary be and are hereby severally authorised to file necessary forms etc. with the Registrar of Companies and do all such acts, deeds, matters, and things as may be considered necessary in this regard."

By order of the Board of Directors

Registered Office :

Ruchi Soya Industries Ltd.

408, Tulsiani Chambers,
Nariman Point,
Mumbai – 400 021

R.L. GUPTA
Company Secretary

Gurgaon, 28th August, 2010

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. Explanatory statements pursuant to provisions of section 173(2) of the Companies Act, 1956, setting out the material facts in respect of the business under Item No. 8 to 15 are annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 27th September, 2010 to Thursday, the 30th September, 2010 (both days inclusive) to ascertain the entitlement of dividend declared, if any.
4. Members who attend the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
5. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
6. All documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company during the office hours on all working days except Saturdays between 11.00 A.M. and 1.00 P.M. upto the date of Annual General Meeting.
7. Members seeking any further information about the accounts are requested to write to the Company at least ten days before the date of Annual General Meeting so as to enable the management to keep the information ready at the meeting.

EXPLANATORY STATEMENTS PURSUANT TO PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No. 8 :

Mr. Navin Khandelwal was appointed as an additional director of the Company on 18th December, 2009 by the Board of Directors of the Company. He is Bachelor of Commerce and Chartered Accountant. He is practicing Chartered Accountant and Qualified Information System Auditor from the Institute of Chartered Accountants of India (ICAI), New Delhi and was involved in Training Program of ISA (Information System Audit Course) conducted by ICAI. He is 37 years old.

In accordance with the provisions of Section 260 of the Companies Act, 1956, the term of Mr. Navin Khandelwal as the additional director would expire on the forthcoming Annual General Meeting. Notice for his candidature as Director has been received from a member of the Company, with a deposit of Rupees Five hundred in terms of provisions of Section 257 of the Companies Act, 1956. The Board of Directors recommends the proposed resolution as mentioned in item no.8 for your approval.

None of the Directors, except Mr. Navin Khandelwal is interested in the resolution.

Item No. 9 :

Mr. Sanjeev Kumar Asthana has been appointed as an additional director of the Company on 28th August, 2010 by the Board of Directors of the Company. He is an MBA and an eminent expert in Agri and Food Sector and serves on several executive committees of national business associations, trade bodies and commodity exchanges like FICCI, CII, NCDEX, etc. He is also affiliated to international forums and a regular speaker on commodity trade, risk management, food supply chain, retail, agriculture, etc. He is 46 years old.

In accordance with the provisions of Section 260 of the Companies Act, 1956, the term of Mr. Sanjeev Kumar Asthana as the additional director would expire on the forthcoming Annual General Meeting. Notice for his candidature as Director has been received from a member of the Company, with a deposit of Rupees Five hundred in terms of provisions of Section 257 of the Companies Act, 1956. The Board of Directors recommends the proposed resolution as mentioned in item no.9 for your approval.

None of the Directors, except Mr. Sanjeev Kumar Asthana is interested in the resolution.

Item No. 10 :

The Company intends to raise additional long-term finance for various corporate purposes, including but not limiting to, capital expenditures, working capital requirement, expansion, investment in subsidiaries/wholly owned subsidiaries and acquisition of manufacturing and/or other facilities and general corporate purposes. The additional long-term finance is proposed to be raised by issue of securities in domestic and/or international markets.

The proposed resolution contained in the Notice seeks the enabling authorisation by the Members to the Board of Directors, to raise additional funds, inter alia, through issue of Securities in domestic and/or international markets, including by way of Qualified Institutional Placement ("QIP") with the Qualified Institutional Buyers ("QIB"), in accordance with the provisions contained in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and/or Depository Receipts in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipts Mechanism) Scheme, 1993, Cumulative Convertible Preference Shares and/or any other Securities for an amount not

exceeding Rs.2,000 crore (Rupees Two Thousand crore only) or its equivalent, in one or more currencies, in one or more tranches, in such form, on such terms, in such manner, at such price and at such time as may be considered appropriate by the Board to the various category of investors in the domestic and/or international markets.

As per the current regulations, the pricing of Equity Shares or convertible securities in the case of Qualified Institutional Placement will not be less than the average of weekly high and low of the closing prices of the equity shares quoted on Stock Exchanges during two weeks preceding the "Relevant Date". The "Relevant Date", in terms of the current Regulations are as under :-

- a) In case of allotment of Equity Shares , the date of meeting in which the Board decides to open the proposed issue ;
- b) In case of allotment of convertible securities, either the date of the meeting in which the Board decides to open the issue or the date on which the holders of convertible securities become entitled to apply for Equity Shares.

Under the circumstances, an enabling resolution is being proposed to be passed to provide adequate flexibility and discretion to the Board of Directors of the Company to finalise the terms of the issue of Securities.

The Special Resolution contained in the Notice seeks the approval of the Members, pursuant to Section 81 (1A) of the Companies Act, 1956, to offer the proposed issue of securities to various categories of investors who may or may not be holding equity shares in the Company on the date of the offer.

Your Directors recommend adoption of the Resolution as Special Resolution. The Directors of the Company may be deemed to be concerned or interested in the Resolution to the extent of Securities that may be subscribed to by the companies/institutions of which they are Directors or members.

Item No. 11 :

The Compensation Committee of the Board of Directors , subject to approval of members, re-appointed Mr. A.B. Rao as Director (Legal) for a period of three years with effect from 1st April, 2010 on the following terms and conditions :

1. Basic Salary : Rs.50,200/- per month.
2. House Rent Allowance : Rs.29,040/- per month.
3. Other Allowance : Rs.17,935/- per month.
4. Ex-gratia : Rs.5,858/- per month.
5. Re-imbursement of medical expenses subject to maximum of Rs.1,250/- per month.
6. Re-imbursement of vehicle running and maintenance expenses subject to maximum of Rs.20,500/- per month.
7. Leave travel allowance, leave encashment, contribution to provident fund and family pension fund, bonus, gratuity as per policy of the Company.

The re-appointment of Mr. A.B. Rao is in accordance with the provisions of Schedule XIII of the Companies Act, 1956 and requires members' approval.

Subject to approval of members, a payment of Rs.1,44,000/- has been made to Mr.A.B. Rao during the financial year 2009-10 in excess of terms and conditions of his appointment approved by the members at their Annual General Meeting held on 30th September, 2008. Such payment may be ratified by the members.

The explanatory statement together with the accompanying Notice should be treated as an abstract of the variation of contract of appointment of the Director (Legal) in terms of provisions of Sub-section (2) of Section 302 of the Companies Act, 1956.

The Board of Directors recommends the proposed resolution for your approval. None of the directors, except Mr. A.B. Rao is interested in the resolution.

Item No. 12 :

The members had at their Annual General Meeting held on 30th September, 2009 approved appointment of Mr. V.K. Jain as Director (Commercial). Subject to approval of members, his terms of appointment were revised by the Compensation Committee of the Board of Directors during the financial year 2009-10.

A payment of Rs.1,24,892/- has been made to him in excess of the terms as approved by the members, which may be ratified by the members. The Board of Directors recommends the proposed resolution for your approval.

None of the Directors, except Mr. V.K. Jain, is interested in the resolution.

Item No. 13 :

The members had at their Annual General Meeting held on 30th September, 2008 approved revision in the remuneration payable to Mr. S.P Joshi for his services to the Company as Director (Import and Export). Subject to approval of members, the Compensation Committee further revised the remuneration payable to him with effect from 1st April, 2009. He vacated the office of the director of the Company with effect from 27th July, 2009, however, was under employment of the Company till 31st December, 2009.

A payment of Rs.28,175/- has been made to him in excess of the terms as approved by the members, which may be ratified by the members. The Board of Directors recommends the proposed resolution for your approval.

None of the Directors is interested in the resolution.

Item No. 14 :

Mr. Dinesh Shahra was re-appointed as Managing Director with effect from 7th January, 2006. Under his able guidance, the Company has achieved several mile-stones and has sustained the leadership in the fierce and competitive business environment. Keeping in view, his strategic vision and leadership, the Compensation Committee of the Board of Directors at its meeting held on 28th August, 2010 re-appointed him as Managing Director of the Company with effect from 7th January, 2011 for a period of five years on the following terms and conditions, subject to approval of members :

1. Salary : Rs.12,50,000/- per month, with an annual increment of Rs.1,00,000/- per month.
2. Medical Reimbursement : Reimbursement of expenses incurred for self and family subject to a ceiling of six months salary in a year.
3. Leave Travel Concession : Reimbursement of expenses incurred for self and family once in a year in accordance with the Rules of the Company.

4. Club Fees : Reimbursement of fees of clubs subject to maximum of 2 clubs including admission and life membership fees.
5. Personal Accident Insurance : Reimbursement of premium not exceeding Rs.50,000/- per annum.
6. Provident Fund : Company's contribution towards Provident Fund as per the rules of the Company for the time being in force.
7. Gratuity : As per rules of the Company but shall not exceed one half month's salary for each completed year of service.
8. Telephone : Company's telephone will be provided at the residence for Company's business and personal use.
9. Car : A Car with Driver will be provided to him for Company's business and personal use.
10. Rent free furnished accommodation and reimbursement of cost of electricity, water and maintenance charges in respect thereof.

The re-appointment of Mr. Dinesh Shahra, as Managing Director of the Company is in accordance with the provisions of Schedule XIII to the Companies Act, 1956 and requires shareholders' approval. The Board of Directors recommends the proposed resolution for your approval.

The Explanatory Statement together with the accompanying Notice should be treated as an abstract of the contract of re-appointment of the Managing Director in terms of the provisions of sub-section (2) of Section 302 of the Companies Act, 1956.

None of the Directors, except Mr. Kailash Shahra, Chairman and Mr. Dinesh Shahra, Managing Director is interested in the resolution.

Item No. 15 :

The compensation committee of the Board of Directors of the Company has, subject to approval of members, approved certain amendments in the existing Employee Stock Option Scheme – 2007 of the Company. Such amendments are expected to materialize in better retention tool and will inculcate a balanced employee oriented approach in the over-all objective of the Scheme. One of the changes has been necessitated due to withdrawal of provisions of fringe benefit tax.

SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 1999, inter alia, prescribes for approval of members by way of Special Resolution for amendment in the Scheme.

All directors, except Mr. Kailash Shahra and Mr. Dinesh Shahra are interested in the resolution to the extent of their eligibility in the Scheme.

By order of the Board of Directors

Registered Office:
Ruchi Soya Industries Ltd.
408, Tulsiani Chambers,
Nariman Point,
Mumbai – 400 021

Gurgaon, 28th August, 2010

R.L. GUPTA
Company Secretary

A large, stylized leaf graphic in light gray, centered vertically and horizontally on the page. The leaf has a detailed network of veins, with a prominent central midrib and numerous secondary veins branching out to the edges.

T H E G R E E N J O U R N E Y

Treading down a lush green path surrounded by the serenity of nature you will realize how important it is to conserve and help the beauty of our environment flourish. The essence of creating harmony between business and nature lies in the effective use of our resources.

At Ruchi Soya, we have taken this principle to heart and have initiated a palm plantation campaign across the coastal and north-eastern region of the country. That's not all; we have pledged to utilize the renewable sources of energy in the best possible way by generating power from biomass, wind and solar energy.



Message From The MD

“Earth provides enough to satisfy every man’s need, but not for every man’s greed.”
- Mahatma Gandhi

A harmonious co-existence is the need of the day, as the constant barrage of industrialization is wrecking havoc with nature and its eco-system. As we take momentous and imperative steps towards development, it is essential to maintain a balance between ecology and prosperity.

One of the biggest challenges facing eco-friendly businesses today is global warming. The current reports on global warming indicate an unswerving increase in temperature leading to accumulation of greenhouse gases in the atmosphere. To tackle this situation, fossil fuel consumption should be intelligently managed. Only then will we attain the goal of becoming a carbon neutral nation.

This is not an option but a choice that has to be willingly taken, as global warming will adversely affect crop production. Global warming ushers in a windfall of unexpected calamities like flash floods and disturbance in the season cycle that can destroy crop yields. All of these hazards just form the tip of the global warming iceberg.

After understanding the myriad anomalies that seem inevitable if global warming is left untouched, it’s imperative to redefine our definition of development, revisit chosen paths of success and realign means to achieve goals. If delayed, this blatant abuse of nature will have severe repercussions.

At Ruchi Soya, we firmly believe that growth can be achieved without causing irrevocable damage to nature. Our interests coagulate well with the protection of the environment. We believe in giving back to the society – be it contributing to the nation’s growth through taxes paid to the government or the welfare activities undertaken as a responsible corporate citizen or providing direct or indirect employment to more than ten thousand people.

Soybean, Palm and Jatropha plantations are some of the important steps that we have taken towards a greener future. By planting more trees, we are helping restore the green balance. These plantations are key aspects of our backward integration process that will also secure supply of raw materials. As a result of our green initiative, monetary benefits will follow suit.

We are contributing towards energy efficiency through a joint venture with Indian Oil Corporation Ltd. for Jatropha plantation in Uttar Pradesh. Jatropha as an alternate source of fuel may help India save the cost of petroleum import, thus pushing the envelope of green solutions further.

Our new corporate office in Mumbai has been designed keeping in mind all the required equipments and facilities of energy efficiency norms. We celebrate ‘Green Gold Day’ every year by encouraging plantations at all our units across India.

Every stakeholder of Ruchi Soya has played a pivotal role in realizing the Company’s dream of creating a greener tomorrow. We will stand by our promise and ensure that nature not only sustains but flourishes along with our Company. Every goal we envision can be made a reality only with your contribution and confidence. We are en route a journey that will pave way for prosperity and progress for generations to come.

DINESH SHAHRA

Managing Director



From The Chairman’s Desk

Dear Shareholders,

The year under review began on a challenging note, since the previous year witnessed significant slowdown in the growth rate, following the global financial crisis in the year 2008. Tagged with sub-normal monsoon resulting in the declined agricultural output, the fiscal year 2009-10 was indeed, a difficult period especially for the agri-produce based industries. Sub-standard agricultural produce dipped the margin and crushing across the industry. The soya industry also struggled in the year. Your Company has always consolidated itself on the fundamentals and such practices pay off in the long run. This is evident from your Company’s performance in tough times.

Courtesy the ever-increasing demand for edible oils in the country, your Company was able to mark unmatched performance in the difficult period. Despite exports declined, the Company recorded growth of over 10% in sales and a staggering rise of over 80% in the post tax profit numbers. The Company recorded post tax profit of Rs. 172.47 crores against that of Rs. 93.28 crores in the previous year.

With the biggest movement of RSIL in today’s corporate society – Green Revolution, your Company is consistently following and consolidating itself on the age-old fundamental of conservation of energy with efficient use of resources. The Company’s initiative for ‘Green Environment’ range from increasing stake in renewable energy projects to backward integration of palm plantation.

Company’s commitment to energy conservation and efficiency were well-rewarded by the Government of India, Ministry of Power. This year Mangalore plant of the Company was awarded with National Energy Conservation Award – 2009 (2nd prize in Edible Oil / Vanaspati Industry).

It is a matter of pride for me to mention that your Company bagged awards at Globoil India 2009 conference, for:

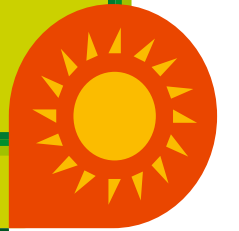
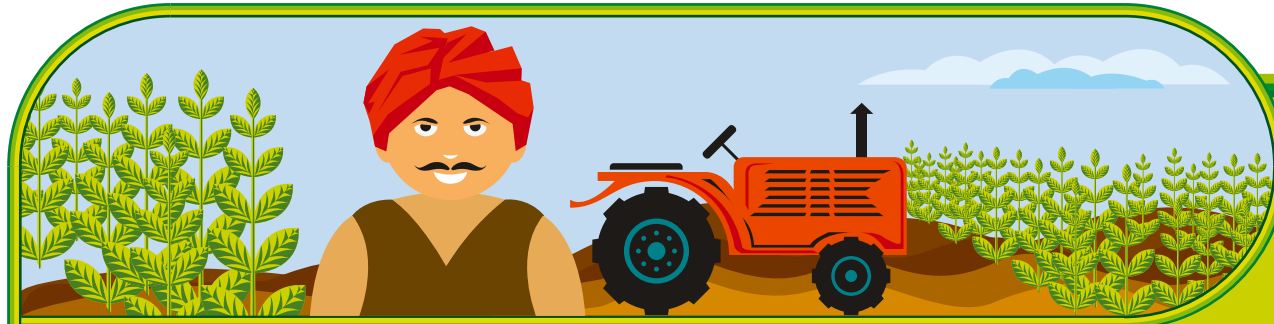
- a) Energy Conservation
- b) Outstanding performance for a decade in import of edible oil
- c) Outstanding performance for a decade in export of oil meals

We are continuously driven by providing the best to our customers by “marketing quality and cost effective products.” Living this principle to the fullest has ensured large processing capacities for the Company which are strategically located across the nation. This has given your Company an edge over competiton to deliver quality products through robust distribution network. I am sincerely thankful to the shareholders in the Company for their continued trust bestowed in the management. My sincere and heart-felt thanks goes to all the government departments, banks, financial institutions, institutional investors and retail investors for their continued support. I am pleased to note and appreciate the committed efforts of the motivated work-force of the Company.

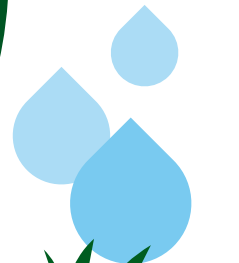
KAILASH SHAHRA

Chairman

GREEN

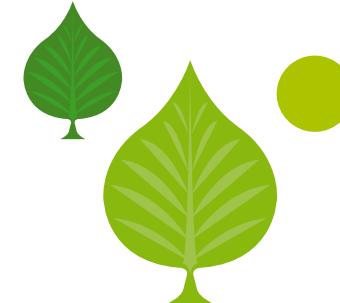


FOOTPRINTS



Ruchi

Ruchi Soya's constant endeavour is to unveil the power, the potency and the purity of nature in all that it does. It recognises that nothing is as potent as the abundance present around us.



Palm Plantation

Indian edible oil market is the world's fourth largest after USA, China and Brazil. A growing population with increasing rate of consumption and continuously increasing per capita income are some of the factors accelerating the demand for edible oil in India.



India is a leading player in edible oils, which is evident from the fact that it's the world's largest importer (ahead of EU and China) and third largest consumer (after China and the EU). India's per capita consumption of edible oil is close to 12 kg which is lower than world average of 20 to 22 kg. India's per capita consumption is rising at very fast pace with the rising per capita income levels.

Extreme variation in the consumption of edible oil is evident from the fact that per capita consumption of top 10% of the country's population is over 20 kg and that of bottom 30% is less than even 5 kg.

Edible oil consumption of India in the last year was around 14.76 mt. Import accounted for around 8.71 mt - India is heavily dependent on import to meet its consumption levels.

As the consumption levels of edible oil has increased the arable land available for plantation is not enough and is even decreasing. This has lead to increased dependence on import of palm oil. To tackle this situation, Government of India has formed an expert committee which has identified 1.078 million ha land suitable for palm plantation all over India covering the states of Andhra Pradesh, Karnataka and Tamil Nadu.



Palm plantation has multiple benefits:

- Yield and income per hectare are better in palm cultivation than processing of any other oil seed crops
- Palm yield is better than other oil seeds. Once planted, trees can be harvested for about 25 years
- Reduced dependency on imports, conserves country's foreign exchange reserves
- Plantations are always environmentally beneficial

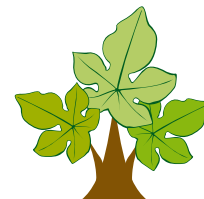
Ruchi has taken the initiative and consolidated its palm plantation activities, by merging 'Mac Oil Palm Limited' and 'Palm Tech India Limited' into Ruchi Soya. Ruchi Soya has acquired contract farming access to a total land bank of 158,000 ha, a 60 tph oil mill capacity for FFB processing and 15 nurseries. Today, Ruchi has plantations in Andhra Pradesh, Karnataka, Mizoram, Gujarat, Orissa and Tamil Nadu.

This consolidation will enable Ruchi Soya to sustain its leadership and have a formidable presence in the southern markets of India both in terms of sourcing and marketing. Also the investment of resources will prove beneficial for the rural development and agricultural economy in Andhra Pradesh and Karnataka. Merger of Mac Oil and Palm Tech with Ruchi Soya will support overall initiatives of promotion, development and processing of oil palm plantations in India and contribute towards reduced dependency on edible oil imports in the long run.



Bio - Diesel

The former President of India Dr. Abdul Kalam is one of the strong advocates of Jatropha cultivation for production of bio-diesel. In his recent speech he emphasized on the fact



that out of the 6,00,000 km² of waste land available in India over 3,00,000 km² is suitable for Jatropha cultivation. Once planted, it has a long and useful lifespan for several decades. Jatropha requires less quantity of water as compared to other cash crops. Various plans for supplying incentives to encourage the use of Jatropha have been implemented.

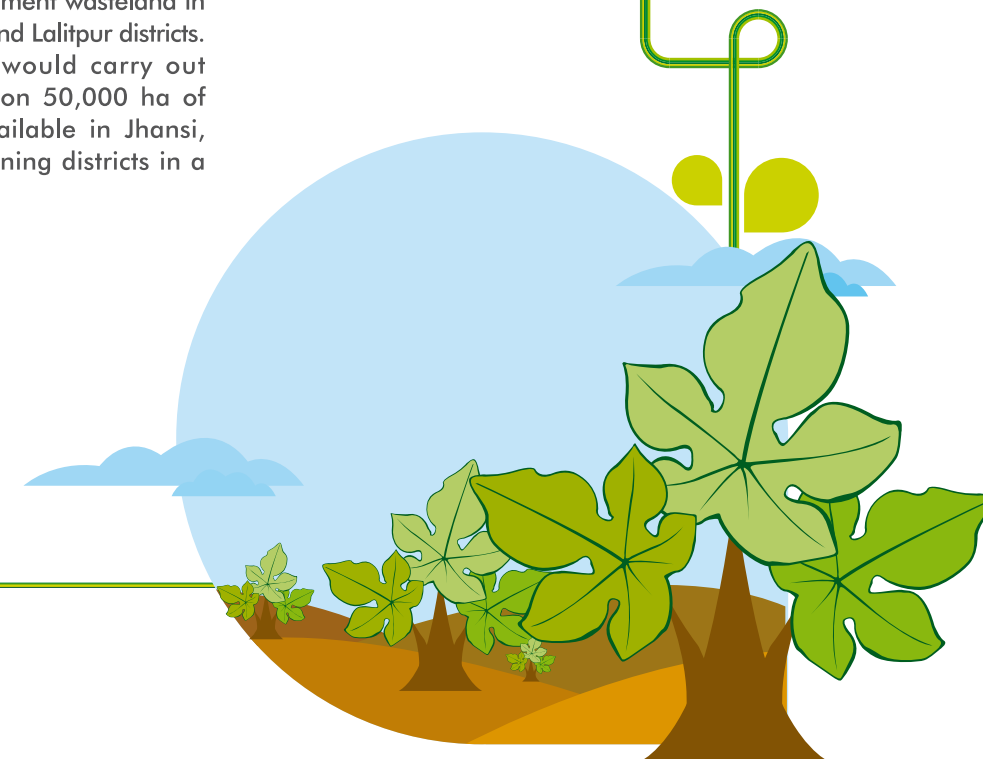
In 2006 Ruchi has ventured into the field of generating feed stock for bio-diesel through Jatropha plantation. It has completed plantation of about 60,000 acres in Madhya Pradesh, Maharashtra and Andhra Pradesh through various farmer-friendly models.



To tap more opportunities in this field Ruchi has formed a Limited Liability Partnership (a corporate business vehicle) called Indian Oil Ruchi Bio-Fuels LLP in association with Indian Oil Corporation Ltd. for Jatropha plantation on Government wasteland in Jhansi and Lalitpur districts. The LLP would carry out plantation on 50,000 ha of wasteland available in Jhansi, Lalitpur and adjoining districts in a

phased manner and will establish bio-diesel production plant of 300 TPD capacity by 2014 to provide an alternate fuel option. Uttar Pradesh has about 10 lacs ha of wasteland on which Jatropha can be planted. Jatropha seeds contain 30% oil, which can be extracted and processed into bio-diesel.

Rural integration is the key business philosophy of Ruchi Soya, thereby, continuing the tradition of being a farmer friendly Company. We believe that effective utilization of uncovered waste/marginal land of the country will lead to inclusive growth by generating large scale rural employment opportunities.



Green Energy Initiatives



In recent years, India’s energy consumption has increased at a very fast rate owing to population growth and economic development.

India has good potential for the effective use of renewable energy. India is the world’s fifth largest producer of wind power after Denmark, Germany, Spain, and USA. There is significant potential in India for generation of power from renewable energy sources like small hydro power plant, bio-mass, and solar energy. The country has an estimated SHP (small-hydro power) potential of about 15000 MW.

The development of wind power in India began in the 1990s and has significantly increased in the last few years. The worldwide installed capacity of wind power reached 157,899 MW by the end of 2009 with USA (35,159 MW), Germany (25,777 MW), Spain (19,149 MW) and China (25,104 MW). Although a relative newcomer in the wind industry segment, India has the fifth largest installed wind power capacity in the world. As of 31st October 2009, the installed capacity of wind power in India was 10,925 MW. It is estimated that additional 6,000 MW of wind power capacity will be installed in India by 2012. Wind power accounts for 6% of India's total installed power capacity, and it generates 1.6% of the country's power.

The short gestation periods for installing wind turbines, and the increasing reliability and performance of wind energy machines has made wind power a favoured choice for capacity addition in India.

Ruchi is active in wind power generation, having wind mill installations in Madhya Pradesh, Tamil Nadu, Maharashtra, Gujarat and Rajasthan with an aggregate capacity of 58.40 MWh as of the end of last financial year.



Renewable Sources Of Energy

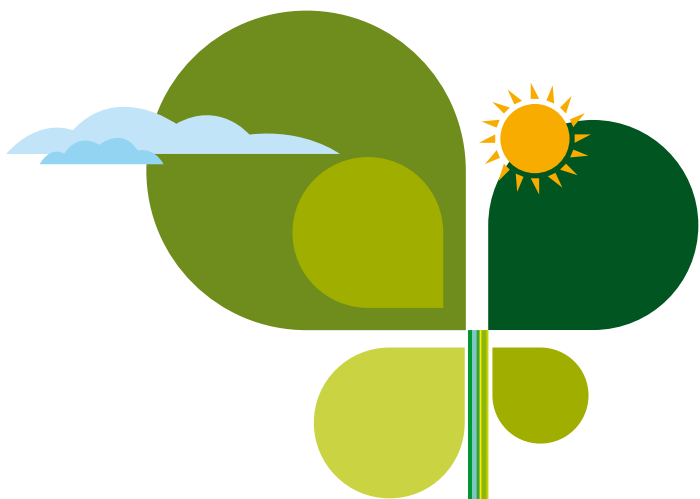


Being a market leader in agro-commoditis, Ruchi started generating power through bio-mass in Andhra Pradesh. The power is generated from the husk of palm fruit.

Ruchi Soya is now venturing into solar power generation. With this extension, it aims to cover almost all types of renewable energy sources.

Our initiatives in saving energy at operational level has won us the 2nd prize for “Energy conservation in edible oil sector - 2009” bagged by our Mangalore unit.

Being a market leader in edible oil and agri foods, we are committed to make India proud in the renewable energy sector.





Corporate Social Responsibility

Our CSR activities include sanitation, education, women empowerment and health for the communities we operate in. We believe in making human lives better by sowing seeds of joy. As we work towards a greener future, we attempt to strike a balance between ecology and prosperity by undertaking activities with the help of Shri Mahadeo Shahra Sukrat Trust (SMSST).

Environment Sanitation

Total Sanitation, a village based sanitation programme, aims at improving the living conditions of poor people in rural areas. It integrates village sanitation with environmental sanitation, awareness and education with user-friendly technologies. We have conducted training programmes for vermin-compost and 10 vermin – compost pits have been built.

Education

Various educational initiatives have been taken up in different areas:

Raigad

SHAHRA (Self-Help, Assistance, Hope, and Renewed-Action) Learning Centre at Patalganga was established to help less privileged students in their all round development through various activities and cultural programmes. A computer education initiative at Dr Parnekar School has benefited several students.

Devli, Gujar and Nagpur

Ruchi Soya runs a programme called School in Development (SID) in association with UNICEF. This five day training program helps children in understanding the process of village development. A Bal Sabha is formed to discuss seven key issues i.e. personal hygiene, environmental hygiene, hygienic eating and drinking habits, garbage disposal, waste matter disposal and prevention of open defecation.

Women Empowerment

Ruchi Soya in association with Jan Shikshan Sansthan (JSS) has helped in setting up Self Help Groups. The initiatives undertaken are:

- A Patient Care course initiated to impart basic nursing skills to women
- Training to members of 22 SHGs on importance of SHG formation, loan disbursement, book keeping, basic introduction and balance sheet finalisation
- Exposure trip for SHG's members to motivate them start their own business
- Participation in "Yellow Ribbon – NGO Fair" at Ishanya mall, Pune
- Six month course for helpers from hospital and nursing home
- Vocational skill training of paper bag making to women

Health

To address health & hygiene problems in the rural areas, Ruchi Soya has taken numerous steps to give treatment to people and help them combat diseases and lifestyle related health disorders. Shri Mahadeo Shahra Sukrat Trust organizes a medical camp every year on 25th November. This camp provides free medical treatment and surgery to the poor living in the surrounding villages of the Ruchi Soya Factory at Mangliya. Over 1300 people participated in the Medical Camp in 2009. Taking this initiative forward a Charitable Hospital was established for day to day medical treatment of poor people living in Mangliya.

Cataract Detection and General Medical Checkup Camp

Cataract Detection and General Medical Checkup camp was conducted at Khapri – Aakre, in the Nagpur district of Maharashtra where 318 surgeries were conducted successfully.

Anaemia Control Project

Anaemia Control Projects are carried out in villages along with Swami Vivekananda Medical Mission, a well known Medical NGO based at Parsodi, Khapri in Nagpur.

Religious and Spiritual Objective

An Ashram is being run at Omkareshwar, where the Trust provides facilities for saints from distant places. The Trust is also involved in other social activities like Spiritual Functions, Yoga Camps, Alternative Therapies Camps and other Cultural Programmes.

The Trust is actively involved in helping the needy by way of donations, medical aid and educational grants.



Nutrela Chunks, Mini Chunks & Granules

Research suggests that soya helps in preventing heart disease by reducing total cholesterol and Low-density lipoprotein (LDL) levels. It is convenient to prepare and as the highest source of vegetable protein, it promotes a healthy diet.

Nutrela Refined Sunflower Oil

Enriched with vitamin A, D and E, it is healthy, natural and light in both taste and appearance. It is not just a cooking medium but a healthy option for everyone in your family.

Nutrela Groundnut Oil

It has a high smoke point which helps in sautéing and frying dishes. High levels of Monounsaturated and Polyunsaturated Fats help prevent vascular complications.

Nutrela Kachhi Ghani – Mustard Oil

Made from the finest quality mustard seeds, it's the most stable of all the edible oils. Nutrela mustard oil's oxidative stability and Omega – 3 contents significantly reduce blood triglyceride levels and regular intake reduces the risk of major and secondary heart attack.



Nutrela Refined Cottonseed Oil

Trans-fat free and with a high smoke point, this oil is ideal for frying and cooking healthy dishes. Its consumption decreases cholesterol levels and increases antioxidants, and Vitamin E content in your blood.

Nutrela Ricefit Refined Ricebran Oil

Ricebran Oil – believed to be world's healthiest edible oil has vitamins, antioxidants, and is trans – fat free. It has a neutral, delicate flavour and a high smoke point, making it a perfect all – purpose cooking oil. With the best balance of saturated, monosaturated and polysaturated fats, it helps prevent cardiovascular diseases.

Nutri Gold Vanaspati

Nutri Gold Vanaspati, with its grainy 'ghee – like' texture is ideal for deep-frying. With relatively low trans-fatty acid content, it offers a healthy alternative to traditional vanaspati.

Nutrela Soyumm – Refined Soyabean Oil

Fine quality soyabean oil that enhances the taste of food, Nutrela Soyumm Refined Soyabean Oil contains Polyunsaturated Fatty Acids (PUFAs), making it suitable for all types of cooking methods. PUFAs help reduce cholesterol levels, which keep the heart healthy.

Green Fitness

Explore the world of possibilities. From the core of our beliefs and vision, stems out branches of goodness that showcase all that is positive and green. At Ruchi, we cherish life.

Mahakosh Refined Soyabean Oil

A name that reflects purity and premium taste, its nutritional qualities enhance its health quotient. It contains fats which reduce serum cholesterol levels and omega-3 fatty acids that protect against heart diseases.

Mahakosh Filtered Groundnut Oil

Nutty-flavoured oil with a high smoke point is excellent for sautéing and frying. It is high in monounsaturated and polyunsaturated fats, making it a healthy medium for cooking.

Mahakosh Refined Cottonseed Oil

Cottonseed oil enhances the taste of food and its high heat tolerance makes it ideal for oriental cooking. It contains antioxidants and Tocopherol, essential for health and protection from diseases.

Mahakosh Refined Ricebran Oil

Ricebran oil’s nutritional benefit incorporates an ideal balance of saturated, monounsaturated and polyunsaturated fatty acids. Also, Oryzanol and Tocotrienol improve serum cholesterol level.

Mahakosh Vanaspati

Mahakosh Vanaspati, a multipurpose cooking medium has been formulated after extensive R&D and is superior quality vegetable oil. It’s ideal for deep fried or sautéed dishes and also in making traditional sweets and snacks. With relatively low trans fatty acid, Mahakosh Vanaspati is a healthy alternative.



Ruchi Gold Refined Palmolein Oil

The market leader and the largest – selling refined palm oil brand in the country, it’s rich in Vitamin E that prevents cell deterioration. The goodness of natural vitamins makes it a nutritious and healthful option.

Ruchi Gold Mustard Oil

A high quality aromatic mustard oil made from first press of the finest mustard seeds. It is rich in alpha linolenic acid which is a source of Omega-3 polyunsaturated fatty acids that protect the heart.

Ruchi Star Refined Soyabean Oil

Ruchi Star Refined Soyabean Oil is light, odourless and healthy. It contains Omega – 3 – an essential fatty acid for the human body.

Sunrich Refined Sunflower Oil

A healthy and natural cooking oil enriched with Vitamin E that protects cells against the effects of damaging free radicals. With zero per cent cholesterol levels, it offers a cooking medium that is ideal for the health conscious.

Chairman
Kailash Shahra

Managing Director
Dinesh Shahra

Directors
A B Rao - Director (Legal)
V K Jain - Director (Commercial)
(w.e.f. 27th July, 2009)
Sanjeev Asthana (Additional
Director w.e.f. 28th August 2010)
P D Dwivedi
Sajeve Deora
N Murugan
(w.e.f. 27th July, 2009)
Naveen Khandelwal
(w.e.f. 18th December, 2009)

Auditors
P D Kunte & Co. (Regd)

Registered Office
408, Tulsiani Chambers,
Nariman Point, Mumbai - 400 021
Tel: +91 22 6656 0600

Administrative & Head Office
301, Mahakosh House, 7/5, South Tukoganj,
Nath Mandir Road, Indore - 452 001.
Tel: +91 731 251 3281/282/283

Axis Bank Limited
Bank of India
Central Bank of India
Corporation Bank
Dena Bank
IDBI Bank Limited
Oriental Bank of Commerce
Punjab National Bank
State Bank of Bikaner & Jaipur
State Bank of Hyderabad
State Bank of India
State Bank of Mysore
State Bank of Patiala
State Bank of Travancore
Syndicate Bank
The Karur Vysya Bank Limited
UCO Bank

The map illustrates the distribution of Indian Railways infrastructure across India. It uses a color-coded regional system and specific symbols to denote the locations of Depots, Plant Locations, and Offices. The legend in the bottom right corner provides the key for these symbols: a red circle for Depot, a green square for Plant Location, and a blue triangle for Office. The map shows a high density of Depots and Plant Locations across all regions, with Offices primarily located in the North, Central, and South regions. Major cities like Jammu, Amritsar, Delhi, Mumbai, Kolkata, and Chennai are marked as Depots, while locations like Baran, Kota, and Mangalore are marked as Plant Locations. Offices are located in cities like Guwahati, Ahmedabad, Indore, and Chennai.

Directors' Report

Dear Shareholders,

Your directors have pleasure in presenting the Twenty Fourth Annual Report together with the Audited Statement of accounts of the Company for the year ended 31st March, 2010.

FINANCIAL RESULTS :

	2009-10 (Rs. in crore)	2008-09 (Rs. in crore)
Sales and other income	13,531.49	12,172.06
Profit before depreciation and tax	369.33	236.51
Depreciation	100.37	85.76
Profit before taxation & exceptional item	268.96	150.75
Exceptional Items	3.52	—
Profit before taxation	272.48	150.75
Provision for taxation	95.40	52.30
Provision for tax for earlier years	4.61	5.17
Profit after taxation	172.47	93.28
Balance brought forward from previous year	344.55	291.18
Balance brought forward from previous year relating to transferor companies	1.54	—
Amount available for appropriation	518.56	384.46
APPROPRIATION		
General Reserve	25.00	25.00
Capital Redemption Reserve	45.24	—
Proposed dividend - Preference	0.41	1.81
- Equity	15.55	10.94
Tax on dividend	2.71	2.16
Surplus carried to Balance Sheet	429.65	344.55
	518.56	384.46

DIVIDEND :

Your directors have paid interim dividend of 4% amounting to Rs. 0.41 crore (Previous year final dividend being Rs. 1.81 crore) on 45,24,285 Redeemable Cumulative Preference Shares of Rs.100/- each which were redeemed on 22nd June, 2009, upto the date of redemption.

Your directors also recommend dividend of 25% (Re.0.50 per share on face value of Rs.2/-) on equity share capital of Rs. 62.20 crore (including 3,53,30,000 equity shares issued/to be issued to the shareholders of merging companies) for the year under review as against 25% (Re. 0.50 per share on face value of Rs.2/-) on equity share capital of Rs. 37.76 crore for the previous year. The total cash outgo on account of dividend and tax thereon amounts to Rs. 18.67 crore as against Rs.14.91 crore in the previous year.

OPERATIONS :

During the year under review, the sales and other income of your Company have increased to Rs. 13,531.49 crore from Rs. 12,172.06 crore in the previous year, recording a growth of over 10%. The Profit before depreciation and tax has increased to Rs. 369.33 crore from Rs. 236.51 crore in the previous year, recording a growth of over 56%. Profit after tax of Rs.172.47 crore was recorded during the year which is over 84% higher than Rs. 93.28 crore in the previous year.

EXPORTS :

During the year under review, your company has exported products of Rs. 1,354.20 crore during the year under review as compared to Rs. 1,710.00 crore in the previous year. The decline in export was mainly due to lower arrival of soya crop during peak season between October, 2009 to March, 2010 and intense competition in the export market.

FUTURE OUTLOOK :

India is witnessing big changes in Food and Agriculture space. The demand for Food has been growing at the back of Rising population and incomes. Edible oil Industry has been at the centre of this growth. The Indian Edible Oil consumption has been growing at a rate of 6.5% over the last few years. The same trend is likely to continue over the next decade. Branded oil sales have been growing at a much faster pace as compared to the overall growth

Ruchi Soya is tapping the last mile retail story with brands like Nutrela & Ruchi Gold and investments in the value chain integration involving plantations across continents to secure supplies. Integration of complete value chain will facilitate capturing the growing business opportunities with better margins.

There is a need for consolidation of Domestic Businesses and to drive economies of scale to remain competitive in the challenging environment being faced by the industry. Your company is in the process of setting up / expanding production facilities at the new locations / existing processing plants to cater to the growing demand and sustain leadership position. As a part of the strategy to enlarge our presence in the growing domestic edible oil segment, your company has begun to increase capacities of production facilities in Mustard oil segment.

DIRECTORS :

Mr. Prabhu Dayal Dwivedi and Mr. N. Murugan retire by rotation in accordance with the provisions of Articles of Association of the Company and, being eligible, offer themselves for re-appointment. Mr. S. P. Joshi vacated the office of Director of the Company with effect from 27th July, 2009. The Board places on record the valuable contribution and efforts made by Mr. S.P. Joshi, during his tenure with the Company.

The Board of Directors appointed Mr. Navin Khandelwal and Mr. Sanjeev Asthana as Additional Director with effect from 18th December, 2009 and 28th August, 2010 respectively. In terms of Articles of Association, they hold office upto the forthcoming Annual General Meeting. The Company has received notice from members proposing them as candidate for the office of director in accordance with the provisions of Section 257 of the Companies Act, 1956.

Mr. A B Rao, Director (Legal) of the Company is proposed to be re-appointed for a period of three years with effect from 1st April, 2010.

Mr. Dinesh Shahra, Managing Director of the Company is proposed to be re-appointed for a period of five years with effect from 7th January, 2011.

EMPLOYEES STOCK OPTION SCHEME (ESOS) :

The Company had introduced Employee Stock Option Scheme 2007 (referred to as "the Scheme") to enable the eligible directors/employees of the Company and its subsidiary to participate in the future growth of the Company. During the year, the company has allotted 1,98,800 equity shares to eligible directors/employees of the Company and its subsidiary under the Scheme. The Compensation committee has further allotted 2,70,250 equity shares on exercise of option by the eligible directors/employees on 28th August, 2010.

The Scheme is proposed to be revised to amend the eligibility period from one year to three years, to allow lapse of vested and unvested options as on date of relieving in case of voluntary resignation by the employee and to remove the redundant provision of fringe benefit tax from the Scheme.

The necessary disclosures required in terms of Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in regard to such Scheme of your company are enclosed herewith as **Annexure A** forming part of this Report.

SUBSIDIARY COMPANIES :

The Report of Directors and Statement of Accounts of subsidiary 'Ruchi Worldwide Limited, Mrig Trading Private Limited and Gemini Edibles & Fats India Private Limited' together with the Auditors' Report thereon, are attached. The requisite statement pursuant to Section 212 of the Companies Act, 1956 is also attached herewith.

Your Company has set up a wholly owned subsidiary in the name of 'Ruchi Industries Pte. Ltd.' in Singapore and 'Ruchi Ethopia Holdings Ltd.' in Dubai for investing in plantation activities outside India.

JOINT VENTURE LLP :

The Company has entered into a Joint Venture with Indian Oil Corporation for taking up the Jathropa plantation and production of biofuel activities in the State of Uttar Pradesh. Accordingly, a Limited Liability Partnership was formed in the name of 'Indian Oil Ruchi Biofuels LLP' to take up the activity.

SCHEMES OF AMALGAMATION AND ARRANGEMENT :

The Company has implemented the Scheme of Amalgamation and Arrangement of Mac Oil Palm Limited with Ruchi Soya Industries Limited and Scheme of Amalgamation of Palm Tech India Limited with Ruchi Soya Industries Limited with effect from 3rd July, 2010 and 25th August, 2010 respectively as sanctioned by the jurisdictional High Courts. The appointed date under

both the Schemes was 1st April, 2009. Mac Oil Palm Limited and Palm Tech India Limited are engaged in the business of developing oil palm and processing fresh fruit bunches of palm for oil extraction.

The Board, on 3rd July, 2010, has also approved a Scheme of Amalgamation and Arrangement of Sunshine Oleochem Limited with the Company, subject to approvals of members, creditors and jurisdictional High Court.

CORPORATE GOVERNANCE :

The Company has in practice a comprehensive system of corporate governance. A separate Report on Corporate Governance forms part of the Annual Report. A certificate of the Company's Statutory Auditors regarding compliance of the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT :

As stipulated under Section 217 (2AA) of the Companies Act, 1956, your directors subscribed to the "Directors' Responsibility Statement" and confirm as under:

- (i) that in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- (ii) that the Directors had selected appropriate accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2009-10 and of the profit of the Company for that period;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that the Directors have prepared the accounts for the financial year ended 31st March, 2010 on a 'going concern' basis.

PARTICULARS OF EMPLOYEES :

Particulars of employees as required to be furnished pursuant to Section 217 (2A) of the Companies Act, 1956, read with the rules thereunder, form part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the reports and accounts are being sent to all the shareholders of the Company excluding the statement of particulars of employees. Any shareholder interested in obtaining a copy may write to the Company Secretary of the Company.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE :

Information required under Section 217(1)(e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the **Annexure B** forming part of this Report.

FIXED DEPOSITS :

The Company has not accepted any deposits from the public during the year under review.

AUDIT REPORT :

The observation in the Auditors' report are adequately addressed in the notes to the Account, wherever necessary.

AUDITORS :

The Auditors M/s. P.D. Kunte & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and are eligible for re-appointment.

The Company proposes to appoint, subject to consent of the members, M/S B. Bhushan & Company, Chartered Accountants as Branch Auditor. The Company has received consent from them for the same and also a certificate that they are eligible for appointment as Branch Auditor.

ACKNOWLEDGEMENT :

Your directors place on record their gratitude for the valued support and assistance extended to the Company by the Shareholders, Banks, Financial Institutions and Government Authorities and look forward to their continued support. Your directors also express their appreciation for the dedicated and sincere services rendered by employees of the Company.

For and on behalf of the Board of Directors

Place : Gurgaon
Date : 28th August, 2010

KAILASH SHAHRA
Chairman

**Information regarding the Employee Stock Option Scheme – 2007
(as on 31st March, 2010)**

a)	Number of options granted	:	27,32,000
b)	Pricing formula	:	As decided by the Compensation Committee.
c)	Number of options vested (as at 1.4.2009)	:	2,28,800
d)	Number of options exercised during the year	:	1,98,800
e)	Number of shares arising as a result of exercise of options	:	1,98,800
f)	Number of optioned lapsed/cancelled during the year	:	93,000
g)	Variation in terms of options	:	Revision of price as per SEBI guidelines.
h)	Money realized by exercise of options	:	Rs.69.58 lac
i)	Number of options in force	:	24,40,200
j)	Employee wise details of options granted to		
i)	Senior managerial personnel	:	The following employees have been granted 5,37,000 options in aggregate :
			Mr. Ashutosh B Rao 56,000
			Mr. Pradeep Koolwal 56,000
			Mr. Pramod Koolwal 56,000
			Mr. Naveen Gupta 56,000
			Mr. V. Suresh Kumar 56,000
			Mr. Mahesh K Agrawal 56,000
			Mr. Harish Singla 56,000
			Mr. Ramji Lal Gupta 56,000
			Mr. Vinay Shah 44,500
			Mr. Asgar Ali Saifi 44,500
(ii)	Employees who were granted Options amounting to 5% or more of the Options granted during the year 2009-10	:	None
(iii)	Employees who were granted Options in any one year equal to or exceeding 1% of the issued capital of the Company	:	None
k)	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard 20- 'Earnings per share'.	:	Rs. 6.18

ANNEXURE B

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, and forming part of the Directors' Report.

I. CONSERVATION OF ENERGY :

The Company has been laying emphasis on the conservation of energy and taking several measures like effective control on utilisation of energy and regular monitoring of its consumption etc. The adoption of these measures to conserve energy have resulted in saving of the same.

(A) Power and Fuel Consumption

	2009-2010	2008-2009
1. Electricity :		
(a) Purchase		
Unit	12,63,45,119	11,36,60,728
Total Amount (in Rs.)	63,37,92,613	53,12,90,373
Rate / Unit	5.02	4.67
(b) Own generation		
Through Diesel Generator		
Unit (KWH)	65,27,807	55,30,875
Units per litre of Diesel Oil	3.19	3.18
Cost/Unit (Rs.)	10.62	11.07
2. Coal :		
Quantity (Metric ton)	2,62,256.079	2,35,942
Total Cost (Rs.)	84,95,25,000	84,59,23,497
Average Rate (Rs.)	3,239.30	3,585.30
3. Others (Diesel/SKO) :		
Qty. (Litre)	20,43,550	33,15,221
Total Amount (Rs.)	6,93,46,010.38	10,90,93,001
Average Rate (Rs.)	33.93	32.91
(B) Consumption per unit of production :		
Electricity (Unit)	56.67	43.54
Coal (Metric ton)	0.11	0.08
Diesel (Litre)	0.87	1.07

II. TECHNOLOGY ABSORPTION :**(A) Research and development :**

- Specific areas in which R & D carried out :
Company has carried out R & D in process development and improvement in existing processes to improve the quality of products, reduction in energy and effluents.
- Benefits derived as result of R & D :
Improvements in processes has helped company in reducing the energy consumptions of some products. This has helped in giving good and consistent quality products in market.
- Future plan of action :
Company will continue to pursue R & D in developments of new processes and new products such as, soya snacks and modified lecithin.
- Expenditure on R & D :
Expenditure incurred on R & D are charged under primary heads of accounts and not separately allocated.

(B) Technology absorption, adaptation & innovation :

- Efforts in brief made towards technology absorption, adaptation and innovation :
The company has through R & D developed processes adopted which helped in reducing the energy consumption.
- Benefits derived as result of the above efforts :
Improvement in processes, reduction of cost and product development.

III. FOREIGN EXCHANGE EARNINGS & OUTGO :

The Company has already established an export market for its products and has been taking keen interest for developing new export market for its products and to increase exports.

During the year, the foreign exchange earned was Rs. 2,106.13 crore (Previous year Rs. 2,341.81 crore) and the foreign exchange outgo was Rs. 5,899.72 crore (Previous year Rs. 4,511.80 crore).

For and on behalf of the Board of Directors

Place : Gurgaon
Date : 28th August, 2010

KAILASH SHAHRA
Chairman

Management Discussion and Analysis Report

INDUSTRY STRUCTURE & DEVELOPMENT

The primary business of your Company is processing of Oil-Seeds and Refining of Crude Oil for Edible use. The Company also produces oil meal, food products from soya and value added products from downstream processing. The size of Indian edible oil and oil seed industry is estimated to be around Rs. 90,000 crore (USD 19 billion). The domestic edible oil consumption has been steadily growing and is estimated to be over 15 million MT in the current year with Palm and soya oil, in which your Company has a dominant presence, contributing over 60% volume. In view of the demand- supply gap, over 55% of the domestic edible oil consumption is met by imports, with Palm and Soya accounting for close to 90% of the imported volume. The oil meal is essentially consumed as poultry, fish and cattle feed, a substantial part of soya meal is exported to the Asian region even though the domestic demand is growing.

The domestic soya crop production was around 8 million MT in India during the year under review. Business related factors such as delayed arrival of crop, High prices, consequent lower supply of beans in the market place due to reluctance of farmers to sell the beans at low price levels and disparity in prices for the processors have adversely affected the operations of the solvent crushing industry during the peak season from October to March, resulting in lower domestic supply of soyabean oil and export of soya meal, as compared to the corresponding period previous year. The operations of the solvent crushing industry have, therefore, been challenging in the year under Review.

In order to bridge the growing demand supply gap, the volumes of import of edible oil have gone up from 71 Lac MT to 83 Lac MT. This has improved the capacity utilisation of the port based edible oil refining facilities in the country. The share of palm segment in the import of oil has gone up from 59 lac MT to 65 lac MT due to favorable price dynamics and higher demand of the cost conscious consuming population in the country.

World over Palm oil has been a significant contributor to the growing demand of edible oils. According to industry sources, World production of Oils and Fats grew from 115 million MT in the year 2000 to 160 million MT in the year 2008. Out of the increase in production in 8 years, palm family contributed as much as 25.83 million MT or 57%. The import of palm's share is growing due to favourable price advantage, proximity of port based locations to south East Asia (Growing Areas) and the need to fulfill the demand supply gap.

Keeping in view the growing demand of Palm Oil and augmentation of the domestic supply, the Government of India and the State Governments have identified the potential areas for oil palm cultivation and taken measures to promote oil palm cultivation and processing in India. This will benefit farmers with better income, reduce import bill of edible oil, support domestic industry and promote regional development. As the yield per Hectare of palm is far higher than any other oil seeds, the encouragement will be beneficial to the stakeholders in the long run.

INDUSTRY OUTLOOK

The Indian edible oil sector is, by and large, a price conscious and price sensitive market, as a substantial part of consumption takes place at the bottom end of the pyramid. The propensity to consume is correlated with the changes in prices of edible oil and the quantum of disposable income. With rising incomes, food remains an important item of expenditure to warrant large share of incremental spending. Edible oil is and will remain an important constituent of dietary plan despite varied eating habits and varied methods of cooking across the different states/regions in the country. Also, the growth of edible oil in packed form has far exceeded the industry wide growth rate. In the foreseeable future, it is envisaged that the overall quantum of edible oil consumption will continue to grow significantly in the packed segment, with the pattern of consumption shifting from unpacked to packed form due to factors, amongst others, rising incomes coupled with changes in household demographics, improving health consciousness, growing organized retail improving reach of the products across the country, visual advertisements etc.

Keeping in view the steady rate of GDP growth and Income growth expected in India, it is estimated that the domestic demand for edible oil in India, will also consequently rise. According to the industry estimates, the consumption of edible oil will increase from the current level of 15 million MT to over 20 million MT by the year 2015.

The recent widespread monsoon with reasonably equitable distribution of rainfall across the country has improved prospects of better agricultural production in India than the previous year. The current indications augur well for the agricultural sector in general and solvent extraction industry in particular in the current year. With the improvement in the price trend, it is believed that operations of the crushing industry will be better than the previous year.

The edible oil industry is in consolidation phase. Enterprises having strong business capabilities in terms of integration, risk management, working capital management, efficiencies in procurement, logistics and distribution, manufacturing presence at strategic locations across the country and strong consumer focus, that have undertaken expansion of their market share through organic and inorganic route coupled with introduction of new and innovative products - including presence through branded products, will enjoy the gains in the times to come.

BUSINESS STRATEGY

To meet the challenges amidst growing industry size and the need to consolidate, your Company has continued to initiate and strengthen several measures on a proactive basis, which will allow your Company to build-on its current presence and market share in the edible oil industry. Your Company is poised to undertake the business opportunities arising from leadership position in the industry. The focus on driving cost and operational efficiencies by use of latest and modern technology conforming to global standards will provide an edge to itself and its business partners and place it at a better pedestal as compared to its peers. Your Company will continue to strengthen itself in areas of sourcing raw materials from points of origin, reducing inefficiencies in supply chain and logistics, promoting green energy initiatives, expanding capabilities to process at strategic locations, improvements in product quality, and increased sales of branded products in retail stores.

The consumerism in India is at its inflexion point. The economic growth in future will result in high disposable income across the domestic consumers and changing consumer preferences. The consumption of edible oil in packed form, given its current low base and vast untapped potential, offer tremendous business opportunities to expand business volumes in retail segment. Your company, despite a large base of branded sales, is strongly oriented to capitalize the growing business opportunities in this direction and has set ambitious targets to scale up its

presence in branded segment. Your company will significantly undertake strengthening business processes for quality, scalability, sustainability and visibility in the area of branded products. Your company will expand its distribution channel across the country, broaden its product range, and invest in designing and implementing brand position/promotion strategies to achieve the objective.

The food division of your Company is evaluating opportunities to expand its product portfolio and will be introducing various new products for the health conscious under the 'Nutrela' brand, which has already carved a niche for itself as a market leader in soya foods. New products are proposed to be rolled out with focus on the growing "health and wellness" segment. Your Company will proactively roll out various initiatives to support our branding strategy, including better visibility, ad spend, brand / product positioning etc.

Your company is a leader in palm oil segment in India with strong sourcing strengths, processing capabilities in port based locations to process imported palm oil and the largest branded marketer in palm oil. Your company perceives that self sufficiency in raw material sourcing will be the key goal to insulate against the short supplies and spiraling prices in the long run. Your company perceives, therefore, a logical business opportunity to achieve backward integration in palm plantations in overseas/domestic markets to complete the value chain and thus give a fillip to the momentum. The direct benefit of the above endeavors, besides strengthening the existing attributes of its business in the domestic market, will be to de-risk the operations from geographical and product risks, to support supply chain requirements and to add long-term sustainable value to the business of your Company.

Your company has the largest exclusive access area for development of oil palm cultivation in India, with the commensurate processing capacities/facilities appropriate to the requirements. The active completion of oil plantation in India will be one of the key focus drivers in the future.

As a part of growth strategy, your company is expanding presence internationally by setting up of facilities for soya/oil palm cultivation and processing into downstream products. This will enhance our origination capabilities; support our strategy of value integration, add significant improvement in the margin profile on a consistent basis, resulting in our business model with reasonable predictability and sustainability, in the times to come.

The consumption of local edible oils such as Mustard, Cottonseed and Rice bran has also been growing. Your Company sees opportunity to broaden its manufacturing and marketing presence in the domestic market for Mustard oil and other oils by expanding its existing/new locations. Your Company proposes to leverage its existing distribution network and also expand the same in new areas to offer value added products so as to serve across a wide spectrum of our current and potential customers.

Your Company is strengthening the existing internal business processes, more particularly in the areas of Marketing, Information technology, Human resource systems and Risk management, and is thus gearing-up to meet the challenges ahead.

Your Company is of the view that strategic initiatives in the above mentioned areas will prove beneficial for the Company and the stakeholders in the long term.

INFORMATION TECHNOLOGY

SAP has been implemented in all plants, depots, regional offices and head office of the Company enabling alignment of Strategies and Operations, better supply chain, control at operational level and access to consolidated data of the Company since the system is integrated. SAP has also been implemented to assimilate data from Subsidiary and JV Companies. Among other benefits, SAP provides real-time data, supports in strategy formulation, lead to adoption of uniform and transparent business practices, render cost optimisation and value enhancement.

HUMAN RESOURCES

Management is keen on following the best practices for attracting, retaining and enhancing human resources of the Company. Campus selection process, internal transfer, job rotation and training have been inculcated at different levels of the organization hierarchy to evolve team leaders and managers. The Company has in place the employee stock option scheme for seniors and middle level management. The above-mentioned measures will ensure motivated workforce, promote the ownership and sharing economic growth of the Company.

RISK AND CONCERNS

Price Volatility

Your Company is exposed to price fluctuation in its business. All major raw materials as well as finished goods being agro-based are subject to market price variations. Prices of these commodities continue to be linked to both domestic and international prices, which in turn are dependent on various Macro / Micro factors. Prices of the finished products manufactured by your company fluctuate widely due to a host of local and international factors. Your Company continues to place a strong emphasis on risk management and has successfully introduced and adopted various measures for hedging the price fluctuations in order to minimise its impact on profitability. Also, your Company has initiated setting-up of a government framework to upgrade itself to a robust risk management system.

Government Policies

The policies announced by the Government have been progressive and are expected to remain likewise in future, and have generally taken an equitable view towards various stakeholders, including domestic farmers, industry, consumers etc.

Freight & Port Infrastructure

As substantial part of the international operations of your Company are within the Asian region, and given the following import and export activities of your Company, the element of freight is not likely to cause any adverse effect on the operational performance. Your Company has a pro-active information and management system to address the issues arising out of port congestion to the maximum extent possible and has also made sufficient arrangements for storage infrastructure at the ports.

Weather Conditions & Monsoon

Your Company has processing facilities at major ports and several inland locations and therefore, the business model of your Company is designed to carry-on a majority of its production operations in situations of extreme changes in weather conditions.

Volatility in Foreign Currencies

Your Company is exposed to risks arising out of volatility in foreign currencies; the exposure on this account extends to:

- Products imported for sale in domestic markets,
- Products exported to other territories and
- Foreign currency loans

Your Company utilises the hedging instruments available in the markets on an ongoing basis and manages the currency exposures pro-actively.

Fuel Prices

Fuel prices continue to be an area of concern as fuel particularly Coal is widely used in manufacturing operations has a direct impact on total costs. Your Company has taken productivity linked measures aimed at controlling costs and taken further steps to focus on production of high margin products.

Domestic Economy

Adverse changes in disposable income may impact consumption pattern. Your Company has multi processing capabilities to cater to the variances and changing consumer preferences. Also keeping in view the overall growth of the economy, emerging health consciousness and growing organised retail in India, it is expected that the packaged edible oil consumption will continue to outgrow the overall edible oil growth.

RISK MANAGEMENT INITIATIVES

Increased volatility in commodity prices and currency movements coupled with global slowdown during the financial year has highlighted the importance of risk management practices. Given the nature of business, your Company is exposed to market risks primarily arising from currency exchange rates and commodity prices. To manage these risks, we have put in place integrated risk management program.

Risk management is now a fundamental aspect of our business decisions and margin management. Your Company has put in place a system of limiting exposure to market based on value at risk limits. It is also engaged in commodity hedging to reduce the impact of volatility in the prices of the agricultural commodities. Your Company also pro-actively engages in foreign exchange hedging to manage currency risks.

Your Company has also put in place a centralised risk management function and has put in place a Middle Office Group to strengthen operational controls over risk management. Risk management policies and limits are evaluated by the risk Committee and supervised by the Board of Directors. Risk limits, policies and procedures are periodically revised keeping in mind changes in market conditions.

Risk management in your Company entails an integrated approach with margin protection considerations forming the back-bone of risk management initiatives. The Company is in the process of strengthening its reporting framework relating to risk management to facilitate ongoing evaluation of overall margin management. Performance and return is evaluated in light of risk taken. The focus of performance management is on assessment of risk-weighted returns. The long-term objective of risk management is to provide stability in margins over a longer period and through downturns in economics cycles.

FINANCIAL REVIEW AND ANALYSIS

(Rs. in crores)			
Highlights	2000-10	2008-09	Growth (%)
Sales and other income	13,569.47	12,092.00	12.22
Total Expenditure	13,132.70	11,800.07	11.26
Operating profit (PBDIT)	436.77	291.93	50.82
Depreciation	100.37	85.76	17.04
Interest (Net)	67.44	55.42	21.69
Exceptional Items	3.52	—	—
Profit before tax	272.48	150.75	80.75
Provision for tax	65.01	24.47	165.67
Profit before deferred Tax	207.47	126.28	64.29
Deferred Tax	35.00	33.00	6.06
Profit after Tax	172.47	93.28	84.89

REVENUE AND PROFIT

Sales and other income recorded a growth of 12.22% to Rs. 13,569.47 crores as compared to Rs. 12,092.00 crores in 2008-09. Your Company recorded an operating profit of Rs. 436.77 crore against Rs. 291.93 crore during preceding financial year. Shedding the adverse impact of

global recession, the Company achieved improved margins and recorded a growth of more than 84% in the profit after tax to Rs.172.47 crore as against Rs.93.28 crore in preceding financial year.

SEGMENT PERFORMANCE

The various segments identified by the Company are as under:

Extraction	—	All types of seed extraction
Vanaspati	—	Vanaspati
Oils	—	Crude oils, refined oils
Food Products	—	Textured soya protein, Soya flour, Fruit juice, Soya milk
Others	—	Gram, Wheat, Rice, Maize, Corn, Seeds, Coffee, Marine Products, Tuar, peas, Barley, Soap, Fresh Fruit bunch, Seedling, plant & machinery (equipment), Cotton Bales and power generation

The segment wise performance in detail is given in schedule 20 to audited accounts of the Company as available in this Annual report.

CAUTIONARY STATEMENT

Statements in the “Management Discussion and Analysis” describing the Company’s objectives, expectation or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement depending on circumstances. Important factors that could influence the Company’s operations include demand and supply conditions in the market which affect the selling prices of finished goods, input availability and prices, change in government regulations, tax rates, global and internal economic developments and other factors such as litigation and industrial relations.

Ten Year Financial Performance – at a Glance

	(Rs. in crores)									
	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
Sales	13,569.47	12,092.00	11,068.81	8,648.29	7,540.42	3,922.06	3,534.93	3,407.44	2,839.07	2,594.02
EBITDA	436.77	291.93	430.48	298.15	233.76	107.25	94.94	75.48	70.98	63.25
PBT	272.48	150.75	253.74	156.44	119.64	63.42	55.01	36.11	33.91	28.84
PAT	172.47	93.28	159.23	100.70	82.82	43.59	34.16	27.01	27.33	26.13
Equity share capital	52.58	37.76	37.76	36.47	36.47	21.05	21.05	21.05	19.15	19.15
Preference share capital	—	45.24	45.24	45.24	45.24	45.24	30.19	—	5.00	19.50
Net worth	1925	1140	1061	843	754	310	272	242	209	207
Total Borrowings	1,097.60	913.84	1,187.33	962.06	738.82	413.89	352.78	190.36	130.23	114.22
Gross Fixed Assets	2,511.33	1,744.33	1,502.43	1,307.82	1,188.96	525.47	402.17	283.08	215.49	171.57
Export turnover	1,354.20	1,710.00	1,371.93	887.30	919.53	429.93	179.46	204.15	216.86	293.12
Debit-Equity Ratio	0.46	0.80	1.12	1.14	0.98	1.34	1.29	0.79	0.62	0.55
Key Indicators (in Rs.)										
Per Equity Share :										
— Book value	77.09*	60.36	56.21	231.07	206.75	147.16	129.47	115.12	109.28	108.12
— Earnings	6.92*	4.83	8.61	27.02	28.80*	20.05	16.23	13.78*	13.07	14.35*
— Dividend	0.50	0.50	0.50	2.40	2.20	2.20	1.60	1.60	1.60	1.50
— Turnover	546*	647	584	2365	2067	1863	1679	1619	1483	1355

Notes:

- 1) Net worth as at 31.3.2002 is net of deferred tax liability for the period upto 31.3.2001 charged during the year 2001 -02.
- 2) Total borrowings are net of borrowings backed by fixed deposits with banks.
- 3) The Company has sub-divided each equity share of Rs. 10/- into five equity shares of Rs. 2/- each during the year 2007-08. Therefore, the key indicators as mentioned above from the year 2007-08 are not comparable with those of earlier years.
- 4) *Book value, Earning and Turnover per share has been computed on weighted average number of equity shares outstanding at the end of the year.
- 5) Previous years’ figures have been regrouped, wherever necessary.

Corporate Governance Report

Corporate Governance – Company's Philosophy

The essence of Corporate Governance is adequate transparency, due accountability and over-all corporate fairness across all areas of operations. Ruchi Soya Industries Limited ('RSIL' or 'the Company') adheres to good corporate practices, with an approach for betterment of such practices for the ultimate objective of sustainable wealth maximization of stakeholders. The Company is directed and managed by the governance team including, Board of Directors, Committees of the Board, the Managing Director and the senior executives.

BOARD OF DIRECTORS

Composition and size of the Board

Board of Directors of RSIL ('the Board') comprises of nine directors. Mr. Kailash Shahra, Chairman, is non-executive director and Mr. Dinesh Shahra is the Managing Director of the Company. Both of them are the promoter directors of the Company. Mr. Sajeve Deora, Mr. Prabhu Dayal Dwivedi, Mr. N. Murugan and Mr. Navin Khandelwal are non-executive and independent directors. Mr. A.B. Rao and Mr. V. K Jain are executive directors. Mr. Sanjeev Asthana is a non-executive and a professional. Except the Managing Director, all the directors are liable to retire by rotation. There is no institutional or nominee or government director on the Board.

Mr. Navin Khandelwal was appointed as an Additional Director with effect from 18th December, 2009. He is B. Com. and FCA. He is also a Director with Ruchi Infrastructure Limited, Ruchi Strips and Alloys Ltd. and National Steel and Agro Industries Limited.

Mr. Sanjeev Asthana was appointed as an Additional Director with effect from 28th August, 2010. He is an MBA. He is also a Director with I Farm Venture Advisors Private Limited and NCDEX Spot Exchange Limited. He is an eminent expert in Agri and Food Sector and serves on several executive committees of national business associations, trade bodies and commodity exchanges, including those constituted by FICCI, CII and NCDEX. He is also affiliated to international forums and a regular speaker on commodity trade, risk management, food supply chain, retail and agriculture.

Mr. Prabhu Dayal Dwivedi and Mr. N. Murugan are liable to retire by rotation in terms of provisions of Section 256 of the Companies Act, 1956.

Mr. Prabhu Dayal Dwivedi, being eligible, offers himself for re-appointment. He was born in 1941 and is M. A. and LLB. He possesses rich experience in banking industry. He is a non-executive and independent director of the Company. He does not hold directorship in any other company.

Mr. N. Murugan, being eligible, offers himself for re-appointment. He was born in 1946 and is M.Sc. and MBA. He is a non-executive and independent director of the Company. He is retired IAS officer having rich experience in administrative services of various Central and State Government undertakings. He is also on the Board of Directors of Ruchi Infrastructure Limited and a member of Audit Committee of its Board of Directors.

Board Procedures

The Board met 14 times during the financial year 2009-10. The dates of board meetings are 29th April, 2009, 19th May, 2009, 16th June, 2009, 27th July, 2009, 29th August, 2009, 29th October, 2009, 16th November, 2009, 18th December, 2009, 5th January, 2010, 30th January, 2010, 8th February, 2010, 25th February, 2010, 18th March, 2010 and 30th March, 2010.

Attendance record of directors

Name of directors	Category	Board meetings attended	Whether attended last AGM	No. of other Boards in which he is member or (Chairman)	No. of other committees in which he is member or (Chairman)
Mr. Kailash Shahra	Promoter (Non-executive)	3	Yes	5 (5)	1 (0)
Mr. Dinesh Shahra	Promoter (Executive)	14	Yes	6 (0)	1 (0)
Mr. A. B. Rao	Whole time Director (Professional Executive)	5	Yes	1 (0)	0 (0)
Mr. S.P. Joshi ¹	Whole time Director (Professional Executive)	2	No	1 (0)	0 (0)
Mr. Sajeve Deora	Independent (Non-executive)	12	Yes	6 (0)	4(5)
Mr. P. D. Dwivedi	Independent (Non-executive)	13	Yes	0 (0)	0 (0)
Mr. N. Murugan ²	Independent (Non-executive)	9	Yes	1 (0)	1 (0)
Mr. V. K. Jain ²	Whole time Director (Professional Executive)	5	Yes	1 (0)	0(0)
Mr. Navin Khandelwal ³	Independent (Non-executive)	1	No	5 (0)	6 (4)

1. Mr. S. P. Joshi resigned from the Board with effect from 27th July, 2009.
2. Mr. N. Murugan and Mr. V.K. Jain were inducted on Board with effect from 27th July, 2009.
3. Mr. Navin Khandelwal was inducted on the Board with effect from 18th December, 2009.

Private limited and Section 25 companies, if any where the directors of the Company are directors, have been excluded for the above purpose. Further, as per the listing agreement, chairman/membership of audit committees and shareholders' grievance committees are considered for the purpose of committee positions.

Code of Conduct

The Board of Directors has an important role in ensuring good corporate governance and has laid down the Code of Conduct for Directors and Senior Management of the Company. The Code has also been posted on the website of the Company. All Directors and Senior Management personnel have affirmed the compliance thereof for the year ended 31st March, 2010.

AUDIT COMMITTEE

The objective of the Audit Committee is to keep a vigil and oversight on the Management's financial reporting process with a view to ensure timely and transparent disclosure in the financial statements.

The terms of reference of the Committee are extensive and include all the requirements as mandated in clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956. The role of the Committee includes overseeing and monitoring the financial reporting system within the Company and considering un-audited and audited financial results, as may be applicable, for the relevant quarters and year before being adopted by the Board. The Committee also focused its attention on topics such as review of internal audit reports, legal compliance reporting system, presentation of segment-wise reporting, review of internal control systems, major accounting policies and practices, compliance with accounting standards and risk management. The Committee also continued to advice the management on areas where greater internal audit focus was needed and on new areas to be taken up for audit purpose. The Company Secretary acts as the secretary to the Committee. The Committee meetings were also attended by finance executives and Statutory Auditors of the Company.

Constitution and composition

The Audit Committee consists of Mr. Sajeve Deora, Mr. Prabhu Dayal Dwivedi and Mr. A.B. Rao. Mr. Sajeve Deora, the Chairman of the Committee is an independent, non-executive director and has a strong financial and accounting background.

Meeting and attendance and terms of reference:

During the financial year 2009-10, the Audit Committee met on 29th April, 2009, 27th July, 2009, 29th August, 2009, 29th October, 2009 and 30th January, 2010. The meetings were scheduled in advance. Mr. Sajeve Deora and Mr. P.D. Dwivedi attended all the meetings. Three meetings were attended by Mr. A.B. Rao.

COMPENSATION COMMITTEE

The objective of compensation committee is to determine remuneration package for executive directors and senior employees of the Company and to monitor the due compliance of remuneration policies of the company in a transparent manner. It is also empowered to administer the Employee Stock Option Scheme of the Company.

Constitution and composition

The Compensation Committee is chaired by Mr. Sajeve Deora and its other members are: Mr. Prabhu Dayal Dwivedi, Mr. N. Murugan, Mr. Kailash Shahra and Mr. Dinesh Shahra. The Chairman of the Committee is an independent, non-executive director and has a strong financial and accounting background.

Meeting and attendance

During the financial year 2009-10, the Compensation Committee met on 29th April, 2009, 16th June, 2009, 29th August, 2009 and 1st October, 2009. Mr. P. D. Dwivedi and Mr. Sajeve Deora attended all the meetings. Mr. Dinesh Shahra attended three meetings. Mr. N. Murugan attended two meetings.

REMUNERATION OF DIRECTORS

Remuneration of the Managing Director:

During the financial year 2009-10, the particulars of remuneration paid to Mr. Dinesh Shahra, Managing Director is as under:

Salary	: Rs. 1,03,40,323/-
Perquisites in cash or kind	: Rs. 34,98,340/-

Remuneration of the Whole-time directors (Professional Executive):

During the financial year 2009-10, the following remuneration was paid to the whole-time directors:

Mr. A.B. Rao	: Salary, allowances and perquisites	: Rs. 18,94,309/-
Mr. V. K. Jain	: Salary, allowances and perquisites	: Rs. 9,85,900/-
Mr. S. P. Joshi*	: Salary, allowances and perquisites	: Rs. 4,32,003/-

Note : * Mr. S. P. Joshi ceased to be Director of the Company with effect from 27th July, 2009.

Remuneration of non-executive directors:

As approved by the Board of Directors and in accordance with the Articles of Association of the Company, the non-executive directors were paid a sitting fee of Rs. 2,000/- for each meeting of the board or committee thereof attended by them during the financial year 2009-10. Commission of Rs 50,00,000/- is payable to the Chairman for the financial year 2009-10. During the year, commission of Rs. 29,14,553/- for the financial year 2008-09 was paid to him.

The following table shows the amount of sitting fee paid to the non-executive directors for the financial year 2009-10 and their shareholding as on 31st March, 2010:

Sr. No.	Name of Directors	Sitting fees (Rs.)	No. & percentage of shares held as on 31 st March, 2010	
1.	Mr. Kailash Shahra	14,000	1,98,500	(0.08%)
2.	Mr. P.D. Dwivedi	44,000	—	—
3.	Mr. Sajeve Deora	42,000	5,600	(0.00%)
5.	Mr. N. Murugan	22,000	—	—
6.	Mr. Navin Khandelwal	2,000	—	—

MANAGEMENT

Management discussion and analysis. This is given as a separate chapter in this annual report.

Disclosures

A. Transactions with related parties.

The Company has not entered into any transaction of material nature with related parties that may have any potential conflict with the interest of the Company.

B. Compliance by the Company

The Company has complied with the requirement of the Stock Exchanges, SEBI and other statutory authorities on matters related to capital markets during last three years. No penalties have been imposed on the Company or strictures passed by any Stock Exchange or SEBI or any other authorities relating to capital markets, except settlement charges paid to SEBI on June 16, 2010 in regard to certain non-compliances for preferential allotments made by Param Industries Limited which has since been merged with Ruchi Soya Industries Limited in 2006. The amount of settlement charges paid, has been recovered from the allottees of such shares.

C. Risk Management

The Board of Directors regularly reviews the risk management strategy of the Company to ensure the effectiveness of risk management policy and procedures.

SHAREHOLDERS

Communication to shareholders

Quarterly un-audited financial statements prepared in accordance with the Accounting Standards laid down by the Institute of Chartered Accountants of India are generally published in Business Standard, Free Press Journal, Sakal (Mumbai) and Nav Shakti. Beside this, RSIL has its own website (www.ruchisoya.com) on which important public domain information is posted. Besides being placed on the website, all the financial, vital and price sensitive official news releases are also properly communicated to the concerned stock exchanges. The website also contains information on several other matters, such as Net worth history, Turnover and Net profit for preceding years etc.

INVESTORS' GRIEVANCE COMMITTEE

The Committee has the mandate to look into shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividend etc. In addition, the Committee also looks into matters which can facilitate better investor service and relations. Investors' Grievance Committee of the Board comprises of Mr. Kailash Shahra (Chairman), Mr. A.B. Rao and Mr. V.K. Jain. Mr. V. K. Jain became member of the committee with effect from 27th July, 2009. Mr. S.P. Joshi vacated his office as member of Investors' Grievance committee with effect from 27th July, 2009, due to his resignation from the Board.

During the period under review, 6 meetings of the Committee were held. The Committee met on 7th May, 2009, 8th July, 2009, 11th September, 2009, 17th November, 2009, 28th January, 2010 and 25th March, 2010 to review the status of investors service rendered. Mr. Kailash Shahra, Mr. A.B. Rao and Mr. V. K. Jain attended 4, 4 and 3 meetings respectively. Mr. R.L. Gupta, Company Secretary, also attended the meetings. He is the Compliance Officer in accordance with listing agreements for compliances and investors' services.

During the financial year 2009-10, the Company received 26 complaints for non receipt of shares, 20 complaints for non receipt of annual reports, 26 complaints for non-receipt of dividend, 1 complaint related to demat of shares and 7 other complaints. One complaint was pending as at 31st March, 2010, which has since been resolved.

INFORMATION ON GENERAL BODY MEETINGS

Annual General Meetings

The last three Annual General Meetings (AGMs) of the Company were held at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai-400 018. The dates and time of holding of the said AGMs and particulars of Special Resolutions passed thereat are as under:

21st AGM held on 29th September, 2007 at 3.00 P.M.

— Revision of commission payable to Director

22nd AGM held on 30th September, 2008 at 10.30 A.M

— Ratification of re-issue of 4,047 forfeited equity shares

— Re-appointment of Ms. Amrita Shahra under Section 314 of the Companies Act, 1956.

23rd AGM held on 30th September, 2009 at 10.30 A.M

— Issue of equity shares to persons other than existing members of the Company under Section 81(1A) of the Companies Act, 1956.

— Increase in the limit of FIIs to invest into equity shares of the Company.

Extra-ordinary General Meeting

No extra-ordinary general meeting of the members of the Company was convened after the 23rd Annual General Meeting of the Company held on 30th September, 2009. However, the following General Meetings were convened pursuant to orders of High Court of Bombay :

- A) Court convened General Meeting of the Company was held at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai-400 018 on 11th March, 2010 at 11.30 a.m. Resolution with requisite majority was passed thereat for approval of Scheme of Amalgamation and Arrangement between Ruchi Soya Industries Ltd. and Mac Oil Palm Limited and their respective shareholders under section 391-394 read with section 78 and section 100-103 and other applicable provisions of the Companies Act, 1956.
- B) Court convened General Meeting of the Company was held at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai-400018 on 27th April, 2010 at 11.30 a.m. Resolution with requisite majority was passed thereat for approval of Scheme of Amalgamation between Ruchi Soya Industries Ltd. and Palm Tech India Limited and their respective shareholders under section 391-394 read with section 78 and section 100-103 and other applicable provisions of the Companies Act, 1956.

Both the above mentioned Schemes have been implemented during second quarter of financial year 2010-11.

POSTAL BALLOT

No postal ballot was conducted during the year under review. At present, there is no proposal for passing any Special Resolution through Postal Ballot.

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting	:	Date	:	30 th September, 2010
		Time	:	10.30 a.m.
		Venue	:	Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, worli, Mumbai-400018.

FINANCIAL CALENDAR

Adoption of quarterly results within 45 days from the end of the relevant quarter.

Book Closure Dates — Monday, the 27th September, 2010 to Thursday, the 30th September, 2010 (both days inclusive).

Dividend Payment Date — On or before 30th October, 2010.

LISTING ON STOCK EXCHANGES AND STOCK CODES

The Equity Shares of the Company are listed on the following Stock Exchanges :

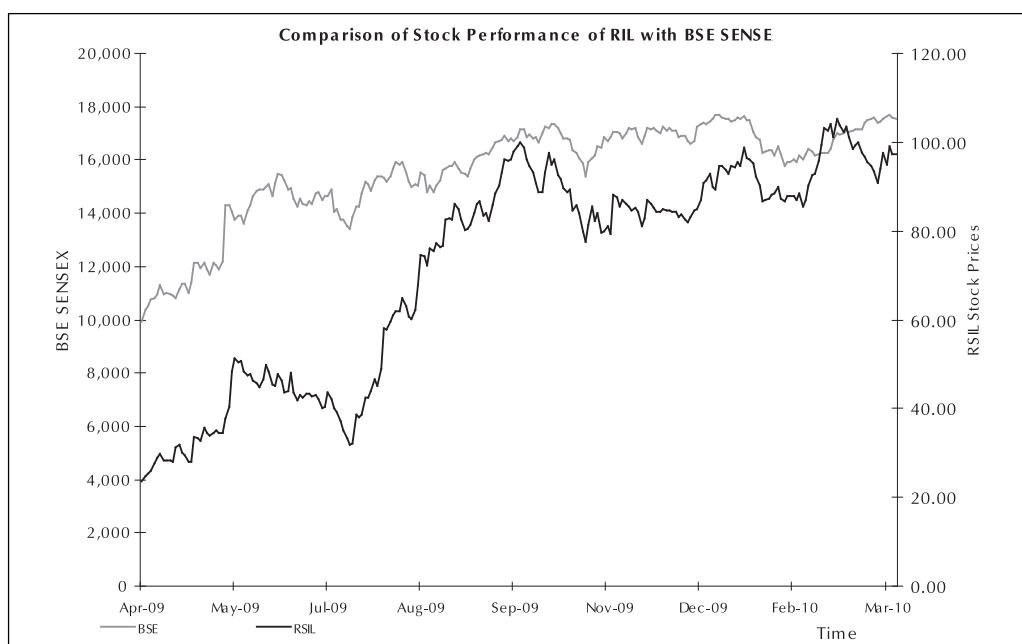
Stock Exchange	Stock code
a) Bombay Stock Exchange Limited (BSE)	500368
b) National Stock Exchange of India Limited (NSE)	RUCHISOYA
c) Delhi Stock Exchange Limited (DSE)	—

The ISIN of the Company is INE619A01027.

Market Price Data (Rs.)

The monthly high and low quotations at the Bombay Stock Exchange Limited (BSE) during the financial year 2009-10 are as follows :

Period	High (Rs.)	Low (Rs.)
April, 2009	32.70	22.50
May, 2009	53.30	29.00
June, 2009	54.00	39.75
July, 2009	63.90	31.40
August, 2009	87.00	58.70
September, 2009	102.35	79.75
October, 2009	100.00	79.80
November, 2009	90.80	77.00
December, 2009	94.40	81.25
January, 2010	102.00	83.80
February, 2010	108.20	83.55
March, 2010	106.80	90.30

Comparison of Stock Performance of RSIL with BSE SENSEX**Registrars and Transfer Agent**

Sarthak Global Limited, 170/10, Film Colony, R. N. T. Marg, Indore-452 001.

SHARE TRANSFER SYSTEM

Shares lodged in physical form with the Company/its Registrars & Share Transfer Agent are processed and generally returned, duly transferred within 30 days, except in cases where litigation is involved.

In respect of shares held in dematerialized mode, the transfer takes place instantaneously between the transferor and transferee at the depository participant(s) through which electronic debit/credit of the accounts are involved.

Shareholding pattern and Distribution of Shareholding

Shareholding pattern as on 31.03.2010

Category		No. of shares held	% of holding
A	Promoter holding		
1	Promoters		
	Indian Promoters	12,32,57,805	46.89
	Foreign Promoters	—	—
2	Persons acting in concert	—	—
	Sub-total	12,32,57,805	46.89
B	Non-Promoters Holding		
1	Institutions		
a	MFs/ UTI	28,45,869	1.08
b	Banks/ FIs/Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institutions)	18,61,501	0.71
c	FIs	4,39,07,640	16.70
	Sub-total	4,86,15,010	18.49
2	Non Institutions		
a	Bodies Corporate	6,86,23,754	26.11
b	Individuals holding nominal capital upto Rs. 1.00 lac	1,47,54,619	5.61
c	Individuals holding nominal capital more than Rs. 1.00 lac	44,25,503	1.68
d	Any other (Clearing Members and Trust)	32,12,169	1.22
	Sub-total	9,10,16,045	34.62
C	Custodian (depository for shares underlying GDRs)	—	—
	GRAND TOTAL	26,28,88,860	100.00

Distribution of shareholding as on 31.03.2010

Range of Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
001 — 2500	24208	89.76	67,98,657	2.59
2501 — 5000	1508	5.59	27,27,999	1.04
5001 — 10000	641	2.38	24,04,013	0.91
10001 — 20000	248	0.92	17,98,262	0.68
20001 — 30000	82	0.30	10,24,078	0.39
30001 — 40000	39	0.15	7,00,052	0.27
40001 — 50000	33	0.12	7,72,192	0.29
50001 — 100000	51	0.19	18,69,178	0.71
100001 & Above	159	0.59	24,47,94,429	93.12
TOTAL	26,969	100	26,28,88,860	100

Dematerialisation of shares and liquidity

The trading in shares of the Company are under compulsory demat segment. The Company is listed on BSE, NSE and DSE. The Company's shares are available for trading in the depository systems of both NSDL and CDSL. As on 31st March, 2010, 17,42,24,505 equity shares of the Company, equal to 66.27% of total issued capital of the Company as on that date, were in dematerialized form.

Outstanding Convertible Instruments

On July 27, 2009, the Company has allotted 7,00,00,000 warrants, each convertible into one equity share of Rs. 2/- at a price of Rs.35/- per share. During the year under review 4,39,00,000 warrants were converted into equal number of equity shares. On 31st March, 2010, 2,61,00,000 warrants were outstanding for conversion. As on date, 1,36,00,000 warrants are outstanding for conversion.

The holders of 2,89,25,000 warrants did not exercise their option of conversion during the validity thereof, hence such warrants lapsed on 23rd June, 2009. Consequently, an amount of Rs. 22.42 crore paid by such warrant-holders has been forfeited by the Company and transferred to capital reserve.

The Company has granted following options under Employees Stock Options Scheme - 2007 :

Date of Grant	Options Granted	Cancelled during the year	Exercised during the year	Balance as on 31st March, 2010	Cancelled after 31st March, 2010	Exercised after 31st March, 2010	Balance as on date
1st April, 2008	12,37,000	93,000	1,98,800	9,45,200	84,500	2,70,250	5,90,450
1st October, 2009	14,95,000	—	—	14,95,000	1,47,500	—	13,47,500
1st April, 2010	2,42,000	—	—	—	—	—	2,42,000

Each option is convertible into one equity share of Rs.2/- at an exercise price of Rs.35/- per option.

Out of the above following options have been granted to the Independent Directors:

S.No	Name	No. of Options granted
1.	Mr. Sajeve Deora	56,000
2.	Mr. N. Murugan	—
3.	Mr. P. D. Dwivedi	28,000
4.	Mr. Navin Khandelwal	—

Plant locations of the Company

- Mangliagaon, A.B.Raod, Indore (M.P.)
- Baikampady Industrial Area, Mangalore (Karnataka)
- Village Esambe, Taluka Khalapur, Distt. Raigad (Maharashtra)
- Bijoyramchak, Ward No. 9, P.O. Durgachak, Haldia (West Bengal)
- Village Butibori, Tehsil Nagpur (Maharashtra)
- Akodia Road, Industrial Area, Shujalpur, Dist. Shajapur (M.P.)
- Village Dobhi, Distt. Mandla (M.P.)
- Village Kamati, Gadawada, Distt. Narsinghpur (M.P.)
- Gram Mithi Rohar, Taluka Gandhidham, Distt. Bhuj (Gujarat)
- Kannigaiper Village, Uthukottai Taluk, Thiruvallur Distt. (Tamilnadu)
- RIICO Udyog Vihar, Sriganganagar (Rajasthan)
- RIICO Industrial Area, Govindpur Bawari, Post Talera Distt. Bundi (Rajasthan)
- Kusmoda, A.B. Road, Guna (M.P.)
- Kota Road, Baran (Rajasthan)
- Rani Piparia, Dist. Hoshangabad (M.P.)
- SIDCO Industrial Estate, Bari Brahmana, Jammu (J&K)
- Village Daloda, Dist. Mandsaur (M.P.)
- Survey No. 178, Surkandi Road, Washim (Maharashtra)
- Bapulapadu Mandal, Ampapuram Village, Krishna District, Vijaywada (A.P.)
- IDA, ADB Road, Peddapuram, East Godawari District (A.P.)

Address for communication

The shareholders may send their communications, queries, suggestions and grievances to the Compliance Officer at the following address:

Mr. R.L. Gupta

Company Secretary

408, Tulsiani Chambers, Nariman Point, Mumbai-400 021

email address : rl_gupta@ruchigroup.com

The shareholders may also e-mail their queries, suggestions and grievances at 'ruchisoyasecretarial@ruchigroup.com'

Certificates by Managing Director & General Manager (Accounts)

The Board of Directors has received certificates issued by the Managing Director and General Manager (Accounts) of the Company as envisaged under clause 49 (V) of the Listing Agreement.

Report on Corporate Governance

This chapter, read together with the information given in the chapter entitled as 'Management Discussion and Analysis' and Shareholders Information, constitutes a detailed compliance report on corporate governance during 2009-10 in terms of clause 49 of the Listing Agreement.

Auditor's certificate on Corporate Governance

The Company has obtained the certificate from the Auditors of the Company regarding compliance with the provisions relating to corporate governance laid down in clause 49 (VII) of the Listing Agreement with the Stock Exchange. This certificate will be sent to Stock Exchanges, along with the annual report to be filed by the Company.

Declaration

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, we affirm that the Board Members and Senior Management personnel of the Company have confirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2010.

For Ruchi Soya Industries Limited

Place : Gurgaon
Date : August 28, 2010

Dinesh Shahra
Managing Director

CERTIFICATE

To the Members of
RUCHI SOYA INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Ruchi Soya Industries Limited for the year ended 31st March, 2010 as stipulated in Clause 49 of the Standard Listing Agreement of the said Company with Stock Exchanges.

The compliance of condition of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As informed to us, the records relating to investors grievances pending against the Company, if any, is maintained by the Registrars of the Company, who have certified that as at 31st March, 2010, no grievances were unattended/pending for more than 30 days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.D. KUNTE & CO. (REGD.)
Chartered Accountants

Place : Gurgaon
Date : August 28, 2010

(D.P. Sapre)
Partner
Membership No.40740

Auditors' Report

TO THE MEMBERS OF RUCHI SOYA INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of Ruchi Soya Industries Limited (the "Company") as at March 31, 2010, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Interest income of Rs. 8,103.49 lac (Previous year Rs. 10,873.32 lac) has been netted off against interest expenditure instead of including the same under Other Income. The said disclosure however has no impact on the profit for the year. (Refer Note 25 of Schedule 20).
5. Without qualifying our opinion, attention is drawn to Note 5 of Schedule 20 relating to the Scheme of Amalgamation and Arrangement between Mac Oil Palm Limited and the Company and their respective shareholders sanctioned by the Hon'ble High Court of Mumbai, in pursuance of which :
 - (i) The Company has transferred Rs. 23,842.29 lac from Securities Premium Account and Rs. 36,157.71 lac from General Reserve to Business Development Reserve.

In terms of the Scheme, as and when deemed fit by the Board, the said Business Development Reserve is available for adjusting various expenses including, any expenses towards marketing, advertisement, sales promotion and/or development of brands and research and development activities, any expenditure incurred in setting up an international company/joint venture of the Company, inter alia, to include set up costs, marketing expenses or interest on acquisition, finance, provision/write off of debtors/current assets/loans and advances, additional depreciation necessitated by revaluation of fixed assets and expenses of amalgamation including expenses of the Transferor Company i.e. Mac Oil Palm Limited, incurred on or after 1st April, 2009, after adjusting for any tax effects, both current and deferred tax thereon.

- (ii) An amount of Rs. 5,193.54 lac has been adjusted to General Reserve as per details given below:

Particulars	Amount (Rs. in lac)
Bad Debts written off	569.65
Provision for Doubtful Debts	1,433.96
Advances written off	2630.30
Provision for Doubtful Advances	193.42
Expenses on amalgamation	26.12
Additional depreciation on revaluation of fixed assets	1,991.35
	<hr/> 6,844.80
Less :	
Current Tax and Deferred Tax	1,651.26
TOTAL	<hr/> 5,193.54 <hr/>

- (iii) Had the Scheme, approved by the Hon'ble High Court, not prescribed the accounting treatment as described above,
 - (a) The profit after tax for the year and balance in the profit and loss account for the year would have been lower by Rs. 5,193.54 lac.
 - (b) Balance in General Reserve and Securities Premium account would have been higher by Rs. 5,193.54 lac & Rs. 23,842.29 lac respectively and
 - (c) Balance in Business Development Reserve would have been Nil.

However, the aggregate balances in "Reserves and Surplus" as at 31st March, 2010 would have remained the same.

6. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :

- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) Except as mentioned in para 5 above, in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
- (e) On the basis of written representations received from the directors, as on March 31, 2010 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon attached thereto give the information required by the Act, except for netting off of interest income against interest expenditure instead of showing it under other income as stated in para 4 above, in the prescribed manner and in conformity with the accounting principles generally accepted in India give a true and fair view:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For and on behalf of
P.D. Kunte & Co. (Regd.)
 Chartered Accountants
 Firm Regn. No. 105479W

Place: Gurgaon
 Date : August 28, 2010

D.P. Sapre
 Partner
 Membership No. 40740

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets. The updation of fixed assets register in respect of assets vested on amalgamation is in progress.
(b) In our opinion and according to the information and explanations given to us, the fixed assets of the Company have been physically verified by the Management during the year except for assets vested on amalgamation. No material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
(c) In our opinion and according to the information and explanations given to us, substantial part of fixed assets has not been disposed off by the Company during the year.
2. (a) The inventory (excluding stocks with third parties) has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. (a) The Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of sub clause (b) to (d) of clause (iii) of paragraph 4 of the Order are not applicable.
(b) The Company has taken unsecured loans from 4 companies covered in the register maintained under Section 301 of the Act. The maximum amount outstanding at anytime during the year and the year-end balance of such loans aggregates to Rs. 18,282.57 lac and Rs. 249.68 lac respectively.
(c) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.
(d) In respect of these loans, there is no stipulation as to the repayment of the principal amount and payment of interest. Hence, we have not commented on whether the Company is regular in repayment of principal amounts and payment of interest in respect of these loans.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books of account and records of the Company and according to the information and explanations given to us, no major weakness have been noticed or reported.
5. (a) In our opinion based on audit procedures applied by us and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lac in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. We have broadly reviewed cost records in respect of manufacture of vanaspati, refined vegetable oil and power generation made and maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any other product of the Company.

9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection fund, Employees' State Insurance, Income-tax, Wealth tax, Sales tax, Value added tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues as applicable with the appropriate authorities. There are no dues in relation to these undisputed statutory dues outstanding at the year-end for a period exceeding six months from the date they were payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, excise duty and cess aggregating to Rs. 20,393.01 lac as at March 31, 2010, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount disputed (Rs. in lac)	Forum where dispute is pending	Period to which dispute relate
The Central Sales Tax Act/ Local Sales Tax Acts & VAT Act	Vat Tax/Sales Tax/Entry Tax	424.15	High Court	2003-04, 04-05, 05-06
The Local Entry Tax Acts		2,182.12	Tribunal	1995-96, 1999-2000, 01-02, 03-04, 05-06, 06-07, 07-08, 08-09
		488.92	Joint Comm. (Appeal)	2000-01, 04-05, 05-06, 07-08, 08-09
		4,320.07	DC (Appeal)	94-95, 02-03, 04-05, 05-06, 06-07, 07-08
		1,813.70	Comm. Appeal	1988-89, 02-03, 03-04, 04-05
		3,372.26	Assessing Officer	2000-01, 02-03, 03-04, 04-05
The Central Excise and Salt Act, 1944	Excise Duty	2,859.03	High Court	2004-05
		1,893.07	Tribunal	2001-02, 02-03, 03-04, 04-05, 06-07
		59.84	Comm. Appeal	2006-07 & 2007-08
		27.01	Additional Comm.	2006-07
The Finance Act, 1994 (Service Tax)	Service Tax	11.03	Joint Comm. (Appeal)	2008-09
The Customs Act, 1962	Custom Duty	539.17	Supreme Court	1996-97 & 2000-2001
		944.22	High Court	2004-05, 2005-06, 2006-07 & 2007-08
		435.11	Tribunal	
		281.70	DC (Appeal)	
		369.18	Assessing Officer	
The Income Tax Act, 1961	Income Tax	364.57	Tribunal	1985-86 & 2005-06
Other Acts	Octroi/Electricity Duty/ Local Body Tax	7.86	High Court	2004-05 & 05-06

10. The Company does not have accumulated losses as at March 31, 2010 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/ societies are not applicable to the Company.
14. As informed to us and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are prima facie, not prejudicial to the interest of the Company.
16. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
18. The Company has made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. In our opinion and according to the information and explanations given to us, the price at which such shares have been issued is not prejudicial to the interest of the Company.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For and on behalf of
P.D. Kunte & Co. (Regd.)
Chartered Accountants
Firm Regn. No: 105479W

Place : Gurgaon
Date : August 28, 2010

D.P. Sapre
Partner
Membership No: 40740

Balance Sheet

AS AT 31ST MARCH, 2010

	Schedule	As at 31st March, 2010 (Rs. in lac)	As at 31st March, 2009 (Rs. in lac)
(Rs. in lac)			
I SOURCES OF FUNDS			
1 Shareholders' Funds			
a) Capital	1	8,248.13	10,541.78
b) Employees stock option	1A	181.32	38.76
c) Reserves & Surplus	2	1,84,049.02	1,07,957.26
		1,92,478.47	1,18,537.80
2 Loan Funds			
a) Secured Loans	3	68,533.67	69,787.09
b) Unsecured Loans	4	1,66,101.96	1,02,297.38
		2,34,635.63	1,72,084.47
3 Deferred Tax Liability		16,865.00	13,478.15
		4,43,979.10	3,04,100.42
II APPLICATION OF FUNDS			
1 Fixed Assets	5		
a) Gross Block		2,51,132.73	1,74,433.13
b) Less : Depreciation		55,080.78	40,956.96
c) Net Block		1,96,051.95	1,33,476.17
d) Capital Work in Progress		6,440.52	7,865.89
		2,02,492.47	1,41,342.06
2 Investments	6	19,672.73	8,178.24
3 Current Assets, Loans & Advances			
a) Inventories	7	1,58,728.49	1,50,932.67
b) Sundry Debtors	8	1,19,681.93	1,02,682.76
c) Cash & Bank	9	1,50,138.11	1,01,479.32
d) Other Current Assets	10	3,905.29	1,830.25
e) Loans & Advances	11	95,374.06	99,419.90
		5,27,827.88	4,56,344.90
Less : Current Liabilities & Provisions			
a) Current Liabilities	12	2,86,042.57	2,87,358.94
b) Provisions	13	19,986.29	14,424.32
		3,06,028.86	3,01,783.26
Net Current Assets		2,21,799.02	1,54,561.64
4 Miscellaneous Expenditure	14	14.88	18.48
		4,43,979.10	3,04,100.42
NOTES TO THE ACCOUNTS	20		

As per report of even date attached

For and on behalf of the Board of Directors

P.D. KUNTE & CO. (Regd.)
Chartered Accountants

Kailash Shahra
Chairman

(D.P. Sapre)
Partner
Membership No. 40740

Anil Singhal
General Manager (Accounts)

R.L. Gupta
Company Secretary

Dinesh Shahra
Managing Director

Gurgaon, August 28, 2010

Gurgaon, August 28, 2010

Profit & Loss Account

FOR YEAR ENDED ON 31 MARCH, 2010

	Schedule	(Rs. in lac)	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
INCOME				
Sales and Other Income	15		13,53,148.94	12,17,206.41
Increase/(Decrease) in stock	16		3,798.16	(8,006.82)
			<u>13,56,947.10</u>	<u>12,09,199.59</u>
EXPENSES				
Purchases			4,74,322.06	3,03,477.49
Materials Consumed	17		7,53,576.38	7,91,898.05
Expenses	18		85,371.84	84,631.42
Interest (Net)	19		6,743.93	5,541.68
Depreciation	5	12,028.52		8,575.93
Less: Depreciation adjusted to General Reserve		<u>1,991.35</u>	<u>10,037.17</u>	<u>—</u>
(Refer Note 5 of Schedule 20)			<u>13,30,051.38</u>	<u>11,94,124.57</u>
Profit before taxation & exceptional items			26,895.72	15,075.02
Exceptional Items (Refer Note 11 of Schedule 20)			352.43	—
Profit before taxation			27,248.15	15,075.02
Provision for taxation – Current tax			6,040.00	1,750.00
– Deferred tax			3,500.00	3,300.00
– Fringe Benefit tax			—	180.00
Provision for tax for earlier years			461.42	516.84
Profit after taxation			17,246.73	9,328.18
Balance brought forward from previous year			34,454.91	29,118.32
Balance brought forward from previous year relating to Transferor Companies (Refer Notes 5 to 10 of Schedule 20)			154.38	—
Profit available for appropriation			<u>51,856.02</u>	<u>38,446.50</u>
APPROPRIATIONS				
General Reserve			2,500.00	2,500.00
Capital Redemption Reserve			4,524.29	—
Interim Dividend – Preference			41.15	180.97
Proposed Dividend – Equity			1,554.94	1,093.95
Dividend distribution tax			271.26	216.67
Balance carried to Balance Sheet			42,964.38	34,454.91
			<u>51,856.02</u>	<u>38,446.50</u>
Earning per share in Rs. (Refer Note 38 of Schedule 20)				
– Basic			6.92	4.83
– Diluted			6.18	4.83
NOTES TO THE ACCOUNTS	20			

As per report of even date attached

For and on behalf of the Board of Directors

P.D. KUNTE & CO. (Regd.)
Chartered Accountants

Kailash Shahra
Chairman

(D.P. Sapre)
Partner
Membership No. 40740

Anil Singhal
General Manager (Accounts)

R.L. Gupta
Company Secretary

Dinesh Shahra
Managing Director

Gurgaon, August 28, 2010

Gurgaon, August 28, 2010

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 1 : SHARE CAPITAL		
50,00,00,000 (Previous year 27,50,00,000) Equity Shares of Rs.2/- each	10,000.00	5,500.00
20,00,000 (Previous year 65,00,000) Cumulative Redeemable Preference Shares of Rs.100/- each	2,000.00	6,500.00
	12,000.00	12,000.00
Issued, Subscribed and Paid-up		
i) 26,28,88,860 (Previous year 18,87,90,060) Equity Shares of Rs.2/- each	5,257.78	3,775.80
ii) Nil (Previous year 45,24,285) 4% Cumulative Redeemable Preference Shares of Rs. 100/- each	—	4,524.29
iii) Share Warrant Application Money {(Refer Note 14 (a) & (b) of Schedule 20)}	2,283.75	2,241.69
iv) Share Capital Suspense on amalgamation (Refer Note 8 of Schedule 20)	706.60	—
	8,248.13	10,541.78
SCHEDULE 1A: EMPLOYEES STOCK OPTIONS		
Employees Stock Options Outstanding	887.96	116.28
Less: Deferred Employees Compensation Expenses (Refer Note 15 of Schedule 20)	706.64	77.52
	181.32	38.76

SCHEDULE 2: RESERVES AND SURPLUS

	Opening Balance as on April 1, 2009	Additions on account of amalgamation (Refer Notes 5 to 10 of Schedule 20)	Additions during the year	Reductions	Closing Balance as on March 31, 2010
a Securities Premium Account {Refer Note (a) below}	37,319.31	1,500.00	24,452.61	23,842.29	39,429.63
b Debenture Redemption Reserve {Refer Note (b) below}	175.00	—	—	175.00	—
c Capital Redemption Reserve {Refer Note (c) below}	3,400.00	846.69	4,524.29	—	8,770.98
d General Reserve {Refer Note (d) below}	32,608.04	—	38,832.71	42,620.32	28,820.43
e Business Development Reserve {Refer Note (e) below}	—	—	60,000.00	—	60,000.00
f Capital Reserve (Refer Note 8 and 14 (a) of Schedule 20)	—	1,087.07	2,241.68	—	3,328.75
g Capital Investment subsidy	—	30.00	—	—	30.00
h Revaluation Reserve	—	704.85	—	—	704.85
i Profit and Loss Account	34,454.91	154.38	8,355.09	—	42,964.38
	107,957.26	4,322.99	138,406.38	66,637.61	184,049.02

Notes :		(Rs. in lac)
a)	Reduction from Securities Premium Account	
	– Transferred to Business Development Reserve pursuant to Scheme approved by the Hon'ble High Court. (Refer Note 5 of Schedule 20)	23,842.29
b)	Reduction from Debenture Redemption Reserve	
	– Transferred to General Reserve	175.00
c)	Addition to Capital Redemption Reserve	
	– On account of redemption of 4% Preference shares	4,524.29
d)	Additions to General Reserve	
	– Addition on account of revaluation of fixed assets	36,157.71
	– Transferred from Debenture Redemption Reserve	175.00
	– Transfer from Profit and Loss account	2,500.00
		38,832.71
	Reduction from General Reserve	
	– Utilised pursuant to Scheme approved by Hon'ble High Court (Refer Note 5 of Schedule 20)	5,193.54
	– Transfer to business development reserve (Refer Note 5 of Schedule 20)	36,157.71
	– Excess of Share capital issued over net asset acquired on amalgamation (Refer Note 8 of Schedule 20)	1,269.07
		42,620.32
e)	Additions to Business Development Reserve (Refer Note 5 of Schedule 20)	
	– Transfer from General Reserve	36,157.71
	– Transfer from Securities Premium Account	23,842.29
		60,000.00

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 3 : SECURED LOANS		
a) Secured Redeemable Non-convertible Debentures 3,50,000 Debentures of Rs.100/- each privately placed with Financial Institutions/Bank (See Note 1 below)	—	116.66
b) Loans from Financial Institutions/Banks/Others (See Notes 2, 3, 4 & 6 below)	68,495.22	69,586.08
c) Borrowing from Banks (Cash/Packing Credit/Working Capital Demand Loans) (See Notes 5 & 6 below)	2.68	10.41
d) Other Loans for specific vehicles (Exclusive charge) (See Note 7 below)	35.77	73.94
	68,533.67	69,787.09

NOTES:

- 1 The outstanding balance against the 9.75% Secured Redeemable Non Convertible Debentures of Rs 100/- each privately placed with financial institutions was redeemed during the year.
The above debentures were secured by (a) first charge by way of an equitable mortgage of all immovable properties of the Company, wherever situated and (b) a first charge by way of hypothecation of all movable properties, both present & future (save and except book debts) of the Company.
The first charge by way of equitable mortgage and hypothecation in favour of debentureholders ranked pari passu with the lenders as per Note 2 (a) below and is subject to charge on specified properties referred to in Note 2 (b) below.
- 2 The Loan from financial institutions, banks & others (other than those vested / amalgamation) are secured/to be secured by:
 - (a) (i) first charge by way of an equitable mortgage of all immovable properties of the Company, wherever situated and (ii) a first charge by way of hypothecation of all movable properties, both present & future (save and except book debts) of the Company and (iii) Personal Guarantee of the Managing Director in certain cases.
The first charge by way of equitable mortgage and hypothecation in favour of lenders rank pari passu with the debenture holders as per Note No.1 above and subject to charge on specified properties referred to in Note 2 (b) below.
 - (b) (i) a first charge by way of an equitable mortgage over all the immovable properties of the Company at specified locations. (ii) a charge by way of hypothecation of movable properties situated at the respective locations. (iii) personal guarantee of Managing Director in certain cases.
The above charges of various lenders at specified locations mentioned above rank pari passu inter se the lenders at each location, wherever applicable.
- 3 Loans vested on amalgamation are secured by
 - (a) a first charge by way of an equitable mortgage over all the immovable properties of the transferor Company at specific locations
 - (b) a charge by way of hypothecation of plant and machinery, spares, tools and accessories of the transferor Company situated at the specific locations and
 - (c) personal guarantee of a Promoter Director of the transferor Company.
- 4 The outstanding amount of loan shown at: (b) above includes interest accrued & due Rs 101.66 lac. (Previous year Rs. 542.94 lac).
Amount repayable within 12 months Rs. 14,427.10 lac (Previous year Rs 17,133.62 lac).
- 5 (a) The borrowing availed from consortium banks are secured / to be secured by (i) a first charge by way of hypothecation of stocks, book debts and other current assets (ii) a charge by way of hypothecation / equitable mortgage of movable / immovable properties in favour of consortium banks, ranking second and subservient to the charges specified in Notes 1 and 2(a) & 2 (b) & (iii) personal guarantee of promoter directors of the Company.
The charges mentioned above rank pari passu inter se the consortium banks.
(b) The borrowings availed from banks outside consortium are secured /to be secured by (i) specific charges on stocks, book debts and other current assets pertaining to the facilities granted by them and (ii) personal guarantee of the Managing Director of the Company.
Amount repayable within 12 months Rs 2.68 lac (Previous year Rs.10.41 lac).
- 6 In terms of the Schemes of Arrangement and Amalgamation, the loans vested on amalgamation are subject to existing charges/hypothecation/mortgage subsisting thereon and shall neither extend to the assets of the Company nor operate to enlarge the securities for the said liabilities of the transferor Company.
- 7 These loans are secured by hypothecation of vehicles purchased out of the said loans.
Amount repayable within 12 months Rs. 32.85 lac (Previous year Rs. 38.25 lac).

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 4 : UNSECURED LOANS		
Short term advances		
From Banks / Financial Institutions(See Note 19 of Schedule 20)	1,63,349.46	1,00,858.10
From Others	249.68	—
Other Loans		
Deferred Sales Tax Liability	2,502.82	1,439.28
	<u>1,66,101.96</u>	<u>1,02,297.38</u>

SCHEDULE 5 : FIXED ASSETS

(Rs. in lac)

PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As on 1.4.2009	Assets vested on amalgamation/ additions on account of revaluation (Refer Note 4 below)	Additions	Deduction	As on 31.3.2010	Upto 31.3.2009	Vested on amalgamati on (Refer Note 5 below)	For the year	Adjustment	Upto 31.3.2010	As on 31.3.2010	As on 31.3.2009
FREE HOLD LAND	13,766.76	4,292.46	1,447.72	229.59	19,277.35	—	—	—	—	—	19,277.35	13,766.76
LEASE HOLD LAND	1,162.79	—	138.02	—	1,300.81	502.87	—	17.90	—	520.77	780.04	659.92
BUILDINGS	31,858.27	7,520.38	4,578.42	77.59	43,879.48	4,583.72	350.06	1,309.04	11.53	6,231.29	37,648.19	27,274.55
PLANT & MACHINERY	122,734.25	30,131.55	28,113.33	218.44	180,760.69	33,737.67	1,737.92	10,087.38	1.40	45,561.57	135,199.12	88,996.58
FURNITURE & FIXTURES	892.12	48.90	137.93	1.95	1,077.00	344.10	8.30	74.59	0.07	426.92	650.08	548.02
VEHICLES	1,548.76	77.21	473.18	79.25	2,019.90	599.33	22.90	182.28	51.42	753.09	1,266.81	949.43
OFFICE EQUIPMENT	1,797.51	85.60	284.42	22.70	2,144.83	910.53	50.46	230.00	9.92	1,181.07	963.76	886.98
SOFTWARE	636.67	—	—	—	636.67	242.74	—	127.33	—	370.07	266.60	393.93
TRADE MARKS	36.00	—	—	—	36.00	36.00	—	—	—	36.00	—	—
CAPITAL WORK IN PROGRESS	7,865.89	2,154.84	10,352.47	13,932.68	6,440.52	—	—	—	—	—	6,440.52	7,865.89
TOTAL	182,299.02	44,310.94	45,525.49	14,562.20	257,573.25	40,956.96	2,169.64	12,028.52	74.34	55,080.78	202,492.47	141,342.06
PREVIOUS YEAR	152,581.07	—	50,589.11	20,871.16	182,299.02	32,419.57	—	8,575.93	38.54	40,956.96	141,342.06	120,161.50

Notes :

- Buildings include Rs.2,250/- (Previous year Rs.2,250/-) being cost of Shares in Co-operative Societies. Title deeds in respect of shares amounting to Rs.500/- are in the process of transfer.
- Execution/registration of lease deed in respect of land acquired on lease during the year and the part of land acquired on lease in the preceding year is pending.
- Lease hold land of 30 acres taken on lease from The Karnataka Industrial Area Development Board (KIADB) for a period of 6 years which after the expiry of the lease period was to be converted to a sale subject to compliance with the terms of allotment has since been acquired bt the company.
- Assets vested on amalgamation/additions on account of revaluation comprises as follows:

(Rs. in lac)

	Addition on account of amalgamation	Addition on account of revaluation	Total
Free Hold Land	1,090.80	3,201.66	4,292.46
Buildings	1,201.50	6,318.88	7,520.38
Plant & Machinery	3,494.38	26,637.17	30,131.55
Furniture & Fixtures	48.90	—	48.90
Vehicles	77.21	—	77.21
Office Equipment	85.60	—	85.60
Capital Work in Progress	2,154.84	—	2,154.84
	8,153.23	36,157.71	44,310.94

(Refer Note 5 of Schedule 20)

- Depreciation for the year included Rs. 1,991.35 lac being additional depreciation on account of revaluation which has been charged to General Reserve pursuant to Scheme approved by the High Court. (Refer Note 5 of Schedule 20)
- Intangible assets (goodwill & Plantation development expenses) vested on amalgamation has been changed to General Reserve in term of scheme approved by Honorable High Court.(refer note 5 schedule 20)
- Addition during the year includes interest capitalised Rs. 173.82 lac (Previous year Rs. Nil)

SCHEDULE 6 : INVESTMENTS

I. LONG TERM INVESTMENTS (Other than trade investment) (At cost)	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
A) SHARES		
a) Quoted		
(Other than in subsidiary companies)		
i) 17,75,000 (Previous year 17,75,000) Equity Shares of Rs.10/- each fully paid up in Ruchi Strips & Alloys Ltd.	185.00	185.00
ii) 8,83,500 (Previous year 8,83,500) Equity Shares of Rs.10/- each fully paid up in National Steel & Agro Industries Ltd.	264.87	264.87
iii) 4,00,000 (Previous year 4,00,000) Equity Shares of Rs.10/- each fully paid up in Anik Industries Limited	100.00	100.00
iv) 1,19,300 (Previous year 1,19,300) Equity Shares of Rs.10/- each fully paid up in Sarthak Global Limited	11.93	11.93
v) Nil (Previous year 7,014) Equity Shares of Rs. 10/- each fully paid up in Dena Bank	—	1.89
vi) Nil (Previous year 1,887) Equity Shares of Rs.10/- each fully paid up in Punjab National Bank	—	7.41
vii) 35,000 (Previous year 35,000) Equity Shares of Rs.10/- each fully paid up in Sharadraj Tradelink Ltd.	3.82	3.82
viii) 1,80,000 (Previous year 1,80,000) Equity Shares of Rs. 2/- each fully paid up in Blue Chip India Ltd.	17.38	17.38
ix) 21,500 (Previous year 21,500) Equity Shares of Rs.10/- each fully paid up in Hereld Commerce Limited	11.38	11.38
x) 2,73,24,239 (Previous year 50,00,000) Equity Shares of Re.1/- each fully paid up in Ruchi Infrastructure Limited	10,180.23	1591.43
xi) Nil (Previous year 159) Equity Shares of Rs.10/- each fully paid up in Central Bank of India	—	0.16
Aggregate amount of quoted investments	10,774.61	2,195.27
Aggregate market value of quoted investments Rs. 17,244.41 lac (Previous year Rs.736.03 lac)		
b) Right title & interest in Ruchi Soya Industries Ltd. Beneficiary Trust (Refer Note 4 of Schedule 20)	936.97	936.97
c) Unquoted - At Cost		
i) In subsidiary companies		
a) 99,40,700 (Previous year 99,40,700) Equity Shares of Rs.10/- each fully paid in Ruchi Worldwide Ltd.	994.07	994.07
b) 10,000 (Previous year Nil) Equity Shares of Rs.10/- each fully paid up in Mrig Trading Private Limited	1.00	—
c) 37,50,001 (Previous year Nil) Equity Shares of Rs.10/- each fully paid up in Gemini Edibles & Fats India Pvt. Ltd.	4,500.00	—
ii) Other than in subsidiary companies		
a) 25,000 (Previous year 25,000) Equity shares of Rs.10/- each fully paid-up in Ruchi Infotech Ltd.	2.50	2.50
b) 6,00,000 (Previous year 6,00,000) Equity shares of Rs.10/- each fully paid-up in Ruchi Acroni Industries Ltd.	60.00	60.00
c) 35,000 (Previous year 35,000) Equity shares of Rs.10/- each fully paid-up in E-Ruchi Marketing (P) Ltd.	3.50	3.50
d) 5,00,000 (Previous year 5,00,000) 6% Redeemable Cumulative Preference Shares of Rs.100/- each fully paid up in Sunshine Oleochem Ltd.	500.00	500.00
e) 26,000 (Previous year 26,000) Equity Shares of Rs.10/- each fully paid up in RIFL Energy Private Limited	2.60	2.60
f) Nil (Previous year 34,50,000) 6% Redeemable Cumulative Preference Shares of Rs.100/- each fully paid up in Ruchi Realty Holding Private Ltd.	—	3450.00
iii) Share Application Money Pending Allotment (towards preference shares in Sunshine Oleochem Limited)	350.00	—

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
B. GOVERNMENT SECURITIES :		
National Saving Certificates/Kisan Vikas Patra (deposited with Government authorities)	7.31	7.09
Aggregate amount of unquoted investments	6,420.98	5,019.76
TOTAL: (I)	18,132.56	8,152.00
II CURRENT INVESTMENTS (At lower of cost and fair value)		
MUTUAL FUNDS (Quoted)		
i) 1,00,000 Units (Previous year 1,00,000 Units) of SBI Magnum Multicap Fund- Growth of Rs.10/- each.	10.00	10.00
ii) 2,50,000 Units (Previous year 2,50,000 Unit) of SBI One India Fund- Growth of Rs.10/- each.	25.00	25.00
iii) 50,000 Units (Previous year 50,000 Unit) of SBI Infrastructure Fund-I Growth of Rs.10/- each.	5.00	5.00
iv) 774.45 Units (Previous year 1,000 Units) of PNB Principal Emerging Blue Chip Fund - Regular Growth * of Rs.10/- each.	0.17	0.10
v) 73,39,772.76 Units (Previous year Nil Units) of SBI Magnum Insta Cash Fund - Cash Option of Rs.10/- each.	1,500.00	—
	1,540.17	40.10
Less : Provision for diminution in value of investments	—	13.86
TOTAL : (II)	1,540.17	26.24
Aggregate market value of current investments Rs. 1,549.32 lac (Previous year Rs. 26.24 lac)		
TOTAL : (I+II)	19,672.73	8,178.24
Note: a) *Earlier known as Principal Junior Cap Fund		
b) Statement for units purchased and sold during the year :		
Name of Security	No. of Units	Cost (Rs. in lac)
Mutual Fund		
– LIC Mutual Fund - Dividend Reinvestment	9,11,773	100
– SBI Magnum Insta Cash Fund - Cash Option	10,03,02,821	19,900
– SBI Premier Liquid Fund - Institution Growth	2,84,33,087	4,100
– SBI Premier Liquid Fund - Super Institution Growth	18,43,34,874	25,750
– HFDC Liquid Fund - Premier Plan - Growth	531,45,26,626	9,52,500
Total	562,85,09,181	10,02,350
SCHEDULE 7 : INVENTORIES		
(As valued and certified by the Management)		
Stock-in-trade (At lower of cost and net realisable value except realisable by-products which are valued at net realisable value)		
a) Raw Materials (including packing material)	79,291.77	75,980.39
b) Work-in-progress	1,225.18	996.03
c) Finished goods	69,879.21	66,112.56
d) Realisable by-products	1,443.33	1,565.39
e) Consumables, Stores & Spares	6,889.00	6,278.30
	1,58,728.49	1,50,932.67

	(Rs. in lac)	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 8 : SUNDRY DEBTORS			
(Unsecured)			
Debts outstanding for period exceeding six months			
Considered good	15,156.33		456.91
Considered doubtful	1,805.46		371.50
		16,961.79	828.41
Other Debts (considered good)		1,04,525.60	1,02,225.85
		1,21,487.39	1,03,054.26
Less : Provision for doubtful debts		1,805.46	371.50
		1,19,681.93	1,02,682.76
SCHEDULE 9 : CASH AND BANK BALANCE			
Cash on hand		379.62	778.53
Bank Balances with Scheduled Banks			
i) In Current Accounts		4,185.97	10,533.38
ii) In Deposit Accounts (Refer Note No. 19 of Schedule 20)		1,45,564.41	90,167.28
Bank Balances with Non-Scheduled Banks (Refer Note 20 of Schedule 20)			
i) In Current Accounts		8.00	—
ii) In Deposit Accounts		0.09	0.11
Post Office Saving Bank [Maximum balance at any time during the year Rs.0.02 lac (Previous year Rs.0.02 lac)]		0.02	0.02
		1,50,138.11	1,01,479.32
SCHEDULE 10 : OTHER CURRENT ASSETS			
Interest Accrued			
On Investments		4.67	4.56
On Fixed Deposits with Banks		3,889.11	1,814.75
On Intercompany & Other deposits		11.51	10.94
		3,905.29	1,830.25
SCHEDULE 11 : LOANS AND ADVANCES			
(Unsecured & considered good, unless stated otherwise)			
Intercompany Deposits [including Rs. Nil (Previous year Rs.19.48 lac) due from subsidiary company]		2,433.03	2,560.49
Other Deposits		3,410.94	3,699.76
Advance for Capital Expenditure		2,662.73	1,778.05
Other Advances recoverable in cash or in kind or for value to be received {including Rs.0.05 lac (Previous year Rs.1.35 lac) recoverable from Directors/Officers of the Company}			
Considered good	66,472.98		75,496.50
Considered doubtful	454.21		310.79
	66,927.19		75,807.29
Less : Provision for doubtful advances	454.21		310.79
		66,472.98	75,496.50
Advance Income-Tax including tax deducted at source		20,394.38	15,885.10
		95,374.06	99,419.90

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 12 : CURRENT LIABILITIES		
Sundry Creditors [including Rs.178.86 lac (Previous year Rs.115.39 lac) due to subsidiary company] Refer Note 16 to 18 of Schedule 20)	2,71,017.72	2,70,509.27
Agency & Other Deposits	1,046.18	965.72
Interest accrued but not due	743.78	660.07
Customer's Advances	10,718.84	13,544.67
Other Liabilities	2,516.05	1,679.21
	<u>2,86,042.57</u>	<u>2,87,358.94</u>
SCHEDULE 13 : PROVISIONS		
Taxation	18,102.37	12,824.96
Proposed Dividend	1,554.94	1,274.92
Gratuity	107.33	121.09
Leave Encashment	221.65	203.35
	<u>19,986.29</u>	<u>14,424.32</u>
SCHEDULE 14 : MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Share Issue Expenses	18.48	22.08
Less: Adjusted/Written off	3.60	3.60
	<u>14.88</u>	<u>18.48</u>

SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2010

	(Rs. in lac)	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 15 : SALES AND OTHER INCOME			
Sales	13,40,492.11		11,91,439.36
Less : Excise duty	1,587.23		2,123.85
		13,38,904.88	11,89,315.51
Scrap & Other Sales	2,218.24		2,150.16
Less : Excise duty	15.94		7.13
		2,202.30	2,143.03
Export Incentive		4,311.09	9,869.77
Vat/Excise Refund/Remission		2,622.78	2,406.49
Processing charges received (Gross)[TDS Rs. 18.17 lac (Previous year Rs.13.30 lac)]		777.20	614.08
Income from Power generation (including carbon credit)		2,167.88	2,037.62
Other operating income		373.76	6,622.10
		13,51,359.89	12,13,008.60
Insurance claims received		223.59	330.56
Commission, Discount & Rebates		176.77	484.38
Dividend		62.70	49.15
Profit on sale of investments		437.70	640.18
Profit on sale of assets		66.59	90.35
Lease Rent (Gross) [TDS Rs 2.02 lac (Previous year Rs.18.56 lac)]		39.34	128.70
Exchange difference (Net)		—	996.33
Provisions no longer required written back		194.88	896.58
Subsidy from Government		—	50.00
Other Miscellaneous Income		587.48	531.58
		1,789.05	4,197.81
		13,53,148.94	12,17,206.41
SCHEDULE 16: INCREASE/(DECREASE) IN STOCKS			
Finished goods			
Opening Stock		67,677.95	73,617.52
Add : Stocks acquired on amalgamation		67.19	—
Closing Stock		71,322.54	67,677.95
		3,577.40	(5,939.57)
Work-in-progress			
Opening Stock		996.03	3,063.28
Add : Stocks acquired on amalgamation		8.39	—
Closing Stock		1,225.18	996.03
		220.76	(2,067.25)
		3,798.16	(8,006.82)
SCHEDULE 17 : MATERIAL CONSUMED			
a) Raw Material			
Opening Stock		65,567.53	1,27,467.26
Add : Stocks acquired on amalgamation		23.87	—
Add : Purchases		7,30,794.41	705,203.23
		7,96,385.81	8,32,670.49
Less : Closing Stock		70,838.47	65,567.53
		7,25,547.34	7,67,102.96
b) Packing Material			
Opening Stock		10,412.86	5,558.07
Add : Purchases		26,069.48	29,649.88
		36,482.34	35,207.95
Less : Closing Stock		8,453.30	10,412.86
		28,029.04	24,795.09
		7,53,576.38	7,91,898.05

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 18 : EXPENSES		
Processing Charges	35.10	71.30
Power & Fuel (net of recoveries)	16,556.58	16,549.51
Manufacturing Expenses	5,900.72	4,285.28
Nursery and Development expenses	377.28	93.91
Consumables	4,495.34	5,361.08
Repairs - Plant & Machinery	6,155.75	6,596.47
Repairs - Buildings	256.33	468.26
Repairs - Others	324.25	452.27
Salary, Wages and Bonus	5,708.35	4,799.43
Contribution to Provident and Other Funds	543.47	415.16
Workmen & Staff Welfare exp	424.62	485.88
Insurance (net of recoveries)	775.38	1,032.80
Rent (net of recoveries)	4,502.81	2,905.84
Rates & Taxes	746.20	661.63
Freight & forwarding (net of recoveries)	17,096.90	24,817.95
Export expenses	3,008.36	3,531.77
Commission and rebate	2,948.77	3,550.08
Advertisement & sales promotion	1,054.00	707.72
Donation	41.22	106.66
Travelling & Conveyance [Including Rs. 60.72 lac (Previous year Rs 40.35 lac) for Directors]	1,327.68	1,409.49
Provision / Write-off of Doubtful/ Bad Debts and Advances	—	203.23
Provision for Diminution in value of Investment	—	13.61
Miscellaneous expenses written off	3.60	3.60
Loss on Sales/Fire/Write off of Fixed Assets	26.87	21.07
Investments written off	—	0.10
Exchange Difference (Net)	1,242.80	—
Bank Commission & Charges	3,225.77	2,382.89
Other expenses (Net of recoveries) (See Note 23 of Schedule 20)	8,593.69	3,704.43
	85,371.84	84,631.42
SCHEDULE 19 : INTEREST (Net)		
Interest		
– Debenture & other fixed loans	6,743.37	7,055.50
– Others	8,104.05	9,359.50
	14,847.42	16,415.00
Less : Interest Received (Refer Note 25 of Schedule 20) [Tax deducted at source Rs. 1,141.83 lac (Previous year Rs.2,311.16 lac)]	8,103.49	10,873.32
	6,743.93	5,541.68

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

SCHEDULE 20 : NOTES TO THE ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

a) FIXED ASSETS/INTANGIBLE ASSETS :

Fixed assets are stated at cost/revalued amounts less depreciation. Revalued assets are stated at their fair value based on report of approved valuer less depreciation. Cost of fixed assets is arrived at after including therein attributable interest and expenses for bringing the respective assets to working condition and reducing there from Cenvat credit received/ receivable, if any. Fixed assets acquired under Hire Purchase Scheme are valued at cash price less depreciation.

b) DEPRECIATION :

Depreciation is provided on straight line basis at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation is provided on pro-rata basis with reference to the month of addition/ installation/ disposal of assets, except low value items costing Rs 5,000/- or less which are written off fully in the year of purchase. In respect of intangible assets the cost is amortised over the period for which the assets' economic benefits are expected to accrue. Expenditure incurred on software acquired is amortised over a period of five years from the date the expenditure is incurred.

c) INVENTORIES :

Inventories, other than realisable by-products, are valued at lower of cost and net realisable value. The cost of inventories, is arrived at on moving average basis. The cost of manufactured products comprises direct costs and production overheads including depreciation. Realisable by products are valued at net realisable value. Cost of trading items includes cost of purchase & other costs of acquisition attributable thereto.

d) RETIREMENT BENEFITS :

- (i) Short term employee benefits are recognized as an expense in the profit and loss account of the year in which service is rendered.
- (ii) Contribution to defined contribution schemes such as Provident Fund, Family Pension Fund and Superannuation Fund are charged to the profit and loss account.
- (iii) The Company makes annual contribution to Employees Group Gratuity cum Life Assurance Scheme in respect of qualifying employees and the same is recognized as an expense in the profit & loss account. Additional liability, if any, in respect of gratuity and liability in respect of leave encashment is recognised on the basis of valuation done by an independent actuary applying Project Unit Credit Method. The actuarial gain/loss arising during the year is recognized in the profit and loss account of the year.

e) INVESTMENTS :

Long term investments are valued at cost. Provision is made for diminution in the value of investments where in the opinion of the Board of Directors such diminution is other than temporary. Current investments are valued at lower of cost and fair value.

f) EXPENSES INCURRED FOR ISSUE OF SHARES, DEBENTURES AND OTHER MISCELLANEOUS EXPENSES :

Preliminary expenses, pre-operative expenses, share issue expenses incurred prior to 1st April 2003 are written off over a period of 10 years. Share issue expenses incurred after 1st April 2003 are either charged to profit & loss account or securities premium account. Expenses pertaining to issue of debentures are charged to profit & loss account in the year in which they are incurred.

g) PREMIUM ON REDEMPTION OF DEBENTURES :

Premium payable, if any, on redemption of debentures is spread over the life of debentures.

h) FOREIGN EXCHANGE TRANSACTIONS :

- (i) Transactions in foreign currency are accounted at the exchange spot rate prevailing on the date of the transaction. Year end receivables and payables are translated at year end rate of exchange. The difference on account of fluctuation in the rate of exchange is recognised in the profit and loss account. In case of sales and purchases the same is included under the respective heads.
- (ii) In case of forward exchange contracts, premium/discount arising at the inception of the contracts is spread over the life of the contracts. Exchange fluctuation on such contracts is recognized in the profit & loss account in the year in which there is a change in exchange rates.

i) **BORROWING COSTS :**

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition/construction of qualifying fixed assets are capitalised up to the date when such assets are ready for their intended use. Other borrowing costs are charged to the profit and loss account.

j) **DEFERRED TAX :**

Deferred tax is accounted for by computing the tax effect of timing differences which arise in a year and reverse in subsequent periods.

k) **IMPAIRMENT OF ASSETS :**

Impairment loss is recognized in the profit and loss account whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of its estimated net selling price and its value in use. The carrying amounts are reviewed at each balance sheet date to determine whether there is any impairment.

l) **EMPLOYEE STOCK OPTIONS :**

Stock options granted to employees under the Employees' Stock Option Scheme are accounted as per the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the 'Guidance Note on Share Based Payments' issued by the Institute of Chartered Accountant of India (ICAI). Accordingly, the excess of market price of the shares as on the date of grant of options over the exercise price is recognised as deferred employee compensation and is charged to profit and loss account on straight-line basis over the vesting period. The number of options expected to vest is based on the best available estimate and is revised, if necessary, where subsequent information indicates that the number of stock options expected to vest differs from previous estimates.

m) **EXPORT INCENTIVES :**

Export incentives, to which the Company is entitled to based on exports during the year, are recognised as income in the year of exports.

2. **CONTINGENT LIABILITY NOT PROVIDED FOR**

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
(a) Claims against the Company not acknowledged as debts	719.52	581.68
(b) Outstanding bank guarantees	1,408.13	1,920.06
(c) Outstanding Letters of Credit	—	990.46
(d) Outstanding corporate guarantees given on behalf of subsidiary	15,269.17	15,221.27
(e) Income tax/ Sales tax/ Excise/ Octroi /Custom duty/ ESIC / Electricity Duty / demands disputed	22,379.43	14,850.58
(f) Bills discounted	28,396.42	27,000.43
(g) Estimated amount of contracts remaining to be executed on capital account. (Net of advances)	5,472.46	5,725.30

3. **Managerial remuneration under section 198 of the Companies Act, 1956 :**

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
(a) Remuneration paid or provided to the Chairman Commission	50.00	29.15
(b) Remuneration paid or provided to the Managing Director		
(i) Salary	103.40	97.40
(ii) Perquisites in cash or in kind	34.98	25.43
(c) Remuneration paid to or provided to Whole Time Directors		
(i) Salary and allowances	26.74	24.74
(ii) Perquisites in cash or in kind	5.10	5.10
(iii) Contribution to provident & other fund	1.28	1.17
	<u>221.50</u>	<u>182.99</u>

(1) The above does not include reimbursement of expenses incurred for the Company.

(2) The amount shown above at (c) includes remuneration amounting to Rs. 2.97 lac (Previous year Rs. 5.00 lac) paid to three directors, which is subject to the approval of the shareholders.

(d) Computation of profits under section 198 and 349 of the Companies Act, 1956 :

	2009-10	2008-09
	(Rs. in lac)	(Rs. in lac)
Net profit before tax as per Profit & Loss A/c.	27,248.15	15,075.02
Add : (a) Managerial Remuneration	221.50	182.99
(b) Sitting fees to directors	1.24	0.80
(c) Loss on sale of assets	26.87	21.07
(d) Loss on Sale/Write off of Investments	—	0.10
(e) Provision for diminution in value of investments	(13.86)	13.61
(f) Wealth Tax	12.50	8.15
Less : (a) Profit on sale of assets	66.59	90.35
(b) Profit on sale of investments	437.70	640.18
(c) Exceptional items (income)	352.43	—
Profit for the purpose of computation of commission	26,639.68	14,571.21
Commission @ 0.2% (Previous year 0.2%) subject to limit of Rs. 50 lac.	50.00	29.15

4. Pursuant to Schemes u/s 391 to 394, approved by the Hon'ble High Court of judicature of Mumbai in an earlier year, 76,30,115 shares of the Company are held by a Trust for the benefit of the Company and its successors. These shares have been shown under the head 'Investments' and are being carried at cost and included in Schedule 6 relating to Investments at cost in accordance with the accounting policy of the Company. The dividend received by the Trust in respect of these shares is included under the head 'Dividend' under 'Other Income' in Schedule 15.
5. (a) The High Court of judicature of Mumbai has approved a Scheme of Amalgamation and Arrangement under sections 391 to 394 of the Companies Act, 1956 between Mac Oil Palm Limited (hereinafter referred to as 'the Transferor Company') with Ruchi Soya Industries Ltd. (hereinafter referred to as 'the Company') and their respective shareholders providing for amalgamation of Mac Oil Palm Limited with the Company and other matters.
- (b) The above Scheme is operative from 1st April, 2009 and accordingly effect to the Scheme has been given in the accounts for the year ended 31st March, 2010. The said amalgamation has been accounted under the Pooling of Interests method in accordance with AS-14 – Accounting for Amalgamations, except where the Scheme provides otherwise.
- (c) Mac Oil Palm Limited is engaged in the business of extracting and processing of crude palm oil from palm fruits collected from farmers in the regions allocated to Mac Oil Palm Limited by the State Government of Andhra Pradesh.
- (d) While giving effect to the Scheme,
 - i. Assets and liabilities vested in the Company on amalgamation have been recorded at their existing book values in the same form as they were appearing in the books of the Transferor Company after making adjustments for differences, if any, in accounting policies between the Transferor Company and the Company.
 - ii. Face value of shares to be issued to the shareholders of the Transferor Company (which have since been issued) has been shown as Share Capital Suspense on Amalgamation under the head Share Capital in Schedule 1.
 - iii. Difference between the amount recorded as Share Capital Suspense on Amalgamation and the amount of the paid up share capital of the Transferor Company has been adjusted to the General Reserve of the Company.
 - iv. The income and expenditure for the year of the Transferor Company have been accounted as the income and expenditure of the Company.
 - v. The Company, based on reports of approved valuer, has recorded in its books land, buildings & immovable plant & machinery (other than assets vested on amalgamation) at their fair value as at 1st April, 2009 and credited the difference amounting to Rs. 36,157.71 lac between book values and the fair values as at 1st April, 2009 to General Reserve.
 - vi. The Company has transferred Rs. 23,842.29 lac from Securities Premium Account and Rs. 36,157.71 lac from General Reserve to Business Development Reserve. In terms of the Scheme, as and when deemed fit by the Board, the said Business Development Reserve is available for adjusting various expenses including , any expenses towards marketing, advertisement, sales promotion and/or development of brands and research and development activities, any expenditure incurred in setting up an international company/joint venture of

the Company, inter alia, to include set up costs, marketing expenses or interest on acquisition, finance, provision/write off of debtors/current assets/loans and advances, additional depreciation necessitated by revaluation of fixed assets and expenses of amalgamation including expenses of the Transferor Company i.e. Mac Oil Palm Limited incurred on or after 1st April 2009, after adjusting for any tax effects, both current and deferred tax thereon, etc.

- vii. As provided by the Scheme, an amount of Rs. 5,193.54 lac has been adjusted to General Reserve as under:

Particulars	Amount (Rs. in lac)
Bad Debts written off	569.65
Provision for Doubtful Debts	1,433.96
Advances written off	2,630.30
Provision for Doubtful Advances	193.42
Expenses on amalgamation	26.12
Additional depreciation on revaluation of fixed assets.	1,991.35
	<hr/> 6,844.80
Less : Current Tax / Deferred Tax	1,651.26
TOTAL	<hr/> 5,193.54 <hr/>

- (e) Had the Scheme, approved by the Hon'ble High Court, not prescribed the accounting treatment as described above,
- the profit for the year and balance in the profit and loss account for the year would have been lower by Rs. 5,193.54 lac.
 - Balance in General Reserve & Securities Premium account would have been higher by Rs. 5,193.54 lac & Rs. 23,842.29 lac respectively and
 - Balance in Business Development Reserve would have been lower by Rs. Nil.

However, the aggregate balances in 'Reserves and Surplus' as at 31st March, 2010 would have remained the same.

6. (a) The High Court of judicature of Mumbai and Andhra Pradesh have approved a Scheme of Amalgamation under sections 391 to 394 of the Companies Act, 1956, between Palm Tech India Limited (hereinafter referred to as 'the Transferor Company') with Ruchi Soya Industries Ltd. (hereinafter referred to as 'the Company') and their respective shareholders providing for amalgamation of Palm Tech India Limited with the Company.
- (b) The above Scheme is operative from 1st April, 2009 and accordingly effect to the Scheme has been given in the accounts for the year ended 31st March, 2010. The said amalgamation has been accounted under the Pooling of Interests method in accordance with AS-14 Accounting for Amalgamations except where the Scheme provides otherwise.
- (c) Palm Tech India Limited is engaged in the business of developing oil palm and processing fresh fruit bunches of palm for oil extraction.
- (d) While giving effect to the Scheme,
- Assets and liabilities vested in the Company on amalgamation have been recorded at their existing book values in the same form as they were appearing in the books of the Transferor Company after making adjustments for differences if any, in accounting policies between the Transferor Company and the Company.
 - Face value of shares to be issued to the shareholders of the Transferor Company has been shown as Share Capital Suspense on Amalgamation under the head Share Capital in Schedule 1.
 - Difference between the amount recorded as Share Capital Suspense on Amalgamation and the amount of the paid up share capital of the Transferor Company has been adjusted to the General Reserve of the Company.
 - The income and expenditure for the year of the Transferor Company has been accounted as the income and expenditure of the Company.

7. In terms of the Schemes referred to in (5) and (6) above, the Company has acquired assets having net book value of Rs. 3,760.52 lac as detailed below:

			(Rs. in lac)
Particulars	Mac Oil Palm Ltd.	Palm Tech India Ltd.	Total
Assets			
Fixed assets (Net) (including CWIP)	4,297.59	3,786.10	8,083.69
Current assets, loans and advances	1,114.07	1,281.62	2,395.69
Total assets	<u>5,411.66</u>	<u>5,067.72</u>	<u>10,479.38</u>
Liabilities			
Current liabilities and provisions	1,439.28	789.22	2,228.50
Secured and unsecured loans	1,300.00	680.58	1,980.58
Deferred tax liability	18.78	388.53	407.31
Total liabilities	<u>2,758.06</u>	<u>1,858.33</u>	<u>4,616.39</u>
Add : Due to difference in method of depreciation	—	99.52	99.52
Less : Development for plantation written off	—	780.71	780.71
Less : Goodwill written off	1,418.90	—	1,418.90
Less : Misc. expenses written off	2.38	—	2.38
Net book value of assets vested on amalgamation	<u>1,232.32</u>	<u>2,528.20</u>	<u>3,760.52</u>

8. The difference between the net book value of assets vested on amalgamation [as shown in (7) above] and the amount of paid up Share Capital of Transferor Companies after adjusting reserves of the Transferor Companies is transferred to the General Reserve of the Company as under :

			(Rs. in lac)
Particulars	Mac Oil Palm Ltd.	Palm Tech India Ltd.	Total
Net book value as in (7) above	1,232.32	2,528.20	3,760.52
Less : considered separately under the following heads			
Profit and loss account	128.60	25.78	154.38
Capital Reserve	—	1,087.07	1,087.07
Capital Investment Subsidy	20.00	10.00	30.00
Capital Redemption Reserve	—	846.69	846.69
Securities Premium	1,500.00	—	1,500.00
Revaluation Reserve	—	704.85	704.85
Share Capital suspense on Amalgamation	300.00	406.60	706.60
Balance adjusted to General Reserve of the Company	(716.28)	(552.79)	(1,269.07)

9. The particulars of shares issued / to be issued / exchanged pursuant to the Schemes are as under :

Particulars	Mac Oil Palm Ltd.	Palm Tech India Ltd.
Number of equity shares of Rs. 2/- each fully paid up of the Company to be issued.	1,50,00,000	2,03,30,000
Amount (Rs. in lac)	300.00	406.60
Percentage of total equity share capital of the Company as at 1st April, 2009	7.95	10.77
Number of equity shares of Rs. 2/- each fully paid up of the Transferor Company	5,02,50,000	2,67,50,000
Amount (Rs. in lac)	1,005.00	535.00
Percentage of total equity share capital of the Transferor Company as at 1st April, 2009	100	100

10. As both the Schemes referred to in (5) & (6) above are effective from 1st April 2009, the figures for the previous year are not comparable with current year.
11. During the year, following the Arbitration Award in its favour, the Company has received insurance claim amounting to Rs. 376.03 lac relating to one of the companies that amalgamated with the Company in an earlier year. The said amount after reducing the expenditure of Rs. 23.60 lac in connection therewith has been shown under the head Exceptional Items in the Profit and Loss account.
12. During the year, the Company has entered into a joint venture by investing in the shares of Gemini Edibles & Fats India Pvt. Ltd. for setting up a port based edible oil refinery in Andhra Pradesh. The financial statements of the said Company have been consolidated in accordance with Accounting Standard 21 (AS-21).
13. The Company has entered into Limited Liability Partnership (LLP) with Indian Oil Corporation Limited (IOCL) for establishing bio fuels and other renewable energy value chains. The capital is yet to be contributed by the Company & IOCL equally & the profits/losses are to be shared by the Company & IOCL equally. No amounts have been contributed towards capital till 31st March, 2010. Further, the LLP has not commenced its activities till 31st March, 2010.
14. (a) Out of 3,53,25,000 share warrants issued in an earlier year to the promoters/promoter group on preferential basis, holders of 64,00,000 warrants exercised the option and were allotted equity shares during the preceding year. Holders of the balance 2,89,25,000 warrants did not exercise their option which lapsed on 23rd June 2009, on expiry of the period of 18 months from the date of issue of warrants. Consequently, the amount of Rs. 2,241.68 lac paid by these warrant holders has been forfeited and transferred to Capital Reserve.
- (b) During the year, the Company, on a preferential basis, issued 7,00,00,000 share warrants to the promoters/promoter group. The holder of each warrant was entitled to apply for and allotment of 1 equity share of Rs. 2/- each at a premium of Rs. 33/- per share at any time within 18 months from the date of issue of warrants. Of the total warrants issued, holders of 4,39,00,000 warrants exercised the option and were allotted equity shares during the year. Holders of the balance 2,61,00,000 warrants have not exercised their option till 31st March, 2010 and the same can be exercised up to 26th January, 2011.

15. EMPLOYEES STOCK OPTIONS

- (a) The shareholders of the Company at their Extra Ordinary General Meeting held on 28th November, 2007 approved grant up to 54,71,000 options to eligible directors and employees of the Company and its subsidiary Ruchi Worldwide Limited. Each option entitled the eligible employees / directors to subscribe for one equity share of face value of Rs. 2/- each at a premium of Rs. 75.50 per share.
- (b) The Compensation Committee (hereinafter referred to as 'the Committee') of the Board approved the "Employee Stock Option Scheme - 2007" at its meeting held on 28th November, 2007.
- (c) The issue price was revised during the year vide resolution passed at the Extra Ordinary General Meeting held on 16th June, 2009. As per the revised pricing, the eligible employees / directors are entitled to subscribe for one equity share of face value of Rs. 2/- each at a premium of Rs. 33/- per share.
- (d) The holders of the Employee Stock Options are entitled to exercise the option within a period of three years from the date of first vesting, failing which they stand cancelled. In the case of termination of employment, all options, vested or not, stand cancelled immediately. In case of voluntary resignation all un-vested options stand cancelled. However, the resigning employees may exercise the vested option within one month from the date of resignation, beyond which such options stand cancelled. In the event of death of employee, retirement or the employee becoming totally and permanently disabled, all unvested options vest immediately and can be exercised during the original term of the option.
- (e) The Company has granted options to its directors and employees as follows:

Date of Grant	Number of Options	Exercise Price	Particulars of vesting		
			20%	30%	50%
April 1, 2008	12,37,000	Rs. 35/-	April 1, 2009	April 1, 2010	April 1, 2011
October 1, 2009	14,95,000	Rs. 35/-	October 1, 2010	October 1, 2011	October 1, 2012

- (f) The grant-wise movement in the Employee Stock Options during the year ended March 31, 2010 is as follows :

Opening Balance as on 1st April ,2009	Issued During the year	Cancelled	Exercised during the year	Closing Balance as on March 31,2010
12,37,000	—	93,000	1,98,800	9,45,200
—	14,95,000	—	—	14,95,000

16. Sundry creditors include bills payable for purchase of material Rs. 1,660.47 lac (Previous year Rs. 3,546.70 lac).
17. Amount due to Micro, Small and Medium Enterprises (to the extent identified by the Company on the basis of information available) along with interest payable under the interest on delayed payments to Micro, Small and Medium Enterprises Development Act, 2006 is Rs. 108.51 lac (Previous year Rs. 127.04 lac) including interest of Rs. 2.60 lac (Previous year Rs. 2.16 lac).
18. Sundry Creditors shown in Schedule 12 includes amount due to Micro, Small and Medium Enterprises (to the extent identified by the Company on the basis of information available) which is outstanding for more than 30 days as at 31st March, 2010 as under :

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
Jurgyan Industries	0.31	1.24
Tirupati Enterprises	6.89	—
Sutco Bearing India Pvt. Ltd.	0.002	—

19. During the year, the Company has availed buyers' credit. The amount of Rs. 1,24,875.66 lac (Previous year Rs. 80,700.78 lac) outstanding on account of buyers' credit as at 31st March, 2010, is guaranteed by the banks against fixed deposits of Rs. 1,36,338 lac (Previous year Rs. 80,603 lac) placed with them. In the balance sheet, the amount of Rs. 1,24,875.66 lac (Previous year Rs. 80,700.78 lac) has been included under unsecured loans from banks in Schedule 4 and the aforesaid fixed deposits are included under bank balances with scheduled banks in deposit account in Schedule 9.
20. (a) The balance with Non Scheduled Banks in deposit account comprises balance with Jila Sahakari Kendriya Bank Maryadit Rs. 0.09 lac (Previous year Rs. 0.11 lac) [Maximum balance at any time during the year Rs. 0.11 lac], (b) The balance with Non Scheduled Banks in current account comprises balance with Coastal Local Area Bank Rs. 5.73 lac [Maximum balance at any time during the year Rs. 12.29 lac] and with Chaitanya Godavari Grameena Bank Rs. 2.27 lac [Maximum balance at any time during the year Rs. 8.27 lac].
21. Purchases are net of gain of Rs. 11,529.65 lac (Previous year includes loss of Rs. 15,841.42 lac) towards difference arising on account of fluctuation in the rate of exchange. Sales are net of loss of Rs. 327.93 lac (Previous year includes gain of Rs. 2,156.39 lac) towards difference arising on account of fluctuation in the rate of exchange.
22. Expenditure incurred during construction period has been dealt with as under.

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
Power & fuel	4.49	23.32
Salaries & wages	0.19	35.34
Staff welfare	1.11	2.79
Travelling expenses	0.99	12.28
Rent	—	1.41
Freight & Forwarding	0.20	26.70
Rates & Taxes	7.64	15.46
Repair & Maintenance	197.36	208.99
Consumables	—	0.05
Conveyance Expenses	5.76	2.79
Insurance Charges	3.79	10.80
Manufacturing Exp.	—	3.61
Interest & Finance Charges	195.41	—
Legal & Professional Charges	—	8.41
Factory Exp.	10.96	37.66
Equipment Hire Charges	5.73	43.96
Labour Charges	—	30.21
Other expenses	22.29	15.38
	455.92	479.16
Less : Allocated to buildings & plant & machinery & capitalized	225.03	254.13
Balance pending allocation to be capitalized	230.89	225.03

23. Other expenses included the following :
- | | | |
|--|----------------|--------------------------------|
| Loss from Swaps/Derivatives | Rs. 186.88 lac | (Previous year Rs. 472.83 lac) |
| Loss from transactions on Commodity exchange | Rs. 821.25 lac | (Previous year Rs. Nil) |
| Deferred Employee Compensation Expenses | Rs. 142.56 lac | (Previous year Rs. 38.76 lac) |
24. Fixed assets include assets having written down value of Rs. 672.76 lac (Previous year Rs. 765.34 lac) representing plant & machinery & equipment which are not wholly used. The Company is in the process of finding alternate use of such assets or their ultimate disposal.
25. The Company has consistently followed the practice of netting the interest earned by it against interest paid. The aggregate interest earned and expended are set out in Schedule 19.
26. The proceeds of issue of shares during the year have been deployed towards the objects of the issue.
27. Disclosures as required under AS -15 are as under :

	2009-10 (Rs. in lac)		2008-09 (Rs. in lac)	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Change in obligation during the year ended 31st March, 2010				
Obligation at the beginning of the year	376.57	203.35	262.63	109.50
Acquired on amalgamation	16.16	—		
Service cost	51.67	118.30	37.65	120.54
Interest Cost	34.48	—	23.48	—
Actuarial (Gains)/Losses	123.68	—	66.43	—
Benefits payments	(26.90)	(100.00)	(13.62)	(26.69)
Obligations at the end of the year	575.66	221.65	376.57	203.35
Change in the fair value of plan assets				
Fair value of plan assets at the beginning of the year	255.48	—	234.52	—
Acquired on amalgamation	16.59	—		
Expected return on plan assets	36.31	—	19.26	—
Contributions	195.24	—	13.06	—
Benefits paid	(26.90)	—	(13.62)	—
Actuarial Gains/(Losses)	(8.39)	—	2.26	—
Fair value of plan assets at the end of the year	468.33	—	255.48	—
Amount recognized in balance sheet				
Present value of defined benefit obligation at the end of the year	575.66	—	376.57	—
Fair value of plan assets at the end of the year	468.33	—	255.48	—
Liability recognized in balance sheet	(107.33)	—	(121.09)	—
Balance sheet reconciliation				
Net liability at the beginning of the year	121.09	203.35	28.11	109.50
Acquired on amalgamation	(0.43)	—		
Expenses recognized during the year	181.91	118.30	106.04	120.54
Contributions during the year	(195.24)	(100.00)	(13.06)	(26.69)
Net liability as at the end of the year	107.33	221.65	121.09	203.35
Amounts recognized in the profit and loss account				
Current service cost	51.67	118.30	37.65	120.54
Interest cost	34.48	—	23.48	—
Expected return on plan assets for the year	(36.31)	—	(19.26)	—
Actuarial (Gains)/Losses	132.07	—	64.17	—
Expenditure recognized in the profit and loss account	181.91	118.30	106.04	120.54

	2009-10 (Rs. in lac)		2008-09 (Rs. in lac)	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Actual return on plan assets				
Expected return on plan assets for the year	36.31	—	19.26	—
Actuarial Gains/(Losses)	(8.39)	—	2.26	—
Actual return on plan assets	27.92	—	21.52	—
Percentage of each category of plan assets to fair value of plan assets				
Insurer managed funds	100%		100%	
Actuarial assumptions				
Discount Rate Current	8.25%	8.25%	8.00%	8.00%
Salary escalation Current	6.00%	6.00%	6.00%	6.00%
Rate of return on plan assets Current	8.00%	—	8.00%	—

Other disclosures

Gratuity is payable to all employees at the rate of 15 days salary for each completed year of service. In respect of employees covered by the Payment of Gratuity Act, 1965 the same is subject to a maximum of Rs. 3.50 lac.

Salary escalation is considered in line with the industry practice considering promotion and demand and supply of the employees.

28. In respect of certain advances included under inter-corporate deposits, the Company has charged interest on advances given on net daily products of balances due from/payable to these companies during the year. The Company has been advised that this is in compliance with the provisions of Section 372A of the Companies Act, 1956.

29. Remuneration to the Statutory Auditors :

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
(a) For audit [incl. service tax Rs. 2.47 lac (Previous year Rs. 1.85 lac)]	26.47	19.85
(b) For tax audit [Incl. Service Tax Rs. 0.72 lac (Previous year Rs. 0.87 lac)]	7.72	7.87
(c) For Company law matters and other services [incl. Service tax Rs. 1.09 lac (Previous year Rs. 0.52 lac)]	11.71	7.39
(d) Travelling and other out of pocket expenses	4.67	3.89
30. Remuneration to Cost Auditors :		
For Cost audit [Incl. Service Tax Rs. 0.18 lac (Previous year Rs. 0.18 lac)]	1.93	1.93

31. (a) **DETAILS OF RAW MATERIAL CONSUMED:**

ITEM	2009-10		2008-09	
	Qty (M.T.)	Value (Rs. in lac)	Qty. (M.T.)	Value (Rs. in lac)
Soya DOC/Floor (Note i)	483.035	23.54	3308.524	243.17
Seeds (Note i & ii)	9,39,716.872	2,12,106.16	13,64,783.690	2,71,859.95
Oil Cake (Note i)	17,383.572	2,181.65	19,859.117	2233.00
Oils (Note i & ii)	13,97,070.910	4,83,019.55	11,87,372.174	4,79,593.83
Fresh Fruit Bunches (Note i)	1,15,511.300	6,340.40	—	—
Others	—	675.65	—	528.45

Notes:

- (i) Excludes following out of own production:

	2009-10	2008-09
Soya DOC/Floor	1,26,501.447 M.T.	86,655.246 M.T.)
Oils	3,53,809.325 M.T.	3,23,205.321 M.T.)
Seeds	1,27,122.121 M.T.	1,16,008.522 M.T.)
Oil Cake	37,457.153 M.T.	10,562.550 M.T.)

(ii) Net of following quantities sold :

	2009-10	2008-09
Seeds	75,363.840 M.T.	48,034.129 M.T.)
Oils	9,483.382 M.T.	1,656.000 M.T.)
Fresh Fruit Bunches	270.000 M.T.	—

(iii) Value of imported and indigenous raw material consumed & percentage thereof to total consumption.

	Value (Rs. in lac)	2009-10 % to the total consumption	Value (Rs. in lac)	2008-09 % to the total consumption
Imported	4,99,625.63	69.86	4,27,171.01	55.69
Indigenous	2,25,921.71	31.14	3,39,931.95	44.31

(b) DETAILS OF PACKING MATERIAL CONSUMED :

	Value (Rs. in lac)	2009-10 % to the total consumption	Value (Rs. in lac)	2008-09 % to the total consumption
Imported	392.89	1.40	644.00	2.60
Indigenous	27,636.15	98.60	24,151.09	97.40

(c) DETAILS OF STORES & SPARES CONSUMED :

	Value (Rs. in lac)	2009-10 % to the total consumption	Value (Rs. in lac)	2008-09 % to the total consumption
Imported	330.75	4.85	370.81	3.83
Indigenous	6,391.18	95.15	9,304.38	96.17

Note: Including Rs. 2,794.76 lac (Previous year Rs. 6,503.62 lac) capitalised.

(d) DETAILS OF PURCHASES (Items traded in)

	Qty (M.T.)	2009-10 Value (Rs. in lac)	Qty (M.T.)	2008-09 Value (Rs. in lac)
Textured Soya Proteins/Flour	4,104.755	426.23	281.350	132.85
Realisable by product	7,286.907	1,469.91	296.350	91.01
Seed Extractions (DOC)	2,96,723.666	63,568.13	3,03,531.478	55,294.40
Oil	10,09,054.074	3,75,463.09	5,05,757.391	2,02,037.33
Vanaspati	5,231.601	1,816.87	11,179.726	5,323.67
Pulses/Grains/Others	1,29,578.427	22,513.66	2,53,162.029	38,080.48
Fruit Juice	200.324	85.97	219.275	86.80
Fresh Fruits Bunch	821.493	34.07	248.814	14.43
Plant & Machinery (Equipment)	—	—	—	4.61

Note: The consumption figures shown above have been ascertained on the basis of opening stock plus purchases less closing stocks. Therefore, it is inclusive of shortages as ascertained on physical count and unusable items, if any.

32. DETAILS OF LICENSED AND INSTALLED CAPACITY, PRODUCTION, SALES AND STOCKS

	2009-10		2008-09	
	Qty. (M.T.)		Qty. (M.T.)	
a) LICENSED CAPACITY See note (ii) below				
b) INSTALLED CAPACITY (On three shift basis)				
Textured Soya Proteins	1,52,000		1,52,000	
Edible Soya Flour (Soya Protein)	60,000		60,000	
Soyabean Extraction	33,08,724		30,62,764	
Oils (including lecithin)	22,71,000		22,11,000	
Vanaspati	4,69,500		4,69,500	
Power Generation (in MW)	59.10		34.80	
Palm Crushing	5,18,400		—	
Soya Milk	1,500		—	
c) PRODUCTION				
Textured Soya Proteins/Flour	1,12,220.678		82,428.221	
Realisable by-products (See note (i) below)	2,34,045.622		98,642.062	
Seed Extractions (DOC) (See Note (i) below)	8,20,033.094		11,58,269.569	
Oils (See Note (i) below)	16,64,151.390		14,63,813.293	
Vanaspati	1,78,297.158		2,10,158.333	
Milk	30.660		—	
Power Generation (in Number of Units)	8,05,97,398		6,97,06,034	
Seedling (in Number of Units)	9,07,586		3,74,125	
	2009-10		2008-09	
	Qty MT	Value (Rs. in lac)	Qty MT	Value (Rs. in lac)
SALES				
Textured Soya Proteins	1,15,655.197	30,041.79	79,842.548	19,811.75
Realisable by-products (See note (i) below)	2,40,283.405	24,087.52	97,928.406	15,899.65
Seed Extractions (DOC) (See Note (i) below)	10,94,051.411	1,89,603.17	15,21,431.280	2,51,820.82
Oils (See Note (i) below)	27,33,343.579	9,77,275.97	1,920,712.797	7,50,425.31
Vanaspati	1,87,295.532	72,585.37	2,15,557.107	96,848.57
Pulses/Grains/Others	1,29,055.474	21,263.31	2,72,735.214	40,839.62
Raw materials	85,117.222	22,954.72	49,690.129	13,345.59
Fruit Juice/Milk	200.324	57.72	302.373	100.53
Fresh Fruits Bunch	821.493	380.76	248.814	14.43
Seedling (in Number of Units)	4,41,997.000	654.56	237727.000	200.86
Plant & Machinery (Equipment)	—	—	—	8.38
STOCK (Opening)				
Textured Soya Proteins	5,571.663	1,490.21	2,704.640	564.73
Realisable by-products	8,714.281	1,565.38	7,704.275	2,060.38
Seed Extractions (DOC)	45,599.346	8,332.89	1,05,229.580	12,405.52
Oils	1,43,188.743	49,353.05	94,330.857	49,758.56
Vanaspati	18,140.430	6,460.23	12,359.483	6,989.44
Pulses/Grains/Others	1,223.982	414.42	14,018.116	1,808.12
Fruit Juice/Milk	—	—	83.098	30.26
Seedling (In Number of units)	1,39,519.000	61.76	3,121.000	0.51
STOCK ACCOUNTED ON AMALGAMATION				
Oils	192.474	62.42	—	—
Realisable by-products	150.865	4.77	—	—

	2009-10		2008-09	
	Qty MT	Value (Rs. in lac)	Qty MT	Value (Rs. in lac)
STOCK (Closing)				
Textured Soya Proteins/Flour	6,241.899	1,948.46	5,571.663	1,490.21
Realisable by-product	9,914.270	1,443.33	8,714.281	1,565.38
Seed Extractions (DOC)	68,304.695	11,871.16	45,599.346	8,332.89
Oils	1,09,120.637	47,853.00	1,43,188.743	49,353.05
Vanaspati	14,373.658	6,492.91	18,140.430	6,460.23
Pulses/Grains/Others	1,777.595	1,287.77	1,223.982	414.42
Seedling (in Number of Units)	6,05,108.000	425.91	1,39,519.000	61.76

Notes:

- (i) Quantities of production & sales include the following used for captive consumption :

	2009-10	2008-09
Seed Extractions (DOC)	1,26,501.447 M.T.	86,655.246 M.T.
Oils	3,53,809.325 M.T.	3,23,205.321 M.T.
By-Products	1,03,941.932 M.T.	1,293.697 M.T.
Oil Cake	37,457.153 M.T.	10,562.550 M.T.

- (ii) Being de-licensed, there is no licensed capacity for any of the products. Installed capacities shown under (b) above are as per registrations with Secretariat for Industrial Approvals.
- (iii) Installed capacity is as certified by the management and relied by the auditors, being a technical matter.
- (iv) Production is exclusive of quantities produced for others on job work basis but includes following items being production done by others for the Company :

Item	2009-10 Qty. (M.T.)	2008-09 Qty. (M.T.)
Oil	2,550.475	31,031.758

- a. Sale includes samples and transit losses but does not include abnormal losses.
- b. Pulses/Grain/Others include Gram, Wheat, Maize, Corn, Gwarseed, Coffee, Soap, Tuar, Barley, Pease, Cotton Bales.

33. (a) Value of imports on CIF basis :

Particulars	2009-10 Amount (Rs. in lac)	2008-09 Amount (Rs. in lac)
Capital Goods	70.17	22.36

- (b) Expenditure in foreign currency (on CIF basis) :

S. No. Particulars

1. Purchase of Oil	5,09,879.95	38,0731.23
2. Purchases for merchandise exports	74,745.04	63,912.57
3. Purchase of Consumables/packing materials	703.39	654.16
4. Foreign Travel	109.82	41.59
5. Commission and rebate	55.22	54.20
6. Interest on fixed loans	2,043.03	1,285.44
7. Interest on other loans	2,019.21	3,679.40
8. Other expenses	11.90	33.02

- (c) Dividend remitted in foreign currency :

For F.Y. 2009-2010

Number of Preference Share Holders	3	—
Number of Shares held by them	45,24,285	—
Amount	41.15	—

For F.Y. 2008-2009

Number of Preference Share Holders	3	—
Number of Shares held by them	45,24,285	—
Amount	180.97	—
Number of Equity Share Holders	10	—
Number of Shares held by them	2,24,36,435	—
Amount	112.18	—

Particulars		2009-10	2008-09
		Amount (Rs. in lac)	Amount (Rs. in lac)
For F.Y. 2007-2008			
Number of Preference Share Holders			3
Number of Shares held by them		—	45,24,285
Amount		—	180.97
Number of Equity Share Holders		—	10
Number of Shares held by them		—	2,24,36,435
Amount		—	112.18
(d) Earning in foreign exchange :			
i) Export of goods on FOB basis		1,34,581.61	1,69,290.43
ii) Merchandise Trade on FOB basis		76,031.01	64,890.30
34. Prior period income/expenses included under respective heads is as under :			
Expenditure		2009-10	2008-09
		Amount (Rs. in lac)	Amount (Rs. in lac)
Repair & Maintenance		40.06	0.47
Brokerage		10.53	—
Freight		3.52	105.69
Interest		1.46	—
Insurance		0.14	2.36
Sundry Packing Material		0.73	—
Power & Fuel		0.21	—
Rates & Taxes		17.56	—
Other expenses		4.57	0.01
Income			
Interest		1.46	—
Other Income		12.25	0.43
35. Segment related information:			
(a) Segment information required to be disclosed in accordance with Accounting Standard 17 (AS-17) relating to Segment Reporting is given in Para (c) below.			
(b) (i) The Company has disclosed business segment as the primary segment. Segments have been identified taking into account the type of products, the differing risks and returns and the internal reporting system. The various segments identified by the Company comprise as under:			
Extractions — All types of seed extractions			
Vanaspati — Vanaspati			
Oils — Crude oils, refined oils			
Food Products — Textured Soya protein, Soya flour, Fruit Juice, Soya Milk			
Others — Gram, Wheat, Rice, Maize, Corn, Seeds, Coffee, Marine Products, Tuar, Peas, Barley, Soap, Fresh Fruit Bunch, seedling and Plant & Machinery (Equipment), Cotton Bales, Power generation.			
By products related to each segment have been included under the respective segment.			
(ii) Extraction is considered as the primary product resulting from the solvent extraction process and crude oil the secondary product. While computing segment results, all costs related to solvent extraction process are charged to the extraction segment and recovery on account of crude oil is credited to the said segment. Credit for recovery of crude oil is taken on the basis of average monthly market price.			
(iii) The Company has disclosed geographical segments as the secondary segment. Secondary segments comprise of domestic market & exports.			
(iv) Segment revenue, segment results, segment assets and segment liabilities include respective amounts directly identified with the segment and also an allocation on reasonable basis of amounts not directly identified. The expenses which are not directly relatable to the business segment are shown as unallocated corporate cost. Assets and liabilities that can not be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.			

(c) Segment Information :

(Rs. in lac)

	Extractions		Vanaspatti		Oils		Food Products		Others		Unallocable		Total	
Revenue	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
External Revenue														
Domestic Sales	55,809.55	86,722.26	91,311.25	96,755.76	9,65,457.19	7,71,774.78	21,463.82	15,509.64	6,966.57	10,504.28	689.94	49.15	11,41,698.32	9,81,315.87
Export Sales	1,39,255.43	182,035.96	70.02	24.97	24,028.88	9,478.99	8,744.77	4,878.35	39,351.52	39,472.27	—	—	2,11,450.62	2,35,890.54
Total External Revenue	1,95,064.98	2,68,758.22	91,381.27	96,780.73	9,89,486.07	7,81,253.77	30,208.59	20,387.99	46,318.09	49,976.55	689.94	49.15	13,53,148.94	12,17,206.41
Add: Intersegment Sales	1,23,811.53	1,21,008.46	—	—	55,207.98	65,579.91	—	—	—	—	—	—	1,79,019.51	1,86,588.37
Total Segment Revenue	3,18,876.51	3,89,766.68	91,381.27	96,780.73	10,44,694.05	846,833.68	30,208.59	20,387.99	46,318.09	49,976.55	689.94	49.15	15,32,168.45	14,03,794.78
Segment Results before Interest & Tax	6,025.83	6,803.88	1,835.81	1,047.28	21,450.99	11,105.86	1,134.64	1,227.42	2,502.44	383.11	689.94	49.15	33,639.65	20,616.70
Less: Interest													6,743.93	5,541.68
Profit before taxation & Extra ordinary item													26,895.72	15,075.02
Extra ordinary item													352.43	—
Profit before taxation													27,248.15	15,075.02
Provision for taxation														
Current tax													6,040.00	1,750.00
Deferred tax													3,500.00	3,300.00
Fringe Benefit tax													—	180.00
Short/(Excess) provision for tax for earlier years													461.42	516.84
Profit after tax													17,246.73	9,328.18
SEGMENT ASSETS	97,115.00	76,488.29	33,891.51	26,869.00	3,17,660.98	3,12,784.96	7,513.31	4,139.11	37,518.35	15,047.98	2,16,241.70	1,46,491.00	709,940.85	5,81,820.34
SEGMENT LIABILITIES	15,952.40	19,086.18	1,099.09	7,158.58	2,42,271.69	2,12,256.74	55.37	473.33	8,794.15	4.24	19,753.80	49,979.23	2,87,926.50	2,88,958.30
Total cost incurred during the year to acquire segment assets	26,507.26	20,195.21	6,057.31	492.90	20,454.25	4,972.93	795.56	111.72	15,156.83	2,891.07	6,932.54	1,254.96	75,903.75	29,918.80
Segment Depreciation	3,000.10	2,280.11	1,405.43	1,296.27	3,854.20	3,468.17	138.85	62.21	175.11	764.43	1,463.48	704.74	10,037.17	8,575.93
Non-Cash expenses other than depreciation	1.06	0.76	0.23	0.29	2.16	2.33	0.15	0.06	—	0.16	—	—	3.60	3.60
Unallocable segment assets are as follows:														
Investments													19,672.73	8,178.24
Advance Income Tax including TDS													20,394.38	15,885.10
Unallocable segment liabilities are as follows:														
Secured Loan													68,533.67	69,787.09
Deferred Tax liabilities													16,865.00	13,478.15
Unsecured loan													1,66,101.96	1,02,297.38
Provision for taxation													18,102.37	12,824.96

36. Disclosure of transactions with related parties as required by Accounting Standard 18(AS-18), relating to Related Party Disclosure has been given in Para (b) & (c) below. Related parties as defined under clause 3 of the Accounting Standard have been identified on the basis of representation made by key managerial personnel and information available with the Company.

Related party relationships**i) Parties where control exists**

Ruchi Worldwide Ltd. (Subsidiary)

Mrig Trading Pvt. Ltd. (Subsidiary) (with effect from 1st October, 2009)

Gemini Edibles & Fats India Pvt. Ltd. (Subsidiary) (with effect from 29th March, 2010)

RIFL Energy Pvt. Ltd.

Ruchi Infrastructure Ltd.

ii) **Key Management Personnel & their relatives**

Mr. Dinesh Shahra, Managing Director
Mrs. Abhadevi Shahra, wife of the Managing Director
Ms. Amrita Shahra, Daughter of the Managing Director
Mr. Sarvesh Shahra Son of the Managing Director
Mr. Kailash Shahra, Brother of the Managing Director
Mr. Suresh Shahra, Brother of the Managing Director
Mr. Santosh Shahra, Brother of the Managing Director
Mr. Ashutosh B Rao, Wholetime Director
Mr. V.K. Jain, Wholetime Director (with effect from 27th July, 2009)
Mr. S.P. Joshi, Wholetime Director (till 26th July, 2009)

iii) **Entites where Key Management Personnel or relatives of Key Management Personnel have significant influence**

Mahadeo Shahra & Sons
Mahadeo Shahra Sukrut Trust
Great Eastern Infrastructure Corporation Pvt. Ltd.
Ruchi Corporation Ltd.
Ruchi Bio Fuels Pvt. Ltd.
Ruchi Multitrade Pvt. Ltd.
Ruchi Realty Pvt. Ltd.
Indivar Wellness Pvt. Ltd.
Shahra Brothers Pvt. Ltd.
Sunshine Oleochem Ltd.
RSIL Beneficiary Trust
Soyumm Marketing Pvt. Ltd.
Nirvana Housing Pvt. Ltd.
Bright Star Housing Pvt. Ltd.
Ruchi Marktrade Pvt. Ltd.
Shiva Foundation (Trust)
High Tech Realty Pvt. Ltd.
Spectra Realty Pvt. Ltd.
Mahakosh Amusement Pvt. Ltd.
Deepti Housing Pvt. Ltd.
Deepti Properties Pvt. Ltd.
Neha Resorts & Hotels Pvt. Ltd.
Ankesh Resorts & Hotels Pvt. Ltd.
Shahra Estate Pvt. Ltd.
Neha Securities Pvt. Ltd.
Vishal Resorts & Hotels Pvt. Ltd.
Vishal Warehousing Pvt. Ltd.

Related party transactions

(Previous year's figures are mentioned in brackets below the figures for the current year)

(Rs. in lac)

Particulars	Subsidiaries	Others	Key Management Personnel (KMP)	Relatives of Key Management Personnel	Enterprises over which KMP & their relatives exercise significant influence	Total
Purchase of goods						
Ruchi Worldwide Ltd.	74,756.97 (46,534.13)					74,756.97 (46,534.13)
Ruchi Infrastructure Ltd.		11,715.51 (15,605.40)				11,715.51 (15,605.40)
Mahadeo Shahra & Sons					7,643.61 (3,965.52)	7,643.61 (3,965.52)
Ruchi Marktrade Pvt. Ltd.					1,787.99 (—)	1,787.99 (—)
Sunshine Oleochem Ltd.					4,206.35 (710.79)	4,206.35 (710.79)
Sale of goods						
Ruchi Worldwide Ltd.	7,192.17 (—)					7,192.17 (—)
Ruchi Infrastructure Ltd.		36,230.52 (33,394.37)				36,230.52 (33,394.37)
Ruchi Marktrade Pvt. Ltd.					13,004.62 (—)	13,004.62 (—)
Sunshine Oleochem Ltd.					7,148.18 (2,657.53)	7,148.18 (2,657.53)
Sale of Preference shares						
Ruchi Infrastructure Ltd.		3,657.00 (—)				3,657.00 (—)
Processing Charges received/receivable						
Ruchi Infrastructure Ltd.		18.96 (0.62)				18.96 (0.62)
Storage charges paid						
Ruchi Infrastructure Ltd.		1,014.65 (712.50)				1,014.65 (712.50)
Port hire charges paid						
Ruchi Infrastructure Ltd.		175.21 (414.03)				175.21 (414.03)
Others (Expenses paid by us)						
Ruchi Infrastructure Ltd.		12.81 (—)				12.81 (—)
Shahra Brothers Pvt. Ltd.					3.18 (—)	3.18 (—)
Sunshine Oleochem Ltd.					2.95 (—)	2.95 (—)
Mahadeo Shahra & Sons					0.02 (—)	0.02 (—)

(Rs. in lac)						
Particulars	Subsidiaries	Others	Key Management Personnel (KMP)	Relatives of Key Management Personnel	Enterprises over which KMP & their relatives exercise significant influence	Total
Others (Expenses incurred by them)						
Ruchi Infrastructure Ltd.		173.10				173.10
		(—)				(—)
Sunshine Oleochem Ltd.					2.95	2.95
					(—)	(—)
Investment in Equity shares						
Ruchi Infrastructure Ltd.		8,588.64				8,588.64
		(—)				(—)
Mrig Trading Pvt.Ltd.		1.00				1.00
		(—)				(—)
Gemini Edibles and Fats		4,500.00				4,500.00
		(—)				(—)
Guarantees given						
Ruchi Worldwide Ltd.	15,269.17					15,269.17
	(15,221.27)					(15,221.27)
Remuneration including Perquisites						
Mr.Dinesh Shahra			138.38			138.38
			(122.83)			(122.83)
Miss Amrita Shahra				40.31		40.31
				(39.93)		(39.93)
Mr.Sarvesh Shahra				24.12		24.12
				(21.35)		(21.35)
Mr.A.B.Rao			19.25			19.25
			(18.26)			(18.26)
Mr.S.P.Joshi			4.32			4.32
			(12.75)			(12.75)
Mr.V.K.Jain			10.04			10.04
			(—)			(—)
Mr.Kailash Shahra				50.00		50.00
				(29.15)		(29.15)
Sitting fees paid						
Mr.Kailash Shahra				0.14		0.14
				(0.26)		(0.26)
Interest recd./receivable (net)						
Gemini Edibles & Fats India Pvt. Ltd.		61.04				61.04
		(—)				(—)
Ruchi Bio Fuels Pvt. Ltd.					1.51	1.51
					(—)	(—)
Rent Paid						
Mahadeo Shahra & Sons					0.84	0.84
					(0.84)	(0.84)

(Rs. in lac)						
Particulars	Subsidiaries	Others	Key Management Personnel (KMP)	Relatives of Key Management Personnel	Enterprises over which KMP & their relatives exercise significant influence	Total
Shahra Brothers Pvt.Ltd					1.32 (1.32)	1.32 (1.32)
Mrs.Abhadevi Shahra				9.00 (9.00)		9.00 (9.00)
Deepti Housing Pvt.Ltd.					1.08 (—)	1.08 (—)
Ruchi Infrastructure Ltd.		103.37 (—)				103.37 (—)
High Tech Realities Pvt.Ltd.					6.00 (—)	6.00 (—)
Shiva Foundation (Trust)					31.20 (6.21)	31.20 (6.21)
Lease Rent Receivable						
Sunshine Oleochem Ltd.					12.98 (4.20)	12.98 (4.20)
Donation Given						
Mahadeo shahra Sukrat Trust					24.57 (42.30)	24.57 (42.30)
Dividend Received						
RSIL Beneficiary Trust					38.15 (38.15)	38.15 (38.15)
Unsecured Loan taken						
Ruchi Infrastructure Ltd.		238.26 (—)				238.26 (—)
Ruchi Worldwide Ltd.	3.42 (—)					3.42 (—)
Share application money paid						
Sunshine Oleochem Ltd.					350.00 (—)	350.00 (—)
Share Warrants issued						
Mr.Sarvesh Shahra				875.00 (—)		875.00 (—)
Ms Amrita Shahra				875.00 (—)		875.00 (—)
Shiva foundation					665.00 (—)	665.00 (—)
Amount Receivable						
Ruchi Worldwide Ltd.	— (19.48)					— (19.48)
Ruchi Infrastructure Ltd.		2,735.87 (1,612.83)				2,735.87 (1,612.83)

(Rs. in lac)						
Particulars	Subsidiaries	Others	Key Management Personnel (KMP)	Relatives of Key Management Personnel	Enterprises over which KMP & their relatives exercise significant influence	Total
Ruchi Marktrade Pvt. Ltd					5,424.83	5,424.83
					(29.56)	(29.56)
Shiva Foundation					900.00	900.00
					(900.00)	(900.00)
RSIL Beneficiary Trust					0.35	0.35
					(0.20)	(0.20)
Sunshine Oleochem Ltd.					263.46	263.46
					(1,254.84)	(1,254.84)
High Tech Realities Pvt. Ltd.					750.00	750.00
					(—)	(—)
Mahadeo Shahra & Sons					15.05	15.05
					(—)	(—)
Amount Payable						
Ruchi Worldwide Ltd.	182.29					182.29
	(115.39)					(115.39)
Ruchi Infrastructure Ltd.		238.26				238.26
		(45.69)				(45.69)
Shahra Brothers Pvt.Ltd					4.30	4.30
					(7.78)	(7.78)
Deepti Housing Pvt. Ltd.					1.08	1.08
					(—)	(—)
Ruchi Bio Fuels Pvt. Ltd.					20.54	20.54
					(20.54)	(20.54)

Note:

- (i) Remuneration paid to the Managing Director (Key Management Personnel) excludes expenditure on rent free accommodation since rent is paid to relative of key management personnel and the same has been disclosed separately.
- (ii) The above disclosure is limited to related party relationships and transactions with these parties with reference to the company alone and does not include related party relationships and transactions relating to transferor companies.

37. Disclosures pursuant to Clause 32 of the listing Agreement.

(a) Loans & advance in the nature of loans to subsidiary

Sr. No.	Name of the Company	As at 31.03.2010 (Rs. in lac)	As at 31.03.2009 (Rs. in lac)	Maximum balance during the year (Rs. in lac)
1.	Ruchi Worldwide Ltd.		19.48	1,251.78
2.	Gemini Edibles & Fats India Pvt.Ltd.	—	—	2,000.00

(Rs. in lac)

(b) Loans & Advance in the nature of loans to associates

—

(c) Loans & Advance in the nature of Loans where there is -

(i) No repayment schedule or repayment beyond seven year or

—

(ii) No interest or interest below the limit prescribed section 372 A of Companies Act, 1956

—

- (d) Loans or Advances in the nature of Loans to firm/companies in which directors are interested. By name and amount

Name of the Company	As at 31.03.2010 (Rs. in lac)	As at 31.03.2009 (Rs. in lac)	Maximum balance during the year (Rs. in lac)
Indian Steel Corporation Ltd.	—	—	1,000.00

- (e) Investment by the loanee in the shares of the Company, when the Company has made a loan or advance in the nature of loan

—	—	—
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38. Earnings Per Share :

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
a) Basic earnings per share		
i) Profit after tax	17,246.73	9,328.18
Less : Preference dividend including tax thereon	48.15	211.73
Profit attributable to equity shareholders	17,198.58	9,116.45
ii) Weighted average number of equity shares :		
Equity shares as at the beginning of the year	18,87,90,060	18,87,90,060
Add : Adjustment for shares issued during the year	5,97,29,988	—
	<u>24,85,20,048</u>	<u>18,87,90,060</u>
Basic earning per share of Rs. 2/- each (Previous year Rs. 2/- each)	6.92	4.83
b) Diluted earnings per share		
i) Profit attributable to equity shareholders [as per working in (a) (i) above]	17,198.58	9,116.45
ii) Weighted average number of equity shares [As per working in (a) (ii) above]	24,85,20,048	18,87,90,060
Add: Increase in shares on account of dilutive potential equity shares by way of conversion of warrants into equity	2,86,02,234	—
Add: Increase in shares on account of exercise of Employee Stock Option Scheme	9,98,145	—
	<u>27,81,20,427</u>	<u>18,87,90,060</u>
Diluted earnings per share of Rs. 2/- each	6.18	4.83

39. The break-up of the deferred tax liability up to the year ended 31st March, 2010 is as under:

Liability / (Asset) on account of	Up to 31.03.09 (Rs. in lac)	For the year ended 31.03.10 (Rs. in lac)	Total up to 31.03.10 (Rs. in lac)
Depreciation	13,849.45	3,728.67	17,578.12
Provision for doubtful debts & advances	(232.00)	(304.47)	(536.47)
Disallowance under Income Tax Act, 1961	(134.30)	(42.35)	(176.65)
Diminution in value of investment	(5.00)	5.00	—
Net deferred tax liability (Asset)	13,478.15	3,386.85	16,865.00

40. (I) The Company has entered into the following derivative instruments:

- a) The Company uses foreign currency/forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company does not use forward contracts for speculative purposes.

The following are the outstanding Forward Exchange Contacts entered into by the Company as on 31st March, 2010:

Particulars	2009-10			2008-09		
	No. of Contracts	Foreign Currency Equivalent (in lac)	INR Equivalent (in lac)	No. of Contracts	Foreign Currency Equivalent (in lac)	INR Equivalent (in lac)
Covers against exports						
USD	20	343.22	16,015.70	21	436.28	21,671.32
EUR	4	3.38	213.77	—	—	—
Amount receivable in foreign currency on account of the following:						
Sale of goods	—	—	—	—	—	—
Amount payable in foreign currency on account of the following						
Import of goods and services	170	US \$ 4,599.30	2,12,76,2.16	183	US \$ 5,627.93	2,83,629.55
Loans and interest payable	59	US \$ 2,857.85	1,33,148.15	43	US \$ 1,514.67	76,239.27

b) The Company also uses derivative contracts other than forward contracts to hedge the interest rate and currency risk on its capital account. The Company does not use these contracts for speculative purposes.

i) Option contracts to hedge against imports:

2009-10			2008-09		
No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)	No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)
—	—	—	—	—	—

ii) Coupon Rate Swap to hedge against fluctuations in interest rate

2009-10			2008-09		
No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)	No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)
2	200.00	9,056.00	—	—	—

iii) Currency swaps to hedge against fluctuations in changes in exchange rate and interest rate

2009-10			2008-09		
No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)	No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)
—	—	—	—	—	—

iv) Options to hedge against exports

2009-10			2008-09		
No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)	No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)
—	—	—	—	—	—

- II. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

		2009-10		2008-09	
Particulars	Currency	Value in Foreign Currency (in lac)	INR Equivalent (in lac)	Value in Foreign Currency (in lac)	INR Equivalent (in lac)
Amount receivable in foreign currency on account of the following:					
Sale of goods	USD			28.91	1,474.93
	EURO			0.83	54.76
Merchandise Trade	USD	597.57	27,638.70	363.94	17,806.21
Bank Balance				—	—
Amount payable in foreign currency on account of the following:					
Import of goods and services	USD	337.63	15,287.71	292.13	14,858.22
Purchase of Merchandise Exports	USD	581.30	27,119.47	35.00	1806.97
Loans and interest payable		701.96	31,784.63	59.90	3,064.70
Customer Advances		—	—	—	—

41. Previous year's figures have been regrouped, wherever necessary.

42. Additional information as required under Part IV of Schedule VI to the Companies Act, 1956 is enclosed in the Annexure.

As per report of even date attached

For and on behalf of the Board of Directors

P.D. KUNTE & CO. (Regd.)
Chartered Accountants

Kailash Shahra
Chairman

(D.P. Sapre)
Partner
Membership No. 40740

Anil Singhal
General Manager (Accounts)

R.L. Gupta
Company Secretary

Dinesh Shahra
Managing Director

Gurgaon, August 28, 2010

Gurgaon, August 28, 2010

CASH FLOW STATEMENT ANNEXED TO BALANCE SHEET AS AT 31ST MARCH, 2010

	(Rs. in lac)	2009-10 (Rs. in lac)	(Rs. in lac)	2008-09 (Rs. in lac)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit as per profit and loss account		27,248.15		15,075.02
Adjustment for :				
Depreciation	10,037.17		8,575.93	
Interest expense	14,847.42		16,415.00	
Miscellaneous expenditure written off	3.60		3.60	
Employee Compensation expenses	142.57		38.76	
Provision for wealth tax	12.50		8.15	
Provision for Doubtful debts/Advances	—		200.37	
Interest Income	(8,103.49)		(10,873.32)	
Investment Written off	—		0.10	
Dividend received	(62.70)		(49.15)	
Provision for Leave encashment/Gratuity	4.97		186.83	
Loss on sale of assets	26.87		21.07	
Provision no longer required written back	(13.86)		13.61	
Additional Depreciation on account of revaluation	1,991.35			
Profit on sale of assets	(66.59)		(90.35)	
Profit on sale of investments	(437.70)		(640.18)	
		18,382.11		13,810.42
Operating profit before adjusting for the changes in working capital		45,630.26		28,885.44
Adjustments for :				
Decrease/(increase) in inventories	(6,970.59)		62,890.14	
Decrease/(increase) in debtors	(18,934.22)		1,046.17	
Decrease/(increase) in other current assets including loans and advances	7,167.31		(21,231.85)	
Increase/decrease in liabilities	(3,412.86)	(22,150.36)	(1,713.05)	40,991.41
Cash flow from operations		23,479.90		69,876.85
Taxes paid (net of refund) incl. dividend tax		(4,831.90)		(6,586.06)
NET CASH FROM OPERATING ACTIVITIES		18,648.00		63,290.79
B. CASH FLOW FROM INVESTING ACTIVITIES				
Interest received	8,103.49		10,873.32	
Purchase of fixed assets	(33,747.66)		(29,918.80)	
Sale of fixed assets	594.91		231.58	
Purchase of investments	(10,03,107.87)		(12,58,833.33)	
Sale of investments	9,92,051.07		12,59,473.25	
Dividend received	62.70		49.15	
NET CASH USED IN INVESTING ACTIVITIES		(36,043.36)		(18,124.83)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase/(decrease) in secured/unsecured loans	60,158.05		16,126.56	
Dividend paid	(1,316.07)		(1,124.92)	
Interest paid	(14,847.42)		(16,415.00)	
Intercompany deposits (given)/refunded	127.46		(163.59)	
Redemption of Preference Shares	(4,524.29)		—	
Issue of Warrants	14,529.06		—	
Issue of Shares	11,447.58		—	
NET CASH FROM FINANCING ACTIVITIES		65,574.37		(1,576.95)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		48,179.01		43,589.01
Opening balance of cash and cash equivalents		1,01,479.32		57,890.31
Add: Acquired on amalgamation		479.78		—
		1,01,959.10		57,890.31
Closing balance of cash and cash equivalents		1,50,138.11		1,01,479.32
Increase/(decrease) in cash or cash equivalents		48,179.01		43,589.01

As per report of even date attached

For and on behalf of the Board of Directors

P.D. KUNTE & CO. (Regd.)

Chartered Accountants

Kailash Shahra
Chairman

(D.P. Sapre)

Partner

Membership No. 40740

Anil Singhal
General Manager (Accounts)

R.L. Gupta
Company Secretary

Dinesh Shahra
Managing Director

Gurgaon, August 28, 2010

Gurgaon, August 28, 2010

BALANCE SHEET ABSTRACT AND THE COMPANY'S GENERAL BUSINESS PROFILE

I Registration details :

State code

1 1

Registration Number (CIN)

L15140MH1986PLC038536

Balance Sheet Date

3 1

Date

0 3

Month

2 0 1 0

Year

II Capital raised during the year (Rs. in lac)

Public issue

N I L

Right issue

N I L

Bonus issue

N I L

Private placement

1 4 8 1 . 9 8

III Position of mobilisation and deployment of funds (Rs. in lac)

Total liabilities

4 4 3 9 7 9 . 1 0

Total assets

4 4 3 9 7 9 . 1 0

Sources of funds

Paid-up share capital

8 2 4 8 . 1 3

Reserves and surplus

1 8 4 0 4 9 . 0 2

Secured loans

6 8 5 3 3 . 6 7

Unsecured loans

1 6 6 1 0 1 . 9 6

Deferred tax liability

1 6 8 6 5 . 0 0

Employee Stock Options

1 8 1 . 3 2

Application of funds

Net fixed assets

2 0 2 4 9 2 . 4 7

Investments

1 9 6 7 2 . 7 3

Net current assets

2 2 1 7 9 9 . 0 2

Misc. expenditure

1 4 . 8 8

IV Performance of the company (Rs. in lac)

Sales and other Income

1 3 5 3 1 4 8 . 9 4

Total expenditure

1 3 2 5 9 0 0 . 7 9

+ - Profit / Loss before tax

+ 2 7 2 4 8 . 1 5

+ - Profit / Loss after tax

+ 1 7 2 4 6 . 7 3

Earning per share in Rs.

6 . 9 2

Dividend rate (%)

2 5

V Generic names of three principal products / services of the company (as per monetary terms)

Item code No.: (ITC Code)

1 5 0 7 9 0 0 0 . 1 0

Product description

S O Y A B E A N O I L E D I B L E G R A D E

Item code No.: (ITC Code)

2 3 0 4 0 0 . 0 3

Product description

M E A L O F S O Y A B E A N

Item code No.: (ITC Code)

1 5 1 8 0 0 . 0 9

Product description

O T H E R V E G E T A B L E O I L S & F A T S

For and on behalf of the Board of Directors

Kailash Shahra
Chairman

Gurgaon, August 28, 2010

Anil Singhal
General Manager (Accounts)

R.L. Gupta
Company Secretary

Dinesh Shahra
Managing Director

Consolidated Accounts

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF RUCHI SOYA INDUSTRIES LIMITED, ITS SUBSIDIARIES, RIFL ENERGY PVT.LTD., ITS ASSOCIATE COMPANY AND A TRUST WHERE THE COMPANY IS A BENEFICIARY.

TO THE BOARD OF DIRECTORS OF RUCHI SOYA INDUSTRIES LIMITED

1. We have examined the attached Consolidated Balance Sheet of RUCHI SOYA INDUSTRIES LIMITED (the Company), its subsidiary companies, its associate Company and a Trust where the Company is a beneficiary as at 31st March 2010, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto, in which are incorporated the accounts of the subsidiary companies, its associate Company and the Trust where the Company is a beneficiary audited by other auditors. These financial statements are the responsibility of the Company management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiary companies, the associate Company and the Trust where the Company is a beneficiary, whose financial statements reflect total assets (net) of Rs. 2,336.43 lac as at 31st March 2010 (previous year Rs. 2,098.63 lac) and total revenues of Rs. 523.51 lac for the year ended on that date (previous year Rs. 419.86 lac). These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the subsidiary companies, the associate Company and the Trust where the Company is a beneficiary is based solely on the report of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (AS-21) on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Company and its subsidiary companies, associate Company and the Trust where the Company is a beneficiary, included in the consolidated financial statements.
5. Interest income of Rs. 8,730.91 lac (Previous year Rs. 12,336.89 lac) has been netted off against interest expenditure instead of including the same under other income. The said disclosure however has no impact on the profit for the year. (Refer Note 26 of Schedule 20).
6. Without qualifying our opinion, attention is drawn to Note no. 6 of Schedule 20 relating to the Scheme of Amalgamation and Arrangement between Mac Oil Palm Limited and the Company and their respective shareholders sanctioned by the Hon'ble High Court of Mumbai in pursuance of which:
 - (i) The Company has transferred Rs. 23,842.29 lac from Securities Premium Account and Rs. 36,157.71 lac from General Reserve to Business Development Reserve.

In terms of the Scheme, as and when deemed fit by the Board, the said Business Development Reserve is available for adjusting various expenses, including any expenses towards marketing, advertisement, sales promotion and/or development of brands and research and development activities, any expenditure incurred in setting up an international company/joint venture of the Company, inter alia, to include set up costs, marketing expenses or interest on acquisition, finance, provision / write off of debtors/current assets/loans and advances, additional depreciation necessitated by revaluation of fixed assets and expenses of amalgamation including expenses of the Transferor Company i.e. Mac Oil Palm Limited, incurred on or after 1st April 2009, after adjusting for any tax effects, both current and deferred tax thereon.

- (ii) An amount of Rs. 5,193.54 lac has been adjusted to General Reserve as per details given below:

Particulars	Amount (Rs. in lac)
Bad Debts written off	569.65
Provision for Doubtful Debts	1,433.96
Advances written off	2630.30
Provision for Doubtful Advances	193.42
Expenses on amalgamation	26.12
Additional depreciation on revaluation of fixed assets.	1,991.35
	<u>6,844.80</u>
Less : Current Tax and Deferred Tax	<u>1,651.26</u>
TOTAL	<u><u>5,193.54</u></u>

- (iii) Had the Scheme, approved by the Hon'ble High Court, not prescribed the accounting treatment as described above,

- The profit after tax for the year and balance in the profit and loss account for the year would have been lower by Rs. 5,193.54 lac.
- Balance in General Reserve and Securities Premium account would have been higher by Rs. 5,193.54 lac & Rs. 23,842.29 lac respectively and
- Balance in Business Development Reserve would have been Nil.

However, the aggregate balances in "Reserves and Surplus" as at 31st March, 2010 would have remained the same.

- (iv) On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the Company, its subsidiary companies, associate Company and the Trust where the Company is a beneficiary, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted:

- in the case of the Consolidated Balance Sheet, of the state of affairs of the Company, its subsidiary companies, associate Company and the Trust where the Company is a beneficiary as at 31st March 2010;
- in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Company, its subsidiary companies, associate Company and the Trust where the Company is a beneficiary for the year ended on that date; and
- in the case of Consolidated Cash Flow Statement, of the cash flows of the Company, its subsidiary companies, associate Company and the Trust where the Company is a beneficiary for the year ended on that date.

P.D. Kunte & Co. (Regd.)
Chartered Accountants
Firm Regn. No. 105479W

D.P. Sapre
Partner

Membership No. 40740

Place : Gurgaon
Date : August 28, 2010

Consolidated Balance Sheet

AS AT 31ST MARCH, 2010

	Schedule	As at 31st March, 2010 (Rs. in lac)	As at 31st March, 2009 (Rs. in lac)
I SOURCES OF FUNDS			
1 Shareholders' Funds			
a) Capital	1	8,252.55	10,553.78
b) Employees stock option	1A	181.32	38.76
c) Reserves & Surplus	2	<u>1,86,385.28</u>	<u>1,10,050.26</u>
		1,94,819.15	1,20,642.80
2 Loan Funds			
a) Secured Loans	3	70,533.67	71,259.16
b) Unsecured Loans	4	<u>1,75,077.20</u>	<u>1,13,890.72</u>
		2,45,610.87	1,85,149.88
3 Deferred Tax Liability		<u>16,837.65</u>	<u>13,477.62</u>
		4,57,267.67	3,19,270.30
II APPLICATION OF FUNDS			
1 Fixed Assets	5		
a) Gross Block		2,51,558.57	1,74,474.48
b) Less : Depreciation		<u>55,102.80</u>	<u>40,974.08</u>
c) Net Block		1,96,455.77	1,33,500.40
d) Capital Work in Progress		<u>12,967.28</u>	<u>7,865.89</u>
		2,09,423.05	1,41,366.29
2 Investments	6	14,175.06	7,181.57
3 Current Assets, Loans & Advances			
a) Inventories	7	1,61,844.72	1,52,617.82
b) Sundry Debtors	8	1,46,740.45	1,28,084.96
c) Cash & Bank	9	1,59,968.11	1,13,873.01
d) Other Current Assets	10	3,905.34	1,830.25
e) Loans & Advances	11	<u>1,04,638.88</u>	<u>1,03,107.58</u>
		5,77,097.50	4,99,513.62
Less: Current Liabilities & Provisions			
a) Current Liabilities	12	3,20,474.12	3,12,138.45
b) Provisions	13	<u>21,011.93</u>	<u>15,255.96</u>
		3,41,486.05	3,27,394.41
Net Current Assets		2,35,611.45	1,72,119.21
4 Minority Interest		(1,961.02)	(1,421.62)
5 Miscellaneous Expenditure	14	<u>19.13</u>	<u>24.85</u>
		4,57,267.67	3,19,270.30
NOTES TO THE ACCOUNTS	20		

As per report of even date attached

For and on behalf of the Board of Directors

P.D. KUNTE & CO. (Regd.)
Chartered Accountants

Kailash Shahra
Chairman

(D.P. Sapre)
Partner
Membership No. 40740

Anil Singhal
General Manager (Accounts)

R.L. Gupta
Company Secretary

Dinesh Shahra
Managing Director

Gurgaon, August 28, 2010

Gurgaon, August 28, 2010

Consolidated Profit & Loss Account

FOR YEAR ENDED ON 31 MARCH, 2010

	Schedule	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
INCOME			
Sales and Other Income	15	14,39,439.34	12,74,231.99
Increase/(Decrease) in stock	16	5,361.81	(14,490.34)
		<u>14,44,801.15</u>	<u>12,59,741.65</u>
EXPENSES			
Purchases		5,58,454.93	3,76,174.29
Materials consumed	17	7,54,823.75	7,69,118.09
Expenses	18	87,096.96	85,397.93
Interest (Net)	19	6,636.21	4,756.04
Depreciation	5	12,034.17	8,577.45
Less: Depreciation adjusted to General Reserve		<u>1,991.35</u>	—
(Refer Note 6 of Schedule 20)		10,042.82	8,577.45
		<u>14,17,054.67</u>	<u>12,44,023.80</u>
Profit before taxation & Exceptional items		27,746.48	15,717.85
Exceptional items (Refer Note 12 of Schedule 20)		352.43	—
Profit before taxation		28,098.91	15,717.85
Provision for taxation – Current tax		6,382.00	1,971.90
– Deferred tax		3,473.19	3,299.95
– Fringe Benefit tax		—	181.12
Provision for tax for earlier years		473.47	516.84
Profit after taxation		17,770.25	9,748.04
Less : Minority Interest		280.26	199.49
Balance brought forward from previous year		34,996.42	29,439.46
Balance brought forward from previous year relating to Transferor Companies (Refer Notes 6 to 11 of Schedule 20)		154.38	—
Profit available for appropriation		<u>52,640.79</u>	<u>38,988.01</u>
APPROPRIATIONS			
General Reserve		2,500.00	2,500.00
Capital Redemption Reserve		4,524.29	—
Interim Dividend – Preference		41.15	180.97
Proposed Dividend – Equity		1,554.94	1,093.95
Dividend distribution tax		271.26	216.67
Balance carried to Balance Sheet		43,749.15	34,996.42
		<u>52,640.79</u>	<u>38,988.01</u>
Earning per share in Rs. (See Note 31 of Schedule 20)			
Basic		7.13	5.05
Diluted		6.37	5.05
NOTES TO THE ACCOUNTS	20		

As per report of even date attached

For and on behalf of the Board of Directors

P.D. KUNTE & CO. (Regd.)
Chartered Accountants

Kailash Shahra
Chairman

(D.P. Sapre)
Partner
Membership No. 40740

Anil Singhal
General Manager (Accounts)

R.L. Gupta
Company Secretary

Dinesh Shahra
Managing Director

Gurgaon, August 28, 2010

Gurgaon, August 28, 2010

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 1 : SHARE CAPITAL		
Authorised		
50,00,00,000 (Previous year 27,50,00,000)	10,000.00	5,500.00
Equity Shares of Rs.2/- each		
20,00,000 (Previous year 65,00,000) Cumulative Redeemable Preference Shares of Rs.100/- each	2,000.00	6,500.00
	12,000.00	12,000.00
Issued, Subscribed and Paid-up		
i) 2,62,88,880 (Previous year 18,87,90,060) Equity Shares of Rs.2/- each	5,257.78	3,775.80
ii) Nil (Previous year 45,24,285) 4% Cumulative Redeemable Preference Shares of Rs. 100/- each	—	4,524.29
iii) Share Warrant Application Money [Refer Note 15 (a) & (b) of Schedule 20]	2,283.75	2,241.69
iv) Share Application Money	4.42	12.00
v) Share Capital Suspense on Amalgamation (Refer Note 9 of Schedule 20)	706.60	—
	8,252.55	10,553.78
SCHEDULE 1A : EMPLOYEES STOCK OPTION		
Employees Stock Option Outstanding	887.96	116.28
Less : Deferred employees compensation expenses (Refer Note 16 of Schedule 20)	706.64	77.52
	181.32	38.76

SCHEDULE 2 : RESERVES AND SURPLUS

(Rs. in lac)

	Opening Balance as on April 1, 2009	Additions on account of amalgamation (Refer Notes 6 to 11 of Schedule 20)	Additions during the year	Reductions	Closing Balance as on March 31, 2010
a Securities Premium Account	37,319.31	1,500.00	24,452.61	23,842.29	39,429.63
b Debenture Redemption Reserve	175.00	—	—	175.00	—
c Capital Redemption Reserve	3,400.00	846.69	4,524.29	—	8,770.98
d General Reserve	32,633.00	—	38,832.71	42,620.32	28,845.39
e Business Development Reserve	—	—	60,000.00	—	60,000.00
f Capital Reserve [Refer Note 9 & 15(a) of Schedule 20]	1,526.53	1,087.07	2,241.68	—	4,855.28
g Capital Investment subsidy	—	30.00	—	—	30.00
h Revaluation Reserve	—	704.85	—	—	704.85
i Profit and Loss Account	34,996.42	154.38	8,598.35	—	43,749.15
	110,050.26	4,322.99	138,649.64	66,637.61	186,385.28

Notes :	Amount (Rs. in lac)
a) Reduction from Securities Premium Account	
– Transferred to Business Development Reserve pursuant to Scheme approved by the Hon'ble High Court. (Refer Note 6 of Schedule 20)	<u>23,842.29</u>
b) Reduction from Debenture Redemption Reserve	
– Transferred to General Reserve	<u>175.00</u>
c) Addition to Capital Redemption Reserve	
– On account of redemption of 4% Preference shares	<u>4,524.29</u>
d) Additions to General Reserve	
– Addition on account of revaluation of fixed assets	36,157.71
– Transferred from Debenture Redemption Reserve	175.00
– Transfer from Profit and Loss account	2,500.00
	<u>38,832.71</u>
Reduction from General Reserve	
– Utilised pursuant to Scheme approved by Hon'ble High Court (Refer Note 6 of Schedule 20)	5,193.54
– Transfer to Business Development Reserve (Refer Note 6 of Schedule 20)	36,157.71
– Excess of Share capital issued over net assets acquire on amalgamation (Refer Notes 6 to 11 of Schedule 20)	1,269.07
	<u>42,620.32</u>
e) Additions to Business Development Reserve (Refer Note 6 of Schedule 20)	
– Transfer from General Reserve	36,157.71
– Transfer from Securities Premium Account	23,842.29
	<u>60,000.00</u>

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 3 : SECURED LOANS		
a) Secured Redeemable Non-convertible Debentures 3,50,000 Debentures of Rs.100/- each privately placed with Financial Institutions/Bank (See Note 1 below)	—	116.66
b) Loans from Financial Institutions/Banks/Others (See Note 2, 3, 4 & 6 below)	70,495.22	69,586.08
c) Borrowing from Banks (Cash/Packing Credit/Working Capital Demand Loans) (See Note 5 & 6 below)	2.68	1,482.48
d) Other Loans for specific vehicles (Exclusive charge) (See Note 7 below)	35.77	73.94
	<u>70,533.67</u>	<u>71,259.16</u>

NOTES :

- 1 The outstanding balance against the 9.75% Secured Redeemable Non Convertiable Debentures of Rs. 100/- each privately placed with financial institutions was redeemed during the year.
- The above debentures were secured by (a) first charge by way of an equitable mortgage of all immovable properties of the Company, wherever situated and (b) a first charge by way of hypothecation of all movable properties, both present & future (save and except book debts) of the Company.
- The first charge by way of equitable mortgage and hypothecation in favour of debentureholders ranked pari passu with the lenders as per Note 2 (a) below and is subject to charge on specified properties referred to into in Note 2 (b) below.

- 2 The Loans from financial institutions, banks & others (other than those vested on amalgamation) are secured/to be secured by
- (i) first charge by way of an equitable mortgage of all immovable properties of the Company, wherever situated and
 - (ii) a first charge by way of hypothecation of all movable properties, both present & future (save and except book debts) of the Company and
 - (iii) Personal Guarantee of the Managing Director in certain cases.
- The first charge by way of equitable mortgage and hypothecation in favour of lenders rank pari passu with the debenture holders as per Note 1 above and subject to charge on specified properties referred to in Note 5 (b) below.
- (b) (i) a first charge by way of an equitable mortgage over all the immovable properties of the Company at specified locations.
 - (ii) a charge by way of hypothecation of movable properties situated at the respective locations.
 - (iii) personal guarantee of Managing Director in certain cases.
- The above charges of various lenders at specified locations mentioned above rank pari passu inter se the lenders at each location, wherever applicable.
- (c) The borrowing availed by one of the subsidiaries from the bank is secured / to be secured by way of first pari passu charge on the entire fixed assets of the subsidiary, present and future, alongwith the other term lenders and collaterally secured by way of second pari passu charge on the current assets, present and future of the subsidiary, alongwith other term lenders and the personal guarantee of one of the promoter director of the subsidiary. Amount repayable in respect of the credit facilities mentioned within 12 months is Nil (Previous year Nil).
- 3 Loans vested on amalgamation are secured by
- (i) a first charge by way of an equitable mortgage over all the immovable properties of the transferor Company at specific locations.
 - (ii) a charge by way of hypothecation of plant and machinery, spares, tools and accessories of the transferor Company situated at the specific locations and
 - (iii) personal guarantee of a Promoter Director of the transferor Company.
- 4 The outstanding amount of loan shown at (b) above includes interest accrued & due Rs. 101.66 lac (Previous year Rs. 542.94 lac).
Amount repayable within 12 months Rs. 14,427.10 lac (Previous year Rs 17,133.62 lac).
- 5 (a) The borrowing availed from consortium banks are secured / to be secured by (i) a first charge by way of hypothecation of stocks, book debts and other current assets (ii) a charge by way of hypothecation / equitable mortgage of movable / immovable properties in favour of consortium banks, ranking second and subservient to the charges specified in Notes 1 and 2(a) & 2 (b) excluding 2(c) & (iii) personal guarantee of promoter directors of the Company.
The charges mentioned above rank pari passu inter se the consortium banks.
- (b) The borrowings availed from banks outside consortium are secured /to be secured by (i) specific charges on stocks, book debts and other current assets pertaining to the facilities granted by them and (ii) personal guarantee of the Managing Director of the Company.
Amount repayable within 12 months Rs 2.68 lac (Previous year Rs.10.41 lac).
- 6 In terms of the Schemes of Arrangement and Amalgamation, the loans vested on amalgamation are subject to existing charges/hypothecation/mortgage subsisting thereon and shall neither extend to the assets of the Company nor operate to enlarge the securities for the said liabilities of the transferor Company.
- 7 These loans are secured by hypothecation of vehicles purchased out of the said loans. **2009-10** 2008-09
Amount repayable within 12 months Rs. 32.85 lac (Previous year Rs. 38.25 lac). **(Rs. in lac)** (Rs. in lac)

SCHEDULE 4 : UNSECURED LOANS

Short term advances

From Banks / Financial Institutions (See Note 20 of Schedule 20)	1,72,328.12	1,12,451.44
From Others	246.26	—

Other Loans:

Deferred Sales Tax Liability	2,502.82	1,439.28
	<u>1,75,077.20</u>	<u>1,13,890.72</u>

SCHEDULE 5: FIXED ASSETS

(Rs. in lac)

PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As on 1.4.2009	Assets vested on amalgamation additions/on account of revaluation (Refer Note 4 below)	Additions	Deductions	As on 31.3.2010	Upto 31.3.2009	Vested on amalgamation (Refer Note 5 below)	For the year	Adjustments	Upto 31.3.2010	As on 31.3.2010	As on 31.3.2009
FREE HOLD LAND	13,778.26	4,292.46	1,743.50	229.59	19,584.63	—	—	—	—	—	19,584.63	13,778.26
LEASE HOLD LAND	1,162.77	—	138.03	—	1,300.80	502.87	—	17.90	—	520.77	780.03	659.90
BUILDINGS	31,858.27	7,520.38	4,578.42	77.59	43,879.48	4,583.72	350.06	1,309.03	11.53	6,231.28	37,648.20	27,274.56
PLANT & MACHINERY	1,22,734.26	30,131.55	28,113.56	218.44	1,80,760.93	33,737.68	1,737.92	10,087.38	1.39	45,561.59	1,35,199.34	88,996.58
FURNITURE & FIXTURES	894.22	48.90	142.59	1.95	1,083.76	345.91	8.29	74.86	0.08	428.98	654.78	548.31
VEHICLES	1,563.63	77.21	531.69	87.09	2,085.44	605.11	22.90	185.28	52.16	761.13	1,324.31	958.52
OFFICE EQUIPMENT	1,810.40	85.60	317.56	22.70	2,190.86	920.05	50.46	232.38	9.92	1,192.97	997.89	890.34
TRADE MARKS	36.00	—	—	—	36.00	36.00	—	—	—	36.00	—	—
SOFTWARE	636.67	—	—	—	636.67	242.74	—	127.34	—	370.08	266.59	393.93
CAPITAL WORK IN PROGRESS	7,865.89	2,154.84	16,879.23	13,932.68	12,967.28	—	—	—	—	—	12,967.28	7,865.89
TOTAL	1,82,340.37	44,310.94	52,444.58	14,570.04	2,64,525.85	40,974.08	2,169.63	12,034.17	75.08	55,102.80	2,09,423.05	1,41,366.29
PREVIOUS YEAR	1,52,602.45	—	50,609.07	20,871.15	1,82,340.37	32,435.17	—	8,577.45	38.54	40,974.08	1,41,366.29	1,20,167.28

- Buildings include Rs.2,250/- (Previous year Rs.2,250/-) being cost of Shares in Co-operative Societies. Title deeds in respect of shares amounting to Rs.500/- are in the process of transfer.
- Execution/registration of lease deed in respect of land acquired on lease during the year and the part of land acquired on lease in the preceding year is pending.
- Lease hold land of 30 acres taken on lease from The Karnataka Industrial Area Development Board (KIADB) for a period of 6 years which after the expiry of the lease period was to be converted to a sale subject to compliance with the terms of allotment. The same has since been acquired by the Company.
- Assets vested on amalgamation/additions on account of revaluation comprises as follows:

	Addition on account of amalgamation	Addition on account of revaluation	Total
Free Hold Land	1,090.80	3,201.66	4,292.46
Buildings	1,201.50	6,318.88	7,520.38
Plant & Machinery	3,494.38	26,637.17	30,131.55
Furniture & Fixtures	48.90	—	48.90
Vehicles	77.21	—	77.21
Office Equipment	85.60	—	85.60
Capital Work in Progress	2,154.84	—	2,154.84
	8,153.23	36,157.71	44,310.94

(Refer Note 6 of Schedule 20)

- Depreciation for the year included Rs 1,991.35 lac being additional depreciation on account of revaluation which has been charged to General Reserve pursuant to Scheme approved by the High Court.(Refer Note 6 of Schedule 20)
- Addition during the year includes interest capitalised Rs. 173.82 lac (Previous year Rs. Nil)

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 6 : INVESTMENTS		
I. LONG TERM INVESTMENTS (Other than trade investment) (At cost)		
A) SHARES		
a) Quoted		
(Other than in subsidiary companies)		
i) 17,75,000 (Previous year 17,75,000) Equity Shares of Rs.10/- each fully paid up in Ruchi Strips & Alloys Ltd.	185.00	185.00
ii) 8,83,500 (Previous year 8,83,500) Equity Shares of Rs.10/- each fully paid up in National Steel & Agro Industries Ltd.	264.87	264.87
iii) 4,00,000 (Previous year 4,00,000) Equity Shares of Rs.10/- each fully paid up in Anik Industries Limited	100.00	100.00
iv) 1,19,300 (Previous year 1,19,300) Equity Shares of Rs.10/- each fully paid up in Sarthak Global Limited	11.93	11.93
v) Nil (Previous year 7,014) Equity Shares of Rs.10/- each fully paid up in Dena Bank	—	1.89
vi) Nil (Previous year 1,887) Equity Shares of Rs.10/- each fully paid up in Punjab National Bank	—	7.41
vii) 35,000 (Previous year 35,000) Equity Shares of Rs.10/- each fully paid up in Sharadraj Tradelink Ltd.	3.82	3.82
viii) 1,80,000 (Previous year 1,80,000) Equity Shares of Rs. 2/- each fully paid up in Blue Chip India Ltd.	17.38	17.38
ix) 21,500 (Previous year 21,500) Equity Shares of Rs.10/- each fully paid up in Hereld Commerce Limited	11.38	11.38
x) 2,73,24,239 (Previous year 50,00,000) Equity Shares of Re.1/- each fully paid up in Ruchi Infrastructure Limited	10,180.23	1,591.43
xi) Nil (Previous year 159) Equity Shares of Rs.10/- each fully paid up in Central Bank of India	—	0.16
Aggregate amount of quoted investments	10,774.61	2,195.27
Aggregate market value of quoted investments Rs 17,244.41 lac (Previous year Rs.736.03 lac)		
b) Right, title & interest in Ruchi Soya Industries Ltd. Beneficiary Trust (Refer Note 5 of Schedule 20)	936.97	936.97
c) Unquoted		
i) Other than in subsidiary companies		
a) 25,000 (Previous year 25,000) Equity Shares of Rs.10/- each fully paid-up in Ruchi Infotech Ltd.	2.50	2.50
b) 6,00,000 (Previous year 6,00,000) Equity Shares of Rs.10/- each fully paid-up in Ruchi Acroni Industries Ltd.	60.00	60.00
c) 35,000 (Previous year 35,000) Equity shares of Rs.10/- each fully paid-up in E-Ruchi Marketing (P) Ltd.	3.50	3.50
d) 5,00,000 (Previous year 5,00,000) 6% Redeemable Cumulative Preference Shares of Rs.100/- each fully paid up in Sunshine Oleochem Ltd.	500.00	500.00
e) Nil (Previous year 34,50,000) 6% Redeemable Cumulative Preference Shares of Rs.100/- each fully paid up in Ruchi Realty Holding (P) Ltd.	—	3,450.00
ii) Share Application Money Pending Allotment (towards preference shares in Sunshine Oleochem Limited)	350.00	—

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
B. GOVERNMENT SECURITIES :		
National Saving Certificates/Kisan Vikas Patra (deposited with Government authorities)	7.31	7.09
Aggregate amount of unquoted investments	923.31	4,023.09
TOTAL: (I)	12,634.89	7,155.33
II. CURRENT INVESTMENTS (At lower of cost & market value)		
MUTUAL FUNDS (Quoted)		
i) 1,00,000 Units (Previous year 1,00,000 Units) of SBI Magnum Multicap Fund of Rs.10/- each	10.00	10.00
ii) 2,50,000 Units (Previous year 2,50,000 Units) of SBI One India Fund of Rs.10/- each	25.00	25.00
iii) 50,000 Units (Previous year 50,000 Units) of SBI Infrastructure Fund-I of Rs.10/- each	5.00	5.00
iv) 774.45 Units (Previous year 1,000 Units) of PNB Principal Emerging Blue Chip Fund - Regular Growth* of Rs.10/- each	0.17	0.10
v) 73,39,772.7606 Units (Previous year Nil Units) of SBI Magnum Insta Cash Fund of Rs.10/- each	1,500.00	—
	1,540.17	40.10
Less : Provision for diminution in value of investments	—	13.86
TOTAL : (II)	1,540.17	26.24
Aggregate market value of current investments Rs. 1,549.32 lac (Previous year Rs. 26.24 lac)		
TOTAL : (I+II)	14,175.06	7181.57
Notes: a) *Earlier known as Principal Junior Cap Fund		
b) Statement for units purchased and sold during the year :		
<u>Name of Security</u>	<u>No. of Units</u>	<u>Cost (Rs. in lac)</u>
Mutual Fund		
— LIC Mutual Fund - Dividend Reinvestment	9,11,773	100
— SBI Magnum Insta Cash Fund - Cash Option	10,03,02,821	19,900
— SBI Premier Liquid Fund - Institution Growth	2,84,33,087	4,100
— SBI Premier Liquid Fund - Super Institution Growth	18,43,34,874	25,750
— HFDC Liquid Fund - Premier Plan - Growth	531,45,26,626	9,52,500
Total	562,85,09,181	10,02,350
	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 7 : INVENTORIES		
(As valued and certified by the Management)		
Stock-in-trade (At lower of cost and net realisable value except realisable by-products which are valued at net realisable value)		
a) Raw Materials (including packing material)	79,291.77	76,112.96
b) Work-in-progress	1,225.18	996.03
c) Finished goods	72,995.44	67,665.14
d) Realisable by-products	1,443.33	1,565.39
e) Consumables, Stores & Spares	6,889.00	6,278.30
	1,61,844.72	1,52,617.82

	(Rs. in lac)	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 8 : SUNDRY DEBTORS			
(Unsecured)			
Debts outstanding for period exceeding six months			
Considered good	14,997.70		469.86
Considered doubtful	1,805.46		371.50
		16,803.16	841.36
Other Debts (considered good)		1,31,742.75	1,27,615.10
		1,48,545.91	1,28,456.46
Less : Provision for doubtful debts		1,805.46	371.50
		1,46,740.45	1,28,084.96
SCHEDULE 9 : CASH AND BANK BALANCE			
Cash on hand		381.36	780.72
Bank Balances with Scheduled Banks			
i) In Current Accounts		4,668.11	11,054.26
ii) In Deposit Accounts (Refer Note 20 of Schedule 20)		1,54,910.53	1,02,037.90
Bank Balances with Non-Scheduled Banks (Refer Note 21 of Schedule 20)			
i) In Current Accounts		8.00	0.00
ii) In Deposit Accounts		0.09	0.11
Post Office Saving Bank [Maximum balance at any time during the year Rs.0.02 lac (Previous year Rs.0.02 lac)]		0.02	0.02
		1,59,968.11	1,13,873.01
SCHEDULE 10 : OTHER CURRENT ASSETS			
Interest Accrued			
On Investments		4.67	4.56
On Fixed Deposits with Banks		3,889.16	1,814.75
On Intercompany & Other deposits		11.51	10.94
		3,905.34	1,830.25
SCHEDULE 11 : LOANS AND ADVANCES			
(Unsecured & Considered Good, unless stated otherwise)			
Intercompany Deposits		2,433.03	2,541.02
Other Deposits		3,507.89	3,793.51
Advance for Capital Expenditure		5,140.71	1,778.05
Other Advances recoverable in cash or in kind or for value to be received {including Rs.0.05 lac (Previous year Rs1.35 lac) recoverable from Directors/Officers of the Company}			
Considered good	72,083.25		78,040.13
Considered doubtful	454.21		310.79
	72,537.46		78,350.92
Less:Provision for doubtful advances	454.21		310.79
		72,083.25	78,040.13
Advance Income-Tax including tax deducted at source		21,474.00	16,954.87
		1,04,638.88	1,03,107.58
SCHEDULE 12 : CURRENT LIABILITIES			
Sundry Creditors (Refer Notes 17, 18 & 19 of Schedule 20)		3,01,590.77	2,95,070.44
Agency & Other Deposits		3,845.07	965.72
Interest accrued but not due		744.78	660.07
Customers Advances		10,723.05	13,544.67
Other Liabilities		3,570.45	1,897.55
		3,20,474.12	3,12,138.45

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 13 : PROVISIONS		
Taxation	19,113.62	13,654.21
Proposed Dividend	1,554.94	1,274.92
Gratuity	115.73	123.48
Leave Encashment	227.64	203.35
	<u>21,011.93</u>	<u>15,255.96</u>

SCHEDULE 14 : MISCELLANEOUS EXPENDITURE

(to the extent not written off or adjusted)

Preliminary Expenses	0.05	0.00
Pre-operative Expenses	0.25	0.00
Share Issue Expenses	23.05	28.95
Add :- Additions during the year	0.23	0.50
Less: Adjusted/Written off	4.45	4.60
	<u>19.13</u>	<u>24.85</u>

SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2010

	(Rs. in lac)	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 15 : SALES AND OTHER INCOME			
Sales	14,26,769.98		12,48,464.94
Less : Excise duty	<u>1,587.23</u>		<u>2,123.85</u>
		14,25,182.75	12,46,341.09
Scrap & Other Sales	2,229.60		2,150.16
Less : Excise duty	<u>15.94</u>		<u>7.13</u>
		2,213.66	2,143.03
Export Incentive		4,311.09	9,869.77
Vat/Excise Refund/Remission		2,622.78	2,406.49
Processing charges received (Gross) [Tax Deducted at Source Rs. 18.17 lac (Previous year Rs.13.30 lac)]		777.20	614.08
Income from Power generation (including carbon credit)		2,167.88	2,037.62
Other operating income		373.76	6,622.10
		<u>14,37,649.12</u>	<u>12,70,034.18</u>
Insurance claims received		223.59	330.56
Commission, Discount & Rebates		176.77	484.38
Dividend		62.70	49.15
Profit on sale of investments		437.70	640.18
Profit on sale of Assets		66.59	90.35
Lease Rent (Gross) [Tax deducted at source Rs. 2.02 lac (Previous year Rs.18.56 lac)]		39.35	128.70
Exchange Difference (Net)		—	996.33
Provisions no longer required written off [including Rs. 13,85,800/- (Previous year Rs. Nil) towards diminution in value of investment]		194.88	896.58
Subsidy from Government		—	50.00
Other Miscellaneous Income		588.64	531.58
		<u>1,790.22</u>	<u>4,197.81</u>
		<u>14,39,439.34</u>	<u>12,74,231.99</u>

SCHEDULE 16: INCREASE/(DECREASE) IN STOCKS

Finished goods			
Opening Stock		69,230.53	81,653.62
Add : Stocks acquired on amalgamation		67.19	—
Closing Stock		<u>74,438.77</u>	<u>69,230.53</u>
		<u>5,141.05</u>	<u>(12,423.09)</u>
Work-in-progress			
Opening Stock		996.03	3063.28
Add : Stocks acquired on amalgamation		8.39	—
Closing Stock		<u>1,225.18</u>	<u>996.03</u>
		<u>220.76</u>	<u>(2,067.25)</u>
		<u>5,361.81</u>	<u>(14,490.34)</u>

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 17 : MATERIAL CONSUMED		
a) Raw Material		
Opening Stock	65,700.10	1,27,467.26
Add : Stocks acquired on amalgamation	23.87	—
Add : Purchases	7,31,909.22	6,82,555.83
	7,97,633.19	8,10,023.09
Less : Closing Stock	70,838.47	65,700.10
	7,26,794.72	7,44,322.99
b) Packing Material		
Opening Stock	10,412.86	5,558.08
Add : Purchases	26,069.47	29,649.88
	36,482.33	35,207.96
Less : Closing Stock	8,453.30	10,412.86
	28,029.03	24,795.10
	7,54,823.75	7,69,118.09
SCHEDULE 18 : EXPENSES		
Processing Charges	65.28	87.86
Power & Fuel (net of recoveries)	16,556.58	16,549.51
Manufacturing Expenses	5,900.72	4,285.28
Nursery and Development	377.28	93.91
Consumables	4,495.34	5,361.08
Repairs - Plant & Machinery	6,155.75	6,596.47
Repairs - Buildings	256.33	468.26
Repairs - Others	325.69	455.70
Salary, Wages and Bonus	5,810.16	4,847.77
Contribution to Provident and Other Funds	545.91	415.16
Workmen & Staff Welfare exp	424.63	485.88
Insurance (net of recoveries)	835.49	1,079.75
Rent	4,503.40	2,905.84
Rates & Taxes	838.57	800.28
Freight & forwarding (net of recoveries)	17,856.68	25,146.04
Export expenses	3,112.97	3,582.96
Commission and rebate	3,372.60	3,550.09
Advertisement & sales promotion	1,119.67	707.72
Donation	41.22	106.66
Travelling & Conveyance	1,349.26	1,420.89
[Including Rs 60.72 lac (Previous year Rs 40.35 lac) for Directors]		
Provision / Write-off of Doubtful/ Bad Debts and Advances	—	203.23
Provision for Diminution in value of Investment	—	13.61
Miscellaneous expenses written off	4.63	4.59
Loss on Sales/Fire of Fixed Assets	26.87	21.07
Investment written off	—	0.10
Exchange Difference (Net)	1,242.80	—
Bank Commission & Charges	3,225.77	2,382.90
Other expenses (Net of recoveries) (Refer Note 24 of Schedule 20)	8,653.36	3,825.32
	87,096.96	85,397.93
SCHEDULE 19 : INTEREST		
Interest -		
— Debenture & other fixed loans	7,262.66	7,733.43
— Others	8,104.46	9,359.50
	15,367.12	17,092.93
Less: Interest Received (Refer Note 26 of Schedule 20)	8,730.91	12,336.89
[Tax deducted at source Rs 1,262.30 lac (Previous year Rs.2,656.17 lac)]	6,636.21	4,756.04

**SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2010 AND CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE
SCHEDULE 20 NOTES TO THE ACCOUNTS**

1. BASIS OF CONSOLIDATION

- a) The consolidated financial statements relate to Ruchi Soya Industries Ltd. (the Company) and its subsidiaries and associates as under :

Name of the subsidiary / associate	Percentage of shareholding / profit share / Beneficial Interest	
	As at 31.03.2010	As at 31.03.2009
Ruchi Worldwide Ltd.(Subsidiary)	52.48	52.48
Ruchi Soya Industries Ltd. Beneficiary Trust	100.00	100.00
RIFL Energy Private Limited (Associate)	26.00	26.00
Gemini Edibles & Fats India Pvt. Ltd. (With effect from 29th March,2010)	58.82	—
Mrig Trading Private Ltd. (with effect from 1st October,2009)	100.00	—

- b) The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS-21) and Accounting Standard 23 (AS-23) issued by the Institute of Chartered Accountants of India on the following basis :
- The financial statements of the Company and its subsidiaries / associate have been combined on a line to line basis by adding together like items of assets, liabilities, income and expenses.
 - Intragroup balances, intragroup transactions and resulting unrealised profits / losses have been eliminated in full.
 - The excess of / shortfall in cost to the Company of its investment in the subsidiaries/associates over the Company's portion of equity of the subsidiary as at the date of investment is recognised in the consolidated financial statements as goodwill / capital reserve. The resultant goodwill, if any, is charged to profit and loss account.
 - Minority interest in the net assets of subsidiaries has been separately disclosed in the consolidated financial statements. Minority interest in income for the year has been separately disclosed in the profit and loss account.

2. SIGNIFICANT ACCOUNTING POLICIES

a) FIXED ASSETS/INTANGIBLE ASSETS:

Fixed assets are stated at cost/revalued amounts less depreciation. Revalued assets are stated at their fair value based on report of approved valuer less depreciation. Cost of fixed assets is arrived at after including therein attributable interest and expenses for bringing the respective assets to working condition and reducing there from Cenvat credit received/ receivable, if any. Fixed assets acquired under Hire Purchase Scheme are valued at cash price less depreciation.

b) DEPRECIATION:

Depreciation is provided on straight line basis at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation is provided on pro-rata basis with reference to the month of addition/ installation/ disposal of assets, except low value items costing Rs 5,000/- or less which are written off fully in the year of purchase. In respect of intangible assets the cost is amortised over the period for which the assets' economic benefits are expected to accrue. Expenditure incurred on software acquired is amortised over a period of five years from the date the expenditure is incurred.

c) INVENTORIES:

Inventories, other than realisable by-products, are valued at lower of cost and net realisable value. The cost of inventories, is arrived at on moving average basis. The cost of manufactured products comprises direct costs and production overheads including depreciation. Realisable by products are valued at net realisable value. Cost of trading items includes cost of purchase & other costs of acquisition attributable thereto.

d) RETIREMENT BENEFITS:

- Short term employee benefits are recognized as an expense in the profit and loss account of the year in which service is rendered.
- Contribution to defined contribution schemes such as Provident Fund, Family Pension Fund and Superannuation Fund are charged to the profit and loss account.

- (iii) The Company makes annual contribution to Employees Group Gratuity cum Life Assurance Scheme in respect of qualifying employees and the same is recognized as an expense in the profit & loss account. Additional liability, if any, in respect of gratuity and liability in respect of leave encashment is recognised on the basis of valuation done by an independent actuary applying Project Unit Credit Method. The actuarial gain/loss arising during the year is recognized in the profit and loss account of the year.
- e) INVESTMENTS:**
- Long term investments are valued at cost. Provision is made for diminution in the value of investments where in the opinion of the Board of Directors such diminution is other than temporary. Current investments are valued at lower of cost and fair value.
- f) EXPENSES INCURRED FOR ISSUE OF SHARES, DEBENTURES AND OTHER MISCELLANEOUS EXPENSES:**
- Preliminary expenses, pre-operative expenses, share issue expenses incurred prior to 1st April 2003 are written off over a period of 10 years. Share issue expenses incurred after 1st April 2003 are either charged to profit & loss account or securities premium account. Expenses pertaining to issue of debentures are charged to profit & loss account in the year in which they are incurred.
- g) PREMIUM ON REDEMPTION OF DEBENTURES:**
- Premium payable, if any, on redemption of debentures is spread over the life of debentures.
- h) FOREIGN EXCHANGE TRANSACTIONS:**
- (i) Transactions in foreign currency are accounted at the exchange spot rate prevailing on the date of the transaction. Year end receivables and payables are translated at year end rate of exchange. The difference on account of fluctuation in the rate of exchange is recognised in the profit and loss account. In case of sales and purchases the same is included under the respective heads.
- (ii) In case of forward exchange contracts, premium/discount arising at the inception of the contracts is spread over the life of the contracts. Exchange fluctuation on such contracts is recognized in the profit & loss account in the year in which there is a change in exchange rates.
- i) BORROWING COSTS:**
- Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition/construction of qualifying fixed assets are capitalised up to the date when such assets are ready for their intended use. Other borrowing costs are charged to the profit and loss account.
- j) DEFERRED TAX:**
- Deferred tax is accounted for by computing the tax effect of timing differences which arise in a year and reverse in subsequent periods.
- k) IMPAIRMENT OF ASSETS:**
- Impairment loss is recognized in the profit and loss account whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of its estimated net selling price and its value in use. The carrying amounts are reviewed at each balance sheet date to determine whether there is any impairment.
- l) EMPLOYEE STOCK OPTIONS:**
- Stock options granted to employees under the Employees' Stock Option Scheme are accounted as per the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the 'Guidance Note on Share Based Payments' issued by the Institute of Chartered Accountant of India (ICAI). Accordingly, the excess of market price of the shares as on the date of grant of options over the exercise price is recognised as deferred employee compensation and is charged to profit and loss account on straight-line basis over the vesting period. The number of options expected to vest is based on the best available estimate and is revised, if necessary, where subsequent information indicates that the number of stock options expected to vest differs from previous estimates.
- m) EXPORT INCENTIVES :**
- Export incentives, to which the Company is entitled to based on exports during the year, are recognised as income in the year of exports.

3. CONTINGENT LIABILITY NOT PROVIDED FOR

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
(i) Claims against the Company not acknowledged as debts.	719.52	581.68
(ii) Outstanding bank guarantees.	1,408.13	1,920.06
(iii) Income tax/ Sales tax/ Excise/ Octroi /Custom duty/ ESIC / Electricity Duty / demands disputed	22,379.43	14,850.58
(iv) Bills discounted	28,396.42	27,000.43
(v) Estimated amount of contracts remaining to be executed on capital account. (Net of advances)	7,068.46	5,725.30
(vi) In addition to the above,		
a) In the earlier year, in respect of the subsidiary company, the Customs authorities have levied custom duty of Rs. 220 lac (Previous year 220 lac) which the said subsidiary Company has disputed before the Chennai High Court. Pending the decision, the High Court has granted interim stay in the matter. No provision has been made in respect of the demand in view of the above. The said subsidiary Company is confident that the matter will be decided in its favour.		

4. Managerial Remuneration under section 198 of the Companies Act, 1956 :

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
(a) Remuneration paid or provided to the Chairman.		
Commission	50.00	29.15
(b) Remuneration paid or provided to the Managing Director.		
(i) Salary	103.40	97.40
(ii) Perquisites in cash or in kind	34.98	25.43
(c) Remuneration paid to or provided to Whole Time Directors		
(i) Salary and allowances	26.75	24.74
(ii) Perquisites in cash or in kind	5.10	5.10
(iii) Contribution to Provident & Other Fund	1.28	1.17
	221.51	182.99

(1) The above does not include reimbursement of expenses incurred for the Company.

(2) The amount shown above at (c) includes remuneration amounting to Rs. 2.97 lac (Previous year Rs. 5.00 lac) paid to two directors, which is subject to the approval of the shareholders.

5. Pursuant to Schemes u/s 391 to 394, approved by the Hon'ble High Courts of judicature of Mumbai and Delhi in an earlier year, 7630115 shares of the Company are held by a Trust for the benefit of the Company and its successors. These shares have been shown under the head 'Investments' and included in Schedule 6 relating to Investments at cost in accordance with the accounting policy of the Company. The dividend received by the Trust in respect of these shares is included under the head 'Dividend' under 'Other Income' in Schedule 15.
6. (a) The High Court of judicature of Mumbai has approved a Scheme of Amalgamation and Arrangement under sections 391 to 394 of the Companies Act, 1956 between Mac Oil Palm Limited (hereinafter referred to as 'the Transferor Company') with Ruchi Soya Industries Ltd. (hereinafter referred to as 'the Company') and their respective shareholders providing for amalgamation of Mac Oil Palm Limited with the Company and other matters.
- (b) The above Scheme is operative from 1st April, 2009 and accordingly effect to the Scheme has been given in the accounts for the year ended 31st March, 2010. The said amalgamation has been accounted under the Pooling of Interests method in accordance with AS-14 Accounting for Amalgamations except where the Scheme provides otherwise.
- (c) Mac Oil Palm Limited is engaged in the business of extracting and processing of palm oil.

- (d) While giving effect to the Scheme,
- Assets and liabilities vested in the Company on amalgamation have been recorded at their existing book values in the same form as they were appearing in the books of the Transferor Company after making adjustments for differences if any, in accounting policies between the Transferor Company and the Company.
 - Face value of shares to be issued to the shareholders of the Transferor Company (which have since been issued) has been shown as Share Capital Suspense on Amalgamation under the head Share Capital in Schedule 1.
 - Difference between the amount recorded as Share Capital Suspense on Amalgamation and the amount of the paid up share capital of the Transferor Company has been adjusted to the General Reserve of the Company. The income and expenditure for the year of the Transferor Company has been accounted as the income and expenditure of the Company.
 - The income and expenditure for the year of the Transferor Company has been accounted as the income and expenditure of the Company.
 - The Company, based on reports of approved valuer, has recorded in its books land, buildings & immovable plant & machinery (other than assets vested on amalgamation) at their fair value as at 1st April, 2009 and credited the difference amounting to Rs. 36,157.71 lac between book values and the fair values as at 1st April, 2009 to General Reserve.
 - The Company has transferred Rs. 23,842.29 lac from Securities Premium Account and Rs. 36,157.71 lac from General Reserve to Business Development Reserve. In terms of the Scheme, as and when deemed fit by the Board, the said Business Development Reserve is available for adjusting various expenses including any expenses towards marketing, advertisement, sales promotion and/or development of brands and research and development activities, any expenditure incurred in setting up an international company/joint venture of the Company, inter alia, to include set up costs, marketing expenses or interest on acquisition, finance, provision / write off of debtors/current assets/loans and advances, additional depreciation necessitated by revaluation of fixed assets and expenses of amalgamation including expenses of the Transferor Company i.e. Mac Oil Palm Limited incurred on or after 1st April 2009, after adjusting for any tax effects, both current and deferred tax thereon, etc.
 - As provided by the Scheme, an amount of Rs. 5,193.54 lac has been adjusted to General Reserve as under:

Particulars	Amount (Rs. in lac)
Bad Debts written off	569.65
Provision for Doubtful Debts	1,433.96
Advances written off	2,630.30
Provision for Doubtful Advances	193.42
Expenses on amalgamation	26.12
Additional depreciation on revaluation of fixed assets.	1,991.35
	<u>6,844.80</u>
Less : Current Tax / Deferred Tax	1,651.26
TOTAL	<u><u>5,193.54</u></u>

- (e) Had the Scheme, approved by the Hon'ble High Court, not prescribed the accounting treatment as described above,
- the profit for the year and balance in the profit and loss account for the year would have been lower by Rs. 5,193.54 lac.
 - Balance in General Reserve & Securities Premium account would have been higher by Rs. 5,193.54 lac & Rs. 23,842.29 lac respectively and
 - Balance in Business Development Reserve would have been lower by Rs. Nil.
7. (a) The High Court of judicature of Mumbai and Andhra Pradesh have approved a Scheme of Amalgamation under sections 391 to 394 of the Companies Act, 1956, between Palm Tech India Limited (hereinafter referred to as 'the Transferor Company') with Ruchi Soya Industries Ltd. (hereinafter referred to as 'the Company') and their respective shareholders providing for amalgamation of Palm Tech India Limited with the Company.
- (b) The above Scheme is operative from 1st April 2009 and accordingly effect to the Scheme has been given in the accounts for the year ended 31st March, 2010. The said amalgamation has been accounted under the Pooling of Interests method in accordance with AS-14 Accounting for Amalgamations except where the Scheme provides otherwise.

- (c) Palm Tech India Limited is engaged in the business of developing oil palm and processing fresh fruit bunches of palm for oil extraction.
- (d) While giving effect to the Scheme,
- Assets and liabilities vested in the Company on amalgamation have been recorded at their existing book values in the same form as they were appearing in the books of the Transferor Company after making adjustments for differences if any, in accounting policies between the Transferor Company and the Company.
 - Face value of shares to be issued to the shareholders of the Transferor Company has been shown as Share Capital Suspense on Amalgamation under the head Share Capital in Schedule 1.
 - Difference between the amount recorded as Share Capital Suspense on Amalgamation and the amount of the paid up share capital of the Transferor Company has been adjusted to the General Reserve of the Company.
 - The income and expenditure for the year of the Transferor Company has been accounted as the income and expenditure of the Company.

8. In terms of the Schemes referred to in (6) and (7) above, the Company has acquired assets having net book value of Rs. 3,760.52 lac as detailed below:

			(Rs. in lac)
Particulars	Mac Oil Palm Ltd.	Palm Tech India Ltd.	Total
Assets			
Fixed assets (Net) (including CWIP)	4,297.59	3,786.10	8,083.69
Current assets, loans and advances	1,114.07	1,281.62	2,395.69
Total assets	5,411.66	5,067.72	10,479.38
Liabilities			
Current liabilities and provisions	1,439.28	789.22	2,228.50
Secured and unsecured loans	1,300.00	680.58	1,980.58
Deferred tax liability	18.78	388.53	407.31
Total liabilities	2,758.06	1,858.33	4,616.39
Add : Due to difference in method of depreciation	—	99.52	99.52
Less : Development for plantation written off	—	780.71	780.71
Less : Goodwill written off	1,418.90	—	1,418.90
Less : Misc Expenses written off	2.38	—	2.38
Net book value of assets vested on amalgamation	1,232.32	2,528.20	3,760.52

9. The difference between the net book value of assets vested on amalgamation [as shown in (8) above] after adjusting reserves of the Transferor Companies is transferred to the General Reserve of the Company as under:

			(Rs. in lac)
Particulars	Mac Oil Palm Ltd.	Palm Tech India Ltd.	Total
Net book value as in (8) above	1,232.32	2,528.20	3,760.52
Less: considered separately under the following heads			
Profit and loss account	128.60	25.78	154.38
Capital Reserve	—	1,087.07	1,087.07
Capital Investment Subsidy	20.00	10.00	30.00
General Reserve	—	—	—
Capital Redemption Reserve	—	846.69	846.69
Securities Premium	1,500.00	—	1,500.00
Revaluation Reserve	—	704.85	704.85
Share Capital suspense on Amalgamation	300.00	406.60	706.60
Balance adjusted to General Reserve of the Company	(716.28)	(552.79)	(1,269.07)

10. The particulars of shares issued / to be issued / exchanged pursuant to the Schemes are as under :

Particulars	Mac Oil Palm Ltd.	Palm Tech India Ltd.
Number of equity shares of Rs. 2/- each fully paid up of the Company to be issued.	1,50,00,000	2,03,30,000
Amount (Rs. in lac)	300.00	406.60
Percentage of total equity share capital of the Company as at 1st April, 2009	7.95	10.77
Number of equity shares of Rs. 2/- each fully paid up of the Transferor Company	5,02,50,000	2,67,50,000
Amount (Rs. in lac)	1,005.00	535.00
Percentage of total equity share capital of the Transferor Company as at 1st April, 2009	100	100

11. As both the Schemes referred to in (6) & (7) above are effective from 1st April 2009, the figures for the previous year are not comparable with current year.
12. During the year, following the Arbitration Award in its favour, the Company has received insurance claim amounting to Rs. 376.03 lac relating to one of the companies that amalgamated with the Company in an earlier year. The said amount after reducing the expenditure of Rs. 23.60 lac in connection therewith has been shown under the head Exceptional Items in the Profit and Loss account.
13. The proceeds of issue of shares during the year have been deployed towards the objects of the issue.
14. The Company has entered into Limited Liability Partnership (LLP) with Indian Oil Corporation Limited (IOCL) for establishing bio fuels and other renewable energy value chains. The capital is to be contributed by the Company & IOCL equally & the profits/losses are to be shared by the Company & IOCL equally. No amounts have been contributed towards capital till 31st March, 2010. Further, the LLP has not commenced its activities till 31st March, 2010.
15. (a) Out of 3,53,25,000 share warrants issued in an earlier year to the promoters/promoter group on preferential basis, holders of 64,00,000 warrants exercised the option and were allotted equity shares during the preceding year. Holders of the balance 2,89,25,000 warrants did not exercise their option which lapsed on 23rd June 2009, on expiry of the period of 18 months from the date of issue of warrants. Consequently, the amount of Rs. 2,241.68 lac paid by these warrant holders has been forfeited and transferred to Capital Reserve.
- (b) During the year, the Company, on a preferential basis, issued 7,00,00,000 share warrants to the promoters/promoter group. The holder of each warrant was entitled to apply for and allotment of 1 equity share of Rs. 2/- each at a premium of Rs. 33/- per share at any time within 18 months from the date of issue of warrants. Of the total warrants issued, holders of 4,39,00,000 warrants exercised the option and were allotted equity shares during the year. Holders of the balance 2,61,00,000 warrants have not exercised their option till 31st March, 2010 and the same can be exercised up to 26th January, 2011.
16. **EMPLOYEES STOCK OPTIONS**
- (a) The shareholders of the Company at their EGM held on 28th November, 2007 approved grant up to 54,71,000 options to eligible directors and employees of the Company and its subsidiary Ruchi Worldwide Limited. Each option entitled the eligible employees / directors to subscribe for one equity share of face value of Rs. 2/- each at a premium of Rs. 75.50 per share.
- (b) The Compensation Committee (hereinafter referred to as 'the Committee') of the Board approved the "Employee Stock Option Scheme - 2007" at its meeting held on 28th November, 2007.
- (c) The issue price was revised during the year vide resolution passed at the Extra Ordinary General Meeting held on 16th June, 2009. As per the revised pricing, the eligible employees / directors are entitled to subscribe for one equity share of face value of Rs. 2/- each at a premium of Rs. 33/- per share.
- (d) The holders of the Employee Stock Options are entitled to exercise the option within a period of three years from the date of first vesting, failing which they stand cancelled. In the case of termination of employment, all options, vested or not, stand cancelled immediately. In case of voluntary resignation all un-vested options stand cancelled. However, the resigning employees may exercise the vested option concurrently with the resignation, beyond which such options stand cancelled. In the event of death of employee, retirement or the employee becoming totally and permanently disabled, all unvested options vest immediately and can be exercised during the original term of the option.

- (e) The Company has granted options to its directors and employees as follows:

Date of Grant	Number of Options	Exercise Price	Particulars of vesting		
			20%	30%	50%
April 1 st 2008	12,37,000	Rs. 35/-	April 1 st 2009	April 1 st 2010	April 1 st 2011
October 1, 2009	14,95,000	Rs. 35/-	October 1, 2010	October 1, 2011	October 1, 2012

- (f) The grant-wise movement in the Employee Stock Options during the year ended March 31, 2010 is as follows:

Opening Balance as on 1 st April, 2009	Issued During the year	Cancelled	Exercised during the year	Closing Balance as on March 31, 2010
12,37,000	—	93,000	1,98,800	9,45,200
—	14,95,000	—	—	14,95,000

17. Sundry creditors include bills payable for purchase of material Rs. 1,660.47 lac (Previous year Rs. 3,546.70 lac).
18. Amount due to Micro, Small and Medium Enterprises (to the extent identified by the Company on the basis of information available) along with interest payable under the interest on delayed payments to Micro, Small and Medium Enterprises Development Act, 2006 is Rs. 108.51 lac (Previous year Rs. 127.04 lac) including interest of Rs. 2.60 lac (Previous year Rs. 2.16 lac).
19. Sundry Creditors shown in Schedule 12 includes amount due to Micro, Small and Medium Enterprises (to the extent identified by the Company on the basis of information available) which is outstanding for more than 30 days as at 31st March, 2010 as under:-

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
Jurgyan Industries	0.31	1.24
Tirupati Enterprises	6.89	—
Sutco Bearing India P.Ltd.	0.002	—

20. During the year, the Company has availed buyers' credit. The amount of Rs. 1,33,029.32 lac (Previous year Rs. 92,274.64 lac) outstanding on account of buyers' credit as at 31st March, 2010, is guaranteed by the banks against fixed deposits of Rs. 1,44,767 lac (Previous year Rs. 92,452.00 lac) placed with them. In the balance sheet, the amount of Rs. 1,33,029.32 lac (Previous year Rs. 92,274.64 lac) has been included under unsecured loans from banks in Schedule No. 4 and the aforesaid fixed deposits are included under bank balances with schedule banks in deposit account in Schedule 9.
21. (a) The balance with Non Scheduled Banks in deposit account comprises balance with Jila Sahakari Kendriya Bank Maryadit Rs. 0.09 lac (Previous year Rs. 0.11 lac) [Maximum balance at any time during the year Rs. 0.11 lac] (b) The balance with Non Scheduled Banks in current account comprises balance with Coastal Local Area Bank Rs. 5.73 lac [Maximum balance at any time during the year Rs. 12.29 lac] and with Chaitanya Godavari Grameena Bank Rs. 2.27 lac [Maximum balance at any time during the year Rs. 8.27 lac].
22. Purchases are net of gain of Rs. 11,529.65 lac (Previous year includes loss of Rs. 15,841.42 lac) towards difference arising on account of fluctuation in the rate of exchange. Sales are net of loss of Rs. 327.93 lac (Previous year includes gain of Rs. 2,156.39 lac) towards difference arising on account of fluctuation in the rate of exchange.

23. Expenditure incurred during construction period has been dealt with as under.

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
Power & fuel	4.49	23.32
Salaries & wages	0.19	35.34
Staff welfare	1.11	2.79
Travelling expenses	0.99	12.28
Rent	—	1.41
Freight & Forwarding	0.20	26.70
Rates & Taxes	7.64	15.46
Repair & Maintenance	197.35	208.99
Consumables	—	0.05
Conveyance Expenses	5.76	2.79
Insurance Charges	3.79	10.80
Manufacturing Exp.	—	3.61
Interest & Finance Charges	195.41	—
Legal & Professional Charges	—	8.41
Factory Exp.	10.97	37.66
Equipment Hire Charges	5.73	43.96
Labour Charges	—	30.21
Other expenses	22.29	15.38
	<u>455.92</u>	<u>479.16</u>
Less : Allocated to buildings & plant & machinery & capitalized	225.03	254.13
Balance pending allocation to be capitalized	<u>230.89</u>	<u>225.03</u>

24. Other expenses included the following:

Loss from Swaps/Derivatives	Rs. 186.88 lac	(Previous year Rs. 472.83 lac)
Loss from transactions on Commodity exchange	Rs. 821.25 lac	(Previous year Rs. Nil)
Deferred Employee Compensation Expenses	Rs. 142.56 lac	(Previous year Rs. 38.76 lac)

25. Fixed assets include assets having written down value of Rs. 672.76 lac (Previous year Rs. 765.34 lac) representing plant & machinery & equipment which are not wholly used. The Company is in the process of finding alternate use of such assets or their ultimate disposal.

26. The Company has consistently followed the practice of netting the interest earned by it against interest paid. The aggregate interest earned and expended are set out in Schedule 19.

27. In respect of certain advances included under inter-corporate deposits, the Company has charged interest on advances given on net daily products of balances due from/payable to these companies during the year. The Company has been advised that this is in compliance with the provisions of Section 372A of the Companies Act, 1956.

28. Prior period income/expenses included under respective heads is as under :

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
Expenditure		
Repair & Maintenance	40.06	0.47
Brokerage	10.53	—
Freight	3.52	105.69
Interest	1.46	—
Insurance	0.14	2.36
Sundry Packing Material	0.73	—
Power & Fuel	0.21	—
Rates & Taxes	17.56	—
Other expenses	4.57	0.001
Income		
Interest	1.46	—
Other Income	12.25	0.43

29. Segment related information:

(a) Segment information required to be disclosed in accordance with Accounting Standard 17 (AS-17) relating to Segment Reporting is given in Para (c) below.

(b) (i) The Company has disclosed business segment as the primary segment. Segments have been identified taking into account the type of products, the differing risks and returns and the internal reporting system. The various segments identified by the Company comprise as under:

Extractions	- All types of seed extractions
Vanaspati	- Vanaspati
Oils	- Crude oils, refined oils
Food Products	- Textured Soya protein, Soya flour, Fruit Juice, Dairy Milk
Others	- Gram, Wheat, Rice, Maize, Seeds, Coffee, Marine Products, Tuar, Peas, Barley, Soap, Fresh Fruit Bunch, seedling, Plant & Machinery (Equipment), Cotton Bales and Power generation

By products related to each segment have been included under the respective segment.

- (ii) Extraction is considered as the primary product resulting from the solvent extraction process and crude oil the secondary product. While computing segment results, all costs related to solvent extraction process are charged to the extraction segment and recovery on account of crude oil is credited to the said segment. Credit for recovery of crude oil is taken on the basis of average monthly market price.
- (iii) The Company has disclosed geographical segments as the secondary segment. Secondary segments comprise of domestic market & exports.
- (iv) Segment revenue, segment results, segment assets and segment liabilities include respective amounts directly identified with the segment and also an allocation on reasonable basis of amounts not directly identified. The expenses which are not directly relatable to the business segment are shown as unallocated corporate cost. Assets and liabilities that can not be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

c) Segment Information :

(Rs. in lac)

	Extractions		Vanaspatti		Oils		Food Products		Others		Unallocable		Total	
Revenue	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
External Revenue														
Domestic Sales	55,809.55	86,722.26	91,311.25	96,755.76	10,01,166.80	8,05,244.40	21,463.82	15,509.64	10,730.17	22,978.76	689.94	49.15	11,81,171.53	10,27,259.97
Export Sales	1,39,255.43	1,82,035.96	70.02	24.97	24,028.88	9,478.99	8,744.78	4,878.35	86,168.70	50,553.75	—	—	2,58,267.81	2,46,972.02
Total External Revenue	1,95,064.98	2,68,758.22	91,381.27	96,780.73	10,25,195.68	8,14,723.39	30,208.60	20,387.99	96,898.87	73,532.51	689.94	49.15	14,39,439.34	12,74,231.99
Add: Intersegment Sales	1,23,811.53	1,21,008.46	—	—	55,207.98	6,5579.91	—	—	—	—	—	—	1,79,019.51	1,86,588.37
Total Segment Revenue	3,18,876.51	3,89,766.68	91,381.27	96,780.73	10,80,403.66	8,80,303.30	30,208.60	20,387.99	96,898.87	73,532.51	689.94	49.15	16,18,458.85	14,60,820.36
Segment Results before														
Interest & Tax	6,025.83	6,803.88	1,835.81	1,047.28	21,777.29	11,242.29	1,134.64	1,227.42	2,926.88	105.45	682.24	47.57	34,382.69	20,473.89
Less: Interest													6,636.21	4,756.04
Profit before taxation & Extra ordinary item													27,746.48	15,717.85
Extra ordinary item													352.43	—
Profit before taxation													28,098.91	15,717.85
Provision for taxation														
Current tax													6,382.00	1,971.90
Deferred tax													3,473.19	3,299.95
Fringe Benefit tax													—	181.12
Short/(Excess) provision for tax for earlier years													473.47	516.84
Profit after tax													17,770.25	9,748.04
SEGMENT ASSETS	97,115.00	76,488.29	33,891.51	26,869.00	3,58,966.95	3,49,133.99	7,513.30	4,139.11	50,963.71	19,991.03	2,16,615.20	1,47,328.45	7,65,065.67	6,23,949.87
SEGMENT LIABILITIES	15,952.40	19,086.18	1,099.09	7,158.58	2,75,196.09	2,36,718.16	55.37	473.33	10,192.90	317.87	19,876.58	49,986.09	3,22,372.43	3,13,740.21
Total cost incurred during the year to acquire segment assets	26,507.26	20,195.21	6,057.31	492.90	20,854.16	4,972.93	795.56	111.72	15,156.83	2,891.07	13,521.43	1,274.92	82,892.55	2,9938.75
Segment Depreciation	3,000.10	2,280.11	1,405.43	1,296.27	3,854.20	3,468.17	138.85	62.21	175.11	764.43	1,469.13	706.26	10,042.82	8577.45
Non-Cash expenses other than depreciation	1.06	0.76	0.23	0.29	2.71	3.09	0.15	0.06	—	0.16	0.24	0.22	4.39	4.58
Unallocable segment assets are as follows:														
Investments													14,175.06	7,181.57
Advance Income Tax including TDS													21,474.00	16,954.87
Unallocable segment liabilities are as follows:														
Secured Loan													70,533.67	71,259.16
Deferred Tax liabilities													16,837.65	13,477.62
Unsecured loan													17,5077.20	1,13,890.72
Minority Interest													(1,961.02)	(1,412.74)
Provision for taxation													19,113.62	13,654.21

30. Disclosure of transactions with related parties as required by Accounting Standard 18(AS-18), relating to Related Party Disclosure has been given in Para (b) & (c) below. Related parties as defined under clause 3 of the Accounting Standard have been identified on the basis of representation made by key managerial personnel and information available with the Company.

Related party relationships

i) **Parties where control exists**

Ruchi Infrastructure Ltd.

ii) **Key Management Personnel & their relatives**

Mr. Dinesh Shahra, Managing Director

Mrs. Abhadevi Shahra, wife of the Managing Director

Ms. Amrita Shahra, Daughter of the Managing Director

Mr. Sarvesh Shahra Son of the Managing Director

Mr. Kailash Shahra, Brother of the Managing Director

Mr. Suresh Shahra, Brother of the Managing Director

Mr. Santosh Shahra, Brother of the Managing Director

Mr. Ashutosh B. Rao, Wholetime Director

Mr. V.K. Jain, Wholetime Director (with effect from 27th July, 2009)

Mr. S.P. Joshi, Wholetime Director (till - 26th July, 2009)

iii) **Entites where Key Management Personnel or relatives of Key Management Personnel have significant influence.**

Mahadeo Shahra & Sons

Mahadeo Shahra Sukrut Trust

Great Eastern Infrastructure Corporation Pvt. Ltd.

Ruchi Corporation Ltd.

Ruchi Bio Fuels Pvt. Ltd.

Ruchi Multitrade Pvt. Ltd.

Ruchi Realty Pvt. Ltd.

Indivar Wellness Pvt. Ltd.

Shahra Brothers Pvt. Ltd.

Sunshine Oleochem Ltd.

Soyumm Marketing Pvt. Ltd.

Nirvana Housing Pvt. Ltd.

Bright Star Housing Pvt. Ltd.

Ruchi Marktrade Pvt. Ltd.

Shiva Foundation (Trust)

High Tech Realty Pvt. Ltd.

Spectra Realty Pvt. Ltd.

Mahakosh Amusement Pvt. Ltd.

Deepti Housing Pvt. Ltd.

Deepti Properties Pvt. Ltd.

Neha Resorts & Hotels Pvt. Ltd.

Ankesh Resorts & Hotels Pvt. Ltd.

Shahra Estate Pvt. Ltd.

Neha Securities Pvt. Ltd.

Vishal Resorts & Hotels Pvt. Ltd.

Vishal Warehousing Pvt. Ltd.

Related party transaction

(Previous year's figures are mentioned in brackets below the figures for the current year)

(Rs. in lac)

Particulars	Parties where control exists					Total
	Subsidiaries	Others	Key Management Personnel (KMP)	Relatives of Key Management Personnel	Enterprises over which KMP & their relatives exercise significant influence	
Purchase of goods						
Ruchi Infrastructure Ltd.		11,715.51				11,715.51
		(15,605.40)				(15,605.40)
Mahadeo Shahra & Sons					7,643.61	7,643.61
					(3,965.52)	(3,965.52)
Ruchi Marktrade Pvt. Ltd.					1,787.99	1,787.99
					(—)	(—)
Sunshine Oleochem Ltd.					4,206.35	4,206.35
					(710.79)	(710.79)
Sale of goods						
Ruchi Infrastructure Ltd.		36,230.52				36,230.52
		(33,394.37)				(33,394.37)
Ruchi Marktrade Pvt. Ltd.					13,004.62	13,004.62
					(—)	(—)
Sunshine Oleochem Ltd.					7,148.18	7,148.18
					(2657.53)	(2657.53)
Sale of Preference shares						
Ruchi Infrastructure Ltd.		3,657.00				3,657.00
		(—)				(—)
Processing Charges recd./receivable						
Ruchi Infrastructure Ltd.		18.96				18.96
		(0.62)				(0.62)
Storage charges paid						
Ruchi Infrastructure Ltd.		1,014.65				1,014.65
		(712.50)				(712.50)
Port hire charges paid						
Ruchi Infrastructure Ltd.		175.21				175.21
		(414.03)				(414.03)
Others expenses paid						
Ruchi Infrastructure Ltd.		12.81				12.81
		(—)				(—)
Shahra Brothers Pvt. Ltd.					3.18	3.18
					(—)	(—)
Sunshine Oleochem Ltd.		2.95				2.95
		(—)				(—)
Mahadeo Shahra & Sons					0.02	0.02
					(—)	(—)
Others (Expenses incurred by them)						
Sunshine Oleochem Ltd.					2.95	2.95
					(—)	(—)
Ruchi Infrastructure Ltd.		173.10				173.10
		(—)				(—)

Parties where control exists						
Particulars	Subsidiaries	Others	Key Management Personnel (KMP)	Relatives of Key Management Personnel	Enterprises over which KMP & their relatives exercise significant influence	Total
Investment in Equity shares						
Ruchi Infrastructure Ltd.		8,588.64 (—)				8,588.64 (—)
Remuneration including Perquisites						
Mr.Dinesh Shahra			138.38 (122.83)			138.38 (122.83)
Miss Amrita Shahra				40.31 (39.93)		40.31 (39.93)
Mr. Sarvesh Shahra				24.12 (21.35)		24.12 (21.35)
Mr. A.B. Rao			19.25 (18.26)			19.25 (18.26)
Mr. S.P. Joshi			4.32 (12.75)			4.32 (12.75)
Mr. V.K. Jain			10.04 (—)			10.04 (—)
Mr. Kailash Shahra (commission)				50.00 (29.15)		50.00 (29.15)
Sitting fees paid						
Mr. Kailash Shahra				0.14 (0.26)		0.14 (0.26)
Interest received/ receivable (net)						
Ruchi Bio Fuels Pvt. Ltd.					1.51 (—)	1.51 (—)
Rent Paid						
Mahadeo Shahra & Sons					0.84 (0.84)	0.84 (0.84)
Shahra Brothers Pvt. Ltd.					1.32 (1.32)	1.32 (1.32)
Mrs.Abhadevi Shahra				9.00 (9.00)		9.00 (9.00)
Deepti Housing Pvt. Ltd.					1.08 (—)	1.08 (—)
Ruchi Infrastructure Ltd.		103.37 (—)				103.37 (—)
High Tech Realities Pvt. Ltd.					6.00 (—)	6.00 (—)
Shiva Foundation (Trust)					31.20 (6.21)	31.20 (6.21)
Lease Rent Receivable						
Sunshine Oleochem Ltd.					12.98 (4.20)	12.98 (4.20)

Particulars	Parties where control exists					Total
	Subsidiaries	Others	Key Management Personnel (KMP)	Relatives of Key Management Personnel	Enterprises over which KMP & their relatives exercise significant influence	
Donation Given						
Mahadeo Shahra Sukrat Trust					24.57 (42.30)	24.57 (42.30)
Unsecured Loan taken						
Ruchi Infrastructure Ltd.		238.26 (—)				238.26 (—)
Share application money paid						
Sunshine Oleochem Ltd.					350.00 (—)	350.00 (—)
Share Warrants issued						
Mr. Sarvesh Shahra				875.00 (—)		875.00 (—)
M/s Amrita Shahra				875.00 (—)		875.00 (—)
Shiva Foundation					665.00 (—)	665.00 (—)
Amt. Receivable						
Ruchi Infrastructure Ltd.		2,735.87 1,612.83)				2,735.87 (1,612.83)
Ruchi Marktrade Pvt. Ltd.					5,424.83 (29.56)	5,424.83 (29.56)
Shiva Foundation					900.00 (900.00)	900.00 (900.00)
Sunshine Oleochem Ltd.					263.46 (1254.84)	263.46 (1254.84)
High Tech Realities Pvt. Ltd.					750.00 (—)	750.00 (—)
Mahadeo Shahra & Sons		2,735.87 (1,612.83)			15.05 (—)	15.05 (—)
Amt. Payable						
Ruchi Infrastructure Ltd.		238.26 (45.69)				238.26 (45.69)
Shahra Brothers Pvt. Ltd.					4.30 (7.78)	4.30 (7.78)
Deepti Housing Pvt. Ltd.					1.08 (—)	1.08 (—)
Ruchi Bio Fuels Pvt. Ltd.					20.54 (20.54)	20.54 (20.54)

Note: (i) Remuneration paid to the Managing Director (Key Management Personnel) excludes expenditure on rent free accommodation since rent is paid to relative of key management personnel and the same has been disclosed separately.

(ii) The above disclosure is limited to related party relationships and transactions with these parties with reference to the company alone and does not include related party relationships and transactions relating to transferor companies.

31. Earnings Per Share :

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
a) Basic earnings per share		
i) Profit after tax	17,770.25	9,748.05
Less : Preference dividend including tax thereon	48.15	211.73
Profit attributable to equity shareholders	<u>17,722.10</u>	<u>9,536.32</u>
ii) Weighted average number of equity shares :		
Equity shares as at the beginning of the year	18,87,90,060	18,87,90,060
Add : Adjustment for shares issued during the year	5,97,29,988	—
	<u>24,85,20,048</u>	<u>18,87,90,060</u>
Basic earning per share of Rs. 2/- each (Previous year Rs. 10/- each)	7.13	5.05
b) Diluted earnings per share		
i) Profit attributable to equity shareholders [as per working in (a) (i) above]	17,722.10	9,536.32
ii) Weighted average number of equity shares [As per working in (a) (ii) above]	24,85,20,048	18,87,90,060
Add: Increase in shares on account of dilutive potential equity shares by way of conversion of warrants into equity	2,86,02,234	—
Add: Increase in shares on account of exercise of Employee Stock Option Scheme	9,98,145	—
	<u>27,81,20,427</u>	<u>18,87,90,060</u>
Diluted earnings per share of Rs. 2/- each	6.37	5.05

32. The break-up of the deferred tax liability up to the year ended 31st March, 2010 is as under:

Liability/(Asset) on account of	For the period Up to 31.03.09	For the year Ended 31.03.10	(Rs. in lac) Total up to 31.03.10
Depreciation	13,848.92	3,701.85	17,550.77
Provision for doubtful debts & advances	(232.00)	(304.47)	(536.47)
Disallowance under Income Tax Act, 1961	(134.30)	(42.35)	(176.65)
Diminution in value of investment	(5.00)	5.00	—
Net deferred tax liability (Asset)	13,477.62	3,360.03	16,837.65

33. I. The Company has entered into the following derivative instruments:

- a) The Company uses foreign currency/forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company does not use forward contracts for speculative purposes.

The following are the outstanding Forward Exchange Contracts entered into by the Company as on 31st March, 2010:

Particulars	2009-10			2008-09		
	No. of Contracts	Foreign Currency Equivalent (in lac)	INR Equivalent (in lac)	No. of Contracts	Foreign Currency Equivalent (in lac)	INR Equivalent (in lac)
Covers against exports						
USD	73	746.28	34,451.30	35	484.14	24,054.31
EUR	4	3.38	213.77	—	—	—
Amount receivable in foreign currency on account of the following:						
Sale of goods	—	—	—	—	—	—
Amount payable in foreign currency on account of the following						
Import of goods and services	193	5,231.64	2,42,357.52	207	6,092.11	3,06,943.84
Loans and interest payable	62	3,037.92	1,41,549.29	48	1,745.67	88,000.16

- b) The Company also uses derivative contracts other than forward contracts to hedge the interest rate and currency risk on its capital account. The Company does not use these contracts for speculative purposes.

- i) Option contracts to hedge against imports:

2009-10			2008-09		
No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)	No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)
—	—	—	—	—	—

- ii) Coupon Rate Swap to hedge against fluctuations in interest rate

2009-10			2008-09		
No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)	No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)
2	200.00	9,056.00	—	—	—

- iii) Currency swaps to hedge against fluctuations in changes in exchange rate and interest rate

2009-10			2008-09		
No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)	No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)
—	—	—	—	—	—

- iv) Options to hedge against exports

2009-10			2008-09		
No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)	No. of Contracts	US Dollar Equivalent (in lac)	INR Equivalent (in lac)
—	—	—	—	—	—

- II. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

2009-10				2008-09	
Particulars	Currency	Value in Foreign Currency (In Lac)	INR Equivalent (In Lac)	US Dollar Equivalent (In Lac)	INR Equivalent (In Lac)
Amount receivable in foreign currency on account of the following:					
Sale of goods	USD	—		28.91	1,474.93
	EURO			0.83	54.76
Merchandise Trade	USD	597.57	27,638.70	363.94	17,806.21
Bank Balance				—	—
Amount payable in foreign currency on account of the following:					
Import of goods and services	USD	347.95	15,755.19	348.81	17,757.93
Purchase of Merchandise Exports	USD	581.30	27,119.47	35.00	1,806.97
Loans and interest payable		703.30	31,845.37	60.75	3,108.21

34. Previous year's figures have been regrouped, wherever necessary.

35. Figures pertaining to the subsidiary, associate and the trust, where the company is the beneficiary have been reclassified to bring them in line with parent Company's financial statement.

As per report of even date attached

For and on behalf of the Board of Directors

P.D. KUNTE & CO. (Regd.)
Chartered Accountants

Kailash Shahra
Chairman

(D.P. Sapre)
Partner
Membership No. 40740

Anil Singhal
General Manager (Accounts)

R.L. Gupta
Company Secretary

Dinesh Shahra
Managing Director

Gurgaon, August 28, 2010

Gurgaon, August 28, 2010

CASH FLOW STATEMENT ANNEXED TO BALANCE SHEET AS AT 31ST MARCH, 2010

	(Rs. in lac)	2009-10 (Rs. in lac)	(Rs. in lac)	2008-09 (Rs. in lac)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit as per profit and loss account		28,098.91		15,717.85
Adjustment for :				
Depreciation	10,042.82		8,577.45	
Interest expense	15,367.12		17,092.93	
Miscellaneous expenditure written off	4.63		4.59	
Employee Compensation expenses	142.56		38.76	
Provision for wealth tax	12.50		8.15	
Provision for Doubtful debts/Advances	—		200.36	
Interest Income	(8,730.91)		(12,336.89)	
Investment Written off	—		0.10	
Dividend received	(62.70)		(49.15)	
Minority interest in net assets (other than cash)	2.31		—	
Provision for Leave encashment / Gratuity	16.82		187.75	
Loss on sale of assets	26.87		21.07	
Provision no longer required written back	(13.86)		—	
Provision for diminution in investments	—		13.61	
Additional Depreciation on account of revaluation	1,991.35		—	
Profit on sale of assets	(66.59)		(90.35)	
Profit on sale of investments	(437.70)		(640.18)	
		18,295.22		13,028.20
Operating profit before adjusting for the changes in working capital		46,394.13		28,746.05
Adjustments for :				
Decrease/(increase) in inventories	(8,401.66)		69,241.09	
Decrease/(increase) in debtors	(20,395.27)		(10,141.83)	
Decrease/(increase) in other current assets including loans and advances	1,836.15		(20,242.97)	
Increase /(Decrease) in liabilities	5,768.80	(21,191.98)	6221.38	45,077.67
Cash flow from operations		25,202.15		73,823.72
Taxes paid (net of refund) incl. dividend tax		(5,003.95)		(7,031.16)
NET CASH FROM OPERATING ACTIVITIES		20,198.20		66,792.56
B. CASH FLOW FROM INVESTING ACTIVITIES				
Interest received	8,730.91		12,336.89	
Purchase of fixed assets	(40,670.96)		(30,604.82)	
Sale of fixed assets	602.00		897.65	
Purchase of investments	(9,98,606.87)		(12,58,833.33)	
Sale of investments	9,92,051.07		12,59,473.25	
Dividend received	62.70		49.15	
NET CASH USED IN INVESTING ACTIVITIES		(37,831.15)		(16,681.21)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase/(decrease) in secured/unsecured loans	58,067.88		(13,835.16)	
Dividend paid	(1,316.07)		(1,124.92)	
Interest paid	(15,367.12)		(17,092.93)	
Intercompany deposits (given)/refunded	146.94		(144.11)	
Redemption of Preference Shares	(4,524.29)		(0.49)	
Issue of Warrants	14,529.06		—	
Issue of Shares	11,700.85		12.00	
NET CASH FROM FINANCING ACTIVITIES		63,237.25		(32,185.61)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		45,604.30		17,925.74
Opening balance of cash and cash equivalents		1,13,873.01		95,947.27
Add : Acquired on amalgamation		490.80		—
		1,14,363.81		95,947.27
Closing balance of cash and cash equivalents		1,59,968.11		1,13,873.01
Increase/(decrease) in cash or cash equivalents		45,604.30		17,925.74

For and on behalf of the Board of Directors

Kailash Shahra
Chairman

Anil Singhal
General Manager (Accounts)

R.L. Gupta
Company Secretary

Dinesh Shahra
Managing Director

Gurgaon, August 28, 2010

Gurgaon, August 28, 2010

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT 1956, RELATING TO THE INTEREST IN THE SUBSIDIARY COMPANY

1. Name of the subsidiary company	Ruchi Worldwide Ltd.	Gemini Edible & Fats India Private Limited	Mrig Trading Private Limited
2. The Financial year of the subsidiary company ended on	31st March, 2010	31st March, 2010	31st March, 2010
3. Date from which it became subsidiary	10th August, 1996	29th March, 2010	1st October, 2009
4. (a) No. of shares held by Ruchi Soya Industries Ltd. (Holding Company) in the subsidiary company.	99,40,700 Equity Shares of Rs.10/- each fully paid up	37,50,001 Equity Shares of Rs.10/- each fully paid up	10,000 Equity Shares of Rs.10/- each fully paid up
(b) Extent of interest of Holding Company at the end of the financial year of the Subsidiary Company.	52.48%	58.82%	100%
5. Net aggregate amount, so far as it concerns the members of Ruchi Soya Industries Limited and is not dealt with in the Company's accounts of the subsidiary's profits:			
(a) Profit / (loss) for the Subsidiary's previous financial year.	Rs.341.94 lac	(Rs.36.19 lac)	—
(b) Profit/(loss) for the previous financial years of the subsidiary since it became the Subsidiary of Ruchi Soya Industries Ltd.	Rs. 1,355.24 lac	—	—
6. Net aggregate amount of the Profits of the subsidiary so far as those Profits are dealt with in Ruchi Soya Industries Limited's accounts.			
(a) For the Subsidiary's financial year.	—	—	—
(b) For the previous financial years, since it became the Subsidiary of Ruchi Soya Industries Ltd.	Rs. 343.13 lac	—	—

For and on behalf of the Board of Directors

Kailash Shahra
Chairman

Anil Singhal
General Manager (Accounts)

R.L. Gupta
Company Secretary

Dinesh Shahra
Managing Director

Gurgaon, August 28, 2010

Gurgaon, August 28, 2010

RUCHI WORLDWIDE LIMITED

(A subsidiary company)

FOURTEENTH ANNUAL REPORT

2009-2010

Board of Directors : Mr. Dinesh Shahra
Mr. Naveen Gupta
Mr. S.P. Joshi

Registered Office : 408, Tulsiani Chambers,
Nariman Point,
Mumbai – 400 021

Bankers : ICICI Bank Limited
Oriental Bank of Commerce
Corporation Bank
Standard Chartered Bank
Yes Bank Limited
HDFC Bank Limited

Auditors : M.M. Singla & Co.

Directors' Report

Dear Shareholders,

Your directors have pleasure in presenting the fourteenth Annual Report together with the audited statement of accounts of the Company for the year ended 31st March, 2010 :

FINANCIAL RESULTS :	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
Sales and other income	1,67,083.36	1,03,559.71
Profit before taxation	1,005.48	642.88
Provision for current tax	342.00	221.90
Taxation for earlier years	12.05	—
Provision for deferred tax	(0.14)	(0.05)
Provision for fringe benefit tax	—	1.12
Profit after taxation	651.57	419.91
Balance brought forward from previous year	2,582.39	2,162.48
Amount available for appropriation	3,233.96	2,582.39
APPROPRIATION		
Balance carried to Balance Sheet	3,233.96	2,582.39

DIVIDEND :

Your Directors express their inability to declare dividend on equity shares in order to plough back the profit and strengthening the networth of the Company.

OPERATIONS :

During the year under review, the sales and other income of the Company has been recorded at Rs.1,67,083.36 lac as against Rs. 1,03,559.71 lac in the previous financial year witnessing a growth of 61.34%. The Company recorded profit after tax of Rs. 651.57 lac as against Rs. 419.91 lac in the previous year recording a healthy growth of 55.16%.

DIRECTORS :

Mr. S.P. Joshi, Director of the Company retires by rotation in accordance with the provisions of Articles of Association of the Company and being eligible, offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT :

As stipulated under Section 217(2AA) of the Companies Act, 1956, your directors subscribed to the "Directors' Responsibility Statement" and confirm as under :

- that in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- that the Directors had selected appropriate accounting policies and applied them consistently, and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2009-10 and of the profit of the Company for that period;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

(iv) that the Directors have prepared the accounts for the financial year ended 31st March, 2010 on a 'going concern' basis.

PARTICULARS OF EMPLOYEES :

There being no employee who is in receipt of remuneration in excess of limits prescribed under Section 217 (2A) of the Companies Act, 1956, the information required under the said Section is not furnished.

FIXED DEPOSITS :

The Company has not accepted any deposit from the public during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Since, the Company did not have any manufacturing activity during the year under review, the particulars of conservation of energy and technology absorption are not furnished.

During the year, the foreign exchange earned on export was Rs. 46,406.88 lac (Previous year Rs. 11,381.45 lac) and the foreign exchange outgo was Rs.90,326.84 lac (Previous year Rs. 71.933.90 lac).

AUDITORS :

The Auditors M/s M.M. Singla & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and are eligible for re-appointment.

ACKNOWLEDGMENT :

Your directors place on record their gratitude for the valued support and assistance extended to the Company by the Shareholders, Banks, Financial Institutions and Government Authorities and look forward to their continued support. Your directors also express their appreciation for the dedicated and sincere services rendered by employees of the Company.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 22nd July, 2010

DINESH SHAHRA
Director

Auditors' Report

THE MEMBERS OF RUCHI WORLDWIDE LIMITED

We have audited the attached Balance Sheet of Ruchi Worldwide Ltd. as at 31st March, 2010, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These Financial statements are the responsibility of the company management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003, (as amended) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the annexure referred to in paragraph 2 above, we report that :
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of accounts as required by law have been kept by the company, so far as appears from our examination of the books.
 - c) The Balance Sheet, the Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account.
 - d) In our opinion, the Profit & Loss account, Balance Sheet and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors of the Company and taken on record by the Board of Directors, we report that no Directors are disqualified as at 31st March, 2010 from being appointed as Directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act 1956.
 - f) In our opinion and to the best our information and according to the explanations given to us, the said Balance Sheet, Profit & Loss Account and Cash Flow Statement read with notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
 - i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2010.
 - ii) In the case of Profit & Loss Account, of the profit of the company for the year ended on that date and;
 - iii) In the case of Cash Flow Statement of the Cash Flows for the year ended on that date.

For **M.M.Singla & Co.**
Chartered Accountants

(Murli M. Singla)
Proprietor
(Membership No. 40366)

Place: Mumbai
Date : 22nd July, 2010

ANNEXURE REFERRED TO IN PARAGRAPH (1) OF THE AUDITORS' REPORT ON THE ACCOUNTS OF RUCHI WORLDWIDE LTD. FOR THE YEAR ENDED 31ST MARCH 2010.

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. We are informed that during the year, these assets were physically verified by the management and no serious discrepancies have been noticed on such verification.
2. As the company has not disposed off any fixed assets during the year, paragraph 4(i) (c) of the order is not applicable.
3. We have been informed that the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable, except for stocks lying with third parties at the year-end, which has been confirmed by them.
4. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
5. The discrepancies noticed on physical verification of inventories as compared to the book records which have been properly dealt within the books of account, were not material.
6. According to the information and explanations given to us, the company has neither granted nor taken any loan, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
7. In our opinion, there is an adequate internal control procedure commensurate with size of the company and the nature of its business for the purchases of stock in trade and sale of goods. During the course of our audit, no major weakness has been noticed in the internal control.
8.
 - a. In our opinion and according to the information and explanations given to us, the transactions for the year that needed to be entered in the register maintained under section 301 of the Companies Act, 1956, have been so entered.
 - b. These transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
9. According to the information and explanations given to us, the company has not accepted any deposit from the public to which provisions of section 58A and 58AA of the Companies Act, 1956 and the rules made there under apply.
10. The company has an internal audit system commensurate with its size and nature of its business.
11. The maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 is not applicable to the Company.
12. As informed to us, the provisions of Employees Provident Fund Act, 1952, are not applicable to the Company for the year under report.
13.
 - a. There are no undisputed amounts payable in respect of income tax, wealth tax, sales tax, Service tax, customs duty, excise duty and other material as at 31st March, 2010, which are outstanding for a period of more than six months from the date they become payable.
 - b. As at 31st March 2010, following disputed statutory dues aggregating Rs. 220 lac have not been deposited on account of matters pending before the appropriate authorities.

Name of the Statute	Nature of dues is pending	Forum where dispute is pending	Amount disputed (Rs. in lac)
Customs Duty	Customs Duty	High Court	220

14. The Company does not have any accumulated losses and has not incurred any cash losses during the current financial year and the immediately preceding financial year.
15. Based on examination of the books of account and related records and according to the information and explanations provided to us, the company has not defaulted in repayment of dues to the banks.

16. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
17. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/society.
18. The Company does not deal or trade in shares, securities, debentures and other investments.
19. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or Financial Institutions.
20. In our opinion and according to the information and explanations given to us, the working capital loan raised during the year have been applied for the purpose for which they were raised.
21. According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flows of the Company, we report that the Company has not utilized funds raised on short-term basis for long term investment and vice-versa.
22. The Company has not issued any debentures during the year .
23. During the year, since the Company has not raised money by way of public issue, paragraph 4(xx) of the Order is not applicable.
24. According to the information and explanations given by the Management, we report that, no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended 31st March, 2010.
25. We have given our comments on the clauses which are applicable to the company.

For **M.M.Singla & Co.**
Chartered Accountants

(Murli M. Singla)
Proprietor
(Membership No. 40366)

Place: Mumbai
Date : 22nd July, 2010

Balance Sheet

AS AT 31ST MARCH, 2010

	Schedule	(Rs. in lac)	As at 31st March, 2010 (Rs. in lac)	As at 31st March, 2009 (Rs. in lac)
I. SOURCES OF FUNDS				
1. Shareholders Funds				
a. Share Capital	1		1,894.07	1,894.07
b. Reserves & Surplus	2		3,258.92	2,607.35
2. Loan Funds				
a. Secured Loans	3		—	1,472.07
b. Unsecured Loans	4		8,978.66	11,593.34
			<u>14,131.65</u>	<u>17,566.83</u>
II. APPLICATION OF FUNDS				
1. Fixed Assets				
a. Gross Block	5	22.89		29.84
b. Less: Depreciation		(18.58)		(17.11)
c. Net Block		<u>4.31</u>		<u>12.73</u>
			4.31	12.73
2. Current Assets, Loans & Advances				
a. Sundry Debtors	6	27,128.56		25,498.13
b. Cash & Bank Balances	7	9,693.84		12,385.52
c. Loans and Advances	8	6,478.22		3,707.34
d. Inventories	9	3,041.25		1,685.15
		<u>46,341.87</u>		<u>43,276.14</u>
Less : Current Liabilities & Provisions				
a. Current Liabilities	10	31,203.36		24,894.88
b. Provisions	11	1,014.99		831.63
		<u>32,218.35</u>		<u>25,726.51</u>
Net Current Assets			14,123.52	17,549.63
3. Net Deferred Tax Assets			0.67	0.53
4. Miscellaneous Expenditure	12		3.15	3.94
(To the extent not written off or adjusted)			<u>14,131.65</u>	<u>17,566.83</u>
Notes to the accounts	16			

As per our report of even date attached

For and on behalf of the Board of Directors

For M. M. SINGLA & CO.
Chartered Accountants

DINESH SHAHRA
Director

(MURLI M. SINGLA)
Proprietor
(Membership No. 40366)

NEERAJ JAIN
Company Secretary

NAVEEN GUPTA
Director

Mumbai, 22nd July, 2010

Mumbai, 22nd July, 2010

Profit & Loss Account

FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
INCOME			
Sales & Other Income		1,67,083.36	1,03,559.71
Increase/ (Decrease) in Stock		1,488.67	(6,483.52)
		<u>1,68,572.03</u>	<u>97,076.19</u>
EXPENSES			
Purchases		1,64,907.40	95,808.89
Material Consumed	13	1,247.38	642.07
Other Expenses	14	1,578.69	766.47
Interest (Net)	15	(169.13)	(785.64)
Depreciation		2.21	1.52
		<u>1,67,566.55</u>	<u>96,433.31</u>
Profit Before Taxation		1,005.48	642.88
Provision for Taxation		342.00	221.90
Provision for Taxation for earlier years		12.05	—
Provision for Deferred Tax		(0.14)	(0.05)
Provision for Fringe Benefit Tax		—	1.12
Profit After Taxation		651.57	419.91
Balance Brought Forward from Previous year		2,582.39	2,162.48
Profit available for appropriation		<u>3,233.96</u>	<u>2,582.39</u>
APPROPRIATION			
Balance Carried to Balance Sheet		3,233.96	2,582.39
		<u>3,233.96</u>	<u>2,582.39</u>
Earning Per Share (Basic and Diluted in Rs.) (See Note 15 of Schedule 16)		3.44	2.22
Notes to the Accounts	16		

As per our report of even date attached

For and on behalf of the Board of Directors

For M. M. SINGLA & CO.
Chartered Accountants

DINESH SHAHRA
Director

(MURLI M. SINGLA)
Proprietor
(Membership No. 40366)

NEERAJ JAIN
Company Secretary

NAVEEN GUPTA
Director

Mumbai, 22nd July, 2010

Mumbai, 22nd July, 2010

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 1 : SHARE CAPITAL		
Authorised		
1,90,00,000 (Previous year 1,90,00,000)		
Equity Shares of Rs. 10/- each.	1,900.00	1,900.00
	1,900.00	1,900.00
Issued, Subscribed & Paid up		
1,89,40,700 (Previous year 1,89,40,700)		
Equity Shares of Rs.10/- each.		
[99,40,700 (Previous year 99,40,700)	1,894.07	1,894.07
Equity Shares of Rs.10/- each held by the holding Company i.e., Ruchi Soya Industries Ltd., & its nominees]		
	1,894.07	1,894.07
SCHEDULE 2 : RESERVES & SURPLUS		
General Reserve	24.96	24.96
Profit and Loss Account	3,233.96	2,582.39
	3,258.92	2,607.35
SCHEDULE 3 : SECURED LOANS		
Short term borrowings from Banks	—	1,472.07
[Secured by pari passu charge by way of hypothecation of stocks and book debts, personal guarantee of a director & corporate guarantee of holding company to the extent of its holding. (Repayable with in one year Rs.Nil) (Previous year Rs 1,472.07 lac)]		
	—	1,472.07
SCHEDULE 4 : UNSECURED LOANS		
Short term advances (Refer Note No. 12 of Notes to the Accounts) [includes amount due to holding company Rs. Nil (Previous year Rs 19.48 lac)]	8,978.66	11,593.34
	8,978.66	11,593.34

SCHEDULE 5 : FIXED ASSETS

(Rs. in lac)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1.4.2009	Additions	Deduction	As on 31.3.2010	Upto 31.3.2009	For the year	Adjustment	Upto 31.3.2010	As at 31.3.2010	As at 31.3.2009
Office Equipment	12.87	0.88	—	13.75	9.52	0.73	—	10.25	3.50	3.35
furniture & Fixtures	2.10	—	—	2.10	1.80	0.13	—	1.93	0.17	0.30
Vehicles	14.87	—	7.83	7.04	5.79	1.35	0.74	6.40	0.64	9.08
Total	29.84	0.88	7.83	22.89	17.11	2.21	0.74	18.58	4.31	12.73
Previous Year	21.38	8.46	—	29.84	15.59	1.52	—	17.11	12.73	5.79

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 6 : SUNDRY DEBTORS		
(Debts considered good)		
Over six months	23.66	12.96
Other debts	27,104.90	25,485.17
[(includes amount due from holding company Rs 178.87 lac (Previous year Rs.115.39 lac)]	27,128.56	25,498.13

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 7 : CASH & BANK BALANCES		
Cash In hand	0.51	2.19
Balance with scheduled banks :		
i) In Current Accounts	358.70	512.70
ii) In Deposit Accounts (Refer Note No. 12 of Notes to the Accounts)	9,334.63	11,870.63
	<u>9,693.84</u>	<u>12,385.52</u>
SCHEDULE 8 : LOANS AND ADVANCES		
Deposits [(includes amount due from holding company Rs 3.42 lac (Previous year Rs.Nil)]	97.27	93.75
Advance income Tax (Including TDS)	1,079.62	1,069.77
Other advances recoverable in cash or in kind or for the value to be received	5,301.33	2,543.82
	<u>6,478.22</u>	<u>3,707.34</u>
SCHEDULE 9 : INVENTORIES		
Raw materials	—	132.57
Finished goods (Valued at lower of cost and net realisable value)	3,041.25	1,552.58
	<u>3,041.25</u>	<u>1,685.15</u>
SCHEDULE 10 : CURRENT LIABILITIES		
Sundry Creditors	30,253.05	24,676.57
Other Liabilities	950.31	218.31
	<u>31,203.36</u>	<u>24,894.88</u>
SCHEDULE 11 : PROVISIONS		
Provision for Taxation	1,011.25	829.25
Provision for Gratuity	3.74	2.38
	<u>1,014.99</u>	<u>831.63</u>
SCHEDULE 12 : MISC. EXPENDITURE (To the extent not written off or adjusted)		
Registration Fees & Stamp Duty	3.94	4.93
Less: Written off	0.79	0.99
	<u>3.15</u>	<u>3.94</u>
SCHEDULE 13 : MATERIAL CONSUMED		
A) Raw Material		
Opening stock	132.57	—
Add : Purchased	1,114.81	774.64
Less : Closing stock	—	132.57
	<u>1,247.38</u>	<u>642.07</u>

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)
SCHEDULE 14 : OTHER EXPENSES		
Processing Charges	30.18	16.56
Salary	60.45	48.34
Freight, Clearing & Forwarding expenses on sales	752.07	328.09
Export Expenses	104.61	51.19
Rent, Rates and Taxes	74.71	138.66
Travelling & Conveyance Expenses	20.27	11.40
Repairs and Maintainance	1.44	3.43
Legal & Professional Fees	16.09	23.01
Insurance	60.11	46.95
Brokerage on Sales	423.83	77.70
Audit Fees	1.00	1.00
Miscellaneous Expenses	26.60	16.52
Registration Fees & Stamp Duty Expenses written off	0.79	0.99
Telephone & Postage	6.54	2.63
	<u>1,578.69</u>	<u>766.47</u>

SCHEDULE 15 : INTEREST (Net)

Interest	519.28	677.93
Less : Interest received	688.41	1,463.57
(Tax deducted at source Rs.120.47 lac (Previous year Rs. 345.01 lac)	<u>(169.13)</u>	<u>(785.64)</u>

SCHEDULE – 16 : NOTES TO THE ACCOUNTS

1. Significant Accounting Policies :

- a. Accounting Convention :
The Accounts have been prepared on historical cost basis.
- b. Revenue Recognition :
The company follows mercantile system of accounting and recognises income and expenditure on accrual basis.
- c. Valuation of Inventories :
Inventories, other than realisable by-products, are valued at lower of cost and net realisable value. The cost is arrived at on moving average basis. The cost of manufactured products includes therein direct costs, production overheads and depreciation. Realisable by products are valued at net realisable value. Cost of trading items includes therein cost of purchase & other costs of acquisition attributable thereto.
- d. Depreciation is provided on straight line basis at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation is provided on pro-rata basis with reference to the month of addition/ installation/ disposal of assets, except for low value items costing Rs 0.05 Lac or less which are written off fully in the year of purchase.
- e. Foreign Currency Transactions :
 - (i) Transactions in foreign currency are accounted at the exchange spot rate prevailing on the date of the transaction. Year end receivables and payables are translated at year end rate of exchange. The difference on account of fluctuation in the rate of exchange is recognised in the profit and loss account. In case of sales and purchases the same is included under the respective heads.
 - (ii) In case of forward exchange contracts, premium/discount arising at the inception of the contracts is spread over the life of the contracts. Exchange fluctuation on such contracts is recognized in the profit & loss account in the year in which there is a change in exchange rates.
- f. In respect of gratuity, the company has taken Group Gratuity cum Life Assurance Policy of Life Insurance Corporation of India to cover its gratuity liability. Accordingly, the premium payable/ paid to Life Insurance Corporation of India is charged to the Profit and Loss Accounts.
- g. Provision for tax is made for both current and deferred taxes. Provision for current income tax is made on the current tax rates based on assessable income. The Company provides for deferred tax based on the tax effect of timing differences resulting from the recognition of items in the financial statements and in estimating its current tax provision. The effect on deferred taxes of a change in tax rate is recognized in income in the period that includes the enactment date.

- h. Employee benefits are recognized in accordance with revised Accounting Standard 15 as under :
- (i) Short term employee benefits are recognized as expenses in the profit and loss account of the year in which service is rendered.
 - (ii) Contribution to defined contribution schemes such as Provident Fund, Family Pension Fund and Superannuation Fund are charged to the profit and loss accounts.
 - (iii) The defined benefit obligations in respect of gratuity and leave encashment are recognized on the basis of valuation done by an independent actuary applying Project Unit Credit Method. The actuarial gain / loss arising during the year are recognized in the profit and loss account of the year.

2. Contingent liabilities not provided for

No Provision has been made for Rs 220 lac (Previous year Rs.220 lac) being the amount in respect of which the company has received demand notice from custom authorities, which has been disputed by the company. On a writ petition filed by the company, the honourable High Court of Chennai has granted a stay order in favour of the company. The company has been advised that this demand has been incorrectly raised and is not payable.

3. Details of Raw Material Consumed

	2009-10		2008-09	
	Qty. (M.T.)	(Rs. in lac)	Qty. (M.T.)	(Rs. in lac)
a. Raw Material Consumed				
Raw Coffee	1,798.473	1,247.38	1,067.948	642.07
b. Consumption of Imported & Indigenous Raw Material and percentage of each to the consumption.				
	Raw Material	%	Raw Material	%
	(2009-10)		(2008-09)	
	(Rs in lac)		(Rs. in lac)	
Imported	—	—	—	—
Indigenous	1,247.38	100%	642.07	100%

4. Details of Licensed and Installed Capacity, Production, sales, purchases and Stock.

	2009-10		2008-09	
	Qty (MT)		Qty (MT)	
a. Licensed Capacity				
Oil		N.A.		N.A.
b. Installed Capacity				
Oil		—		—
c. Production (done by others for the Company)				
Coffee		1,147.279		642.000
	2009-10		2008-09	
	Qty. (M.T.)	(Rs. in lac)	Qty. (M.T.)	(Rs. in lac)
d. OPENING STOCK				
Cotton	1,145.137	650.48	8,289.751	5,034.79
Grains	2,018.855	473.61	13,604.800	2,833.54
Coffee	779.996	561.06	203.000	167.77
		<u>1,685.15</u>		<u>8,036.10</u>
e. PURCHASES				
Oils	3,20,890.791	1,15,931.90	1,93,778.430	79,745.27
Cotton	65,668.890	46,977.92	9,870.216	6,650.24
Grains	—	—	28,840.969	7,577.25
Coffee	3,728.932	3,112.39	3,273.256	2,610.77
		<u>1,66,022.21</u>		<u>96,583.53</u>

	2009-10		2008-09	
	Qty. (M.T.)	(Rs. in lac)	Qty. (M.T.)	(Rs. in lac)
f. SALES				
Oils	3,20,890.791	1,16,502.04	1,93,778.430	80,000.24
Cotton	64,697.134	47,955.65	17,014.830	11,167.07
Grains	1,386.635	414.73	40,426.914	10,070.69
Coffee	2,883.381	2,209.77	2,696.260	2,299.00
		<u>1,67,082.19</u>		<u>103,537.00</u>
g. CLOSING STOCK				
Cotton	2,116.893	1,426.37	1,145.137	650.48
Grains	632.220	87.31	2,018.855	473.61
Coffee	1,625.547	1,527.57	779.996	561.06
		<u>3,041.25</u>		<u>1,685.15</u>

Note : Sales & Purchases quantity include shortages & excess, if any.

5. Deferred Tax :

(Assets)/Liability

	Deferred tax Charges/(Credit) As on 01.04.09 (Rs. in lac)	Current (Asset)/Liability (Rs. in lac)	Deferred Tax (Assets)/Liability As on 31.03.10 (Rs. in lac)
Deferred tax liability			
Difference between book and Income tax depreciation	(0.53)	(0.14)	(0.67)
Deferred tax assets			
Disallowance U/S 43 B and other dis-allowances	—	—	—
Deferred tax Assets (Net)	(0.53)	(0.14)	(0.67)

In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has provided for deferred tax liability during the year. This has resulted in a debit to deferred tax of Rs. 0.14 lac (Previous year (Rs. 0.05 lac) for the year and net profit for the year is higher by the same amount.

6. The Company has adopted the revised Accounting Standard on Employee Benefits. The following disclosures are made as required under AS 15.

	Gratuity (Rs. in lac)
Change in obligation during the year ended 31st March, 2010	
Obligation at the beginning of the year	3.07
Service cost	0.68
Interest Cost	0.24
Actuarial (Gains)/Losses	(0.03)
Benefits payments	—
Obligations at the end of the year	3.96
Change in the fair value of plan assets	
Fair value of plan assets at the beginning of the year	3.86
Expected return on plan assets	0.31
Contributions	0.26
Benefits paid	—
Actuarial (Gains)/Losses	0.05
Fair value of plan assets at the end of the year	4.48
Amount recognized in balance sheet	
Present value of defined benefit obligation at the end of the year	4.48
Fair value of plan assets at the end of the year	3.96
Liability recognized in balance sheet	0.52

Balance sheet reconciliation

Net liability at the beginning of the year	(0.78)
Expenses recognized during the year	0.52
Contributions during the year	(0.26)
Net liability as at the end of the year	(0.52)

Amounts recognized in the profit and loss account

Current service cost	0.68
Interest cost	0.24
Expected return on plan assets for the year	(0.31)
Actuarial (Gains)/Losses	(0.08)
Expenditure recognized in the profit and loss account	0.53

Actual return on plan assets

Expected return on plan assets for the year	0.31
Actuarial (Gains)/Losses	0.05
Actual return on plan assets	0.36

Percentage of each category of plan assets to fair value of plan assets

Insurer managed funds	4.48
-----------------------	------

Actuarial assumptions

Discount Rate Current	8.25%
Salary escalation Current	6.00%
Rate of return on plan assets Current	8.00%

Other disclosures

- a) Gratuity is payable to all employees at the rate of 15 days salary for each year of service subject to a maximum of Rs. 3.50 lac.
- b) Salary escalation is considered as advised by the company which is in line with the industry practice considering promotion and demand and supply of the employees.
7. Audit Fees paid to auditor Rs. 1.00 lac (Previous year Rs. 1.00 lac).
8. Balance of Sundry creditors, sundry debtors and advances are partly confirmed.
9. CIF value of imports is Rs 89,995.20 lac (Previous year Rs.71,734.36 lac). Expenditure in foreign currency for export expenses Rs 331.64 lac (Previous year Rs. 199.54 lac).
10. FOB Value of exports is Rs. 46,361.91 lac (Previous year Rs. 11,284.26 lac). Income in foreign currency for claim & settlement is Rs 44.97 lac (Previous year Rs. 97.19 lac).
11. In the opinion of Board of directors, the current assets, loans and advances have value on realisation in the ordinary course of business, as at least equal to the amount at which they are stated in the Balance Sheet.
12. During the year, the company has availed buyers' credit. The amount as of Rs 8,153.66 lac (Previous year Rs.11,573.86 lac outstanding on account of buyers' credit as at 31st March 2010, is guaranteed by banks against fixed deposit of Rs. 8,429.00 lac (Previous year Rs. 11,849.00 lac) placed with them. In the balance sheet the said amount of Rs. 8,153.66 lac has been included under unsecured loan in Schedule no. 4 and the aforesaid fixed deposit are included under bank balances with schedule banks in deposit account in Schedule 7.
13. The company is engaged in merchandising activities. No other activity qualifies as a reportable segment in terms of AS – 17 issued by The Institute of Chartered Accountants of India. Hence the disclosure requirement of AS – 17 is not applicable.
14. Disclosure of Related party transactions as per AS-18

List of Related Parties and Relationships**Party Name****Relation**

- 1) Holding and Subsidiary Companies

Ruchi Soya Industries Ltd	Holding Company
Mrig Trading Private Limited	Fellow Subsidiary
Gemini Edibles & Fats India Pvt. Ltd.	Fellow Subsidiary
- 2) Entities where individuals having significant influence over the Company.
 - a) Shiva Foundation
 - b) Sunshine Oleochem Limited
 - c) RIFL Energy Pvt. Ltd.
 - d) Soyumm Marketing Pvt. Ltd.

Particulars of Transactions with Related Parties :

		2009-10	2008-09			
		(Rs in lac)	(Rs in lac)			
Ruchi Soya Industries Ltd						
Purchase of Goods		7,192.17	—			
Sale of Goods		74,756.97	46,534.13			
Amount Receivable		182.29	95.91			
Unsecured Loan		—	19.48			
Sundry Debtors		178.87	115.39			
Intercompany Deposit		3.42	—			
Mrig Trading Private Limited		—	—			
Gemini Edibles & Fats India Pvt. Ltd.		—	—			
15.	Earning Per Share	2009-10	2008-09			
a)	Weighted Average number of Equity Shares of Rs 10/- each :					
	Equity Shares as at the beginning of the year	1,89,40,700	1,89,40,700			
	Adjustment for shares issued during the year	—	—			
	Weighted average number of Equity Shares	1,89,40,700	1,89,40,700			
b)	Profit after tax and attributable to Equity Shareholders (Rs. in lac)	651.57	419.91			
c)	Basic & diluted earning per share (Rs.)	3.44	2.22			
16.	I. Information relating to derivative instruments :					
	The Company uses foreign currency/forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The company does not use forward contracts for speculative purposes.					
	The following are the outstanding Forward Exchange Contracts entered into by Company as on 31 st March, 2010:					
	No. of Contracts	USD Equivalent	INR Equivalent			
		(in lac)	(in lac)			
	2009-10	2008-09	2009-10	2008-09		
	Amount Payable in foreign currency					
	On account of the following :					
	23	24	632.34	464.18	29,595.36	23,314.29
	03	05	180.07	231.00	8,401.14	11,760.89
	53	14	403.06	47.86	18,435.60	2,382.99
	II. Foreign exchange currency exposure not covered by derivative instrument or otherwise are given below :					
	US Dollar Equivalent			INR Equivalent		
	(in lac)			(in lac)		
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
	Amount payable in foreign currency					
	on account of the following :					
	10.32	56.68	467.48	2899.71		
	1.34	0.85	60.74	43.51		
17.	In respect of provisions for income & expenditure, the excess / shortfall, if any, are adjusted in the same head.					
18.	Previous years figures have been regrouped wherever necessary.					
19.	Additional information as required under part IV of schedule VI to the Companies Act, 1956. is attached					

As per our report of even date attached

For and on behalf of the Board of Directors

For M. M. SINGLA & CO.
Chartered Accountants

DINESH SHAHRA
Director

(MURLI M. SINGLA)
Proprietor
(Membership No. 40366)

NEERAJ JAIN
Company Secretary

NAVEEN GUPTA
Director

Mumbai, 22nd July, 2010

Mumbai, 22nd July, 2010

CASH FLOW STATEMENT ANNEXED TO BALANCE SHEET AS AT 31ST MARCH, 2010

	2009-10 (Rs. in lac)	2008-09 (Rs. in lac)	2008-09 (Rs. in lac)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net profit as per profit and loss account		1,005.48	642.88
Adjustment for :			
Depreciation	2.21		1.52
Interest paid	519.28		677.93
Provision for Gratuity	1.36		0.91
Miscellaneous expenditure written off	0.79		0.99
Interest received	(688.41)		(1,463.57)
Loss on sale of assets	1.73		—
		(163.04)	(782.22)
Operating profit before adjusting for the changes in working capital		842.44	(139.34)
Adjustments for :			
Decrease/(increase) in inventories	(1,356.10)		6,350.95
Decrease/(increase) in debtors	(1,630.43)		(11,283.74)
Decrease/(increase) in other current assets including loans and advances	(2,770.88)		1,195.56
Increase/(decrease) in liabilities	6,308.48		7,842.99
		551.07	4,105.76
Cash flow from operations		1,393.51	3,966.42
Taxes paid (net of refund)		(172.05)	(445.11)
NET CASH FROM OPERATING ACTIVITIES		1,221.46	3,521.31
B. CASH FLOW FROM INVESTING ACTIVITIES			
Interest received	688.41		1,463.57
Purchase of fixed assets	(0.88)		(8.46)
Sale of fixed assets	7.09		—
Loss on sale of assets	(1.73)		—
NET CASH USED IN INVESTING ACTIVITIES		692.89	1,455.11
C. CASH FLOW FROM FINANCING ACTIVITIES			
Increase/(decrease) in secured/unsecured loans	(4,086.75)		(29,961.72)
Interest paid	(519.28)		(677.93)
NET CASH FROM FINANCING ACTIVITIES		(4,606.03)	(30,639.65)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(2,691.68)	(25,663.23)
Opening balance of cash and cash equivalents		12,385.52	38,048.75
Closing balance of cash and cash equivalents		9,693.84	12,385.52
Increase/(decrease) in cash or cash equivalents		(2,691.68)	(25,663.23)

As per our report of even date attached

For and on behalf of the Board of Directors

For M. M. SINGLA & CO.
Chartered Accountants

DINESH SHAHRA
Director

(MURLI M. SINGLA)
Proprietor
(Membership No. 40366)

NEERAJ JAIN
Company Secretary

NAVEEN GUPTA
Director

Mumbai, 22nd July, 2010

Mumbai, 22nd July, 2010

BALANCE SHEET ABSTRACT AND THE COMPANY'S GENERAL BUSINESS PROFILE

I. Registration details :

State code

1 1

Registration Number (CIN)

U15499MH1996PLC100016

Balance Sheet Date

3 1

0 3

2 0 1 0

Date

Month

Year

II. Capital raised during the year (Amount in lac)

Public Issue

1 1 N I L

Bonus Issue

1 1 N I L

Initial & Right Issue

1 1 N I L

Private Placement

1 1 N I L

III. Position of mobilisation and deployment of funds (Amount in lac)

Total Liabilities

1 4 1 3 1 . 6 5

Sources of Funds

Paid-up Capital

1 8 9 4 . 0 7

Secured Loans

1 0 . 0 0

Application of Funds

Net Fixed Assets

1 4 . 3 1

Net Current Assets

1 4 1 2 3 . 5 2

Deferred Tax

1 0 . 6 7

Total Assets

1 4 1 3 1 . 6 5

Reserve and Surplus

3 2 5 8 . 9 2

Unsecured Loans

8 9 7 8 . 6 6

Investments

1 1 N I L

Misc. Expenditure

1 3 . 1 5

IV. Performance of the Company (Amount in lac)

Sales and Other Income

1 6 7 0 8 3 . 3 6

Profit Before Tax

1 0 0 5 . 4 8

Earning per share (Rs.)

1 3 . 4 4

Total Expenditure

1 6 6 0 7 7 . 8 8

Profit After Tax

6 5 1 . 5 7

Dividend Rate (%)

1 1 N I L

V. Generic Names of principal / services of the Company (as per monetary terms)

Item Code No. (ITC Code)

Not applicable

Product Description

Not applicable

As per our report of even date attached

For and on behalf of the Board of Directors

For M. M. SINGLA & CO.

Chartered Accountants

DINESH SHAHRA

Director

(MURLI M. SINGLA)

Proprietor

(Membership No. 40366)

NEERAJ JAIN

Company Secretary

NAVEEN GUPTA

Director

Mumbai, 22nd July, 2010

Mumbai, 22nd July, 2010

GEMINI EDIBLE & FATS INDIA PRIVATE LIMITED

(A subsidiary company)

SECOND ANNUAL REPORT

2009-2010

Board of Directors : Mr. Pradeep Kumar Chowdhry
Mr. Nitesh Shahra
Mr. Sumant Razdan

Registered Office : 203, Diamond House,
Behind Topaz Building,
Punjagutta,
Hyderabad 500 082

Bankers : ICICI Bank Limited
Axis Bank Limited
Yes Bank Limited

Auditors : T.S. Ajai

Directors' Report

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 2nd Annual Report of the Company together with the Audited Accounts for the year ended on 31st March 2010.

FINANCIAL RESULTS :

2009-10
(Rs. in lac)

Sales and other income

1,156.17

Profit/(Loss) before taxation

(88.19)

Provision for tax

26.67

Profit/(Loss) after taxation

(61.52)

Your Directors express their inability to recommend dividend.

OPERATIONS :

This is the second year since the Company was incorporated. The Company commenced the project work for setting up a vegetable oil processing complex at Krishnapatnam in October '09.

The Company had purchased 15.22 acres of land at APIIC Industrial Park, Pantapalem (Epuru 1B) Village, Muthukuru Mandal, SPSR Nellore Dist, Andhra Pradesh. The said site is located adjacent to the Krishnapatnam Port with connectivity to NH 5 connecting Chennai and Kolkata. Thus, it has many logistical advantages.

Krishnapatnam Port has laid the pipeline for direct discharge of edible oil from the vessel till the Company's Refinery. Permissions from various authorities for pipeline discharge are awaited.

The machinery erection of the vegetable oil refinery of 800 TPD at Krishnapatnam site has been completed and trial production has been done successfully. The machinery erection of interesterification of vegetable fats of 125 TPD and hydrogenation unit of 100 TPD are nearing completion and the whole plant is expected to go into commence commercial production by the end of September, 2010.

Further, the Company had purchased a running vegetable oil refinery of 200 TPD, on the out skirts of Kakinada Town which is very near to the Kakinada Port situated at Thammavaram Village, Suryaraopeta Grampanchayat, Kakinada Rural Mandal, East Godavari Dist. This unit is connected by direct discharge pipeline from the port for its imports of unrefined vegetable oils. And it caters to the needs of Northern Andhra Pradesh, Orissa and Chhattisgarh States. These areas have very good potential for marketing of refined palmolein and hydrogenated fats.

The Company launched its consumer packs in the brand names "Freedom" for Sunflower oil and "First Klass" for Palmolein since February, 2010 and the said products are being marketed in major towns of Andhra Pradesh and Orissa.

DIRECTORS :

During the year under review, Mr. Nitesh Shahra retires by rotation and is eligible for re-appointment, your Directors recommend for his re-appointment. Mr. T K Vittal Raj has resigned with effect from 29th May, 2010 and the Board places its appreciations for his services during his tenure as director. Mr. Sumant Razdan has been inducted on the Board from 29th May, 2010.

DIRECTORS RESPONSIBILITY STATEMENT AS PER SECTION 217(2AA) OF THE COMPANIES ACT, 1956 :

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statements, it is hereby confirmed that:

- i. in the preparation of the Accounts for the Financial Year ended 31st March 2010, the applicable Accounting Standards have been followed along with proper explanation relating to material departures :
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates which are reasonable and prudent so as to give a true and fair view of the state of affairs of the company and Profit and Loss account at the end of the Financial Year under review:

- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:
- iv. the Directors have prepared the Accounts for the Financial Year ended 31st March 2010, on a “going concern” basis.

PARTICULARS OF EMPLOYEES :

Information required under the provisions of Section 217 (2A) of the Companies Act, 1956, read with relevant rules is as under.

Name	Age	Designation	Gross Remuneration	Qualification	Date of Employment	Previous employment
Pradeep Kumar Chowdhry	56 Years	Whole time Director	Rs. 41,09,529/-	B.Com (Hons), C.A, C.S	01.09.2009	Managing Director of Acalmar Oils & Fats Ltd.

Note: a. Employed for a part of the year.

b. Remuneration received includes salary, HRA, taxable perquisites and company's contribution to provident fund.

DEPOSITS :

The Company has not accepted any Deposits from the Public during the year and there are no deposits outstanding for the year ending 31st March, 2010.

Compliance certificate as required u/s 383 A of the Companies Act, 1956 is annexed here with.

PARTICULARS OF TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOES :

The information required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 is as follows :

Since, the Company did not start commercial production, the particulars pertaining to conservation of energy and technology absorption are not furnished.

Foreign Exchange Earnings and Outgo :

Foreign Exchange Earnings	Nil
Foreign Exchange Outgo	Rs. 2,11,83,891/-

AUDITORS :

Sri T.S Ajai, Chartered Accountant, Hyderabad, retires at the forth coming meeting and signified his eligibility, if re-appointed. The Board recommends his re-appointment as statutory auditor of the Company for the year 2010-11.

APPRECIATION :

Your Directors wish to place on the record their appreciation of their support extended by the employees and company's bankers and other agencies and look forward to their continued support.

By order of the Board

Place: Hyderabad,
Date : 12th August, 2010

Pradeep Kumar Chowdhry
Director

SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED 31ST MARCH, 2010.

The Board of Directors,
Gemini Edibles & Fats India Private Limited,
Hyderabad

I have examined the registers, records and papers of Gemini Edibles & Fats India Private Limited, as required to be maintained under the Companies Act, 1956, the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company (the requirements) for the year ended 31st March, 2010. Based on my examination as well as information and explanations furnished by the Company to me and the records made available to me, I report that:

- The Company is not listed Company.
- All the requisite registers and other records required under the Act and Rules made there under have been maintained in accordance with the requirements.
- All the requisite forms, returns and documents required under the Act and Rules thereunder have been filed with the Registrar of Companies.
- All the requirements relating to the meetings of Directors, shareholders, creditors (wherever applicable) have been complied with. Proper minutes of the proceedings are prepared and authenticated.
- All the appointments of Directors and other officers of the Company have been made in accordance with the requirements.
- Due disclosures under the requirements have been done by the Company.
- The moneys borrowed by the Company from Financial Institutions, banks and others (wherever applicable) have been made in accordance with the requirements.
- Particulars of creation, modification and satisfaction of charges conferring security on the Company's property or undertaking have been filed with Registrar of Companies as per the requirements.
- All necessary approvals of Directors, Shareholders, Central Government and other authorities as per the requirements have been obtained.

Place: Hyderabad
Date : 12th August, 2010

Syed Meera Mohiddin
Company Secretary in Practice
Membership No. : 19395
C.P. No. : 7813

Auditors' Report

The Members,
Gemini Edibles & Fats India Private Limited

We have audited the attached Balance Sheet of Gemini Edibles & Fats India Private Limited, as at 31st March 2010 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company, as we considered appropriate and the information and explanations given to us during the course of our audit, we report that in our opinion:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of all fixed assets.
(b) The fixed assets of the company have been physically verified by the management at the year-end and no discrepancies have been noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, substantial part of fixed assets has not been disposed off during the year.
2. (a) The inventory of finished goods has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the company and nature of its business.
(c) In our opinion, the Company is maintaining proper records of inventory. There are no discrepancies noticed on physical verification of inventory.
3. The company has not granted/taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 except inter corporate deposits from companies in which directors are interested, the terms and conditions of which are not prejudicial to the interest of the company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchases of raw materials, plant and machinery, equipment and other assets and with regard to the operations of the company. Further on the basis of examination of the books and records of the company, we have not come across any instances of major weaknesses in the aforesaid internal control procedures.
5. In our opinion, there are no transactions that need to be entered into a register in pursuance of Section 301 of the Act.
6. The Company has not accepted any deposits from the public. Hence the directives issued by the Reserve Bank of India and the provisions of section 58A and 58AA of the Companies Act 1956 and the rules there under etc. are not applicable.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of Companies Act in respect of the business of the company.
9. (a) The statutory dues have generally been paid within the due date.
(b) There are no disputed statutory liabilities.
10. The company has no accumulated losses as at 31st March, 2010 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. The company has not defaulted in repayment of dues towards loans from financial institutions.

12. The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not in the business of chit funds and hence any special statutes relating to chit fund / nidhi / mutual benefit fund / societies are not applicable to the operations of the company.
14. The company is not dealing or trading in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has availed Term loans from Banks/Financial institutions and the same were applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, the funds raised on short term basis have not been used for long term investments and vice versa.
18. The company has not made any preferential allotment of shares to parties and companies listed in the register maintained u/s 301 of the Companies Act, 1956.
19. The company has not issued any debentures during the year. Hence, no security needs to be created.
20. The company has not raised any money by issue of shares to public.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of fraud on or by the Company, noticed or reported during the year nor have we been informed of any such case by the management.

Further to our comments in the Annexure referred to above, we report that :

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (b) In the case of the Profit and Loss Account, of the loss for the year ended on that date.

Place: Hyderabad
Date : 12th August, 2010

(T.S.AJAI)
Proprietor
Chartered Accountant
Membership No. 25524

Balance Sheet

AS AT 31ST MARCH, 2010

	Schedules	As at 31st March, 2010 (Rupees in lac)	As at 31st March, 2009 (Rupees in lac)
I SOURCES OF FUNDS			
1 Shareholders' Funds			
a) Capital	1	637.50	5.00
b) Reserves & Surplus	2	4,063.48	—
		4,700.98	5.00
2 Loan Funds			
a) Secured Loans	3	2,000.00	—
b) Unsecured Loans	4	—	—
TOTAL		6,700.98	5.00
II APPLICATION OF FUNDS			
1 Fixed Assets	5		
a) Gross Block		399.90	—
b) Less: Depreciation		3.43	—
c) Net Block		396.47	—
d) Capital Work in Progress		6,587.80	4.44
		6,984.27	4.44
2 Investments		—	—
3 Current Assets, Loans & Advances			
a) Inventories	6	74.98	—
b) Sundry Debtors	7	108.83	—
c) Cash & Bank	8	133.22	10.17
d) Other Current Assets	9	0.05	—
e) Loans & Advances	10	2,790.37	229.83
		3,107.45	240.00
Less: Current Liabilities & Provisions			
a) Current Liabilities	11	3,406.76	239.44
b) Provision	12	10.65	—
		3,417.41	239.44
Net Current Assets/(Liabilities)		(309.96)	0.56
4 Miscellaneous Expenditure	13	—	—
5 Deferred Tax Asset		26.67	—
		6,700.98	5.00
Notes to the accounts	19		

The schedules referred to above and the notes forming part of accounts form an integral part of Balance Sheet

As per our report of even date

For and behalf of the Board of Directors

T.S. AJAI

Chartered Accountant

Hyderabad, August 12, 2010

Pradeep Kumar Chowdhry

Director

Nitesh Shahra

Director

Mumbai, August 12, 2010

Profit & Loss Account

FOR THE YEAR ENDED 31ST MARCH, 2010

		(Rupees in lac) 2009-10
INCOME	Schedules	
Sales and Other Income	14	1,156.17
Increase/(Decrease) in stock	15	74.98
		<u>1,231.15</u>
EXPENSES		
Purchases		1,174.61
Materials Consumed	16	—
Expenses	17	140.94
Interest	18	0.36
Depreciation	5	3.43
		<u>1,319.34</u>
Profit/(Loss) before taxation		(88.19)
Provision for taxation — Current tax		—
— Deferred tax		(26.67)
— Fringe Benefit tax		—
Provision for tax for earlier years		—
Profit after taxation		(61.52)
Balance brought forward from previous year		—
Profit available for appropriation		(61.52)
APPROPRIATIONS		
General Reserve		—
Capital Redemption Reserve		—
Proposed Dividend		—
Preference		—
Equity		—
Tax on Dividend		—
Balance carried to Balance Sheet		(61.52)
Earning per share in Rs.		
Basic		—
Diluted		—
Notes to the accounts	19	

The schedules referred to above and the notes forming part of accounts form an integral part of Balance Sheet

As per our report of even date

For and behalf of the Board of Directors

T.S. AJAI

Chartered Accountant

Hyderabad, August 12, 2010

Pradeep Kumar Chowdhry

Director

Nitesh Shahra

Director

Mumbai, August 12, 2010

SCHEDULES FORMING PART OF BALANCE SHEET

	2009-10 (Rupees in lac)	2008-09 (Rupees in lac)
SCHEDULE 1 : SHARE CAPITAL		
Authorised		
1,00,00,000 Equity Shares (Previous year 50,000 Equity Shares) of Rs.10/- each	1,000.00	5.00
Issued, Subscribed and Paid-up		
i) 63,75,001 Equity Shares of Rs.10/- each (Previous year 50,000 Equity Shares of Rs.10/- each)	637.50	5.00
	<u>637.50</u>	<u>5.00</u>
SCHEDULE 2 : RESERVES AND SURPLUS		
a) Share Premium Account		
As per last balance sheet	—	—
Add : Addition during the year	4,125.00	—
	<u>4,125.00</u>	<u>—</u>
b) Profit and Loss Account		
	(61.52)	—
	<u>4,063.48</u>	<u>—</u>
SCHEDULE 3 : SECURED LOANS		
Term Loans from Financial Institutions/Banks/Others	2,000.00	—
	<u>2,000.00</u>	<u>—</u>

NOTE :

The Borrowing availed from the bank is secured / to be secured by way of first pari passu charge on the entire fixed assets of the company, present and future, alongwith the other term lenders and collaterally secured by way of second pari passu charge on the current assets, present and future of the company, alongwith other term lenders and the personal guarantee of one of the promoter director of the Company. Amount repayable in respect of the credit facilities mentioned within 12 months is Nil (Previous Year : Nil)

SCHEDULE 4 : UNSECURED LOANS

—	—
—	—
<u>—</u>	<u>—</u>

SCHEDULE 5: FIXED ASSETS

(Rupees in lac)

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2009	Additions during the year	Deductions during the year	As at 31.03.2009	Upto 31.03.2009	For the year	Adjustment	Upto 31.03.2010	As on 31.03.2010	As on 31.03.2009
Freehold Land	—	304.23	—	304.23	—	—	—	—	304.23	—
Leasehold Land	—	—	—	—	—	—	—	—	—	—
Buildings	—	—	—	—	—	—	—	—	—	—
Plant and Machinery	—	0.24	—	0.24	—	—	—	—	0.24	—
Furniture and Fixtures	—	4.65	—	4.65	—	0.13	—	0.13	4.52	—
Vehicles	—	58.52	—	58.52	—	1.65	—	1.65	56.87	—
Office Equipment	—	6.08	—	6.08	—	0.20	—	0.20	5.88	—
Computers	—	26.18	—	26.18	—	1.45	—	1.45	24.73	—
Software	—	—	—	—	—	—	—	—	—	—
Capital Work in Progress (including pre-operative expenses)	4.44	6,583.36	—	6,587.80	—	—	—	—	6,587.80	4.44
TOTAL	4.44	6,983.26	—	6,987.70	—	3.43	—	3.43	6,984.27	4.44
PREVIOUS YEAR	—	4.44	—	4.44	—	—	—	—	4.44	

	2009-10 (Rupees in lac)	2008-09 (Rupees in lac)
SCHEDULE 6 : INVENTORIES		
(As valued and certified by the Management)		
Stock-in-trade (At lower of cost and net realisable value except realisable by-products which are valued at net realisable value)		
(Refer No.11 of Schedule 19)		
a) Raw Materials (including packing material)	—	—
b) Work-in-progress	—	—
c) Finished goods	74.98	—
d) Realisable by-products	—	—
e) Consumables, Stores & Spares	—	—
	<u>74.98</u>	<u>—</u>
SCHEDULE 7 : SUNDRY DEBTORS		
(Unsecured)		
Debts outstanding for period exceeding six months		
Considered good	—	—
Considered doubtful	—	—
Other Debts (considered good)	108.83	—
Less:Provision for doubtful debts	—	—
	<u>108.83</u>	<u>—</u>
SCHEDULE 8 : CASH AND BANK BALANCE		
Cash on hand	0.48	—
Bank Balances with Scheduled Banks		
i) In Current Accounts	121.24	10.17
ii) In Deposit Accounts (Refer Note no. 2 of Schedule 19)	11.50	—
Bank Balances with Non-Scheduled Banks		
In Deposit Accounts	—	—
	<u>133.22</u>	<u>10.17</u>
SCHEDULE 9 : OTHER CURRENT ASSETS		
Interest Accrued		
On Investments	—	—
On Fixed Deposits with Banks	0.05	—
On Intercompany & Other deposits	—	—
	<u>0.05</u>	<u>—</u>

	2009-10 (Rupees in lac)	2008-09 (Rupees in lac)
SCHEDULE 10 : LOANS AND ADVANCES		
(Unsecured & Considered Good)		
Intercompany Deposits	—	—
(Due from subsidiary company)		
Other Deposits	3.11	
Advance for Capital Expenditure	2,477.97	229.83
Other Advances recoverable in cash or in kind (Considered good)	264.62	
VAT Receivable	44.67	—
Advance Income-Tax including tax deducted at source	—	—
	<u>2,790.37</u>	<u>229.83</u>
Less: Provision for doubtful advances	—	—
	<u><u>2,790.37</u></u>	<u><u>229.83</u></u>
SCHEDULE 11 : CURRENT LIABILITIES		
Sundry Creditors	128.17	—
Sundry Creditors for Capital Goods	262.59	—
Inter Corporate Deposits	2,750.12	238.44
Retention money payable	107.84	—
Agency & Other Deposits	48.77	—
Interest accrued but not due	1.00	—
Customers' Advances	4.21	—
Other Liabilities	104.06	1.00
	<u>3,406.76</u>	<u>239.44</u>
SCHEDULE 12 : PROVISIONS		
Gratuity	4.66	—
Leave Encashment	5.99	—
	<u>10.65</u>	<u>—</u>
SCHEDULE 13 : MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Share Issue Expenses	—	—
Less: Adjusted/Written off	—	—
	<u>—</u>	<u>—</u>

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

2009-10
(Rupees in lac)

SCHEDULE 14 : SALES AND OTHER INCOME

Sales	1,144.82
Scrap & Other Sales	11.35
Less:Excise duty	—
Export Incentive	—
Vat/Excise Refund/Remission	—
Other operating income	—
	<u>1,156.17</u>
Insurance claims received	—
Commission, Discount & Rebates	—
Dividend	—
Profit on sale of investments	—
Profit on sale of Assets	—
Lease Rent (Gross)	—
Exchange Difference(Net)	—
Provisions no longer required written off	—
Subsidy from Government	—
Other Micellaneous Income	—
	<u>1,156.17</u>

SCHEDULE 15: INCREASE/(DECREASE) IN STOCKS

Finished goods

Closing Stock	74.98
Opening Stock	—
	<u>74.98</u>

SCHEDULE 16 : MATERIAL CONSUMED

a) Raw Material

Opening Stock	—
Add: Purchases	—
	<u>—</u>
Less: Closing Stock	—
	<u>—</u>

b) Packing Material

Opening Stock	—
Add: Purchases	—
	<u>—</u>
Less: Closing Stock	—
	<u>—</u>
	<u>—</u>
	<u>—</u>

2009-10
(Rupees in lac)

SCHEDULE 17 : EXPENSES

Processing Charges	—
Power & Fuel (net of recoveries)	—
Manufacturing Expenses	—
Consumables	—
Repairs - Plant & Machinery	—
Repairs - Buildings	—
Repairs - Others	—
Salary, Wages and Bonus	41.36
Contribution to Provident and Other Funds	2.44
Workmen & Staff Welfare expenses	0.01
Insurance (net of recoveries)	—
Rent	0.59
Rates & Taxes	0.10
Sales tax-VAT	17.55
Freight & forwarding (net of recoveries)	7.70
Export expenses	—
Commission and rebate	—
Advertisement & sales promotion	65.68
Donation	—
Travelling & Conveyance	1.30
[including Rs 40.35 lac (Previous year Rs 59.05 lac) for Directors]	—
Provision / Write-off of Doubtful/ Bad Debts and Advances	—
Provision for Diminution in value of Investment	—
Miscellaneous expenses written off	—
Loss on Sales/Fire of Fixed Assets	—
Investment written off	—
Exchange Difference(Net)	—
Bank Commission & Charges	—
Other expenses (Net of recoveries)	4.21
	140.94

SCHEDULE 18 : INTEREST

Interest	
– Debenture & other fixed loans	—
– Others	0.41
Less: Interest Received	0.05
	0.36

SCHEDULE : 19

1. SIGNIFICANT ACCOUNTING POLICIES

a) GENERAL :

The Financial Statements have been prepared under historic cost convention and as a going concern basis. Mercantile System of accounting is followed for recognizing the income and expenditure on accrual basis.

Accounting Policies not referred specifically are consistent with generally accepted accounting principles.

Being the company's first year of operation, the profit and loss account does not provide the previous year's figures.

b) FIXED ASSETS/INTANGIBLE ASSETS :

Fixed assets are valued at cost/revalued amount less depreciation. Cost of fixed assets is arrived at after including therein attributable interest and expenses for bringing the respective assets to working condition and reducing there from Cenvat/VAT credit received/ receivable, if any.

c) DEPRECIATION :

Depreciation is provided on straight line basis at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation is provided on pro-rata basis with reference to the month of addition/ installation/ disposal of assets, except for low value items costing Rs 5000/- or less which are written off fully in the year of purchase.

d) INVENTORIES :

Inventories, other than realisable by-products, are valued at lower of cost and net realisable value. The cost is arrived at on moving average basis. The cost of manufactured products includes therein direct costs, production overheads and depreciation. Realisable by products are valued at net realisable value. Cost of trading items includes therein cost of purchase & other costs of acquisition attributable thereto.

e) RETIREMENT BENEFITS :

(a) Short term employee benefits are recognized as an expense in the profit and loss account of the year in which service is rendered.

(b) Contribution to defined contribution schemes such as Provident Fund, Family Pension Fund and Superannuation Fund are charged to the profit and loss account.

(c) Liability in respect of gratuity and liability in respect of leave encashment are recognised on the basis of valuation done by an independent actuary applying Project Unit Credit Method. The actuarial gain/loss arising during the year is recognized in the profit and loss account of the year.

f) FOREIGN EXCHANGE TRANSACTIONS :

Transactions in foreign currency are accounted at the exchange spot rate prevailing on the date of the transaction. Year end receivables and payables are translated at year end rate of exchange. The difference on account of fluctuation in the rate of exchange is recognised in the profit and loss account. In case of sales and purchases the same is included under the respective heads.

g) BORROWING COSTS :

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition/ construction of qualifying fixed assets were shown under Preoperative Expenses which will be capitalised when such assets are ready for their intended use. Other borrowing costs are charged to the profit & loss account.

h) DEFERRED TAX :

Deferred tax is accounted for by computing the tax effect of timing differences which arise in a year and reverse in subsequent periods.

NOTES FORMING PART OF ACCOUNTS :

- 1 The Pending Capital Commitments as on the date of Balance Sheet were Rs.15.96Crores (previous year - Nil).
- 2 The company has taken Bank Guarantee for Rs.10,00,000 in favour of M/s. MMTC Ltd. and Rs.1,50,000 in favour of M/s. Reuters India Private Limited against fixed deposit of same amounts(100% margin), which are shown under 'Deposits' in Schedule 8.
- 3 There are no amounts requiring disclosure for the year under the provisions of Micro, Small and Medium Enterprises Development Act 2006.
- 4 Managerial Remuneration paid to the Directors:

	2009-10	2008-09
	(Rupees in lac)	(Rupees in lac)
Salary	41.12	—
Perquisites	7.41	—
Total	48.53	—

- 5 Remuneration to Auditors
Audit fees(including service tax) **2.76** —
- 6 The company has not started any commercial operations and the business plans are under progress. An amount of Rs.6,33,89,255/- incurred towards administrative and other expenses are treated as Pre Operative Expenses, pending allocation to Fixed Assets, are included in Capital work in progress, and will be apportioned to the respective assets on commencement of commercial production.
- 7 Disclosure as required by the AS-18 on 'Related Party Transactions' during the year are given below:-
 - A. Enterprises having control:
 - i) Holding Company : Ruchi Soya Industries Limited
 - ii) Associates : Secunderabad Oils Ltd.
 - B. Key Management Personnel : Mr. Pradeep Kumar Chowdhry — Whole time Director
: Mr. T.K. Vittal Raj — Whole time Director

	2009-10	2008-09
	(Rupees in lac)	(Rupees in lac)
I. Transactions with Holding Company		
Loans taken	2,000.00	—
Outstanding at year end	—	—
II. Transactions with Associates		
Intercompany deposit received during the year	5,157.52	238.44
Repaid during the year	2,645.84	—
Closing Balance	2,750.12	238.44
III. Transactions with Key Management Personnel:		
Directors remuneration	48.53	—

- 8 Segment reporting: The Company is having only one business segment, hence AS-17 is not applicable to the company.
- 9 Salaries and wages pertaining to Marketing Dept. and 10% of other than Marketing Dept have been charged to P & L A/c as some amount of time of staff was spent for trading activities. The remaining salaries & wages have been considered under preoperative expenses.
- 10 Previous year figures have been regrouped wherever necessary to conform to the current year presentation of accounts.

11 Additional Information pursuant to the provisions of paragraph 3,4 (C) and 4 (D) of Part II of Schedule VI of the Companies Act,1956

a) Class of Goods, Capacity and Production:

	Unit	For the year ended 31st March, 2010	For the year ended 31st March, 2009
Licenced Capacity	MT	NA	NA
Installed Capacity	MT	NA	NA
Actual Production			
Refined Vegetable Oils	MT	NA	NA
Vanaspati and Bakery Products	MT	NA	NA

b) Particulars in respect of Sales, Purchases and Stocks :

	Unit	Qty	Value (Rupees in lac)	Qty	Value (Rupees in lac)
1. Sales :					
Crude Edible Oils	MT	2,000.000	699.80	—	—
Refined Edible Oils	MT	953.879	445.02	—	—
Vanaspati and Bakery Products	MT	—	—	—	—
Others(Packing Material)			11.36		—
			<u>1,156.18</u>		<u>—</u>
2. Purchases :					
Crude Edible Oils	MT	2,000.000	699.83	—	—
Refined Edible Oils	MT	1,113.903	463.87	—	—
Vanaspati and Bakery Products	MT	—	—	—	—
Others(Packing Material)			10.90	—	—
			<u>1,174.60</u>		<u>—</u>
3. Stock in Trade					
Opening :					
Crude Edible Oils	MT	—	—	—	—
Refined Edible Oil	MT	—	—	—	—
Vanaspati and Bakery Products	MT	—	—	—	—
Others(Packing Material)		—	—	—	—
			<u>—</u>		<u>—</u>
Closing :					
Crude Edible Oils	MT	—	—	—	—
Refined Edible Oil	MT	160.024	74.98	—	—
Vanaspati and Bakery Products	MT	—	—	—	—
Others(Packing Material)		—	—	—	—
			<u>74.98</u>		<u>—</u>

Note :

Closing stock quantities are after adjustment of samples, transit/handling claims/loss and also quantities used for other products.

	Unit	For the year ended 31st March, 2010		For the year ended 31st March, 2009	
		Qty	Value (Rupees in lac)	Qty	Value (Rupees in lac)
c) Materials consumed during the year					
Crude Edible Oils	MT	—	—	—	—
Refined Edible Oils	MT	—	—	—	—
Vanaspati	MT	—	—	—	—
Others	MT	—	—	—	—
Less: By-Product Sales	MT	—	—	—	—
			<u>—</u>		<u>—</u>
			<u>—</u>		<u>—</u>
d) Consumption of raw materials, stores and spares during the year					
		For the year ended 31st March, 2010		For the year ended 31st March, 2009	
		(Rupees in lac)	%	(Rupees in lac)	%
Raw Materials (including Refined Oils), Packing Materials, etc.					
Indigenous		—	—	—	—
Imported		—	—	—	—
Stores and Spares					
Indigenous		—	—	—	—
Imported		—	—	—	—
e) CIF Value of Imports :					
Edible Oils		699.83	100	—	—
Vanaspati		—	—	—	—
Others		—	—	—	—
		<u>699.83</u>	<u>100</u>	<u>—</u>	<u>—</u>
f) Expenditure in Foreign Currency (On Payment Basis):					
Foreign Travel		3.92		—	
Interest		—		—	
Others(Equipments)		207.92		—	
		<u>211.84</u>		<u>—</u>	
g) Earnings in Foreign Currency (On Receipt Basis):					
FOB value of exports		—		—	
		<u>—</u>		<u>—</u>	

As per our report of even date

For and behalf of the Board of Directors

T.S. AJAI
Chartered Accountant

Hyderabad, August 12, 2010

Pradeep Kumar Chowdhry
Director

Nitesh Shahra
Director

Mumbai, August 12, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST, MARCH 2010

	31st March, 2010 (Rupees in lac)	31st March, 2009 (Rupees in lac)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Income Tax	(88.19)	
<i>Adjustments for :</i>	—	
Depreciation	3.43	—
Interest Received	(0.05)	—
Provision for Gratuity / Leave Encashments	10.65	—
Operating Profit before adjustment for changes in Working Capital	(74.17)	—
<i>Changes in Working Capital :</i>		
(Increase) / Decrease in Inventories	(74.98)	—
(Increase) / Decrease in Debtors	(108.83)	—
(Increase) / Decrease in Other Current Assets including Loans & Advances	(2,560.59)	(229.83)
Increase / (Decrease) in Current Liabilities	3,167.33	239.44
Net cash from operational activities	348.76	9.61
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	0.05	—
Purchase of Fixed Assets	(6,983.26)	(4.44)
Net Cash from/(used in) investing activities	(6,983.21)	(4.44)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Share Capital Received	632.50	5.00
Share Premium Received	4,125.00	—
Term Loans Received from Banks	2,000.00	—
Net Cash from Financing Activities	6,757.50	5.00
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	123.05	10.17
OPENING CASH AND CASH EQUIVALENTS	10.17	—
CLOSING CASH AND CASH EQUIVALENTS	133.22	10.17

As per our report of even date

T.S. AJAI
Chartered Accountant

Hyderabad, August 12, 2010

For and behalf of the Board of Directors

Pradeep Kumar Chowdhry
Director

Nitesh Shahra
Director

Mumbai, August 12, 2010

BALANCE SHEET ABSTRACT AND THE COMPANY'S GENERAL BUSINESS PROFILE

I. Registration details :

State code

1 1

Registration Number (CIN)

U15205AP2008PTC058708

Balance Sheet Date

3 1

0 3

2 0 1 0

Date

Month

Year

II. Capital raised during the year (Amount in Thousands)

Public Issue

N I L

Right Issue

N I L

Bonus Issue

N I L

Private Placement

6 3 2 5 0

III. Position of mobilisation and deployment of funds (Amount in Thousands)

Total Liabilities

6 7 0 0 9 8

Total Assets

6 7 0 0 9 8

Sources of Funds

Paid-up Capital

6 3 7 5 0

Reserve and Surplus

4 0 6 3 4 8

Secured Loans

2 0 0 0 0 0

Unsecured Loans

N I L

Application of Funds

Net Fixed Assets

6 9 8 4 2 7

Investments

N I L

Net Current Assets

(3 0 9 9 6)

Deferred Tax Assets

2 6 6 7

Miscellaneous Expenditure

N I L

IV. Performance of the Company (Amount in Thousands)

Turnover

1 1 5 6 1 7

Total Expenditure

1 2 4 4 3 6

+ – Profit / Loss Before Tax

– 8 8 1 9

+ – Profit / Loss After Tax

– 6 1 5 2

Earning per share (Rs.)

N I L

Dividend Rate (%)

N I L

V. Generic Names of three Principal Products/Services of Company:

Product Description

Ref. Palm Oil & its products

Item Code No. (ITC Code)

1512

Item Code No. (ITC Code)

1511

Product Description

—

Product Description

Ref.Sunflower Oil

Item Code No. (ITC Code)

—

For and behalf of the Board of Directors

Mumbai, August 12, 2010

Pradeep Kumar Chowdhry
Director

Nitesh Shahra
Director

MRIG TRADING PRIVATE LIMITED

(A subsidiary company)

EIGHTH ANNUAL REPORT

2009-2010

Board of Directors : Mr. Narendra Shah
Mr. V.K. Jain
Mr. Saurabh Lohani

Registered Office : 408, Tulsiani Chambers,
Nariman Point,
Mumbai – 400 021

Auditors : Basant Jain & Co.

Directors' Report

Dear Shareholders,

Your directors have pleasure in presenting their Eighth Annual Report together with the Audited statement of accounts of the Company for the year ended 31st March, 2010.

OPERATIONS :

During the year, the Company has not carried any business activities.

DIVIDEND :

Your directors express their inability to declare dividend.

DIRECTORS :

Mr. V. K. Jain and Mr. Narendra Shah were appointed as Director of the Company with effect from 20th January, 2010 and Mr. Ramakant Pandey resigned from the directorship of the company. Mr. Saurabh Lohani, Mr. V. K. Jain and Mr. Narendra Shah are the Directors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT :

As stipulated under Section 217(2AA) of the Companies Act, 1956, your directors confirm as under:

- (i) That in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- (ii) That the Directors had selected appropriate accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2009-10 and of the profit of the Company for that period;
- (iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2010 on a 'going concern' basis.

PERSONNEL :

There being no employees who are in receipt of remuneration in excess of limits prescribed under Section 217 (2A) of the Companies Act, 1956.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE :

Since the company did not have any manufacturing activity during the period under review, the particulars of conservation of energy and technology absorption are not furnished.

During the year under review, foreign exchange earnings and outgo was nil.

FIXED DEPOSITS :

The Company has not accepted any deposits from the public during the year under review.

AUDITORS :

M/s. Basant Jain & Co., Chartered Accountants, Auditors of the company hold office up to the forthcoming Annual general meeting and being eligible, offer themselves for re-appointment.

ACKNOWLEDGMENT :

Your directors place on record their gratitude for the valued support and assistance extended to the Company by the shareholders, Banks and Government Authorities and look forward to their continued support.

For and on behalf of the Board of Directors

Place: Indore
Date : 30th April, 2010

Narendra Shah
Director

Auditors' Report

The Members of
MRIG TRADING PRIVATE LIMITED

1. We have audited the attached Balance Sheet of Mrig Trading Private Limited as at 31st March, 2010, and the Pre-operating Expenditure Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, CARO is not applicable to the company as per clause 4 of the said Order, as the company is not having a turnover or borrowing from the institutions or bank or accepted any deposit etc.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The Balance Sheet and the Pre-operating expenditure statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet and Pre-operating expenditure statement dealt with by this report complies with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v. On the basis of written representation received from the directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (b) In the case of the Pre-operating expenditure statement, of the profit for the period ended on that date;

For Basant Jain & Co.
Chartered Accountants

CA BASANT JAIN
Proprietor
Membership No.: **073966**

Place: Indore
Date : 30th April, 2010

Balance Sheet

AS AT 31ST MARCH, 2010

	Schedule	As at 31.03.2010 (Rs. in lac)	As at 31.03.2009 (Rs. in lac)
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1.00	1.00
		<u>1.00</u>	<u>1.00</u>
Application of Funds			
Fixed Assets			
a) Gross Block		—	—
b) Less : Depreciation		—	—
c) Net Block		<u>—</u>	<u>—</u>
Current Assets, Loans & Advances			
Cash & Bank Balance	2	0.73	0.85
Loans & Advances		<u>—</u>	<u>—</u>
		<u>0.73</u>	<u>0.85</u>
Less : Current Liabilities and Provisions			
Current Liabilities		—	—
Expenses Payable	3	<u>0.27</u>	<u>0.15</u>
Net Current Assets		0.46	0.70
Miscellaneous Expenditure	4	0.54	0.30
(To the extent not written off)		<u>1.00</u>	<u>1.00</u>
Significant Accounting Policies and Notes on Accounts	5		

As per our report of even date attached

For and on behalf of the Board of Directors

For Basant Jain & Co.
Chartered Accountants

(CA BASANT JAIN)
Partner
(M. No. 073966)

Indore, 30th April, 2010

V.K. JAIN
Director

NARENDRA SHAH
Director

Mumbai, 30th April, 2010

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	As at 31.03.2010 (Rs. in lac)	As at 31.03.2009 (Rs. in lac)
SCHEDULE-1 : SHARE CAPITAL		
AUTHORISED		
10,000 (Previous year 10,000) Equity Shares of Rs.10 each	1.00	1.00
ISSUED, SUBSCRIBED AND PAIDUP	1.00	1.00
10,000 (Previous year 10,000) Equity Shares of Rs.10 each fully paid up (All shares are held by the holding company, i.e. Ruchi Soya Industries Limited and its nominee)	<u>1.00</u>	<u>1.00</u>
SCHEDULE-2 : CURRENT ASSETS, LOANS & ADVANCES		
A) CASH AND BANK BALANCES		
Cash in hand (as certified)	0.73	0.85
Balance with scheduled Banks in current accounts	<u>—</u>	<u>—</u>
	<u>0.73</u>	<u>0.85</u>
B) LOANS AND ADVANCES		
Recoverable in Cash or in kind or for value to be received	<u>—</u>	<u>—</u>
	<u>—</u>	<u>—</u>
SCHEDULE-3 : CURRENT LIABILITIES AND PROVISIONS		
A) CURRENT LIABILITIES		
B) EXPENSES PAYABLE		
Audit Fees payable	0.08	0.07
Directors' Remuneration payable	0.16	0.08
Other Expenses payable	<u>0.03</u>	<u>—</u>
	<u>0.27</u>	<u>0.15</u>
SCHEDULE-4 : MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
a) Pre-operative Expenses		
Balance as per last Balance Sheet	0.25	0.16
Expenses incurred during the year	<u>0.24</u>	<u>0.09</u>
	0.49	0.25
b) Preliminary Expenses		
Balance as per last Balance Sheet	0.05	0.05
	<u>0.54</u>	<u>0.30</u>

SCHEDULE-5 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

A) Significant Accounting Policies

System of Accounting

- a) The Company follows the mercantile system of the accounting and recognise income and expenditure on accrual basis.
- b) Financial Statements are based on historical cost.

B) Notes to the Accounts

1. The company has not commenced any commercial activity, hence no Profit and Loss Account has been prepared. All expenses are debited as pre operative expenses and hence, capitalised.
2. In the opinion of the Board, current assets, loans & advances have a rule on realisation of at least equal to the amount at which they are stated in the ordinary course of business and there are no contingent liabilities.
3. Directors have not claimed fees for meeting(s) attended by them, being not payable. Hence, not been adjusted for the year ended 31st March, 2010.
4. In the opinion of the Directors, the provisions of payment under Gratuity Act are not presently applicable on the Company.
5. Previous years' figures have been re-grouped, re-arranged, wherever necessary.

As per our report of even date attached

For and on behalf of the Board of Directors

For Basant Jain & Co.
Chartered Accountants

(CA BASANT JAIN)
Partner
(M. No. 073966)

Indore, 30th April, 2010

V.K. JAIN
Director

NARENDRA SHAH
Director

Mumbai, 30th April, 2010

BALANCE SHEET ABSTRACT AND THE COMPANY'S GENERAL BUSINESS PROFILE

I. Registration details :

State code

1 1

Registration Number (CIN)

U15909MH2003PTC138972

Balance Sheet Date

3 1

0 3

2 0 1 0

Date

Month

Year

II. Capital raised during the year (Amount in lac)

Public Issue

N I L

Bonus Issue

N I L

Initial & Right Issue

N I L

Private Placement

N I L

III. Position of mobilisation and deployment of funds (Amount in lac)

Total Liabilities

1

Sources of Funds

Paid-up Capital

1

Secured Loans

N I L

Application of Funds

Net Fixed Assets

N I L

Net Current Assets

0 . 4 6

Total Assets

1

Reserve and Surplus

N I L

Unsecured Loans

N I L

Investments

N I L

Misc. Expenditure

0 . 5 4

IV. Performance of the Company (Amount in lac)

Sales and Other Income

N I L

Profit Before Tax

N I L

Earning per share (Rs.)

N I L

Total Expenditure

N I L

Profit After Tax

N I L

Dividend Rate (%)

N I L

V. Generic Names of principal / services of the Company (as per monetary terms)

Item Code No. (ITC Code)

Not applicable

Product Description

Not applicable

For and on behalf of the Board of Directors

V.K. JAIN
Director

NARENDRA SHAH
Director

Indore, 30th April, 2010

ATTENDANCE SLIP

RUCHI SOYA INDUSTRIES LIMITED

Registered Office : 408, Tulsiani Chambers, Nariman Point, Mumbai - 400 021

(PLEASE COMPLETE THIS SLIP AND HAND IT OVER AT THE ENTRANCE OF MEETING HALL)

TWENTY FOURTH ANNUAL GENERAL MEETING

at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400 018 on Thursday, September 30, 2010 at 10.30 a.m.

Member's Name (in capital letters)

Folio No. No. of Shares held.....

Member's Signature

Proxy's Name (in capital letters)

Proxy's Signature

CUT HERE

PROXY

RUCHI SOYA INDUSTRIES LIMITED

Registered Office : 408, Tulsiani Chambers, Nariman Point, Mumbai - 400 021

I/We.....of

being a member/s of the Company, hereby appoint

of in District of

or failing him..... of in the District of

or failing him..... of in the District of

as my/our Proxy to vote for me / our behalf at the Twenty Fourth Annual General Meeting of the Company to be held on Thursday, September 30, 2010 and at any adjournment thereof.

My/Our Registered Folio No.is

Signed this day of 2010.

Revenue
Stamp

CUT HERE

BANK MANDATE PARTICULARS

RUCHI SOYA INDUSTRIES LIMITED

Registered Office : 408, Tulsiani Chambers, Nariman Point, Mumbai – 400 021

Dear Shareholders,

The Board of Directors has recommended a dividend of 25% on equity shares for the financial year 2009-2010. Members, holding shares in physical mode, may provide the particulars mentioned below and confirm to avail Electronic Clearance Services (ECS) for payment of dividend declared, if any.

It may be noted that payment of dividend declared, if any to the members holding shares in dematerialised form will be through ECS based on their particulars noted with depository participants. Such members need not to provide the under-mentioned particulars.

Please fill in the following particulars and send to the Company or its Registrar and Share Transfer Agent.

I/We opt for payment of dividend declared, if any for the financial year 2009-2010 by way of electronic credit to my/our bank account, the particulars of which and my/our shareholding are as under :

1. Folio Number :
2. Name & Address :
3. No. of shares held :
4. Name & Address of Bank :
5. MICR Code (9 digits code) :
6. Type and Number of Account :

Member's Signature



Ruchi Soya Industries Limited

Registered Office: 408, Tulsiani Chambers, Nariman Point, Mumbai 400 021. Phone: + 91 22 6656 0600
Administrative & Head Office: 301, Nahakosh House, 7/5, South Tukoganj, Nath Mandir Road, Indore 452 001.
Phone: +91 731 2513281/282/283