

27th Annual Report

2010-2011



Ruchi Infrastructure Limited

RUCHI INFRASTRUCTURE LIMITED

ANNUAL REPORT 2010-2011

Board of Directors

Mr. Dinesh Shahra
Mr. Naveen Gupta
Mr. Dinesh Khandelwal
Mr. Kanta Prasad Mandhana
Mr. Navamani Murugan
Mr. Sajeve Deora
Mr. Mahendra Prasad Sharma (till September 9, 2010)
Mr. Navin Khandelwal (till August 9, 2011)
Mr. Vijay Kumar Jain (with effect from November 10, 2010)

Company Secretary

Mr. Ashish Mehta

Auditors

M/s. Ashok Khasgiwala & Co.,
Chartered Accountants

Bankers

Axis Bank Limited
The Karur Vysya Bank Limited
ICICI Bank Limited
Corporation Bank

Registrar & Share Transfer Agent

Sarthak Global Limited
170/10, Film Colony,
R.N.T. Marg,
Indore - 452001.

Registered Office

615, Tulsiani Chambers, Nariman Point,
Mumbai - 400021.

CONTENTS

Notice	2
Directors' Report	4
Management Discussion and Analysis Report	9
Corporate Governance Report	11
Auditors' Report	19
Balance Sheet	22
Profit & Loss Account	23
Cash Flow Statement Annexed to Balance Sheet	24
Schedules to the Balance Sheet and Profit & Loss Account	25
Notes to Accounts	31
Auditors' Report on Consolidated Accounts	43
Consolidated Balance Sheet	44
Consolidated Profit & Loss Account	45
Cash Flow Statement Annexed to Consolidated Balance Sheet	46
Schedules to the Consolidated Balance Sheet and Profit & Loss Account	47
Consolidated Notes to Accounts	53
Statement relating to Subsidiary Companies	62

Notice

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of Ruchi Infrastructure Limited will be held at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018 on Friday, September 30, 2011 at 1.00 P.M. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2011 and the Profit & Loss Account for the year ended March 31, 2011 together with the Reports of the Directors and Auditors thereon.
2. To declare dividend on Preference and Equity Shares.
3. To appoint a Director in place of Mr. Naveen Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Navamani Murugan, who retires by rotation and being eligible, offers himself for re-appointment.
5. 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.

SPECIAL BUSINESS :

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Vijay Kumar Jain, who was appointed as an Additional Director on November 10, 2010 by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Registered Office :

Ruchi Infrastructure Limited
615, Tulsiani Chambers, Nariman Point,
Mumbai - 400021.
August 27, 2011

By order of the Board of Directors

Ashish Mehta
Company Secretary

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. 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. An Explanatory Statement pursuant to provisions of Section 173(2) of the Companies Act, 1956 in respect of the Special Business set out in Item No. 6 is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday September 26, 2011 to Friday, September 30, 2011 (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 copy of Annual Report at the time of attending the Annual General Meeting.
6. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on all working days except Saturdays up to the date of the 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 the Annual General Meeting so as to enable the management to keep the information ready at the meeting.
8. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company provides the facility of payment of dividend through ECS. Members desirous of availing this facility are requested to contact the Company's Registrar and Transfer Agent.
9. Securities and Exchange Board of India (SEBI) vide Circular No. MRD/DoP/Cir-05/2009 dated May 20, 2009 has mandated Permanent Account Number (PAN) for transfer of shares in physical form. Members holding shares in physical form may submit a copy of their PAN card to the Company/Registrar and Share Transfer Agent.
10. Pursuant to Section 205A and 205C of the Companies Act, 1956, the Company has transferred the unpaid/ unclaimed dividends up to the financial year ended March 31, 2003 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The unpaid/unclaimed dividend declared for the financial year ended March 31, 2004 and as declared at the Annual General Meeting held on September 27, 2004, is due to be transferred to the Investor Education and Protection Fund. Members who have not encashed such dividend are requested to get their dividend warrant revalidated.
11. The members of the Company are requested to provide their email address for serving by electronic mode the notice/ documents as a part of the Green Initiative in Corporate Governance introduced by the Ministry of Corporate Affairs vide Circular No. 17/2011 & 18/2011 dated April 21, 2011 and April 29, 2011 respectively. The said information/ request can be sent by members to M/s. Sarthak Global Limited, the Registrar and Share Transfer Agent email id at investors@sarthakglobal.com or at the Company's email id at ruchiinfrasecretarial@ruchigroup.com.

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

Item No. 6

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 82(1) of the Articles of Association of the Company, Mr. Vijay Kumar Jain was appointed as an Additional Director on the Board of Directors of the Company with effect from November 10, 2010. Being an Additional Director of the Company, he holds office up to the date of this Annual General Meeting. The Company has received a notice along with a deposit in terms of Section 257 of the Companies Act, 1956, from a member, proposing his candidature for the office of Director of the Company.

The Board recommends the Ordinary Resolution for your approval. None of the Directors other than Mr. Vijay Kumar Jain may be deemed to be interested or concerned in passing of this Resolution.

Registered Office :

Ruchi Infrastructure Limited

615, Tulsiani Chambers, Nariman Point,
Mumbai - 400021.
August 27, 2011

By order of the Board of Directors

Ashish Mehta
Company Secretary

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Seventh Annual Report together with the audited statement of accounts of the Company for the year ended March 31, 2011.

FINANCIAL RESULTS :

	2010-2011	(Rs. in Crore) 2009-2010
Sales & Services	<u>1,756.44</u>	<u>1,466.75</u>
Profit before depreciation, tax & extraordinary items	49.94	52.82
Less : Depreciation	<u>26.18</u>	<u>23.98</u>
Profit before prior period adjustments, tax & extraordinary items	23.76	28.84
Less : Prior period adjustments	<u>0.55</u>	—
Profit before tax	23.21	28.84
Less : Provision for current tax	6.85	4.60
Less : Provision for deferred tax	(2.65)	(0.56)
Less : Short/(Excess) provision for taxation of earlier year	<u>(0.17)</u>	—
Profit after tax before extraordinary items	19.18	24.80
Add : Extraordinary item (net of tax)	<u>1.16</u>	<u>9.75</u>
Profit after tax	20.34	34.55
Add : Balance brought forward from previous year	<u>22.94</u>	<u>4.13</u>
Amount available for appropriation	<u>43.28</u>	<u>38.68</u>
APPROPRIATIONS :		
General reserve	10.00	10.00
Dividend on preference shares	3.28	3.28
Dividend on equity shares	1.64	1.63
Tax on dividend	0.80	0.83
Surplus carried to balance sheet	<u>27.56</u>	<u>22.94</u>
	<u>43.28</u>	<u>38.68</u>

DIVIDEND :

Your Directors recommend dividend on 54,60,613 - 6% Non Convertible Cumulative Redeemable Preference Shares of Rs.100/- each amounting to Rs.3.28 Crore.

Your Directors also recommend dividend of 8% (Re.0.08 on face value of Re.1/-) on equity capital of Rs.20.52 crore for the year under review as against 8% (Re.0.08 on face value of Re.1/-) for the previous year. The total outgo on account of dividend and tax thereon amounts to Rs.5.72 Crore as against Rs.5.74 Crore in the previous year.

OPERATIONS :

During the year under review, the sales and services of your Company have increased to Rs.1,756.44 Crores from Rs.1,466.75 Crores in the previous year, recording a growth of over 19%. In view of intense competition and challenging business environment, the Operating Profit has been recorded at Rs.49.94 Crores against Rs.52.82 Crores in previous year. Due to decline in the extraordinary item income in the year under review, the profit after tax is recorded at Rs.20.34 Crores in comparison to Rs.34.55 Crores for the previous year.

FUTURE OUTLOOK :

The demand for edible oil in India has been stable and growing in line with the higher disposable income. In view of the demand- supply gap, over 53% of the domestic edible oil consumption is met by imports and the share is expected to increase in future. Your company is hopeful of utilizing the port based edible oil refining facility at Kakinada, Andhra Pradesh State at a higher level in future.

The operations with respect to Agri-Warehouses in Madhya Pradesh have stabilized. In the backdrop of the current economic scenario regarding availability of food and food prices, Food Security Act, Government initiatives for encouraging modern warehousing and anticipated demand for development of back-end for retail, the Company would like to expand the foot-print further and emerge as a leader in the area of storage of various kinds of agri-commodities.

The new policies and developments in the market are expected to generate not only higher revenues, but also fixed and long-term demands for storage space and allied services, for which the Company has already established a sound base.

Your company has been allotted 14,550 sq. mtrs. of land by Kandla Port Trust for construction of Liquid Storage Tanks recently. Keeping in view the demand for Liquid storage at port based areas, your company is looking forward to set up substantial additional storage capacity for liquid cargo in the years to come.

DIRECTORS :

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 82(1) of the Articles of Association of the Company, Mr. Vijay Kumar Jain was appointed as an Additional Director on the Board of Directors of the Company with effect from November 10, 2010. The Company has received a notice from a member, along with a deposit in terms of Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company.

Mr. Naveen Gupta and Mr. Navamani Murugan retires by rotation in accordance with the provisions of Articles of Association of the Company and being eligible, offers themselves for re-appointment.

As per Clause 49(IV)(G) of the Listing Agreement, the information in detail about Mr. Naveen Gupta and Mr. Navamani Murugan, the retiring Directors at the ensuing Annual General Meeting, is given in para 2 of the Corporate Governance Report.

SUBSIDIARY COMPANIES :

The Company has complied with the conditions of General Circular No. 2 dated February 8, 2011 issued by the Ministry of Corporate Affairs, Government of India and availed exemption from compliance of Section 212 of the Companies Act, 1956. Hence, the annual accounts of the subsidiary companies, directors and auditors reports thereon, do not form part of the Annual Report of the Company.

The Company undertakes to provide annual accounts of the subsidiary companies and the related detailed information to shareholders of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholder at the registered office of the holding company and of the subsidiary companies concerned.

CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the Listing Agreement, a report on compliance of Corporate Governance is made as a part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT :

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

- (i) in the preparation of the annual accounts for the financial year ended March 31, 2011 the applicable accounting standards have been followed along with proper explanations relating to material departures;
- (ii) the Directors have selected appropriate accounting policies and applied them consistently, and made judgments and estimates that were 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 2010-2011 and of the profit of the Company for that period;

- (iii) 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) the Directors have prepared the accounts for the financial year ended March 31, 2011 on a 'going concern' basis.

PARTICULARS OF EMPLOYEES :

There is no employee, particulars of which is required to be furnished pursuant to Section 217(2A) of the Companies Act, 1956, read with the rules there under.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE :

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

FIXED DEPOSITS :

During the year under review, the Company has not accepted any deposits from the public.

AUDITORS :

Members of the Company on August 1, 2011 appointed, by way of postal ballot, M/s. Ashok Khasgiwala & Co., Chartered Accountants as the statutory auditors of Company to fill up the casual vacancy in the office of statutory auditors of the Company. The Auditors M/s. Ashok Khasgiwala & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

ACKNOWLEDGMENTS :

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

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 27, 2011

Dinesh Shaha
Director

ANNEXURE TO DIRECTORS' REPORT

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 for the year ended March 31, 2011.

I. CONSERVATION OF ENERGY :

The Company regularly monitors the consumption of energy and had taken effective steps to conserve energy in its manufacturing processes.

	Current Year 2010-2011	<i>Previous Year 2009-2010</i>
(A) Power and Fuel Consumption :		
1. <i>Electricity</i>		
(a) Purchased :		
Unit	1,06,40,935	<i>1,11,48,545</i>
Total Amount (Rs.)	4,47,71,010	<i>3,73,46,253</i>
Rate/Unit (Rs.)	4.21	<i>3.35</i>
(b) Own Generation :		
Through Diesel Generator		
Unit (KWH)	5,09,543	<i>7,67,076</i>
Units per Ltr. of Diesel Oil	3.46	<i>3.53</i>
Cost/Unit (Rs.)	11.64	<i>10.06</i>
2. <i>Fuel</i>		
(a) Husk :		
Purchased (Units MT)	24,688	<i>27,550</i>
Total Amount (Rs.)	6,92,81,172	<i>6,53,64,398</i>
Average Rate (Rs.)	2,806	<i>2,373</i>
(b) Diesel :		
Purchased (Units Ltr)	2,50,327	<i>15,432</i>
Total Amount (Rs.)	1,00,91,029	<i>5,48,513</i>
Average Rate (Rs.)	40.31	<i>35.54</i>
(B) Consumption per unit of production :		
Electricity (Unit)	52.44	<i>49.85</i>
Husk (MT)	0.12	<i>0.12</i>
Diesel (Ltrs)	0.69	<i>0.91</i>

II TECHNOLOGY ABSORPTION

A. Research & Development (R&D) :

- I. Introduction of High Speed Mechanical latest technology packing machines like Prism 40 & Olusum for higher productivity and lesser operating cost, and utility consumption.
- II. Re-engineering the packing units for reduction in number of packing machines from 39 to 16 numbers and achieving same productivity with lesser manpower and utility consumption resulting in cost savings.
- III. Installation of heat exchangers in between final DEO oil at high temperature with olien to save the thermal energy.

B. Benefits derived as a result of R&D :

- I. Better consistent quality product at optimum cost.
- II. Reduction of dependency on unskilled labour.
- III. Reduction of thermal energy due to heat exchangers.

C. Future Plan of Action :

- I. Considering the cost escalation for getting man power and shortage of man power we are planning to introduce mechanized stacking and loading of packed goods.
- II. Re engineering of Tin manufacturing unit by doing more mechanization of Tin flow to reduce the man power cost and improve the quality.
- III. Planning to introduce COVAC SIS RTPD Software for better productivity and reduction in wastage and improved cost savings.
- IV. Installation of softeners for cooling tower water to reduce the chances of scaling in heat exchangers.

III. FOREIGN EXCHANGE EARNING & OUTGO :

	(Rs. in Crore)	
	2010-2011	2009-2010
(A) Foreign Exchange Earnings	31.88	3.03
(B) Foreign Exchange Outgo	533.25	460.78

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 27, 2011

Dinesh Shakra
Director

Management Discussion and Analysis Report

INDUSTRY STRUCTURE AND DEVELOPMENT

Your Company is primarily engaged in the businesses of storage infrastructure for handling bulk storage of liquid & dry commodities such as edible oils, petroleum products, wheat, soybean & its value added products, cotton, sugar, etc., infrastructure development and refining of edible oils and manufacture of vanaspati.

In view of the growing linkages of India with the global economy, and as a consequence of liberalization measures and proactive policies of the government, the volumes of external trade have been showing significant uptrend. The demand for bulk liquid storage handling facilities, more particularly in port based areas, has been rising. The main commodities involved in the sea trade include petroleum products, edible oils and liquid chemicals.

Keeping in view the focus of the Indian Government on the rural economy and the farm sector, the demand for storage facilities in rural areas is also increasing. Agricultural marketing has assumed increasing importance in the wake of ushering in second green revolution, improving the living standards of farm families, making India hunger-free and turning poverty into history in the shortest possible time. The new policies for setting up storage infrastructure under PPP mode with long term commitments for use of infrastructure will facilitate development in this sector. In this backdrop the Company would look at setting up silos & modern warehouses in the high demand & growth areas.

The domestic edible oil consumption has been steadily growing and is estimated to be over 16 million MT in the current year. While the growth in population and disposable income (due to economic growth) resulting in higher consumption, the supply growth has been primarily lower due to relative stagnancy in the domestic oil seed output. In order to bridge the growing demand- supply gap in edible oil, the volumes of import of edible oil have gone up from 5.4 Million MT (2006-07) to 8.5 Million MT (2010-11) over the last five years. 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 3.6 Million MT (2006-07) to 6.5 Million MT(2010-11) over the last five years due to favorable price dynamics and higher demand of the cost conscious consuming population in the country.

INDUSTRY OUTLOOK

The existing infrastructure for storage of agricultural commodities has the propensity to scale up in the long run. The long term potential for growth in infrastructure and agriculture sectors is, therefore, promising and the demand for infrastructural requirements is likely to grow in future. The Government is making all measures to maintain growth momentum and to facilitate investments in infrastructure. Rural infrastructure, in particular, has been identified as one of the priority sectors in view of the positive cascading impact that the growth in this sector has on the other sectors of the economy.

Based on analysis of the existing Agriculture Marketing System, Policies and Trade Dynamics, there is scope for improving the efficiency through avoidable wastage, value addition, developing alternate markets, segregation of produce according to the quality and increasing quality consciousness amongst the farmers and other stake holders along the value chain. Also, efficient storage and handling facilities will ensure minimal wastage and spillage and improve productivity. This will enable the farming community to improve the realization of the produce and reap the benefits on account of growth and efficiencies.

The Indian economic growth is expected to be commodity intensive in future. The food sector, one of the major growth sectors of the Indian economy, is essentially commodity oriented. 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. The demand for edible oil in India is relatively stable and growing in line with the higher disposable income. Keeping in view the steady average rate of GDP growth (and the consequent Income growth) and the population growth expected in India, it is estimated that the domestic demand for edible oil, will also consequently rise. According to the industry estimates, the consumption of edible oil is expected to increase from the current level of 16 million MT to over 21 million MT by the year 2015. Due to lower domestic supply, the import of edible oil will rise to meet the demand-supply gap.

BUSINESS STRATEGY

Your Company believes that infrastructure development especially in the fields of storage facilities for storage and transportation of edible oils, petroleum, liquid bulk chemicals etc., present a huge growth opportunity for the future. Your Company has a presence in six ports, strategically located to cater to all major states in India. Further your Company also has storage terminals in five inland locations. Your Company has been operating in this field for over and has decade a well established reputation in the industry. Our storage facilities are well connected to the railways to enable long distance supply and the port based facilities are integrated with ports to facilitate transportation by pipelines. We provide comprehensive and competitive supply chain solutions to our customers. We are one of the few companies in the bulk liquid infrastructure industry having operations across India.

The food grain output has been increasing and reached a record output of 232 million tonnes in 2010-11. In view of the good monsoon this year, the trend is likely to continue. This increased production coupled with the country's strategic needs to have higher buffer stocks than before will generate a higher demand for additional warehousing capacities. A large number of warehouses are over-aged and are not in line with the current norms. Their replacement and renovation is the need of the

hour. The increase in food prices over the last three years has been phenomenal. The losses on storage at the existing levels translate into much higher financial losses than the earlier years. Maturing of the Negotiable Warehouse Receipt system calls for well designed and properly constructed warehouses, which can be accredited. There is also going to be a significant increase in demand as major suppliers try to improve their supply chain efficiencies to operate in the more competitive environment. All these factors along with the society's need to take care of feeding more and more people with higher aspirations in terms of not only quantity, but also quality of food provides a bright, emerging scenario for scientific storage in future. Our strategy is to cater to the business needs and capitalize the opportunities from the emerging business scenario, thereby contributing to society and the country.

The state of the art production facility of your Company for refining of edible oils and manufacture of vanaspati is located at Kakinada in Andhra Pradesh. Your Company has a significant market share in the states of Andhra Pradesh, Orissa and Chhatisgarh for Edible Oils and Vanaspati. Your Company will continue to strengthen itself in areas of sourcing raw materials from points of origin, reducing inefficiencies in supply chain and logistics, and actively engage in the areas of productivity improvement to sustain the growing business needs.

RISKS AND CONCERNS

In the edible oil business, the Company has exposures to commodity and currency fluctuations on its major raw materials, a significant portion of which is imported. The Company will continue to adopt proactive hedging strategies and utilize appropriate hedging mechanisms and instruments, on an ongoing basis.

Government policies play an important role in the business of your Company. However, the policies announced by the Government have been progressive and are expected to remain so in future considering various factors including the infrastructural needs, demand-supply gap, inflation, economic growth and equitable view towards various stakeholders.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company continues to recognize the importance of risk management. Systems have been put in place at all levels to ensure optimum usage of resources and to minimize risks across all activities undertaken by the Company. The internal control systems are designed to ensure the safety of all assets of the Company and to ensure that all transactions are carried out as per the documented policies, guidelines and procedures. The management reviews the potential risk factors on an ongoing basis and appropriate measures are taken to mitigate the risks.

ENERGY CONSERVATION

During the year the manufacturing unit of the Company located at Kakinada in Andhra Pradesh has installed heat exchangers in between final DEO oil at high temperature with olien to save the thermal energy.

FINANCIAL REVIEW AND ANALYSIS

	2010-2011	(Rs. in Crore) <i>2009-2010</i>
Sales & Services	1,756.44	<i>1,466.75</i>
Operating Profit (PBDIT)	49.94	<i>52.82</i>
Depreciation	26.18	<i>23.98</i>
Profit before prior period adjustments, tax & extraordinary items	23.76	<i>28.84</i>
Less : Prior period adjustments	0.55	<i>—</i>
Profit before tax	23.21	<i>28.84</i>
Less : Provision for tax (current/earlier year)	4.03	<i>4.04</i>
Profit after tax before extraordinary items	19.18	<i>24.80</i>
Add : Extraordinary item (net of tax)	1.16	<i>9.75</i>
Profit after Taxation	20.34	<i>34.55</i>

REVENUE AND PROFIT

The sales and services increased to Rs.1,756.44 Crores from Rs.1,466.75 Crores in the previous year, recording a growth of over 19%. Sales of edible oils division grew by 18% to Rs.1,679.90 Crore as compared to Rs.1,429.41 Crore in 2009-2010. Revenue of infrastructure division grew by 30% to Rs.37.88 Crore as compared to Rs.29.14 Crore in 2009-2010. In view of intense competition and challenging business environment, the Operating Profit has been recorded at Rs.49.94 Crores against Rs.52.82 Crores in previous year. Due to decline in the extraordinary item income in the year under review, the profit after tax is recorded at Rs.20.34 Crores in comparison to Rs.34.55 Crores for the previous year.

SEGMENT PERFORMANCE

The various segments identified by your Company are Oils (Crude Oils, Refined Oils and Vanaspati), Infrastructure (Storage, Agri Warehousing and Wind Energy). The detailed Segment-wise Performance is given in Note 23 to Schedule 14 to the Audited Annual Accounts of the Company.

Corporate Governance Report

1. CORPORATE GOVERNANCE PHILOSOPHY

Corporate governance is about managing business in an ethical and responsible manner. Ruchi Infrastructure Limited (RIL) believes in adopting the best corporate governance practices and protecting rights and interest of stakeholders. The salient features of the philosophy on Company's corporate governance hinges upon transparency and ethical practices in professional working environment conducive to optimal performance with focus on achieving stakeholder's long term value growth through constant innovation, commitment to quality and customer satisfaction whilst exploring new avenues of growth.

2. BOARD OF DIRECTORS

The Board of Directors monitors Company performance, approves and reviews policies/strategies and evaluates management performance. The Board ensures legal and ethical conduct and accurate financial reporting to ensure that the long-term objectives of maximising profit and enhancing stakeholder value are met with.

(a) Composition and size of the Board

The Board of RIL as on March 31, 2011 consists of Eight Non-Executive Directors. Out of the Eight Non-Executive Directors, four are Independent Directors.

Mr. Vijay Kumar Jain was appointed as an Additional Director with effect from November 10, 2010. He was born in 1957 and is B.Sc. and posses Post Graduate Diploma in Business Management. He is among the senior management and is looking after the matters related to imports, exports and commercial activities of the Company. He is also on the Boards of Directors of Ruchi Soya Industries Limited, Evershine Oleochem Limited, Ruchi Worldwide Limited and Uttaranchal Bio Fuels Limited.

Mr. Naveen Gupta and Mr. Navamani Murugan are liable to retire by rotation in terms of provisions of Section 256 of the Companies Act, 1956.

Mr. Naveen Gupta, being eligible, offers himself for re-appointment. He was born in 1949 and is B.Sc. (Chemical Engineering). He has more than 38 years of experience in project management and techno commercial aspects. He is also on the Board of Directors of Ruchi Worldwide Limited and Uttaranchal Bio Fuels Limited.

Mr. Navamani 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 Soya Industries Limited.

(b) Board procedures

The Board of Directors met six times during the year on April 30, 2010, July 10, 2010, August 12, 2010, August 30, 2010, November 10, 2010, and January 31, 2011. The gap between any two meetings did not exceed four months, as mandated in Clause 49 of the Listing Agreement. The dates of the meetings were generally decided in advance.

(c) Attendance record of Directors

Name of Director	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. Dinesh Shahra	Promoter Non-Executive	6	Yes	5 (0)	0 (0)
Mr. Navamani Murugan	Independent Non-Executive	—	No	1(0)	0 (0)
Mr. Naveen Gupta	Non-Executive	1	No	1(0)	0 (0)
† Mr. Navin Khandelwal	Non-Executive Independent	—	Yes	5 (0)	4 (4)
Mr. Dinesh Khandelwal	Non-Executive	6	Yes	0 (0)	0 (0)
Mr. Sajeve Deora	Non-Executive Independent	—	Yes	7 (0)	6 (4)
Mr. Kanta Prasad Mandhana	Independent Non-Executive	6	Yes	0 (0)	0(0)
* Mr. Mahendra Prasad Sharma	Executive	—	No	0 (0)	0 (0)
# Mr. Vijay Kumar Jain	Non-Executive	—	No	4 (0)	0 (0)

* Mr. Mahendra Prasad Sharma resigned from the Board with effect from September 9, 2010.

Mr. Vijay Kumar Jain was inducted on the Board with effect from November 10, 2010.

† Mr. Navin Khandelwal resigned from the Board with effect from August 9, 2011.

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, only Audit Committee and Shareholders Grievance Committee are considered for the purpose of committee positions.

(d) Remuneration of Directors

(i) Remuneration of Whole-time Director :

During the financial year 2010-2011, Mr. Mahendra Prasad Sharma, Whole-time Director was paid Rs. 4,94,343/- as salary, allowances and perquisites.

(ii) Non-Executive Directors' Compensation :

During the financial year, there was no pecuniary relationship or transaction between the Company and any of its Non-Executive Directors.

The following table shows the amount of sitting fee paid to Non-Executive Directors for attending meetings of board of directors and committee thereof held during the financial year 2010-2011 and their shareholding as on March 31, 2011 :

Name of Director	Sitting Fees (Rs.)	No. & % of shares held on March 31, 2011	
Mr. Dinesh Shahra	18,000	10,000	0.00%*
Mr. Navamani Murugan	—	—	—
Mr. Naveen Gupta	5,500	—	—
Mr. Navin Khandelwal	—	—	—
Mr. Dinesh Khandelwal	23,000	100	0.00%*
Mr. Sajeve Deora	—	—	—
Mr. Kanta Prasad Mandhana	19,500	—	—
Mr. Vijay Kumar Jain	—	500	0.00%*

* Less than 0.005%

(e) RIL Code of Conduct

The Board of Directors has adopted a Code of Conduct for Directors and Senior Management. The said Code has been communicated to the Directors and Senior Management, who have affirmed the compliance thereof for the period ended March 31, 2011. The Code has been posted on the website of the Company.

3. AUDIT COMMITTEE

The objective of the Audit Committee is to keep a vigil 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/re-viewing 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 advise the management on areas where greater internal audit focus was needed and on new areas to be taken up for audit purpose.

a) Constitution and Composition

The Audit Committee consists of three Non-Executive Directors namely Mr. Kanta Prasad Mandhana, Mr. Dinesh Khandelwal and Mr. Navamani Murugan. Mr. Kanta Prasad Mandhana, the Chairman of the Committee is an Independent Director who is a qualified Chartered Accountant by profession. Two out of the three Non-Executive Directors are Independent. Statutory Auditor and GM (Corporate Accounts) are invited by the Audit Committee to be present at the meetings of the Committee. The Company Secretary acts as the Secretary to the Audit Committee.

b) Meetings and Attendance

The Audit Committee met five times during the year on April 30, 2010, August 12, 2010, August 30, 2010, November 10, 2010 and January 31, 2011. The meetings were scheduled in advance. Mr. Kanta Prasad Mandhana and Mr. Dinesh Khandelwal attended all the Meetings. In addition to the Members of the Audit Committee, these meetings were attended by Statutory Auditor and GM (Corporate Accounts).

4. INVESTORS' GRIEVANCE COMMITTEE

The Committee has the mandate to look into the shareholders' and investors' requests on matters relating to transfer of shares and dematerialization of shares. The term of reference of the Committee also includes attending to complaints of non-receipt of Annual Report, non-receipt of dividend etc. In addition, the Committee also looks into matters which can facilitate better investor services and relations. Keeping these objectives in mind the Board of Directors of RIL constituted the "Investors Grievance Committee" of the Directors, which comprises Mr. Dinesh Khandelwal, Chairman, Mr. Kanta Prasad Mandhana and Mr. Dinesh Shakra. Mr. Ashish Mehta has been nominated as the Compliance Officer to ensure the due compliance of SEBI requirements and to look into shareholders' grievances on a day-to-day basis and to liaise with SEBI in the matter of investors' complaints.

During the period under review, committee members met to discuss and review reports on investors queries, complaints regarding transfer, dividend, Annual Reports etc. and the status of investors services rendered. Share transfers as approved by the Committee are notified to the Board at regular intervals and are taken on record by the Board at their meetings.

The Committee met four times during the year on April 10, 2010, July 14, 2010, October 12, 2010 and January 8, 2011. The Chairman along with the Committee members attended all the four meetings.

During the financial year 2010-2011, the Company duly resolved to the satisfaction of the shareholders, the complaints received for transfer of shares, non-receipt of Balance Sheet, non-receipt of dividend, etc. No complaint was pending for more than 30 days as on March 31, 2011.

5. MANAGEMENT

(a) Management Discussion and Analysis

This is given as a separate chapter in this Annual Report.

(b) Disclosures

- i. *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.
- ii. *Compliance by the Company* : The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during last three years. No penalties, strictures have been imposed on the Company by any Stock Exchange or SEBI or any other authorities relating to capital markets.
- iii. *Risk Management* : The Board of Directors regularly review the risk management strategy of the Company to ensure the effectiveness of risk management policy and procedures.

6. MEANS OF COMMUNICATION

The quarterly and half-yearly 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 Free Press Journal & Navashakti. The Shareholders can visit the Company's website www.ruchiinfrastructure.com for important Corporate Announcements and Board Meeting Information. The website also contains financial and shareholding information of the Company. 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.

7. GENERAL SHAREHOLDER INFORMATION

(a) General Body Meetings

- I. The last three Annual General Meetings of the Company were held at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018. The dates and time of holding the said AGMs and particulars of Special Resolutions passed thereat are as under:

AGM	Date	Time	Special Resolutions, if any
24th	September 30, 2008	12.30 P.M	None
25th	September 30, 2009	12.30 P.M	None
26th	September 30, 2010	12.30 P.M	Increase in the limit of Inter-corporate loans and investments as prescribed in Section 372A of the Companies Act, 1956

II. POSTAL BALLOT

Approval of shareholders was obtained through the means of postal ballot for filling up the casual vacancy in the office of Statutory Auditors of the Company for the financial year 2010-2011, caused due to resignation of Statutory Auditors. The postal ballot process was conducted, as provided under the provisions mentioned under Section 192A of the Companies (Amendment) Act, 2000. Mr. Prashant D. Diwan, a Company Secretary in whole-time practice was appointed as scrutinizer to conduct the postal ballot voting process. The results of postal ballot were declared on August 1, 2011 and were also posted on the website of the Company.

(b) Annual General Meeting

Date : September 30, 2011
Time : 1.00 P.M.
Venue : Sunville Deluxe Pavilion, Sunville Building,
9, Dr. Annie Besant Road, Worli,
Mumbai - 400018.

(c) Financial Calendar of the Company

Adoption of quarterly result within 45 days from the end of quarter.
Book Closure Date – Monday, September 26, 2011 to Friday, September 30, 2011 (both days inclusive).
Dividend Payment Date - On or before October 30, 2011.

(d) Listing on Stock Exchanges

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company confirms that it has paid the requisite annual listing fees due to such Stock Exchanges for the year 2011-2012.

Zero Coupon Unsecured Foreign Currency Convertible Bonds (FCCB) are listed on Singapore Exchange Securities Trading Limited (SGX-ST).

(e) Stock Code

Stock Exchange	Stock Code	ISIN Code	Security Listed
Bombay Stock Exchange Limited	509020	INE413B01023	Equity Shares
National Stock Exchange of India Limited	RUCHINFRA	INE413B01023	Equity Shares
Singapore Exchange Securities Trading Limited	3CAB	XS0284362620	Bonds

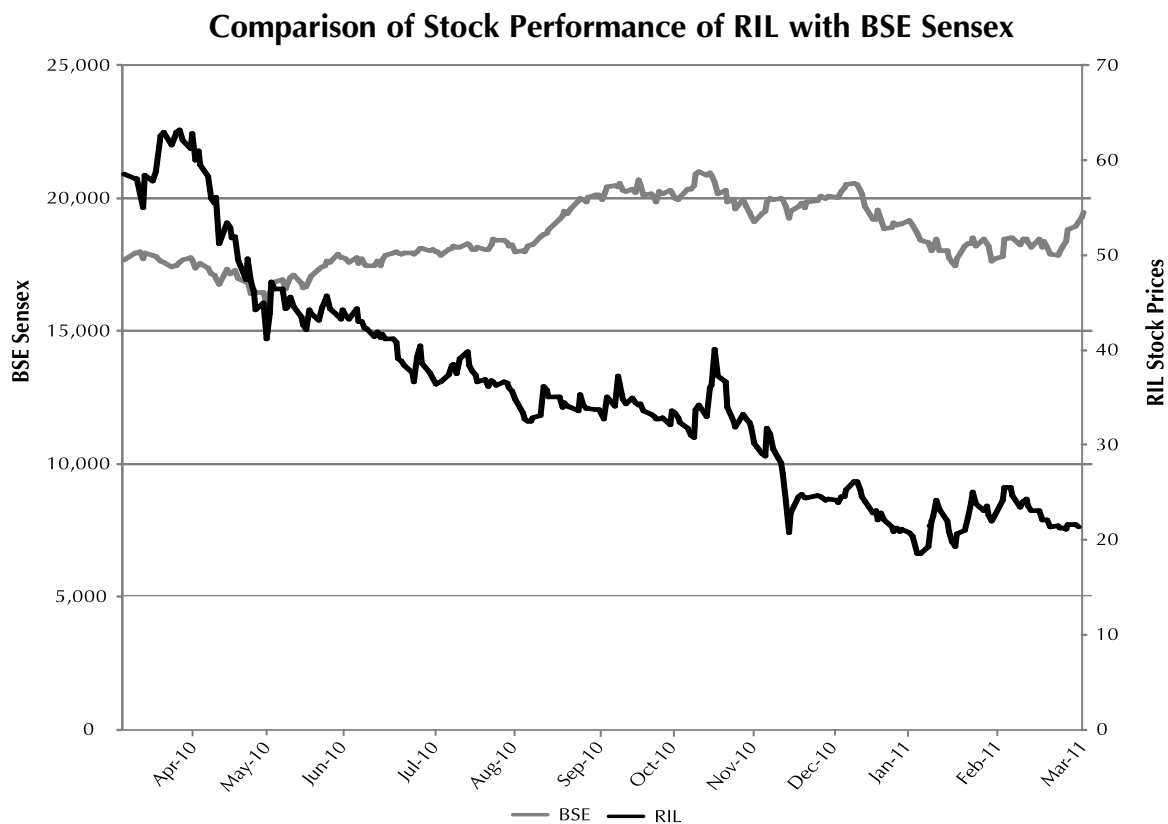
(f) **Market Price Data**

The monthly high and low quotations of shares traded at the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited during the financial year 2010-2011 are given as under :

Period	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2010	67.00	54.80	67.00	54.80
May, 2010	60.90	40.10	61.00	40.00
June, 2010	47.50	40.75	47.50	41.00
July, 2010	44.90	35.85	44.30	35.85
August, 2010	40.75	32.10	46.75	32.05
September, 2010	38.40	31.30	38.50	31.45
October, 2010	38.50	31.90	38.25	31.75
November, 2010	42.45	27.00	42.75	27.10
December, 2010	32.90	20.00	33.80	19.70
January, 2011	26.50	17.35	27.70	16.60
February, 2011	26.00	19.00	26.10	18.55
March, 2011	26.45	20.65	26.35	20.60

(g) **Stock Price Performance - RIL vis-a vis BSE Sensex**

Performance of stock prices of the Company during the financial year 2010-2011 vis-a vis BSE Sensex is given below:



(h) Registrar and Share Transfer Agents

Sarthak Global Limited 170/10, R.N.T. Marg, Film Colony, Indore - 452001. Tel. No.: 0731-2523545/4279626.
Email: investors@sarthakglobal.com.

(i) Share Transfer System

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

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

(j) Shareholding Pattern and Distribution of Shareholding

i. Shareholding pattern as on March 31, 2011 :

Category of Shareholder	No. of Shareholders	Total No. of Shares	% of Shareholding
(A) SHAREHOLDING OF PROMOTER AND PROMOTER GROUP			
(1) Indian			
(a) Individuals/ Hindu Undivided Family	18	5,55,18,581	27.05
(b) Bodies Corporate	7	5,18,05,079	25.24
<i>Sub-Total</i>	<u>25</u>	<u>10,73,23,660</u>	<u>52.29</u>
(2) Foreign	—	—	—
<i>Sub-Total</i>	—	—	—
Total Shareholding of Promoter and Promoter Group	<u>25</u>	<u>10,73,23,660</u>	<u>52.29</u>
(B) PUBLIC SHAREHOLDING			
(1) Institutions			
(a) Foreign Institutional Investors	6	2,66,16,820	12.97
<i>Sub-Total</i>	<u>6</u>	<u>2,66,16,820</u>	<u>12.97</u>
(2) Non-institutions			
(a) Bodies Corporate	457	6,31,95,326	30.79
(b) Individual Shareholders holding nominal share capital up to Rs.1 lac.	8,949	67,61,101	3.30
(c) Individual Shareholders holding nominal share capital in excess of Rs.1 lac	6	13,14,318	0.64
(d) Clearing Members	34	28,717	0.01
<i>Sub-Total</i>	<u>9,446</u>	<u>7,12,99,462</u>	<u>34.74</u>
Total Public Shareholding	<u>9,452</u>	<u>9,79,16,282</u>	<u>47.71</u>
TOTAL (A)+(B)	<u>9,477</u>	<u>20,52,39,942</u>	<u>100.00</u>
(C) SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED	—	—	—
GRAND TOTAL (A)+(B)+(C)	<u>9,477</u>	<u>20,52,39,942</u>	<u>100.00</u>

ii. Distribution of Shareholding as on March 31, 2011 :

Range of Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 2,500	8,829	93.16	35,66,181	1.738
2,501 – 5,000	320	3.38	12,28,122	0.598
5,001 – 10,000	141	1.49	10,54,079	0.514
10,001 – 20,000	70	0.74	10,34,282	0.504
20,001 – 30,000	30	0.32	7,56,817	0.369
30,001 – 40,000	7	0.07	2,49,850	0.122
40,001 – 50,000	8	0.08	3,64,332	0.178
50,001 – 1,00,000	15	0.16	10,59,750	0.516
1,00,001 & Above	57	0.61	19,59,26,529	95.462
TOTAL	9,477	100.00	20,52,39,942	100.00

(k) Dematerialisation of Shares and Liquidity

The shares of the Company are compulsorily traded in the dematerialised form and are available for trading under both the Depository Systems in India-NSDL and CDSL. As on March 31, 2011, 14,64,79,742 equity shares of the Company were in dematerialised form.

(l) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity

As on March 31, 2011, 55 FCCBs were outstanding, which if converted would result in issuing of 1,24,14,270 Equity Shares of Re.1/- each fully paid up.

(m) Plant Locations of the Company

Ruchi Infrastructure Limited, Beach Road, Dummulpet, Kakinada, Andhra Pradesh - 533008.	Ruchi Infrastructure Limited, Village Sejwaya, Ghatabhillod, Dist. Dhar, Madhya Pradesh - 454773.
--	--

(n) Address for Communication

The shareholders may address their communications, queries, suggestions and grievances to :

The Company Secretary & Compliance Officer
Ruchi Infrastructure Limited
615, Tulsiani Chambers, Nariman Point,
Mumbai - 400021.

Tel.No: (022) 22824851/66560600, Fax No: (022) 22043397

e-mail: ashish_mehta@ruchigroup.com; tapan_c@ruchigroup.com

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

(o) Certificates by Director and GM (Corporate Accounts)

The Board of Directors has received certificate issued by the Director and GM (Corporate Accounts) as envisaged under Clause 49(V) of the Listing Agreement.

(p) Report on Corporate Governance

This chapter, read together with the information given in the chapter entitled as 'Management Discussion and Analysis Report', constitutes a detailed compliance report on Corporate Governance during 2010-2011. This report is annexed to the Directors' Report for the year 2010-2011 in terms of Clause 49 of the Listing Agreement.

(q) Auditors' 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 of the Listing Agreement with the Stock Exchanges. This Certificate will be sent to the Stock Exchanges, along with the Annual Report to be filed by the Company.

(r) 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 March 31, 2011.

For Ruchi Infrastructure Limited

Place : Mumbai
Date : August 27, 2011

Dinesh Shahra
Director

CERTIFICATE

To the Members of
RUCHI INFRASTRUCTURE LIMITED

We have examined the compliance of conditions of Corporate Governance by Ruchi Infrastructure Limited for the year ended March 31, 2011 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 explanations 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 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 March 31, 2011, no grievances were unattended/pending for redressal.

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 **ASHOK KHASGIWALA & CO.,**
CHARTERED ACCOUNTANTS.

Place : Mumbai
Date : August 27, 2011

CA Ashok Khasgiwala
Partner
Membership No. 70288

Auditors' Report

To,
The Members of

RUCHI INFRASTRUCTURE LIMITED

1. We have audited the attached Balance Sheet of Ruchi Infrastructure Limited as at March 31, 2011, the Profit and Loss account and also the Cash Flow 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 (Auditors' 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, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are prepared in compliance with the Accounting standards referred to in Section 211 (3C) of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors, as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub Section (1) of Section 274 of the Companies Act, 1956;
 - f) (i) Interest Expenditure of Rs.10,08,11,303/- (Previous year Rs.6,14,04,720/-) has been netted of against the interest income, instead of including the same under financial expenses. The said disclosure however has no impact on the profit for the year.
(ii) The opening balances are taken from the accounts, for the year ended March 31, 2010 audited by M/s. M. M. Singla & Co., Mumbai and same are relied upon by us.
 - g) 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 accounting principles generally accepted in India;
 - i. in the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2011;
 - 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 **ASHOK KHASGIWALA & CO.,**
CHARTERED ACCOUNTANTS.
(Firm Reg. No. 0743C)

CA Ashok Khasgiwala
Partner
Membership No. 70288

Place : Mumbai
Date : August 27, 2011

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date.

- i. In respect of its Fixed Assets :
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. As per the information given to us, the fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
 - c. During the year, the Company has not disposed off a substantial part of fixed assets and we are of the opinion that the going concern status of the company is not affected.
- ii. In respect of Inventories :
 - a. The Inventories have been physically verified by the management. In our opinion the frequency of verification is reasonable.
 - b. In our opinion, 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.
 - c. The Company is maintaining proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- iii.
 - a. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence the provisions of clauses iii(b), iii (c) and iii(d) of the Order are not applicable to the Company.
 - b. According to the information and explanations given to us, the Company has not taken any loan secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence the provisions of clauses iii(f) and iii(g) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system in respect of these areas.
- v.
 - a. According to the information and explanations given to us, we are of the opinion that the particulars of contract or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - 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 the rupees five lakhs in respect of each party during the year, have been made at prices which appear reasonable having regard to prevailing market prices at the relevant time.
- vi. According to the information and explanations given to us, the Company has not accepted any deposits from public to which the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the books of accounts and records in respect of manufacturing of vegetable refined oils and wind power generation maintained by the Company pursuant to the rules made by the Central Government of India for maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956. We are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not, made a detailed examination of such accounts and records with a view to determine whether they are accurate or complete.
- ix.
 - a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it. There were no arrears, as at March 31, 2011 for a period of more than six months from the date they became payable.
 - b) According to the records of the company and information and explanation given to us, the disputed statutory dues including provident fund, sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited with appropriate authorities are as under :

Name of the statute	Nature of dues	Amount Involved (Rs.)	Period to which amount relates	Forum where dispute is pending
Central Excise & Service Tax	Excise Duty	14,89,019	2004-05	CESTAT Bangalore
Central Excise & Service Tax	Excise Duty	5,42,045	2004-05	High Court A.P.
The Sales Tax Act	Sales Tax	4,21,97,395	2003-04, 2004-05 & 2005-06	Dy. Commissioner (Appeal) Vizag
The Sales Tax Act	Sales Tax	33,51,405	2002-03 & 2003-04	Sales Tax Appellate Tribunal Vizag
The Sales Tax Act	Sales Tax	6,91,53,119	2002-03	High Court A.P.
The Sales Tax Act	Sales Tax	3,55,32,882	2001-02 & 2002-03	High Court Chennai
The Sales Tax Act	Sales Tax	41,65,896	2009-10	Dy. Commissioner (Appeal)
The Sales Tax Act	Sales Tax	17,82,958	2007-08 & 2008-09	Add. Commissioner of Commercial Tax Cuttack
The Sales Tax Act	Sales Tax	69,12,126	2003-04, 2008-09 & 2009-10	Dy. Commissioner of Tax Kanpur
Income Tax Act, 1961	Income Tax	55,61,878	2006-07	For Rectification with Dy. Commissioner High Court A.P.
Customs Act	Customs Duty	41,31,222	2002-03	CESTAT Bangalore
Customs Act	Customs Duty	51,94,647	2006-07	CESTAT Bangalore
Customs Act	Customs Duty	1,20,228	2005-06	CESTAT Bangalore
Customs Act	Customs Duty	2,31,747	2005-06	CESTAT Bangalore
Customs Act	Customs Duty	17,06,061	2004-05	CESTAT Bangalore
Customs Act	Customs Duty	1,14,04,956	2004-05	Dy. Comm. of Customs Kakinada
Customs Act	Customs Duty	2,11,90,804	2001-02	High Court Kerala

- x. The company has no accumulated losses as at March 31, 2011. The Company has not incurred cash losses during the year under audit and in the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or debenture/bond holders.
- xii. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor Report) Order, 2003 are not applicable to the Company.
- xv. According to the information and explanations given to us, and the representations made by the management, we are of the opinion that the terms and condition of the guarantee given to banks for and on behalf of loan taken by subsidiaries are not prejudicial to the interest of the Company. There is no Corporate Guarantee outstanding as at the year end.
- xvi. In our opinion and according to the information and explanations given to us, the Company has not raised any term loan during the year.
- xvii. According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that funds raised on short term basis have not been utilised for long term purposes.
- xviii. According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act.
- xix. According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures.
- xx. The Company has not raised money by public issues during the year.
- xxi. During the course of our examination of the books of account 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 not 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 **ASHOK KHASGIWALA & CO.,**
CHARTERED ACCOUNTANTS.
(Firm Reg. No. 0743C)

CA Ashok Khasgiwala
Partner
Membership No. 70288

Place : Mumbai
Date : August 27, 2011

Balance Sheet

AS AT MARCH 31, 2011

	SCHEDULE	Rupees	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
I. SOURCES OF FUNDS				
(1) Shareholders' funds				
a) Share Capital	1	75,13,01,242		74,97,21,242
b) Reserves and Surplus	2	157,20,62,794		137,22,05,708
			232,33,64,036	212,19,26,950
(2) Loan Funds				
a) Secured Loans	3	70,00,21,750		107,31,18,200
b) Unsecured Loans	4	205,48,53,646		231,08,36,055
			275,48,75,396	338,39,54,255
(3) Deferred Tax Liability-Net			4,95,55,553	7,60,13,596
			<u>512,77,94,985</u>	<u>558,18,94,801</u>
II. APPLICATION OF FUNDS				
(1) Fixed Assets	5			
a) Gross Block		419,49,71,914		415,26,12,124
b) Less : Depreciation		178,52,27,942		152,74,74,690
c) Net Block		240,97,43,972		262,51,37,434
d) Capital work in progress		3,16,16,839		4,46,52,825
			244,13,60,811	266,97,90,259
(2) Investments	6		107,16,24,401	104,33,02,050
(3) Current Assets, Loans and Advances	7			
(a) Inventories		230,88,08,930		150,64,49,090
(b) Sundry Debtors		112,57,05,828		65,91,04,525
(c) Cash and Bank Balances		135,05,72,156		163,14,44,547
(d) Loans and Advances		85,63,03,836		104,31,53,467
		564,13,90,750		484,01,51,629
Less :				
Current Liabilities & Provisions	8			
a) Current liabilities		376,16,81,759		274,05,75,697
b) Provisions		27,28,92,009		24,67,59,022
		403,45,73,768		298,73,34,719
Net Current Assets			160,68,16,982	185,28,16,910
4) Miscellaneous Expenditure (to the extent not written off or adjusted)	9		79,92,791	1,59,85,582
			<u>512,77,94,985</u>	<u>558,18,94,801</u>
Significant Accounting Policies and Notes to the Accounts	14			

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

Naveen Gupta
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 27, 2011

Ashish Mehta
Company Secretary

O. P. Mandhana
GM (Corporate Accounts)

Mumbai, August 27, 2011

Profit & Loss Account

FOR THE YEAR ENDED MARCH 31, 2011

	SCHEDULE	2010-2011 Rupees	2009-2010 Rupees
INCOME			
Sales, Services and Other Income	10	1756,43,59,503	1466,75,20,391
Increase/(Decrease) in Stock	11	16,96,55,179	1,22,76,641
		<u>1773,40,14,682</u>	<u>1467,97,97,032</u>
EXPENDITURE			
Purchases		605,07,19,484	408,95,92,080
Materials	12	1022,26,02,180	916,34,41,085
Expenses	13	96,12,69,446	89,86,00,671
Depreciation		26,18,17,005	23,97,96,359
		<u>1749,64,08,115</u>	<u>1439,14,30,195</u>
Profit before prior period adjustments, Tax, Extraordinary Items		23,76,06,567	28,83,66,837
Prior period adjustments (Refer Note No. 18 to Schedule 14)		54,74,839	—
		<u>23,21,31,728</u>	<u>28,83,66,837</u>
Profit before tax			
Provision for taxation			
Current tax		6,85,00,000	4,60,00,000
Deferred tax		(2,64,58,043)	(56,36,189)
Income tax related to earlier year		(16,77,984)	—
		<u>19,17,67,755</u>	<u>24,80,03,026</u>
Profit after tax before Extraordinary Items			
Extraordinary Items (net of tax) (Refer Note No 4(g) to Schedule 14)		1,16,14,896	9,75,25,570
		<u>20,33,82,651</u>	<u>34,55,28,596</u>
Profit after tax			
Add: Balance brought forward from previous year		22,94,23,370	4,12,88,395
		<u>43,28,06,021</u>	<u>38,68,16,991</u>
Profit available for appropriation			
APPROPRIATIONS			
General Reserve		10,00,00,000	10,00,00,000
Proposed Dividend - Preference		3,27,63,678	3,27,63,678
- Equity		1,64,19,195	1,62,92,795
Tax on proposed dividend		79,78,692	83,37,148
Balance carried to balance sheet		27,56,44,456	22,94,23,370
		<u>43,28,06,021</u>	<u>38,68,16,991</u>
Basic earning per share in Rs.		0.80	1.51
Diluted earning per share in Rs.		0.75	1.41
Significant Accounting Policies and Notes to the Accounts	14		

As per our Report of even date attached

For and on behalf of the Board of Directors

For **ASHOK KHASGIWALA & CO.**
Chartered Accountants

Dinesh Shahra
Director

Naveen Gupta
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 27, 2011

Ashish Mehta
Company Secretary

O. P. Mandhana
GM (Corporate Accounts)

Mumbai, August 27, 2011

Cash Flow

STATEMENT ANNEXED TO THE BALANCE SHEET AS AT MARCH 31, 2011

	Rupees	2010-2011 Rupees	Rupees	2009-2010 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES				
a) Net profit before tax & Extraordinary Item		23,76,06,567		28,83,66,837
Adjustment for :				
Depreciation	26,18,17,005		23,97,96,359	
Interest paid	10,08,11,303		6,14,04,720	
Interest received	(12,07,48,888)		(6,26,91,813)	
Miscellaneous expenses written off	79,92,791		86,43,670	
Dividend income	(24,10,039)		(28,01,665)	
Gain on Mutual Fund Redemption	—		(91,85,518)	
(Profit)/Loss on sale of fixed assets	(21,93,787)		—	
Foreign currency monetary translation difference	(67,20,000)	23,85,48,385	—	23,51,65,753
b) Operating profit before working capital changes		47,61,54,952		52,35,32,590
Adjustment for :				
Trade and other receivables	(30,34,72,712)		66,51,13,832	
Inventories	(80,23,59,840)		(45,83,88,711)	
Trade and other payables	102,16,17,418	(8,42,15,134)	9,38,21,132	30,05,46,253
c) Cash generated from operations		39,19,39,818		82,40,78,843
Direct taxes paid		(1,72,47,288)		(4,60,00,000)
Net cash from operating activities		374,692,530		77,80,78,843
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(8,11,71,056)		(42,00,65,407)	
(Payment)/Receipt from partnership firm	(2,83,04,651)		—	
Sale of fixed assets	4,45,02,446		—	
Purchase of new investment	(20,000)		(38,47,13,866)	
Sale of investment	2,300		—	
Interest received	12,07,48,888		6,26,91,813	
Extraordinary income	1,16,14,896		9,75,25,570	
Gain on Mutual Fund Redemption	—		91,85,518	
Dividend received	24,10,039		28,01,665	
Net cash used in investing activities		6,97,82,862		(63,25,74,707)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Issue of share capital	15,80,000		6,77,142	
Share premium received	6,03,56,000		2,58,66,824	
Addition (withdrawal) from reserves	—		4,79,34,450	
Proceed from borrowing	1,26,86,990		62760011	
Repayment of borrowing	(64,17,65,849)		—	
Interest paid	(10,08,11,303)		(6,14,04,720)	
Dividend and dividend tax paid	(5,73,93,621)		(5,73,93,621)	
Net cash from financing activities		(72,53,47,783)		1,84,40,086
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(28,08,72,391)		16,39,44,222
Cash and Cash Equivalents at beginning of the year		163,14,44,547		146,75,00,325
Cash and Cash Equivalents at end of the year		135,05,72,156		163,14,44,547

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

Naveen Gupta
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 27, 2011

Ashish Mehta
Company Secretary

O. P. Mandhana
GM (Corporate Accounts)
Mumbai, August 27, 2011

**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011
AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.**

	As at March 31 2011 Rupees	As at March 31 2010 Rupees
SCHEDULE - 1 : SHARE CAPITAL		
Authorised Capital		
50,00,00,000 Equity Shares of Re.1/- each	50,00,00,000	50,00,00,000
2,00,00,000 Non Convertible Cumulative Redeemable Preference Shares of Rs.100/- each	200,00,00,000	200,00,00,000
	<u>250,00,00,000</u>	<u>250,00,00,000</u>
Issued Subscribed and Paid up		
20,52,39,942 (Previous Year 20,36,59,942) Equity Shares of Re.1/- each fully paid	20,52,39,942	20,36,59,942
54,60,613 (Previous Year 54,60,613) 6% Non Convertible Cumulative Redeemable Preference Shares of Rs.100/- each fully paid	54,60,61,300	54,60,61,300
	<u>75,13,01,242</u>	<u>74,97,21,242</u>
Note :		
i) During the year the Company has allotted 15,80,000 equity shares of Re.1/- each following exercise of conversion option by holders of Foreign Currency Convertible Bonds (Previous Year 6,77,142 Shares of Re.1/- each).		
ii) The Company had allotted 6% Redeemable Cumulative Preference shares as under :		
17,33,345 Shares were allotted on March 31, 2006.		
37,27,268 Shares were allotted on October 9, 2006.		
iii) The Preference Shares are redeemable as under :		
Rs. 33/- to be redeemed after 12 years from date of allotment.		
Rs. 33/- to be redeemed after 13 years from date of allotment.		
Rs. 34/- to be redeemed after 14 years from date of allotment.		
iv) The Company at its sole discretion has an option to prematurely redeem the preference shares in full or in part after completion of three years from the date of allotment.		
SCHEDULE - 2 : RESERVES AND SURPLUS		
Capital Reserve		
Since last year	33,78,73,450	33,78,73,450
Capital Subsidy		
Since last year	25,10,734	25,10,734
Less : Transfer to General Reserve	<u>5,10,734</u>	—
	20,00,000	<u>25,10,734</u>
Export Allowance Reserve		
Since last year	23,38,077	23,38,077
Less : Transfer to General Reserve	<u>23,38,077</u>	—
	—	<u>23,38,077</u>
Share Premium Account		
Since last year	5,75,48,024	3,16,81,200
Add : Received during the year	<u>6,03,56,000</u>	2,58,66,824
	11,79,04,024	<u>5,75,48,024</u>
General Reserve		
Since last year	73,57,92,053	63,57,92,053
Add : Transfer from Capital Subsidy	5,10,734	—
Transfer from Export Allowance Reserve	23,38,077	—
Transfer from Profit & Loss Account	<u>10,00,00,000</u>	10,00,00,000
	83,86,40,864	<u>73,57,92,053</u>
Profit and Loss Account Balance	27,56,44,456	22,94,23,370
Foreign Currency Monetary Items Translation Reserve	—	67,20,000
	<u>157,20,62,794</u>	<u>137,22,05,708</u>

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE - 3 : SECURED LOANS		
1. Term Loan from Karur Vysya Bank Ltd.	—	4,00,00,000
2. Corporate Loan from State Bank of India	—	5,53,00,000
3. Term Loan from State Bank of India	52,07,41,750	61,55,78,200
4. External Commercial Borrowing from Axis Bank Ltd.	17,92,80,000	36,22,40,000
	<u>70,00,21,750</u>	<u>107,31,18,200</u>

NOTE:

1. Term Loan from Karur Vysya Bank Ltd. :

The loan is secured by (a) first charge on the movable and immovable fixed assets of the Company at Kakinada Andhra Pradesh and (b) personal guarantee of a Director of the Company. Amount repayable within 1 year Rs.Nil (Previous year Rs.4,00,00,000/-).

2. Corporate Loan from State Bank Of India :

The loan is secured by (a) Pledge of Equity shares of the Company held by a promoter of the Company (b) personal guarantee of a Director of the Company. Amount Repayable within 1 year Rs.Nil (Previous year Rs.5,53,00,000/-).

3. Term Loan from State Bank Of India :

The loan is secured (a) exclusive first charge on the fixed assets of the Company created at various locations under the Rural Warehouses & Agri Marketing Infrastructure Facility project of the Company (b) personal guarantee of a Director of the Company. Amount Repayable within 1 year Rs.7,60,68,000/- (Previous Year Rs.7,60,68,000/-) (Refer Note 13 (d) to Schedule 14).

4. External Commercial Borrowing from Axis Bank Ltd. :

The loan is secured by pari passu first charge on the Fixed Assets of Refinery at Kakinada, Andhra Pradesh. Amount Repayable within 1 year Rs.17,92,80,000/- (Previous Year Rs.18,11,20,000/-).

SCHEDULE - 4 : UNSECURED LOANS

Short Term Advances

From Banks (Refer Note 3 to Schedule 14)	114,16,47,939	135,47,53,132
---	---------------	---------------

Other Loans

Inter Corporate Deposits	4,68,61,790	4,68,61,790
Sales Tax Deferment (Refer Note 19 to Schedule 14)	19,19,42,262	19,19,42,262
Foreign Currency Convertible Bonds (Refer Note 4 to Schedule 14)	67,44,01,655	71,72,78,871
	<u>205,48,53,646</u>	<u>231,08,36,055</u>

SCHEDULE - 5 : FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	BALANCE AS AT 01.04.10 Rs.	ADDITIONS Rs.	DEDUCTIONS Rs.	BALANCE AS AT 31.03.11 Rs.	As At 01.04.10 Rs.	FOR THE YEAR Rs.	ADJUSTMENT Rs.	UP TO 31.03.11 Rs.	AS AT 31.03.11 Rs.	AS AT 31.03.10 Rs.
LAND (FREEHOLD)	46,89,48,519	20,000	25,85,379	46,63,83,140	—	—	—	—	46,63,83,140	46,89,48,519
LAND (LEASEHOLD)	3,31,46,201	—	93,299	3,30,52,902	—	11,92,055	(78,56,886)	90,48,941	2,40,03,961	3,31,46,201
BUILDINGS	107,46,00,281	2,04,59,353	3,30,20,100	106,20,39,534	16,31,45,050	8,75,63,197	23,87,055	24,83,21,192	81,37,18,342	91,14,55,231
JETTY	13,16,88,796	—	—	13,16,88,796	8,56,68,860	46,01,993	—	9,02,70,853	4,14,17,943	4,60,19,936
PLANT & MACHINERY	236,29,60,573	4,95,75,236	1,49,76,591	239,75,59,218	124,78,50,089	15,85,80,850	85,44,510	139,78,86,429	99,96,72,789	111,51,10,484
FURNITURE & FIXTURES	5,46,53,825	29,29,156	15,581	5,75,67,400	1,51,50,499	60,52,084	—	2,12,02,583	3,63,64,817	3,95,03,326
VEHICLES	2,66,13,929	2,12,23,297	11,56,302	4,66,80,924	1,56,60,192	38,26,826	9,89,074	1,84,97,944	2,81,82,980	1,09,53,737
Total	415,26,12,124	9,42,07,042	5,18,47,252	419,49,71,914	152,74,74,690	26,18,17,005	40,63,753	178,52,27,942	240,97,43,972	262,51,37,434
Capital Work in Progress									3,16,16,839	4,46,52,825
Grand Total									244,13,60,811	266,97,90,259
PREVIOUS YEAR	351,11,00,703	77,48,35,609	13,33,24,188	415,26,12,124	128,78,46,233	23,97,96,359	1,67,902	152,74,74,690		

Refer Note No 13 (c) to Schedule 14.

As at	<i>As at</i>
March 31, 2011	<i>March 31, 2010</i>
Rupees	<i>Rupees</i>

SCHEDULE - 6 : INVESTMENTS

LONG TERM (at cost)

A. GOVERNMENT SECURITIES

National Savings Certificates

Deposited with Government Authorities

19,000

14,000

19,000

14,000

B. INVESTMENT IN SHARES

i. QUOTED

12,54,675 Equity Shares of Rs.10/- each fully paid up of National Steel & Agro Industries Ltd.

48,03,500

48,03,500

9,500 Equity Shares of Rs.10/- each of fully paid up of Ruchi Strips & Alloys Ltd.

1,11,155

1,11,155

48,35,077 Equity Shares of Rs.2/- each of fully paid up of Ruchi Soya Industries Ltd.

20,21,64,584

20,21,64,584

Aggregate cost of Quoted Investments

20,70,79,239

20,70,79,239

(Aggregate market value of Quoted Investments

Rs.53,70,54,394/- (Previous Year Rs.50,01,05,441/-)

ii. UNQUOTED

a. INVESTMENT IN SUBSIDIARY COMPANIES

37,77,500 Equity Shares of Rs.10/- each of fully paid up of Peninsular Tankers Pvt. Ltd.

3,77,75,000

3,77,75,000

60,000 Equity Shares of Rs.10/- each of fully paid up of Ruchi Green Energy Pvt. Ltd. (formerly RIFL Energy Pvt. Ltd.)

6,00,000

6,00,000

5,000 Equity Shares of US \$ 1 each fully paid up of Ruchi Resources Pte. Ltd.

2,24,100

2,26,400

5,100 Equity Shares of Rs.10/- each fully paid up of Mangalore Liquid Impex Pvt. Ltd.

51,000

—

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
b. OTHER THAN SUBSIDIARY COMPANIES		
7,00,000 Equity Shares of Rs.10/- each fully paid up of Ruchi Acroni Industries Ltd.	70,00,000	70,00,000
1,25,000 Equity Shares of Rs.10/- each of fully paid up of Ruchi Global Ltd.	12,50,000	12,50,000
Nil (Previous Year 3,600) Equity Shares of Rs.10/- each fully paid up of Mangalore Liquid Impex Pvt. Ltd.	—	36,000
2,99,500 Equity Shares of Rs.10/- each fully paid up of Indian Steel Corporation Ltd.	14,97,55,000	14,97,55,000
4,08,459 Equity Shares of Rs.10/- each fully paid up of Arandi Investments Pvt. Ltd.	12,88,52,310	12,88,52,310
C. IN PREFERENCE SHARES		
2,00,000 6% Redeemable Preference Shares of Rs.100/- each fully paid up of Ruchi Soya Industries Ltd. (Refer Note No 16(a) to Schedule 14)	2,00,00,000	2,00,00,000
34,50,000 6% Redeemable Cumulative Preference Shares of Rs.100/- each fully paid up of Ruchi Realty Holdings Ltd.	36,57,00,000	36,57,00,000
Aggregate Value of Unquoted Investments	<u>71,12,07,410</u>	<u>71,11,94,710</u>
D. INVESTMENT IN PARTNERSHIP FIRM		
Narang & Ruchi Developers (Refer Note No 9 to Schedule 14)	15,33,18,752	12,50,14,101
	<u>15,33,18,752</u>	<u>12,50,14,101</u>
	<u>107,16,24,401</u>	<u>104,33,02,050</u>

Shares bought and sold during the year

Name of Scrip	No of Shares	Cost
Rainbow Paper Ltd.	11,12,500	6,35,60,638

SCHEDULE - 7 : CURRENT ASSETS, LOANS AND ADVANCES

INVENTORIES

(As valued and certified by Management)

Stores Spares and Consumables	5,45,05,669	5,71,01,002
Raw Material	131,13,85,008	66,94,26,705
Finished Goods	82,86,50,673	60,00,24,872
Work in Progress	6,09,44,354	11,75,47,494
Packing Material	5,33,23,226	6,23,49,017
	<u>230,88,08,930</u>	<u>150,64,49,090</u>

SUNDRY DEBTORS

(Unsecured considered good)

Over Six Months	15,97,37,252	3,98,14,546
Others	96,59,68,576	61,92,89,979
	<u>112,57,05,828</u>	<u>65,91,04,525</u>

CASH AND BANK BALANCES

Cash in Hand	33,93,119	25,27,376
--------------	-----------	-----------

BALANCE WITH SCHEDULED BANK

In Current Account	13,44,44,564	19,12,11,711
In Deposits Accounts	121,27,34,473	143,77,05,460
(Pledged with Banks) (Refer Note No. 3 Schedule 14)	<u>135,05,72,156</u>	<u>163,14,44,547</u>

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
LOANS AND ADVANCES		
Advance recoverable in cash or kind or for which value to be received	41,30,06,738	63,16,82,029
Security Deposit	3,40,45,188	3,03,71,068
Intercorporate Deposits	16,24,50,000	11,05,77,419
Advance Tax (Including TDS)	24,68,01,910	27,05,22,951
	<u>85,63,03,836</u>	<u>104,31,53,467</u>
SCHEDULE - 8 : CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors		
Due to Micro Small and Medium Enterprises (Refer note no. 6 Schedule no.14)	—	—
Due to Creditors Other Than Micro Small and Medium Enterprises	368,03,48,570	264,58,81,675
Other Liabilities	4,68,54,648	7,56,14,015
Advances from Customers	3,44,78,541	1,90,80,007
	<u>376,16,81,759</u>	<u>274,05,75,697</u>
PROVISIONS		
Taxation	21,36,96,828	18,78,43,141
Proposed Dividend	4,91,82,873	4,90,56,473
Corporate Tax on Dividend	79,78,692	83,37,148
Employee Benefits	20,33,616	15,22,260
	<u>27,28,92,009</u>	<u>24,67,59,022</u>
	<u>403,45,73,768</u>	<u>298,73,34,719</u>
SCHEDULE - 9 : MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Opening balance	1,59,85,582	2,46,29,252
Less : Amount Written off	79,92,791	86,43,670
	<u>79,92,791</u>	<u>1,59,85,582</u>
SCHEDULE - 10 : SALES, SERVICES AND OTHER INCOME		
SALES		
	1712,32,83,267	1432,27,25,213
Less : Excise duty	3,56,38,469	2,64,88,427
	<u>1708,76,44,798</u>	<u>1429,62,36,786</u>
Processing charges	5,19,17,659	5,14,52,372
Income from Storage, Warehousing	30,29,08,316	20,77,12,956
Wind Power Generation income	7,60,52,918	8,37,22,255
	<u>1751,85,23,691</u>	<u>1463,91,24,369</u>
OTHER INCOME		
Dividend	24,10,039	28,01,665
Profit on sale of assets	21,93,787	54,96,398
Foreign Currency Monetary Translation difference	67,20,000	67,20,000
Share in profit of partnership firm	13,86,651	—
Miscellaneous income	1,31,87,750	29,05,348
Gains on redemption of Mutual Fund units	—	91,85,518
Interest received (Refer Note 20 to Schedule 14)	1,99,37,585	12,87,093
	<u>4,58,35,812</u>	<u>2,83,96,022</u>
	<u>1756,43,59,503</u>	<u>1466,75,20,391</u>

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE - 11 : INCREASE/(DECREASE) IN STOCKS		
A. Closing Stock		
Finished Goods	82,86,50,673	60,00,24,872
Work in Progress	6,09,44,354	11,75,47,494
	<u>88,95,95,027</u>	<u>71,75,72,366</u>
B. Opening Stock		
Finished Goods	60,00,24,872	61,03,99,833
Work in Progress	11,75,47,494	9,43,94,200
	<u>71,75,72,366</u>	<u>70,47,94,033</u>
Increase/(Decrease) In Stocks	<u>17,20,22,661</u>	<u>1,27,78,333</u>
Less : Excise Duty on Closing Stock of Finished Goods	<u>23,67,482</u>	<u>5,01,692</u>
	<u>16,96,55,179</u>	<u>1,22,76,641</u>
SCHEDULE - 12 : MATERIALS CONSUMED		
A. Raw Material Consumed		
Opening Stock	66,94,26,706	22,28,92,200
Add : Purchases	1041,59,78,611	904,83,41,851
	<u>1108,54,05,317</u>	<u>927,12,34,051</u>
Less : Closing Stock	131,13,85,008	66,94,26,706
Raw Materials Consumed	<u>977,40,20,309</u>	<u>860,18,07,345</u>
B. Packing Material Consumed	<u>44,85,81,871</u>	<u>56,16,33,740</u>
	<u>1022,26,02,180</u>	<u>916,34,41,085</u>
SCHEDULE - 13 : MANUFACTURING AND OTHER EXPENSES		
Stores, Spares and Chemical consumed	10,10,99,078	11,32,72,065
Processing charges	—	25,61,750
Packing expenses	3,90,54,002	5,38,48,301
Power and fuel	13,65,59,378	11,28,89,273
Repairs and maintenance of		
Plant and Machinery	4,77,04,213	1,66,12,882
Buildings	56,38,654	65,16,259
Others	1,15,18,412	99,64,009
Manufacturing expenses	1,74,12,944	39,52,660
Salaries, Wages and other benefits	5,85,26,903	4,07,50,921
Contribution to provident and other fund	31,14,293	16,60,927
Workmen and staff welfare	59,96,943	23,08,150
Rent	2,71,27,935	1,44,40,711
Rates and taxes	7,87,68,511	6,79,38,072
Bank charges and commission	2,23,95,727	2,89,02,621
Insurance	28,10,519	33,75,636
Brokerage and commission	86,08,723	1,18,35,791
Postage and telephone	38,70,203	30,12,716
Freight and forwarding charges	21,54,26,834	22,50,95,093
Oil handling expenses	4,76,39,856	4,77,70,863
Premium on FCCBs	4,45,70,380	5,35,08,282
Loss on sale of shares	65,18,998	—
Miscellaneous expenditure written off	79,92,791	86,43,670
Other expenses	6,89,14,149	6,97,40,019
	<u>96,12,69,446</u>	<u>89,86,00,671</u>

SCHEDULE ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE :

**SCHEDULE 14 : - SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

a) Accounting Convention

The Accounts have been prepared in accordance with the historical cost convention.

b) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and the estimates are recognized in the period in which the results are known/materialized.

c) Revenue recognition

The Company follows mercantile system of the accounting and recognises income and expenditure on accrual basis except those with significant uncertainties.

d) Fixed Assets

i) Fixed Assets

Fixed assets are stated at cost of acquisition or construction, net of tax/duty credit availed if any, including any cost attributable for bringing the assets to its working condition for its intended use, less depreciation (except freehold land).

ii) Capital Expenditure

Assets under erection/installation and advance given for capital expenditure are shown as "Capital work in progress". Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.

iii) Leasehold Land

Cost of Lease hold land is amortized over the period of lease.

e) Depreciation

Depreciation on fixed assets is provided on written down value method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal, except for low value items costing Rs.5,000/- or less are written off fully in the year of purchase.

f) Expenses on issue of Shares

Expenses on issue of shares are charged to profit and loss account.

g) Expenses on issue of Foreign Currency Convertible Bonds

Expenses on issue of Foreign Currency Convertible Bonds are charged to profit and loss account over the life of the Bonds.

h) Borrowing cost

Borrowing cost attributable to the acquisition and constructions of assets are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to Profit and Loss Account.

i) Premium on Foreign Currency Convertible Bonds (FCCBs)

As a prudent accounting policy, premium payable on the FCCBs even though contingent upon non conversion of the FCCBs into Equity Shares, is proportionately charged to the profit and loss account on pro-rata basis over the life of the FCCBs and the corresponding amount is included in the outstanding amount of FCCBs shown under Unsecured Loans. In the event of conversion of FCCBs into Equity Shares the proportionate amount will be written back on pro-rata basis.

j) Valuation of inventories

Inventories are valued at lower of cost or net realisable value, except by-product is valued at net realisable value. Cost of inventory is arrived at by using Moving Average Price Method. Cost of inventory is generally comprises of cost of purchases, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

k) Export Incentive

The Export incentives are accounted for on accrual basis taking into account certainty of realisation and its subsequent utilisation.

l) Government Grant

Government grant are recognized when there is reasonable assurance that the same will be received. Capital grant relating to specific assets are reduced from the gross value of fixed assets and revenue grants are recognized in the Profit and Loss Account.

m) Investment

Investment are valued at cost of acquisition. In case of long term investments, no provision is made for diminution in the value of investments, where, in the opinion of the Board of Directors such diminution is temporary.

Current Investments are stated at lower of cost and market/fair value.

n) Foreign currency transaction

a) All transactions in foreign currency are recorded at the rates of the exchange prevailing on the dates when the relevant transactions took place; any gain/ loss on account of the fluctuations in the rate of exchange is recognized in the Profit & Loss Account. In case of the sale and purchase the same is included in the respective heads.

b) Monetary items in the form of loans, current assets and current liabilities in foreign currencies at the close of the year are converted in the Indian currency at the appropriate rate of exchange prevailing on the dates of the Balance Sheet. Resultant gain or loss on account of fluctuation in the rate of exchange is recognized in the Profit & Loss Account.

c) In respect of the Forward Exchange Contracts entered into to hedge foreign currency risks, the difference between the Forward Rate and Exchange Rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange difference arising on such contracts are recognized as income or expense along with the exchange difference on the underlying assets/ liabilities.

o) Employee Benefits

(a) Post-employment benefit plans

i) Defined Contribution Plan - Contributions to Provident Fund and Family Pension fund are accrued in accordance with applicable statute and deposited with appropriate authorities.

ii) Defined Benefit Plan

a. The liability in respect of leave encashment is determined using actuarial valuation carried out as at Balance Sheet date. Actuarial gains and losses are recognized in full in Profit and Loss Account for the year in which they occur.

b. The Company has opted for scheme with Life Insurance Corporation of India to cover its liabilities towards employees gratuity. The annual premium paid to Life Insurance Corporation of India is charged to Profit and Loss Account. The Company also carried out actuarial valuation of gratuity using Projected Unit Credit Method as required by Accounting Standard 15 "Employee Benefits" (Revised 2005) and difference between fair value of plan assets and liability as per actuarial valuation as at year end is recognized in the Profit and Loss Account.

(b) Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employees render the services. These benefits include compensated absence also.

p) Contingent Liabilities

Contingent Liabilities not provided for in the accounts are disclosed by way of notes.

q) Taxes on Income

Provision for Current Tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on the timing difference, being the difference between taxable income and the accounting income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

r) Segment Accounting

Segment Accounting Policies :

Following accounting policies have been followed by the company for segment reporting.

- (1) The Company has disclosed business segment as the Primary Segment. Segments have been identified taking into account the type of products, the differing risk and returns and the internal reporting system. The various segments identified by the Company comprised as under :

Name of Segment	Comprised of
Oils	– Crude Oils, Refined Oils, Vanaspati
Infrastructure	– Storage, Agri Warehousing, Wind Energy
Other	– Soap

By products related to each segment have been included in respective segment.

- (2) Segment revenue, segment results, segment assets and segment liabilities includes 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 unallocable corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocable corporate assets and liabilities respectively. Inter segment revenue are recognised at sale price.

s) Impairment of Assets

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors.

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

NOTES TO ACCOUNTS

1. Contingent Liabilities not Provided for

	2010-11	<i>2009-10</i>
a. Guarantees issued by Bank	30,13,35,140	<i>17,18,00,686</i>
b. Corporate Guarantee given on behalf of Subsidiary	Nil	<i>24,87,23,070</i>
c. Estimated amount of contracts remaining to be executed on capital commitment (Net of Advance)	11,14,127	<i>Nil</i>
d. Liability on account of Customs duty if export commitments given for import of machinery at concessional rate of duty are not met	Nil	<i>2,15,60,301</i>
e. Income Tax/Sales Tax/Customs Duty/Excise Duty demands disputed in appeals	18,28,31,307	<i>10,50,81,787</i>

2. In the opinion of Board of Directors, current assets, Loans and Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the balance sheet and that the provision for known liabilities is adequate and reasonable. There are no contingent liabilities other than stated herein above.

3. The Company has availed Buyers Credit from Banks during the year. The outstanding amount as on March 31 2011 is Rs.111,95,47,939/- (Previous Year Rs.134,53,40,122/-) included under Short Term Advance from Bank (Schedule-4) is guaranteed by Banks against Fixed Deposits amounting to Rs.117,82,85,667/- (Previous Year Rs.137,16,00,000/-) included in Deposit Account under Cash & Bank Balances (Schedule-7).

4. Foreign Currency Convertible Bonds

- a. The Company has issued Zero Coupon Foreign Currency Convertible Bonds (FCCBs) amounting to US \$ 40 Million on February 5, 2007. The FCCBs have a maturity of five years and 1 day from the date of issue.
- b. The Holders of the FCCBs have a right to convert the FCCBs into Equity Shares of the Company of Re.1/- each at a conversion price of Rs.39.20 per share. The conversion price is subject to adjustment/reset under certain circumstances as per the Terms and Conditions of the FCCBs.
- c. Unless previously converted, redeemed or purchased and cancelled, the FCCBs will be redeemed on the maturity date at 144.50 percent of their principal amount.
- d. The proceeds of the FCCB issue (net of expenses) have been used for the approved purposes. There is no unutilised amount of FCCB funds as on March 31, 2011 (Previous year Rs.2,04,188/-).
- e. Unsecured Loans includes Rs.18,14,17,529/- being premium payable on redemption of FCCBs (Previous Year Rs.15,58,47,311/-).

- f. During the year the Company issued 15,80,000 equity shares of Re.1/- each (Previous year 6,77,142) to FCCB holders upon exercise of conversion option.
- g. The Premium on redemption attributable to the FCCBs converted during the year and provided in the books of account in the earlier year amounting to Rs.1,16,14,896/-(net of taxes) (Previous year Rs.9,75,25,570/- net of taxes towards buy back and conversion) has been reversed and credited to the Profit and Loss Account as Extraordinary Income.

5. In line with the notification dated March 31, 2009 issued by the Ministry of Corporate Affairs amending Accounting Standard AS-11 "Effects of Changes in Foreign Exchange Rates", the Company has chosen to exercise the option under paragraph 46 inserted in the standard by the notification.

Accordingly the exchange differences on long term monetary items related to Foreign Currency Liabilities and Assets in so far as they are related to acquisition of Fixed Assets has been added/deducted from the cost of the relevant fixed assets and depreciation has been charged in the books of accounts after taking the effect of such changes.

Arising from the above the Company has deducted an amount of Rs.65,11,434/- (Previous Year Rs.12,54,13,302/-) from fixed assets being the exchange differences on long term monetary items relatable to the acquisition of fixed assets.

In respect of exchange differences on long term monetary items related to Foreign Currency Liabilities in so far as they are not related to the acquisition of Fixed Assets, the Company has accounted the exchange difference in Foreign Currency Monetary Item Translation Difference Account and has amortised the same over the life of the monetary item but not later than March 31, 2011. Accordingly Exchange Gain amounting to Rs.67,20,000/- has been amortised during the year. (Previous Year Rs.67,20,000/-)

6. There is no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2011. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditor.
7. Sundry creditors include bills payable for purchase of goods Rs.291,04,49,897/- (Previous Year Rs.215,51,84,866/-)

8. Auditors Remuneration	2010-2011	<i>2009-2010</i>
(excluding Service Tax)		
(a) Statutory Audit	2,50,000	<i>1,20,000</i>
(b) Tax Audit	30,000	<i>30,000</i>
(c) Other Services	1,39,870	<i>2,06,082</i>

9. Details of Investment in Capital Account of Partnership firm Narang & Ruchi Developers:

Name of Partner	2010-2011			2009-2010		
	Balance in Capital/ Current Account	Balance in Current Account	% age of share In Profit/Loss	Balance in Capital/ Current Account	Balance in Current Account	% age of share In Profit/Loss
Ruchi Infrastructure Ltd.	15,33,18,752	—	70	12,50,14,101	—	70
Narang Developers Pvt. Ltd.	1,74,75,623	1,09,528	30	1,38,90,456	8,25,416	30

10. a. The following revenue expenses incurred prior to commissioning of assets have been capitalized :

	2010-2011	<i>2009-2010</i>
Salary, Wages & Bonus	—	<i>68,41,439</i>
Contribution to PF, ESIC	—	<i>3,23,229</i>
Staff welfare	—	<i>28,342</i>
Repairs & maintenance – others	—	<i>31,542</i>
Postage & telephone	—	<i>1,65,724</i>
Other expenses	—	<i>13,77,695</i>
Insurance	—	<i>35,931</i>
Interest paid	—	<i>1,80,95,437</i>

- b. Borrowing cost capitalized during the year on funds attributable to construction/set up of project Rs.Nil (Previous Year Rs.1,80,95,437/-).

11. EARNING PER SHARE (EPS)

	2010-11	<i>2009-10</i>
	Amount in Rs.	<i>Amount in Rs.</i>
Basic earning per share		
(a) Net profit after tax	20,33,82,651	<i>34,55,28,596</i>
(b) Less : Preference dividend including tax thereon	3,80,78,766	<i>3,83,31,865</i>
(c) Profit available for equity shareholders	16,53,03,885	<i>30,71,96,731</i>
(d) Weighted average number of equity shares	20,66,16,490	<i>20,39,41,930</i>
(e) Nominal value per ordinary share	1	<i>1</i>
(f) Basic earning per share	0.80	<i>1.51</i>
Diluted earning per share		
(a) Profit available for equity shareholders	16,53,03,885	<i>30,71,96,731</i>
(b) Weighted average number of equity shares	20,66,16,490	<i>20,39,41,930</i>
(c) Add : dilutive impact of FCCBs	1,24,14,270	<i>1,39,94,268</i>
(d) No. of dilutive equity shares outstanding	21,90,30,760	<i>21,79,36,198</i>
(e) Diluted earning per share	0.75	<i>1.41</i>

12. DEFERRED TAX

DEFERRED TAX LIABILITY		
Liability of deferred tax for depreciation	4,95,55,553	<i>7,60,13,596</i>
DEFERRED TAX ASSETS	—	<i>—</i>
Deferred tax liability (Net)	4,95,55,553	<i>7,60,13,596</i>

13. a. The Company has set up Agri-warehousing and Marketing infrastructure at different locations on which company is entitled to back ended subsidy as per the Scheme of Ministry of Agriculture, Government of India.
- b. The eligible amount of subsidy is disbursed through NABARD directly to the financing bank, which is kept in reserve fund account by the bank and is disbursed to the Company as interest free loan. On payment of last installment of loan or five years from the date of disbursement of first installment of loan, which ever is later, the subsidy will be adjusted with the loan from bank.
- c. However, as per the accounting policy adopted, company has credited the subsidy to related assets account on receipt of sanction from the competent Authority. Depreciation provided in earlier years is reversed to profit and loss account if subsidy related to assets capitalized in earlier years is sanctioned during the year and shown as "depreciation relating to earlier year".
- d. The Term Loan from State Bank Of India includes a sum of Rs.8,40,26,200/- (Previous Year Rs.7,64,62,952/-) disbursed as interest free loan in lieu of Capital Subsidy and advance against Capital Subsidy received by the Bank from NABARD.
14. The Company has acquired land on lease in earlier years and as per the policy adopted no amortization was made. However with effect from current year Company has amortized the lease premium over the period of lease. The lease premium relating to earlier years Rs.77,63,587/- is amortized during the year and is shown as Prior period adjustment in the profit and loss account.

15. Financial and Derivative Instruments :

Derivative contract entered by the Company and outstanding as on March 31, 2011.

a. Notional amounts of derivative contract entered into by the Company and outstanding as on March 31, 2011

Particulars	Currency	No. of Contracts	2010-2011		No. of Contracts	2009-2010	
			Amount in Foreign Currency	Amount in INR		Amount in Foreign Currency	Amount in INR
Import of goods and buyers credit availed	US \$	17	4,79,29,114	222,33,95,787	24	7,55,34,688	349,89,07,950

All the above contracts are for hedging purpose and not for speculation

b. Foreign currency exposure which are not hedged as at Balance Sheet date

Particulars	2010-2011		2009-2010		
	Currency	Payable in Foreign Currency	Amount In INR	Currency	Payable in Foreign Currency
US \$	9,74,19,342	436,63,34,893	US \$	3,72,26,566	152,62,30,842

16. a. During the year Company was allotted 2,00,000 6% Redeemable preference Shares of Rs.100/- each, in SWAP of 2,00,000 6% Redeemable Preference Shares held in Sunshine Oleochem Ltd. as per the Scheme of Amalgamation approved by the jurisdiction high court.

b. 15,000 Equity Shares of Ruchi Soya Industries Limited purchased by the Company in an earlier year are yet to be transferred in its name. The dividend income on the said shares is also not recognized in the accounts. The Company is in process of transfer of shares and recovery of dividend income.

c. Company has received a sum of Rs.62,510/- by way of dividend on the shares sold in earlier years. The amount is included in Miscellaneous Income.

17. Sales includes loss Rs.29,55,361/- (Previous Year gain Rs.2,46,736/-) and Purchases includes loss Rs.3,24,57,951/- (Previous Year gain Rs.52,38,648/-) respectively towards difference arising on account of fluctuation in the rate of exchange, consequent to recording the transactions as per revised Accounting Standard No. 11 issued by the Institute of Chartered Accountants of India.

18. Prior period adjustments (net) includes

Premium on leasehold land amortised	Rs. 77,63,587
Depreciation on building reversed	Rs. (22,88,749)
	<u>Rs. 54,74,838</u>

19. The Company has availed Sales Tax Deferment loan of Rs.19,19,42,262/- from Government of Andhra Pradesh for the Company's refining unit set up at Kakinada Andhra Pradesh. In case of default in repayment of the Sales Tax deferment loan, the movable and immovable properties of the Company are liable to be attached as a prior charge for recovery of loan under Revenue Recovery Act together with interest @ 21.50% calculated from the due date for repayment of loan.

20. The details of Interest received and paid during the year are as under :

	2010-2011	2009-2010
Interest received (TDS Rs.1,10,27,836/-) (Previous Year Rs.51,07,347/-)	12,07,48,888	6,26,91,813
Less : Interest paid		
On Term Loan	6,42,61,087	4,16,39,741
On Other Loan	3,65,50,216	1,97,64,979
Net Interest received	<u>1,99,37,585</u>	<u>12,87,093</u>

21. Disclosure as per AS-15 (Revised) – Employee Benefits

A) Gratuity

	2010-2011	<i>2009-2010</i>
Change in obligation during the year ended March 31, 2011		
Obligation at the beginning of the year	29,32,751	29,66,895
Current Service cost	5,06,335	5,33,919
Interest cost	2,41,952	2,11,293
Actuarial (gains)/losses	3,56,831	(2,32,651)
Benefits payments	(2,67,095)	(3,06,167)
Obligations at the end of the year	37,70,774	29,32,751
Change in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	33,67,429	32,28,779
Expected return on plan assets	2,69,394	2,58,302
Contributions	6,99,664	1,52,909
Benefits paid	(2,67,095)	(3,06,167)
Actuarial gains/(losses)	64,714	33,606
Fair value of plan assets at the end of the year	41,34,106	33,67,429
Amount recognised in Balance Sheet		
Present value of defined benefit obligation at the end of the year	37,70,774	29,32,751
Fair value of plan assets at the end of the year	41,34,106	33,67,429
Net (Liability)/Asset recognized in balance sheet	3,63,332	4,34,678
Balance Sheet Reconciliation		
Net Liability at the beginning of the year	(4,34,678)	(5,02,422)
Expenses recognized during the year	7,71,010	2,20,653
Contributions during the year	(6,99,664)	(1,52,909)
Net (liability)/asset recognized in balance sheet	3,63,332	4,34,678
Amounts recognised in the profit and loss account		
Current service cost	5,06,335	5,33,919
Interest cost	2,41,952	2,11,293
Expected return on plan assets for the year	(2,69,394)	(2,58,302)
Actuarial (gains)/losses	(2,92,117)	(2,66,257)
Expenditure recognized in the profit and loss account	7,71,010	2,20,653
Actual return on plan assets		
Expected return on plan assets for the year	2,69,394	2,58,302
Actuarial gains/(losses) on plan assets	64,714	33,606
Actual return on plan assets	3,34,108	2,91,908
Percentage of each category of plan assets to fair value of plan assets		
Insurer managed funds	41,34,106	33,67,427
Actuarial assumptions		
Discount rate current	8.25%	8.25%
Salary escalation current	5.00%	5.00%
Rate of return on plan assets current	8.00%	8.00%

B) Liability on account of leave encashment Rs.20,33,616/- (Previous Year Rs.15,22,260/-)

22. Related Party Disclosure

List of Related Parties and Relationships

Party Name	Relation
1) Holding and Subsidiary Companies	
a. Peninsular Tankers Pvt. Ltd.	Subsidiary Company
b. Ruchi Green Energy Pvt. Ltd. (Formerly RIFL Energy Pvt. Ltd.)	Subsidiary Company
c. Ruchi Resources Pte. Ltd.	Subsidiary Company
d. Mangalore Liquid Impex Pvt. Ltd.	Subsidiary Company
2) Associate Company	
Ruchi Soya Industries Ltd.	
3) Entities where control exist	
Narang and Ruchi Developers	Company is a Partner
4) Mr. Mahendra Prasad Sharma	Key Management Personnel (Whole time Director – upto September 9, 2010)

Note : Related party relationship is as identified by the Company and relied upon by the Auditors.

	2010-11				2009-10			
	22(1)	22(2)	22(3)	22(4)	22(1)	22(2)	22(3)	22(4)
Transactions								
Purchase of goods	—	580,50,37,088	—	—	—	362,30,51,969	—	—
Sale of goods	—	205,13,29,076	—	—	—	113,92,53,324	—	—
Storage charges received	—	14,51,14,121	—	—	—	12,93,23,319	—	—
Processing charges	—	—	—	—	—	25,61,750	—	—
Interest paid	—	7,02,982	—	—	—	—	—	—
Share of profit from partnership firm	—	—	13,86,651	—	—	—	—	—
Investment in preference shares/partner capital	—	2,00,00,000	2,83,04,651	—	—	—	—	—
Share application money	8,96,40,000	—	—	—	1,01,90,000	—	—	—
Outstanding as at the year end								
Amount payable investments/	—	29,29,65,587	—	—	—	28,72,61,363	—	—
Share application money	4,18,50,100	—	15,33,18,752	—	16,45,94,596	—	12,50,14,101	—
Remuneration paid to Whole time Director	—	—	—	4,94,343	—	—	—	8,23,467

23. Segment Reporting

(a) Primary Segment - Business Segment

Particulars	Oils		Infrastructure		Others		Unallocated		Total	
	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Revenue	1679,89,14,317	1429,41,23,010	37,88,01,246	29,14,35,212	34,08,08,128	5,35,66,149	—	—	1751,85,23,691	1463,91,24,371
Segment result before interest & tax	22,66,80,986	27,92,76,738	6,05,79,709	6,89,11,292	(1,11,67,021)	(1,70,27,433)	(4,40,80,852)	(4,40,80,852)	21,76,68,982	28,70,79,745
Less : Interest									(1,99,37,585)	(12,87,093)
Profit before Prior Period Adjustments, Extraordinary Items and Tax									23,76,06,567	28,83,66,838
Prior Period Adjustments									54,74,839	—
Profit Before Taxation and Extraordinary Items									23,21,31,728	28,83,66,838
Less : Provision									6,85,00,000	4,60,00,000
Current Tax									(2,64,58,043)	(56,36,189)
Deferred Tax									(16,77,984)	—
Taxation for earlier year Extraordinary									1,16,14,896	9,75,25,570
Income (net of tax) Profit After Tax									20,33,82,651	34,55,28,597
Segment Assets	389,21,14,054	277,10,07,911	197,92,07,048	256,36,33,653	1,38,82,341	1,48,87,699	195,87,38,997	190,58,89,261	784,39,42,440	725,54,18,524
Segment Liabilities	371,50,00,802	263,75,75,163	4,14,43,321	7,77,02,983	25,92,681	19,51,566	46,78,571	—	376,37,15,375	271,72,29,712
Segment Depreciation	6,01,82,949	6,24,77,887	18,99,67,237	16,85,65,728	70,789	79,911	1,15,96,030	86,72,832	26,18,17,005	23,97,96,358
Cost Incurred to Acquire Segment									9,42,07,042	77,48,35,608
Fixed Assets	3,66,91,496	5,57,55,393	3,85,51,254	71,32,39,461	1,89,64,292	58,40,754	—	—	—	—
Non Cash Expenditure										
Other Than Depreciation										
(b) Secondary Segment – Geographical Segment										
All operating facilities of the Company are located in India										
Domestic Revenue									1724,55,26,293	1463,92,06,392
Export Revenue									31,88,33,210	2,83,14,000
Total Revenue									1756,43,59,503	1466,75,20,392
Note:										
Unallocated Segment Liabilities Exclude the following :										
Secured Loan									70,00,21,750	107,31,18,200
Unsecured Loans									205,48,53,646	231,08,36,055
Deferred Tax Liabilities									4,95,55,553	7,60,13,596
Provision for Tax									21,36,96,828	18,78,43,141
Provision for Dividend									4,91,82,873	4,90,56,473
Corporate Tax on Dividend									79,78,692	83,37,148
Unallocated Segment Assets Exclude the following :										
Investment									107,16,24,401	104,33,02,050
Advance Income Tax & TDS									24,68,01,910	27,05,22,951

24. Other expenses in Schedule 13 includes Rs.56,95,943/- (Previous Year Rs.1,07,00,594/-) bad debts written off.
25. Advance recoverable in cash or in kind includes share application money given to Subsidiaries Rs.32,00,000/- (Previous year Rs.12,59,93,196/-)
26. Managerial Remuneration under Section 198 of the Companies Act, 1956
- | | | |
|---|------------------|------------------|
| | 2010-2011 | <i>2009-2010</i> |
| a) Remuneration paid to Whole time Director | 4,94,343 | <i>8,23,467</i> |
| b) Sitting fees paid to Directors | 66,000 | <i>87,000</i> |

27. **Additional information pursuant to Paragraph 3,4C of part II of schedule VI of the Companies Act, 1956 (as certified by management)**

	2010-2011	<i>2009-2010</i>
CAPACITY & PRODUCTION		
	Qty (MT/PA)	<i>Qty (MT/PA)</i>
A. LICENCE CAPACITY	NA	<i>NA</i>
B. INSTALLED CAPACITY		
i) Oils	2,40,000	<i>2,40,000</i>
ii) Vanaspati	1,20,000	<i>1,20,000</i>
iii) Textured Soya Proteins	15,000	<i>15,000</i>
iv) Soap	6,000	<i>6,000</i>
v) Power Generation (M Wh)	10.80	<i>10.80</i>
C PRODUCTION		
i) Oils #	1,65,274	<i>1,94,667</i>
ii) Vanaspati	38,136	<i>34,130</i>
iii) Soap	799	<i>898</i>
iv) By Products	9,128	<i>12,729</i>
v) Power Generation (Units)	2,08,48,371	<i>2,18,67,121</i>

Includes production done by others - Nil (Previous Year 2,307 MT)

A) SALES *

	Qty	2010-2011 Amount in Rs.	Qty	2009-2010 Amount in Rs.
Oils	2,69,681	1454,93,57,323	<i>3,06,602</i>	<i>1260,73,15,615</i>
Vanaspati	38,016	185,15,68,732	<i>34,129</i>	<i>129,49,62,336</i>
Soaps	832	2,33,89,875	<i>884</i>	<i>2,44,02,149</i>
By Products	8,845	34,62,89,274	<i>12,716</i>	<i>31,40,79,702</i>
DOC	8,500	15,87,87,618	<i>1,350</i>	<i>2,83,14,000</i>
Cotton	1,118	15,61,45,959		
Power Generation Units (No.)	2,08,48,371	7,60,52,918	<i>2,18,67,121</i>	<i>8,37,22,255</i>
Others	—	21,06,017	<i>—</i>	<i>—</i>

* Sales includes excess/shortage.

B) OPENING STOCK

Oils	11,828	52,88,94,413	<i>14,283</i>	<i>55,00,23,764</i>
Vanaspati	1,676	6,69,86,345	<i>1,623</i>	<i>5,67,66,077</i>
Soaps	45	12,09,250	<i>31</i>	<i>7,24,840</i>
By Products	171	29,34,864	<i>158</i>	<i>28,85,151</i>

C) CLOSING STOCK

Oils	11,126	68,43,89,170	<i>11,828</i>	<i>52,88,94,413</i>
Vanaspati	2,041	12,49,95,800	<i>1,676</i>	<i>6,69,86,345</i>
Soaps	12	2,59,412	<i>45</i>	<i>12,09,250</i>
By Products	454	1,74,91,678	<i>171</i>	<i>29,34,864</i>
Others	—	15,14,613	<i>—</i>	<i>—</i>

	Qty	2010-2011 Amount in Rs.	Qty	2009-2010 Amount in Rs.
D) PURCHASE OF GOODS TRADED IN				
Oils	1,03,705	573,46,64,954	1,09,480	405,77,93,164
Vanaspati	245	1,05,95,224	52	18,98,916
DOC	8,500	16,49,00,000	1,350	2,99,00,000
Cotton	1,118	13,75,17,716	—	—
Others	—	30,41,590	—	—
E) RAW MATERIAL CONSUMED (MT)				
Oils	2,12,553	975,67,22,345	2,43,233	855,64,24,863
For Soap	1,137	1,72,97,964	1,313	1,67,33,072
F) VALUE OF IMPORTED AND INDIGENEOUS RAW MATERIAL CONSUMED				
	%	Value	%	Value
Imported	37	362,77,93,713	49	421,78,31,371
Indigeneous	63	614,62,26,596	51	438,39,75,974
G) VALUE OF IMPORTED AND INDIGENEOUS STORES & SPARES CONSUMED				
Imported	3	27,44,247	4	46,28,659
Indigeneous	97	9,83,54,831	96	10,86,43,406
28. VALUE OF IMPORT ON CIF BASIS				
Raw Materials		526,14,00,124		455,36,33,101
Stores, Spares & Consumables		27,44,247		—
Capital Goods		73,20,859		—
29. EXPENDITURE IN FOREIGN CURRENCY				
Interest		2,81,02,491		2,06,97,485
Others		1,97,789		3,42,120
30. Remittance in Foreign Currency of Dividend Equity Shares		2010-11		2009-10
a. Number of Non Resident Equity Shareholders		1		1
b. Number of Equity Shares held by them		58,22,800		58,22,800
c. (i) Amount of dividend paid		Nil		3,49,368
(ii) Year to which dividend relates		2009-10		2008-09
Preference Equity Shares				
d. Number of Non Resident Equity Shareholders		3		3
e. Number of Equity Shares held by them		54,60,613		54,60,613
f. (i) Amount of dividend paid		3,27,63,678		3,27,63,678
(ii) Year to which dividend relates		2009-10		2008-09
31. EARNING IN FOREIGN CURRENCY				
FOB Value of Exports		31,88,33,210		2,83,14,000
Interest		—		20,82,672

32. Previous years figures have been re-grouped or re-arranged wherever considered necessary.

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

Naveen Gupta
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 27, 2011

Ashish Mehta
Company Secretary

O. P. Mandhana
GM (Corporate Accounts)

Mumbai, August 27, 2011

BALANCE SHEET ABSTRACT AND THE COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS

Registration No:

3	3	8	7	8
---	---	---	---	---

 Balance Sheet Date

3	1	0	3	2	0	1	1
---	---	---	---	---	---	---	---

State Code

1	1
---	---

II CAPITAL RAISED DURING THE YEAR (Rs. in Thousands)

Public Issue

						N	I	L
--	--	--	--	--	--	---	---	---

Right issue

							N	I	L
--	--	--	--	--	--	--	---	---	---

Bonus Issue

						N	I	L
--	--	--	--	--	--	---	---	---

Private Placement

						1	5	8	0
--	--	--	--	--	--	---	---	---	---

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Rs. in Thousands)

Total Liabilities

		5	1	2	7	7	9	5
--	--	---	---	---	---	---	---	---

Total Assets

		5	1	2	7	7	9	5
--	--	---	---	---	---	---	---	---

SOURCES OF FUNDS

Paid-up Capital

			7	5	1	3	0	1
--	--	--	---	---	---	---	---	---

Reserves and Surplus

			1	5	7	2	0	6	2
--	--	--	---	---	---	---	---	---	---

Secured Loans

			7	0	0	0	2	2
--	--	--	---	---	---	---	---	---

Unsecured loans

			2	0	5	4	8	5	4
--	--	--	---	---	---	---	---	---	---

Deferred Tax Liability

				4	9	5	5	6
--	--	--	--	---	---	---	---	---

APPLICATION OF FUNDS

Net Fixed Assets

			2	4	4	1	3	6	1
--	--	--	---	---	---	---	---	---	---

Investments

			1	0	7	1	6	2	4
--	--	--	---	---	---	---	---	---	---

Net Current Assets

			1	6	0	6	8	1	7
--	--	--	---	---	---	---	---	---	---

Others

							N	I	L
--	--	--	--	--	--	--	---	---	---

Accumulated Losses

							N	I	L
--	--	--	--	--	--	--	---	---	---

Misc Expenditure

						7	9	9	3
--	--	--	--	--	--	---	---	---	---

IV PERFORMANCE OF THE COMPANY (Rs. in Thousands)

Turnover & Other Income

		1	7	5	6	4	3	6	0
--	--	---	---	---	---	---	---	---	---

Total Expenditure

		1	7	3	2	6	7	5	3
--	--	---	---	---	---	---	---	---	---

Profit Before Tax

			2	4	3	7	4	7
--	--	--	---	---	---	---	---	---

Profit After Tax

			2	0	3	3	8	3
--	--	--	---	---	---	---	---	---

Earnings per share (Rs.)

					0	.	8	0
--	--	--	--	--	---	---	---	---

Dividend Rate %

									8
--	--	--	--	--	--	--	--	--	---

V Generic Names of Principal Products / Services of Company (As per monetary terms)

Item code No.: (ITC Code)	Product description
15142	Manufacture of vegetable oils and fats
15141	Manufacture of hydrogenated oils and vanaspati ghee etc.
71290	Renting of other machinery and equipment n.e.c.

For and on behalf of the Board of Directors

Dinesh Shahra
Director

Naveen Gupta
Director

Ashish Mehta
Company Secretary

O. P. Mandhana
GM (Corporate Accounts)

Mumbai, August 27, 2011

Consolidated Accounts

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF RUCHI INFRASTRUCTURE LIMITED, ITS SUBSIDIARIES AND FIRM WHERE THE COMPANY IS A PARTNER

TO
THE BOARD OF DIRECTORS OF RUCHI INFRASTRUCTURE LIMITED

We have examined the attached Consolidated Balance Sheet of Ruchi Infrastructure Limited (the Company), its subsidiaries and a firm where the Company is a partner (the Firm) as at March 31, 2011, the Consolidated Profit & 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 subsidiaries and the Firm 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.

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 misstatements. 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.

The opening balances are taken from the accounts, for the year ended March 31, 2010 audited by M/s. M. M. Singla & Co., Mumbai and same are relied upon by us.

We did not audit the financial statements of the subsidiaries and the firm, whose financial statements reflect total assets (net) of Rs.17,09,75,003/- as at March 31, 2011 and total revenues of Rs.2,72,57,750/- for the year ended on that date. 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 subsidiaries and the firm, is based solely on the report of other auditors. 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, its subsidiaries and the Firm included in the consolidated financial statements.

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 subsidiaries and the firm, 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 :

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company, its subsidiaries and the firm as at March 31, 2011;
- (b) in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Company, its subsidiaries and the firm for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Company, its subsidiaries and the firm for the year ended on that date.

For **ASHOK KHASGIWALA & CO.,**
CHARTERED ACCOUNTANTS
(Firm Reg. No. 0743C)

Place : Mumbai
Date : August 27, 2011

CA Ashok Khasgiwala
Partner
Membership No. 70288

Consolidated Balance Sheet

AS AT MARCH 31, 2011

	SCHEDULE	Rupees	As at March 31, 2011 Rupees	As At March 31, 2010 Rupees
I. SOURCES OF FUNDS				
(1) Shareholders' funds				
a) Share Capital	1	75,13,01,242		74,97,21,242
b) Reserves and Surplus	2	165,10,55,033		126,40,19,731
			240,23,56,275	201,37,40,973
(2) Loan Funds				
a) Secured Loans	3	70,00,21,750		132,18,41,270
b) Unsecured Loans	4	205,48,53,646		231,08,36,055
			275,48,75,396	363,26,77,325
(3) Deferred Tax Liability - Net			1,55,15,225	5,53,01,268
			<u>517,27,46,896</u>	<u>570,17,19,566</u>
II. APPLICATION OF FUNDS				
(1) Fixed Assets	5			
a) Gross Block		421,03,19,792		455,48,69,717
b) Less : Depreciation		178,52,27,943		157,11,25,824
c) Net Block		2,42,50,91,849		298,37,43,893
d) Capital work in progress		3,16,16,839		4,46,52,825
			245,67,08,688	302,83,96,718
(2) Investments	6		87,96,55,549	87,96,86,549
(3) Current Assets, Loans and Advances	7			
a) Inventories		245,29,20,644		151,11,89,709
b) Sundry Debtors		115,78,87,528		65,95,27,377
c) Cash and Bank Balances		136,10,23,422		163,25,60,857
d) Loans and Advances		89,38,43,627		106,75,60,356
		586,56,75,221		487,08,38,299
Less :				
Current Liabilities & Provisions	8			
a) Current liabilities		379,94,63,754		277,94,29,153
b) Provisions		27,40,82,759		24,52,36,762
		407,35,46,513		302,46,65,915
Net Current Assets			179,21,28,708	184,61,72,384
(4) Minority Interest			3,55,76,377	(6,92,57,664)
(5) Miscellaneous Expenditure (to the extent not written off or adjusted)	9		86,77,574	1,67,21,579
			<u>517,27,46,896</u>	<u>570,17,19,566</u>
Significant Accounting Policies and Notes to the Accounts	14			

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

Naveen Gupta
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 27, 2011

Ashish Mehta
Company Secretary

O. P. Mandhana
GM (Corporate Accounts)
Mumbai, August 27, 2011

Cash Flow

STATEMENT ANNEXED TO THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

	Rupees	2010-2011 Rupees	Rupees	2009-2010 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES				
a) Net profit before tax & Extraordinary Item		23,76,72,996		13,87,07,227
Adjustment for :				
Depreciation	27,99,21,240		25,98,70,551	
Interest paid	—		7,91,65,287	
Interest received	(79,54,887)		(6,26,91,813)	
Miscellaneous expenses written off	80,45,901		86,98,399	
Dividend income	(24,10,039)		(28,01,665)	
(Profit) on sale of fixed assets	(21,93,787)		—	
Loss on sale of fixed assets	21,97,60,884		—	
Minority interest	(12,50,05,200)		11,68,08,280	
Foreign currency monetary translation difference	(67,20,000)	36,34,44,112		39,90,49,039
b) Operating profit before working capital changes		60,11,17,108		53,77,56,266
Adjustment for :				
Trade and other receivables	(34,82,60,888)		63,35,41,784	
Inventories	(94,17,30,935)		(36,72,24,646)	
Trade and other payables	102,20,68,217	(26,79,23,606)	10,40,31,267	37,03,48,405
c) Cash generated from operations		33,31,93,502		90,81,04,671
Direct taxes paid		(1,72,66,113)		(4,60,00,000)
Net cash from operating activities		31,59,27,389		8,621,04,671
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(8,26,09,264)		(38,47,34,310)	
Sale of fixed assets	16,54,18,985		—	
Purchase of new investment	(5,000)		(36,39,17,755)	
Sale of investment	36,000		—	
Interest received	79,54,887		6,26,91,813	
Extraordinary income	1,16,14,896		9,75,25,570	
Dividend received	24,10,039		28,01,665	
Net cash used in investing activities		10,48,20,543		(58,56,33,017)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Issue of share capital	15,80,000		6,77,142	
Share premium received	6,03,56,000		2,58,66,824	
Addition (withdrawal) in reserve	—		4,79,34,450	
Repayment of borrowing	(69,68,27,746)		(5,50,71,370)	
Interest paid	—		(7,91,65,287)	
Dividend and dividend tax paid	(5,73,93,621)		(5,73,93,621)	
Net cash from financing activities		(69,22,85,367)		(11,71,51,862)
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(27,15,37,435)		15,93,19,792
Cash and Cash Equivalents at beginning of the year		163,25,60,857		147,32,41,065
Cash and Cash Equivalents at end of the year		136,10,23,422		163,25,60,857

As per our Report of even date attached

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

Naveen Gupta
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 27, 2011

Ashish Mehta
Company Secretary

O. P. Mandhana
GM (Corporate Accounts)
Mumbai, August 27, 2011

SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE - 1 : SHARE CAPITAL		
Authorised		
50,00,00,000 Equity Shares of Re.1/- each	50,00,00,000	50,00,00,000
2,00,00,000 Non Convertible Cumulative Redeemable Preference Shares of Rs.100/- each	200,00,00,000	200,00,00,000
	<u>250,00,00,000</u>	<u>250,00,00,000</u>
Issued Subscribed & Paid Up		
20,52,39,942 (Previous Year 20,36,59,942) Equity Shares of Re.1/- each fully paid	20,52,39,942	20,36,59,942
54,60,613 (Previous Year 54,60,613) 6% Non Convertible Cumulative Redeemable Preference Shares of Rs.100/- each fully paid	54,60,61,300	54,60,61,300
	<u>75,13,01,242</u>	<u>74,97,21,242</u>
Note		
i) During the year, the Company has allotted 15,80,000 equity shares of Re.1/- each following exercise of conversion option by holders of Foreign Currency Convertible Bonds (Previous Year 6,77,142 Shares of Re.1/- each).		
ii) The Company had allotted 6 % Redeemable Cumulative Preference shares as under :		
17,33,345 Shares were allotted on March 31, 2006.		
37,27,268 Shares were allotted on October 9, 2006.		
iii) The Preference Shares are redeemable as under :		
Rs. 33/- to be redeemed after 12 years from date of allotment.		
Rs. 33/- to be redeemed after 13 years from date of allotment.		
Rs. 34/- to be redeemed after 14 years from date of allotment.		
iv) The Company at its sole discretion has an option to prematurely redeem the Preference Shares in full or in part after completion of three years from the date of allotment.		
SCHEDULE - 2 : RESERVES AND SURPLUS		
Capital Reserve		
Since last year	33,78,73,450	33,78,73,450
Add : Addition during the year	18,09,74,183	—
	<u>51,88,47,633</u>	<u>33,78,73,450</u>
Capital Subsidy		
Since last year	25,10,734	25,10,734
Less : Transfer to General Reserve	5,10,734	—
	<u>20,00,000</u>	<u>25,10,734</u>
Export Allowance Reserve		
Since last year	23,38,077	23,38,077
Less : Transfer to General Reserve	23,38,077	—
	<u>—</u>	<u>23,38,077</u>
Share Premium Account		
Since last year	5,75,48,024	3,16,81,200
Add : Received during the year	6,03,56,000	2,58,66,824
	<u>11,79,04,024</u>	<u>5,75,48,024</u>
General Reserve		
Since last year	73,57,92,053	63,57,92,053
Add : Transfer from Capital Subsidy	5,10,734	
Transfer from Export Allowance Reserve	23,38,077	
Transfer from Profit & Loss Account	10,00,00,000	10,00,00,000
	<u>83,86,40,864</u>	<u>73,57,92,053</u>
Profit and Loss Account Balance	<u>17,36,62,512</u>	<u>12,12,37,393</u>
Foreign Currency Monetary Items Translation Reserve	<u>—</u>	<u>67,20,000</u>
	<u>165,10,55,033</u>	<u>126,40,19,731</u>

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE - 3 : SECURED LOANS		
1. Term Loan from Karur Vysya Bank Ltd.	—	4,00,00,000
2. Corporate Loan from State Bank Of India	—	5,53,00,000
3. Term Loan from State Bank of India	52,07,41,750	61,55,78,200
4. External Commercial Borrowing from Axis Bank Ltd.	17,92,80,000	36,22,40,000
5. Foreign Currency Loan From Indian Bank	—	24,87,23,070
	70,00,21,750	1,32,18,41,270

NOTE:

1. Term Loan from Karur Vysya Bank Ltd. :

The loan is secured by (a) first charge on the movable and immovable fixed assets of the Company at Kakinada Andhra Pradesh and (b) personal guarantee of a Director of the Company. Amount repayable within 1 year Rs.Nil (Previous year Rs.4,00,00,000/-).

2. Corporate Loan from State Bank of India :

The loan is secured by (a) pledge of equity shares of the Company held by a promoter of the Company (b) personal guarantee of a Director of the Company. Amount repayable within 1 year Rs.Nil (Previous year Rs.5,53,00,000/-).

3. Term Loan from State Bank of India :

The loan is secured/to be secured by (a) exclusive first charge on the fixed assets of the Company created at various locations under the Rural Warehouses & Agri Marketing Infrastructure Facility project of the Company (b) personal guarantee of a Director of the Company. Amount repayable within 1 year Rs.7,60,68,000/- (Previous Year Rs.7,60,68,000/-) (Refer Note 11 (d) to Schedule 14).

4. External Commercial Borrowing from Axis Bank Ltd. :

The loan is secured by pari passu first charge on the fixed assets of Refinery at Kakinada, Andhra Pradesh. Amount repayable within 1 year Rs.17,92,80,000/- (Previous Year Rs.18,11,20,000/-).

5. Foreign Currency Loan From Indian Bank :

The Term Loan is secured by hypothecation of specific vessel of the Company. Amount repayable within 1 year Nil. (Previous Year US \$ 12,75,000/-).

SCHEDULE - 4 : UNSECURED LOANS

Short Term Advances

From Banks (Refer Note 3 to Schedule 14)

114,16,47,939 135,47,53,132

Other Loans

Inter Corporate Deposits

4,68,61,790 4,68,61,790

Sales Tax Deferment (Refer Note 17 to Schedule 14)

19,19,42,262 19,19,42,262

Foreign Currency Convertible Bonds (Refer Note 4 to Schedule 14)

67,44,01,655 71,72,78,871

205,48,53,646 231,08,36,055

SCHEDULE - 5 : FIXED ASSETS

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As on 01.04.2010 Rs.	Additions Rs.	Deductions Rs.	As on 31.03.2011 Rs.	Upto 31.03.2010 Rs.	For the Year Rs.	Adjustment Rs.	Total Rs.	As on 31.03.2011 Rs.	As on 31.03.2010 Rs.
LAND (FREEHOLD)	47,01,25,231	20,000	25,85,379	46,75,59,852	—	—	—	—	46,75,59,852	47,01,18,231
LAND (LEASEHOLD)	3,31,46,201	—	93,299	3,30,52,902	—	11,92,055	(78,56,886)	90,48,941	2,40,03,961	3,31,46,201
BUILDINGS	108,87,71,447	2,04,59,353	3,30,20,100	107,62,10,700	16,31,45,050	8,75,63,197	23,87,055	24,83,21,192	82,78,89,508	91,14,55,231
JETTY	13,16,88,796	—	—	13,16,88,796	8,56,68,860	46,01,993	—	9,02,70,853	4,14,17,943	4,60,19,936
SHIP	40,08,63,704	14,38,208	40,23,01,912	—	4,35,95,700	1,80,76,031	6,16,71,731	—	—	35,72,68,004
PLANT & MACHINERY	236,31,34,613	4,95,75,236	1,51,50,631	239,75,59,218	124,79,00,093	15,86,06,202	86,19,865	139,78,86,430	99,96,72,788	111,52,34,520
FURNITURE & FIXTURES	5,47,03,962	29,29,156	65,718	5,75,67,400	1,51,55,929	60,54,936	8,282	2,12,02,583	3,63,64,817	3,95,48,033
VEHICLES	2,66,13,929	2,12,23,297	11,56,302	4,66,80,924	1,56,60,192	38,26,826	9,89,074	1,84,97,944	2,81,82,980	1,09,53,737
Total	456,90,47,883	9,56,45,250	45,43,73,341	421,03,19,792	157,11,25,824	27,99,21,240	6,58,19,121	178,52,27,943	242,50,91,849	298,37,43,893
Capital Work in Progress									3,16,16,839	44,65,2825
Grand Total									245,67,08,688	302,83,96,718
PREVIOUS YEAR	394,86,89,393	77,48,83,826	16,87,03,502	455,48,69,717	131,14,23,174	25,98,70,551	1,67,902	157,11,25,824		

Refer Note No 11 (c) to Schedule 14.

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE - 6 : INVESTMENTS		
I. LONG TERM (at cost)		
A. Government SECURITIES		
National Savings Certificates		
Deposited with Government Authorities	19,000	14,000
	<u>19,000</u>	<u>14,000</u>
B. INVESTMENT IN SHARES		
i. QUOTED		
12,54,675 Equity Shares of Rs.10/- each fully paid up of National Steel & Agro Industries Ltd.	48,03,500	48,03,500
9,500 Equity Shares of Rs.10/- each of fully paid up of Ruchi Strips & Alloys Ltd.	1,11,155	1,11,155
48,35,077 Equity Shares of Rs.2/- each of fully paid up of Ruchi Soya Industries Ltd.	20,21,64,584	20,21,64,584
Aggregate Value of Quoted Investments	<u>20,70,79,239</u>	<u>20,70,79,239</u>
(Aggregate Market Value of Quoted Investments Rs.53,70,54,394/- (Previous Year Rs.50,01,05,441/-))		
ii. UNQUOTED		
OTHER THAN SUBSIDIARY COMPANIES		
7,00,000 Equity Shares of Rs.10/- each fully paid up of Ruchi Acroni Industries Ltd.	70,00,000	70,00,000
1,25,000 Equity Shares of Rs.10/- each of fully paid up of Ruchi Global Ltd.	12,50,000	12,50,000
Nil (Previous Year 3,600) Equity Shares of Rs.10/- each fully paid up of Mangalore Liquid Impex Pvt. Ltd.	—	36,000
29,95,100 Equity Shares of Rs.10/- each fully paid up of Indian Steel Corporation Ltd.	14,97,55,000	14,97,55,000
4,08,459 Equity Shares of Rs.10/- each fully paid up of Arandi Investments Pvt. Ltd.	12,88,52,310	12,88,52,310
C. IN PREFERENCE SHARES		
2,00,000 6% Redeemable Preference Shares of Rs.100/- each fully paid up of Ruchi Soya Industries Ltd. (Refer Note No. 14 (a) to Schedule 14)	2,00,00,000	2,00,00,000
34,50,000 6% Redeemable Cumulative Preference Shares of Rs.100/- each fully paid up of Ruchi Realty Holdings Ltd.	36,57,00,000	36,57,00,000
Aggregate Value of Unquoted Investments	<u>67,25,57,310</u>	<u>67,25,93,310</u>
	<u>87,96,55,549</u>	<u>87,96,86,549</u>

Shares bought and sold during the year

Name of Scrip	No. of Shares	Cost
Rainbow Paper Ltd.	11,12,500	6,35,60,638

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE - 7 : CURRENT ASSETS, LOANS AND ADVANCES		
INVENTORIES		
(As valued and certified by Management)		
Stores, Spares and Consumables	5,45,05,669	5,71,01,002
Raw Material	131,13,85,008	66,94,26,705
Finished Goods	97,27,62,387	60,47,65,491
Work in Progress	6,09,44,354	11,75,47,494
Packing Material	5,33,23,226	6,23,49,017
	<u>245,29,20,644</u>	<u>151,11,89,709</u>
SUNDRY DEBTORS		
(Unsecured, considered good)		
Over Six Months	19,19,18,952	3,98,14,546
Others	96,59,68,576	61,97,12,831
	<u>115,78,87,528</u>	<u>65,95,27,377</u>
CASH AND BANK BALANCES		
Cash in Hand	34,65,994	25,88,989
BALANCE WITH SCHEDULED BANK		
In Current Account	14,47,97,725	19,22,66,408
In Deposit Accounts (Pledged with Banks) (Refer Note No. 3 Schedule 14)	121,27,59,703	143,77,05,460
	<u>136,10,23,422</u>	<u>163,25,60,857</u>
LOANS AND ADVANCES		
Advance recoverable in cash or kind or for which value to be received	44,45,70,919	65,60,88,918
Security Deposit	3,99,17,223	3,03,71,068
Intercompany Deposits	16,24,50,000	11,05,77,419
Advance Tax (Including TDS)	24,69,05,485	27,05,22,951
	<u>89,38,43,627</u>	<u>106,75,60,356</u>

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE - 8 : CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors		
Due to Micro, Small and Medium Enterprises (Refer note no. 6 Schedule no.14)	—	—
Due to Creditors other than Micro, Small and Medium Enterprises	368,53,07,170	266,39,34,949
Other Liabilities	7,46,78,043	9,14,14,197
Advances from Customers	3,94,78,541	2,40,80,007
	<u>379,94,63,754</u>	<u>277,94,29,153</u>
PROVISIONS		
Taxation	21,48,87,578	18,78,43,141
Proposed Dividend	4,91,82,873	4,90,56,473
Corporate Tax on Dividend	79,78,692	83,37,148
Employee Benefits	20,33,616	—
	<u>27,40,82,759</u>	<u>24,52,36,762</u>
	<u><u>407,35,46,513</u></u>	<u><u>302,46,65,915</u></u>
SCHEDULE - 9 : MISCELLANEOUS EXPENDITURE		
(to the extent not written off or adjusted)		
Opening balance	1,66,93,050	2,54,19,978
Less : Amount Written off	80,15,476	86,98,399
	<u>86,77,574</u>	<u>1,67,21,579</u>
SCHEDULE - 10 : SALES, SERVICES AND OTHER INCOME		
SALES	2005,87,83,267	1432,27,25,213
Less : Excise duty	3,56,38,469	2,64,88,427
	<u>2002,31,44,798</u>	<u>1429,62,36,786</u>
Processing charges	5,19,17,659	5,14,52,372
Income From Storage, Warehousing	30,29,08,316	20,77,12,957
Shipping Freight	15,87,93,076	8,76,91,444
Wind Power Generation income	7,60,52,918	8,37,22,255
Sale of property	2,70,00,000	—
	<u>2063,98,16,767</u>	<u>1472,68,15,814</u>
OTHER INCOME		
Dividend	24,10,039	28,01,665
Profit on sale of assets	21,93,787	54,96,398
Foreign Currency Monetary Translation difference	67,20,000	67,20,000
Miscellaneous income	1,34,45,730	29,08,293
Gains on redemption of Mutual Fund units	—	91,85,518
Interest received (paid) (Refer Note 18 to Schedule 14)	79,54,887	(1,64,73,474)
	<u>3,27,24,443</u>	<u>1,06,38,400</u>
	<u><u>2067,25,41,210</u></u>	<u><u>1473,74,54,214</u></u>

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE - 11 : INCREASE/(DECREASE) IN STOCKS		
A. Closing Stock		
Finished Goods	82,86,50,673	60,00,24,872
Work in Progress	6,09,44,354	12,22,88,113
	<u>88,95,95,027</u>	<u>72,23,12,985</u>
B. Opening Stock		
Finished Goods	60,00,24,872	61,03,99,832
Work in Progress	11,75,47,494	10,18,34,262
	<u>71,75,72,366</u>	<u>71,22,34,094</u>
Increase/(Decrease) In Stocks	17,20,22,661	1,00,78,891
Less : Excise Duty on Closing Stock of Finished Goods	23,67,482	5,01,692
	<u>16,96,55,179</u>	<u>95,77,199</u>

SCHEDULE - 12 : MATERIALS CONSUMED

A. Raw Material Consumed		
Opening Stock	66,94,26,706	22,28,92,200
Add : Purchases	1041,59,78,611	904,83,41,851
	<u>1108,54,05,317</u>	<u>927,12,34,051</u>
Less : Closing Stock	131,13,85,008	66,94,26,706
Raw Materials Consumed	977,40,20,309	860,18,07,345
B. Packing Material Consumed	44,85,81,871	56,16,33,740
	<u>1022,26,02,180</u>	<u>916,34,41,085</u>

SCHEDULE - 13 : MANUFACTURING AND OTHER EXPENSES

Stores, Spares and Chemical consumed	10,58,39,697	11,32,72,065
Processing charges	—	25,61,750
Packing expenses	3,90,54,002	5,38,48,301
Power and fuel	13,65,59,378	11,28,89,273
Repairs and maintenance of :		
Plant and machinery	4,77,04,213	1,66,12,882
Buildings	56,38,654	65,16,260
Others	1,15,18,412	99,64,809
Manufacturing expenses	1,74,12,944	5,01,692
Salaries, Wages and other benefits	7,80,45,258	7,97,10,306
Contribution to provident and other fund	31,14,293	16,60,927
Workmen and staff welfare	59,96,943	23,26,396
Rent	2,71,27,935	1,44,40,711
Rates and taxes	7,87,68,511	6,74,36,380
Bank charges and commission	2,27,52,742	2,98,57,224
Insurance	28,10,519	33,75,636
Brokerage and commission	86,08,723	1,18,35,791
Postage and telephone	38,70,203	31,30,173
Freight and forwarding charges	21,54,26,834	22,50,95,093
Oil handling expenses	4,76,39,856	4,77,70,863
Premium on FCCB	4,45,70,380	5,35,08,282
Loss on sale of shares	65,18,998	—
Loss on sale of assets	21,97,60,884	—
Ship operating expenses	10,98,30,083	15,20,77,568
Miscellaneous expenditure written off	80,45,901	86,98,399
Other expenses	11,37,25,128	7,83,29,689
	<u>136,03,40,491</u>	<u>109,54,20,470</u>

SCHEDULE ATTACHED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011 AND CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE :

**SCHEDULE 14 : - SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

- a) **Accounting Convention**
The Accounts have been prepared in accordance with the historical cost convention.
- b) **Use of Estimates**
The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and the estimates are recognized in the period in which the results are known/materialized.
- c) **Revenue recognition**
- The Company follows mercantile system of the accounting and recognises income and expenditure on accrual basis except those with significant uncertainties.
 - In respect of Construction activities, the revenue is recognized the revenue is recognized from the year of completion of project and the sale of Property.
- d) **Fixed Assets**
- Fixed Assets**
Fixed assets are stated at cost of acquisition or construction, net of tax /duty credit availed if any, including any cost attributable for bringing the assets to its working condition for its intended use, less depreciation (except freehold land).
 - Capital Expenditure**
Assets under erection/installation and advance given for capital expenditure are shown as "Capital work in progress", Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.
 - Leasehold Land**
Cost of Lease hold land is amortized over the period of lease.
- e) **Depreciation**
Depreciation on fixed assets is provided on written down value method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal, except for low value items costing Rs.5,000/- or less are written off fully in the year of purchase.
In respect of a Subsidiary, depreciation is charged on straight line method as per rates prescribed in schedule XIV of the Companies Act, 1956.
- f) **Expenses on issue of Shares**
Expenses on issue of shares are charged to profit and loss account.
- g) **Expenses on issue of Foreign Currency Convertible Bonds**
Expenses on issue of Foreign Currency Convertible Bonds are charged to profit and loss account over the life of the Bonds.
- h) **Borrowing cost**
Borrowing cost attributable to the acquisition and constructions of assets are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to Profit and Loss Account.
- i) **Premium on Foreign Currency Convertible Bonds (FCCBs)**
As a prudent accounting policy, premium payable on the FCCBs even though contingent upon non conversion of the FCCBs into Equity Shares, is proportionately charged to the profit and loss account on pro-rata basis over the life of the FCCBs and the corresponding amount is included in the outstanding amount of FCCBs shown under Unsecured Loans. In the event of conversion of FCCBs into Equity Shares the proportionate amount will be written back on pro-rata basis.
- j) **Valuation of inventories**
- Inventories are valued at lower of cost or net realisable value, except by-product is valued at net realisable value. Cost of inventory is arrived at by using Moving Average Price Method. Cost of inventory is generally comprises of cost of purchases, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

- ii) Construction Work in Progress is valued at cost. Cost includes all expenses including office and administrative expense.
- k) Export Incentive**
The Export incentives are accounted for on accrual basis taking into account certainty of realisation and its subsequent utilisation.
- l) Government Grant**
Government grant are recognized when there is reasonable assurance that the same will be received. Capital grant relating to specific assets are reduced from the gross value of fixed assets and revenue grants are recognized in the Profit and Loss Account.
- m) Investment**
Investments are valued at cost of acquisition. In case of long term investments, no provision is made for diminution in the value of investments, where, in the opinion of the Board of Directors such diminution is temporary. Current Investments are stated at lower of cost and market/fair value.
- n) Foreign currency transaction**
- a) All transactions in foreign currency are recorded at the rates of the exchange prevailing on the dates when the relevant transactions took place; any gain/loss on account of the fluctuations in the rate of exchange is recognized in the Profit & Loss Account. In case of the sale and purchase the same is included in the respective heads.
 - b) Monetary items in the form of loans, current assets and current liabilities in foreign currencies at the close of the year are converted in the Indian currency at the appropriate rate of exchange prevailing on the dates of the Balance Sheet. Resultant gain or loss on account of fluctuation in the rate of exchange is recognized in the Profit & Loss Account.
 - c) In respect of the Forward Exchange Contracts entered into to hedge foreign currency risks, the difference between the Forward Rate and Exchange Rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange difference arising on such contracts are recognized as income or expense along with the exchange difference on the underlying assets/liabilities.
- o) Employee Benefits**
- (a) Post-employment benefit plans
 - i) Defined Contribution Plan - Contributions to Provident Fund and Family Pension fund are accrued in accordance with applicable statute and deposited with appropriate authorities.
 - ii) Defined Benefit Plan
 - a. The liability in respect of leave encashment is determined using actuarial valuation carried out as at Balance Sheet date. Actuarial gains and losses are recognized in full in Profit and Loss Account for the year in which they occur.
 - b. The Company has opted for scheme with Life Insurance Corporation of India to cover its liabilities towards employees gratuity. The annual premium paid to Life Insurance Corporation of India is charged to Profit and Loss Account. The Company also carried out actuarial valuation of gratuity using Projected Unit Credit Method as required by Accounting Standard 15 "Employee Benefits" (Revised 2005) and difference between fair value of plan assets and liability as per actuarial valuation as at year end is recognized in the Profit and Loss Account.
 - (b) Short term employee benefits
The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employees render the services. These benefits include compensated absence also.
- p) Contingent Liabilities**
Contingent Liabilities not provided for in the accounts are disclosed by way of notes.
- q) Taxes on Income**
Provision for Current Tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.
Deferred tax is recognised on the timing difference, being the difference between taxable income and the accounting income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.
Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

r) Segment Accounting

Segment Accounting Policies :

Following accounting policies have been followed by the company for segment reporting.

- (1) The Company has disclosed business segment as the Primary Segment. Segments have been identified taking into account the type of products, the differing risk and returns and the internal reporting system. The various segments identified by the Company comprised as under :

Name of Segment	Comprised of
Oils	- Crude Oils, Refined Oils, Vanaspati
Infrastructure	- Storage, Agri Warehousing, Wind Energy
Other	- Soap, Construction, Shipping

By products related to each segment have been included in respective segment.

- (2) Segment revenue, segment results, segment assets and segment liabilities includes 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 unallocable corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocable corporate assets and liabilities respectively. Inter segment revenue are recognised at sale price.

s) Impairment of Assets

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors.

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Basis of Consolidation

- a) The Consolidated financial statements relate to Ruchi Infrastructure Limited (the Company) and its subsidiaries and associates as under :

Entity	Basis of Consolidation	Country of Incorporation	% age of Shareholding of the Company	% age of Share in Profit/Loss
Peninsular Tankers Pvt. Ltd.	Subsidiary	India	53.95	53.95
Ruchi Green Energy Pvt. Ltd. (Formerly RIFL Energy Pvt. Ltd.)	Subsidiary	India	60.00	60.00
Ruchi Resources Pte. Ltd.	Subsidiary	Singapore	100.00	100.00
Mangalore Liquid Impex Pvt. Ltd.	Subsidiary	India	51.00	51.00
Narang & Ruchi Developers	Associate	India	90.00	70.00

- b) The consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS-21) issued by the Institute of Chartered Accountants of India on the following basis :
- i) 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.
 - ii) Intragroup balances, intragroup transactions and resulting unrealized profits/losses have been eliminated in full.
 - iii) 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.
- c. Figures pertaining to the subsidiaries and the partnership firm have been reclassified to bring them in line with parent Company's financial statements.
- d. Mangalore Liquid Impex Pvt. Ltd. has become a subsidiary of the Company during the year. Hence, Previous Year figure are not comparable.

NOTES TO ACCOUNT

1. Contingent Liabilities not Provided for	2010-11	2009-10
a. Guarantees issued by Bank	30,13,35,140	17,18,00,686
b. Estimated amount of contracts remaining to be executed on capital commitment (Net of Advance)	11,14,127	Nil
c. Liability on account of Customs duty if export commitments given for import of machinery at concessional rate of duty are not met	Nil	2,15,60,301
d. Income Tax/Sales Tax/Customs Duty/Excise Duty demands disputed in appeals.	18,28,31,307	10,50,81,787

2. In the opinion of Board of Directors, current assets, Loans and Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the balance sheet and that the provision for known liabilities is adequate and reasonable. There are no contingent liabilities other than stated herein above.

3. The Company has availed Buyers Credit from Banks during the year. The outstanding amount as on March 31, 2011 is Rs.111,95,47,939/- (Previous Year 134,53,40,122/-) included under Short Term Advances from bank (Schedule-4) is guaranteed by Banks against Fixed Deposits amounting to Rs.117,82,85,667/- (Previous Year Rs.137,16,00,000/-) included in Deposit Account under Cash & Bank Balances (Schedule-7).

4. Foreign Currency Convertible Bonds

- a. The Company has issued Zero Coupon Foreign Currency Convertible Bonds (FCCBs) amounting to US \$ 40 Million on February 5, 2007. The FCCBs have a maturity of five years and 1 day from the date of issue.
- b. The Holders of the FCCBs have a right to convert the FCCBs into Equity Shares of the Company of Re.1/- each at a conversion price of Rs.39.20 per share. The conversion price is subject to adjustment/reset under certain circumstances as per the terms and conditions of the FCCBs.
- c. Unless previously converted, redeemed or purchased and cancelled, the FCCBs will be redeemed on the Maturity date at 144.50 percent of their principal amount.
- d. The proceeds of the FCCB issue (net of expenses) have been used for the approved purposes. There is no unutilised amount of FCCB funds as on March 31, 2011 (Previous year Rs.2,04,188/-).
- e. Unsecured Loans includes Rs.18,14,17,529/- being premium payable on redemption of FCCBs (Previous Year Rs.15,58,47,311/-).
- f. During the year the company issued 15,80,000 equity shares of Re.1/- each (previous year 6,77,142) to FCCB holders upon exercise of conversion option .
- g. The Premium on redemption attributable to the FCCBs converted during the year and provided in the books of account in the earlier year amounting to Rs.1,16,14,896/- (net of taxes) (Previous year Rs.9,75,25,570/- net of taxes towards buy back and conversion) has been reversed and credited to the Profit and Loss Account as Extraordinary Income.

5. In line with the notification dated March 31, 2009 issued by the Ministry of Corporate Affairs amending Accounting Standard AS-11 "Effects of Changes in Foreign Exchange Rates", the Company has chosen to exercise the option under paragraph 46 inserted in the standard by the notification.

Accordingly the exchange differences on long term monetary items related to Foreign Currency Liabilities and Assets in so far as they are related to acquisition of fixed assets has been added/deducted from the cost of the relevant fixed assets and depreciation has been charged in the books of accounts after taking the effect of such changes.

Arising from the above, the Company has deducted net amount of Rs.50,73,226/- (Previous Year Rs.16,07,92,616/-) from fixed assets being the exchange differences on long term monetary items relating to the acquisition of fixed assets.

In respect of exchange differences on long term monetary items related to Foreign Currency Liabilities in so far as they are not related to the acquisition of Fixed Assets, the Company has accounted the exchange difference in Foreign Currency Monetary Item Translation Difference Account and has amortised the same over the life of the monetary item but not later than March 31, 2011. Accordingly Exchange Gain amounting to Rs. 67,20,000/- has been amortised during the year. (Previous Year Rs.67,20,000/-)

6. There is no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2011. This information as required to be disclosed under Micro, Small and Medium

Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditor.

7. Sundry creditors include bills payable for purchase of goods Rs.291,04,49,897/- (Previous Year Rs.215,51,84,866/-)

8. a. The following revenue expenses incurred prior to commissioning of Assets have been capitalized :

	2010-2011	2009-2010
Salary, Wages & Bonus	—	68,41,439
Contribution to PF, ESIC	—	3,23,229
Staff welfare	—	28,342
Repairs & maintenance – others	—	31,542
Postage & telephone	—	1,65,724
Other expenses	—	13,77,695
Insurance	—	35,931
Interest paid	—	1,80,95,437

b. Borrowing cost capitalized during the year on funds attributable to construction/set up of project Rs.Nil (Previous Year Rs.1,80,95,437/-).

9. EARNING PER SHARE (EPS)

	2010-11	2009-10
	Amount in Rs.	<i>Amount in Rs.</i>
Basic earning per share		
(a) Net profit after tax	21,56,71,078	19,58,68,986
(b) Less : Preference dividend including tax thereon	3,80,78,766	3,83,31,865
(c) Profit available for equity shareholders	17,75,92,312	15,75,37,121
(d) Weighted average number of equity shares	20,66,16,490	20,39,41,930
(e) Nominal value per ordinary share	1	1
(f) Basic earning per share	0.86	0.77
Diluted earning per share		
(a) Profit available for equity shareholders	17,75,92,312	15,75,37,121
(b) Weighted average number of equity shares	20,66,16,490	20,39,41,930
(c) Add : dilutive impact of FCCBs	1,24,14,270	1,24,14,270
(d) No. of dilutive equity shares outstanding	21,90,30,760	21,63,56,200
(e) Diluted earning per share	0.81	0.73

10. DEFERRED TAX

DEFERRED TAX LIABILITY

Liability of deferred tax for depreciation **4,95,55,553** 7,60,13,596

DEFERRED TAX ASSETS

Depreciation Loss **(3,40,40,328)** (2,07,12,328)

Deferred tax liability (Net) **1,55,15,225** 5,53,01,268

11. a. The Company has set up Agri-warehousing and Marketing infrastructure at different locations on which company is entitled to back ended subsidy as per the Scheme of Ministry of Agriculture, Government of India.
- b. The eligible amount of subsidy is disbursed through NABARD directly to the financing bank, which is kept in reserve fund account by the bank and is disbursed to the company as interest free loan. On payment of last installment of loan or five years from the date of disbursement of first installment of loan, whichever is later, the subsidy will be adjusted with the loan from bank.

- c. However, as per the accounting policy adopted, Company has credited the subsidy to related assets account on receipt of sanction from the competent Authority. Depreciation provided in earlier years is reversed to profit and loss account if subsidy related to assets capitalized in earlier years is sanctioned during the year and shown as "depreciation relating to earlier year".
- d. The Term Loan from State Bank of India includes a sum of Rs.8,40,26,200/- (Previous Year Rs.7,64,62,952/-) disbursed as interest free loan in lieu of Capital Subsidy and advance against Capital Subsidy received by the Bank from NABARD.

12. The Company has acquired land on lease in earlier years and as per the policy adopted no amortization was made. However with effect from current year company has amortized the lease premium over the period of lease. The lease premium relating to earlier years Rs.77,63,587/- is amortized during the year and is shown as Prior period adjustment in the profit and loss account.

13. Financial and Derivative Instruments :

Derivative contract entered by the Company and outstanding as on March 31, 2011.

- a. Notional amounts of derivative contract entered into by the company and outstanding as on March 31,2011

Particulars	Currency	No. of Contracts	2010-2011		No. of Contracts	2009-2010	
			Amount in Foreign Currency	Amount in INR		Amount in Foreign Currency	Amount in INR
Import of goods and buyers credit availed	US \$	17	4,79,29,114	222,33,95,787	24	7,55,34,688	349,89,07,950

All the above contract are for hedging purpose and not for speculation

- b. Foreign currency exposure which are not hedged as at Balance Sheet date

Particulars	2010-2011			2009-2010		
	Currency	Payable in Foreign Currency	Amount In INR	Currency	Payable in Foreign Currency	Amount In INR
US \$	9,74,19,342	436,63,34,893		US \$	3,72,26,566	152,62,30,842

14. a. During the year Company is allotted 2,00,000 6% Redeemable preference Shares of Rs.100/- each, in SWAP of 2,00,000 6% Redeemable preference shares held in Sunshine Oleochem Ltd. as per the Scheme of Amalgamation approved by the jurisdiction high court.
- b. 15,000 Equity Shares of Ruchi Soya Industries Limited purchased by the Company in an earlier year are yet to be transferred in its name. The dividend income on the said shares is also not recognized in the accounts. The Company is in process of transfer of shares and recovery of dividend income.
- c. Company has received a sum of Rs.62,510/- by way of dividend on the shares sold in earlier years, the amount is included in Miscellaneous Income.
15. Sales includes loss Rs.29,55,361/- (Previous Year gain Rs.2,46,736/-) and Purchases includes loss Rs.3,24,57,951/- (Previous Year gain Rs.52,38,648/-) respectively towards difference arising on account of fluctuation in the rate of exchange, consequent to recording the transactions as per revised Accounting Standard No. 11 issued by the Institute of Chartered Accountants of India.

16. Prior period adjustments (net) includes

Premium on leasehold land amortised	Rs. 77,63,587
Depreciation on building reversed	Rs. (22,88,749)
	<u>Rs. 54,74,838</u>

17. The Company has availed Sales Tax Deferment loan of Rs.19,19,42,262/- from Government of Andhra Pradesh for the Company's refining unit set up at Kakinada Andhra Pradesh. In case of default in repayment of the Sales Tax deferment loan, the movable and immovable properties of the Company are liable to be attached as a prior charge for recovery of loan under Revenue Recovery Act together with interest @ 21.50 % calculated from the due date for repayment of loan.

18. The details of Interest Received and Paid during the year are as under :

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
Interest received (TDS Rs. 1,10,27,836/- (Previous Year Rs.51,07,347/-)	12,07,48,888	6,26,91,813
Less : Interest paid		
On Term Loan	7,62,43,785	5,94,00,308
On Other Loan	3,65,50,216	1,97,64,979
Net Interest received (paid)	<u>79,54,887</u>	<u>(1,64,73,474)</u>

19 **Related Party Disclosure**

List of Related Parties and Relationships

Party Name	Relation
Ruchi Soya Industries Ltd.	Associate Company
Shri. Mahendra Prasad Sharma	Key Management Personnel (Whole time Director – upto September 9, 2010)

Note : Related party relationship is as identified by the Company and relied upon by the Auditors.

	2010-11		2009-10	
	19(1)	19(2)	19(1)	19(2)
Transactions				
Purchase of goods	580,50,37,088	—	362,30,51,969	—
Sale of goods	205,13,29,076	—	113,92,53,324	—
Storage charges received	14,51,14,121	—	12,93,23,319	—
Processing charges	—	—	25,61,750	—
Interest paid	7,02,982	—	—	—
Investment in preference shares / partner capital	2,00,00,000	—	—	—
Remuneration paid	—	4,94,343	—	8,23,467
Outstanding as at the year end				
Amount payable	29,29,65,587	—	28,72,61,363	—

20. Segment Reporting

(a) Primary Segment - Business Segment

Particulars	Oils		Infrastructure		Others		Unallocated		Total	
	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Revenue	16,80,94,79,921	14,29,41,23,010	38,18,17,314	29,14,35,212	3,46,24,22,233	13,02,83,492	1,08,66,855	2,16,12,500	20,66,45,86,323	14,73,74,54,214
Segment result before interest & tax	22,66,80,986	27,92,76,738	6,05,79,709	6,89,11,292	22,68,756	(12,21,82,545)	(5,98,11,343)	(7,08,24,784)	22,97,18,108	15,51,80,701
Less: Interest									(79,54,887)	1,64,73,474
Profit before Tax									23,76,72,995	13,87,07,227
Prior Period Expenses									54,74,839	—
Profit before Tax, Extraordinary Items									23,21,98,156	13,87,07,227
Less : Provision for Current Tax									6,96,06,000	4,60,00,000
Provision for Taxation - Earlier Year									(16,77,984)	—
Provision for Deferred Tax									(3,97,86,043)	(56,36,189)
Extraordinary Income (net of tax)									1,16,14,896	9,75,25,570
Minority Interest									60,84,394	(6,87,89,292)
Profit After Tax									20,95,86,685	26,46,58,278
Segment Assets	389,21,14,054	277,10,07,911	197,92,07,048	256,36,33,653	24,29,59,849	40,41,80,828	196,98,75,046	1,90,66,25,258	8,08,41,55,997	7,64,54,47,650
Segment Liabilities	371,50,00,802	263,75,72,163	4,14,43,321	7,77,02,983	4,15,65,426	3,92,82,763	34,87,821	2,48,71,244	3,80,14,97,370	2,77,94,29,153
Segment Depreciation	6,01,82,949	6,24,77,887	18,99,67,237	16,85,65,728	70,789	79,911	1,15,96,029	86,72,832	26,18,17,004	23,97,96,358
Cost Incurred to Acquire									—	—
Segment Fixed Assets	3,66,91,496	5,57,55,394	3,85,51,254	71,32,39,460	1,89,64,292	58,88,972	—	—	9,42,07,042	77,48,83,826
Non Cash Expenditure									—	—
Other Than Depreciation									—	—
(b) Secondary Segment – Geographical Segment										
All operating facilities of the Company are located in India										
Domestic Revenue									2035,37,08,000	1470,91,40,214
Export Revenue									31,88,33,210	2,83,14,000
Total Revenue									2067,25,41,210	1473,74,54,214
Unallocated Segment Liabilities Exclude the following :										
Secured Loan									70,00,21,750	132,18,41,270
Unsecured Loans									205,48,53,646	231,08,36,055
Deferred Tax Liabilities									1,55,15,225	5,53,01,268
Provision for Tax									21,48,87,578	18,78,43,140
Provision for Dividend									4,91,82,873	4,90,56,473
Corporate Tax on Dividend									79,78,692	83,37,148
Unallocated Segment Assets Exclude the following :										
Investment									87,96,55,549	87,96,72,549
Advance Income Tax & TDS									24,69,05,485	27,05,22,951

21. Other Expenses in Schedule 13 includes Rs.56,95,943/- (Previous Year Rs.1,07,00,594/-) bad debts written off.
22. Previous years figures have been re-grouped or re-arranged wherever considered necessary.

As per our Report of even date attached

For and on behalf of the Board

For ASHOK KHASGIWALA & CO.
Chartered Accountants

Dinesh Shahra
Director

Naveen Gupta
Director

CA Ashok Khasgiwala
Partner
Membership No. 70288
Mumbai, August 27, 2011

Ashish Mehta
Company Secretary

O. P. Mandhana
GM (Corporate Accounts)

Mumbai, August 27, 2011

Statement relating to Subsidiary Companies pursuant to General Circular No 2/2011 dt February 8,2011 forming part of Schedule 20

Sr. No. of the Subsidiary Company	Relation	Country of Incorporation	Date From which it became a subsidiary	Reporting Currency	Exchange Rate (in Rs.)	Capital	Reserves	Total Assets	Total Liabilities	Investments (Other than in Subsidiary Companies)	Turnover	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
1	Peninsular Tankers Pvt. Ltd.	India	1/14/2008	INR	—	7,00,00,000	18,09,74,183	25,09,74,183	—	—	3,09,42,93,076	(13,41,605)	(1,33,28,000)	11986395	—
2	Ruchi Green Energy Pvt. Ltd.	India	11/14/2007	INR	—	42,00,000	(6,30,998)	35,69,002	—	—	—	(86,564)	—	(86,564)	—
3	Ruchi Resources Pte. Ltd.	Singapore	8/17/2007	US \$ INR	44.82	5,000 2,24,100	(8,04,564)	—	5,80,564	—	—	(2,15,898)	—	—	—
4	Mangalore Liquid Impex Pvt. Ltd.	India	4/1/2010	INR	—	1,00,000	3,75,501	4,75,501	4,75,501	—	—	16,216	6,000	10,216	—

For and on behalf of the Board of Directors

Dinesh Shihra
Director

Naveen Gupta
Director

Ashish Mehta
Company Secretary

O. P. Mandhana
GM (Corporate Accounts)

Mumbai, August 27, 2011



Ruchi Infrastructure Limited

615, Tulsiani Chambers, Nariman Point, Mumbai - 400 021
www.ruchiinfrastructure.com

ATTENDANCE SLIP

RUCHI INFRASTRUCTURE LIMITED

Registered Office : 615, Tulsiani Chambers, Nariman Point, Mumbai - 400 021

(PLEASE COMPLETE THIS SLIP AND HAND IT OVER AT THE ENTRANCE OF MEETING HALL)

TWENTY SEVENTH ANNUAL GENERAL MEETING

at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018 on Friday, September 30, 2011 at 1.00 p.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 INFRASTRUCTURE LIMITED

Registered Office : 615, Tulsiani Chambers, Nariman Point, Mumbai - 400021

I/We.....of

..... in the district of.....

being a member/s of the above named Company, hereby appoint

of in the district of

or failing him..... of in the district of

or failing him..... of in the district of

as my/our Proxy to attend and vote for me / us and on my/our behalf at the Twenty Seventh Annual General Meeting of the Company, to be held on Friday, September 30, 2011 and at any adjournment thereof.

My/Our Folio No.is D.P. ID No.*..... & Client ID No.*.....

* Applicable for members holding shares in electronic form.

Signed this day of 2011.

Signature .

affix
Re. 1/-
Revene
Stamp