Ruchi Soya Industries Limited

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

Notice

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

ORDINARY BUSINESS:

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

SPECIAL BUSINESS:

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

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

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

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

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

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

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

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

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

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

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

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

a) In case of allotment of Equity Shares, the date of meeting in which the Board decides to open the proposed issue;

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

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

RESOLVED FURTHER THAT without prejudice to the generality of the foregoing, the Board be and is hereby authorized to prescribe with respect to the aforesaid issue of the Securities all or any of the terms or any combination of terms thereof in accordance with local and/or international practice including but not limited to conditions in relation to the offer, issue and allotment of the Securities, payment of interest, dividend, premium and redemption or early redemption of Securities, debt service payments and any other payments whatsoever, voting rights and all such terms as are provided in domestic and/or international offerings of this nature including terms for such issue, or variation of the price or period of conversion of any Securities into equity shares or issue of equity shares during the duration of the Securities or terms pertaining to early redemption of Securities and/or conversion into equity shares as the Board may in its sole discretion deem appropriate.

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

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

(i) seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in or outside India, and any other consents that may be required in connection with the issue and allotment of the Securities;

(ii) giving or authorizing the giving of such declarations, affidavits, certificates, consents and authorities as may be required from time to time by concerned persons; and

(iii) settling any questions, difficulties or doubts that may arise in regard to any such issue or allotment of Securities as it may in its absolute discretion deem fit.

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

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

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

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

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

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

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

i. finalization of the allotment of the Securities on the basis of the bids/applications received;

ii. finalization of and arrangement for the submission of the preliminary and final offer document(s), and any amendments supplements thereto, with any applicable statutory and/or regulatory authorities, institutions or bodies, as may be required;

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

iv. finalization of the basis of allotment in the event of over-subscription;

v. acceptance and appropriation of the proceeds of the issue of the Securities;

vi. authorization of the maintenance of a register of holders of the Securities;

vii. authorization of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as authorized person in its absolute discretion may deem necessary or desirable in connection with the issue and allotment of the Securities;

viii. seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India, and any other consents that may be required in connection with the issue and allotment of the Securities;

ix. seeking the listing of the Securities on any Indian stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;

x. giving or authorizing the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time; and

xi. deciding the pricing and terms of the Securities, and all other related matters.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

    a) Eligibility : The minimum period of association with the Company/Subsidiary company shall be 3 years.

    b) In case of voluntary resignation, all unvested options as on date of relieving will lapse. Further, the resigning employee will have an option to exercise the vested options on or before the date of relieving, beyond which such vested options will also lapse.

    c) Deletion of clause 6.6 (c) of the Scheme to make its provisions in line with the withdrawal of provisions of fringe benefit tax.

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

By order of the Board of Directors

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

R.L. GUPTA
Company Secretary

Gurgaon, 28th August, 2010

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.

2. Explanatory statements pursuant to provisions of section 173(2) of the Companies Act, 1956, setting out the material facts in respect of the business under Item No. 8 to 15 are annexed hereto.

3. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 27th September, 2010 to Thursday, the 30th September, 2010 (both days inclusive) to ascertain the entitlement of dividend declared, if any.

4. Members who attend the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.

5. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.

6. All documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company during the office hours on all working days except Saturdays between 11.00 A.M. and 1.00 P.M. upto the date of Annual General Meeting.

7. Members seeking any further information about the accounts are requested to write to the Company at least ten days before the date of Annual General Meeting so as to enable the management to keep the information ready at the meeting.

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

Item No. 8 :

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

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

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

Item No. 9 :

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

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

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

Item No. 10 :

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

The proposed resolution contained in the Notice seeks the enabling authorisation by the Members to the Board of Directors, to raise additional funds, inter alia, through issue of Securities in domestic and/or international markets, including by way of Qualified Institutional Placement ("QIP") with the Qualified Institutional Buyers ("QIB"), in accordance with the provisions contained in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and/or Depository Receipts in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipts Mechanism) Scheme, 1993, Cumulative Convertible Preference Shares and/or any other Securities for an amount not exceeding Rs.2,000 crore (Rupees Two Thousand crore only) or its equivalent, in one or more currencies, in one or more tranches, in such form, on such terms, in such manner, at such price and at such time as may be considered appropriate by the Board to the various category of investors in the domestic and/or international markets.

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

a) In case of allotment of Equity Shares , the date of meeting in which the Board decides to open the proposed issue ;

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

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

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

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

Item No. 11 :

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

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

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

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

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

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

Item No. 12 :

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

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

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

Item No. 13 :

The members had at their Annual General Meeting held on 30th September, 2008 approved revision in the remuneration payable to Mr. S.P Joshi for his services to the Company as Director (Import and Export). Subject to approval of members, the Compensation Committee further revised the remuneration payable to him with effect from1st April, 2009. He vacated the office of the director of the Company with effect from 27th July, 2009, however, was under employment of the Company till 31st December, 2009.

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

None of the Directors is interested in the resolution.

Item No. 14 :

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

1. Salary : Rs.12,50,000/- per month, with an annual increment of Rs.1,00,000/- per month.
2. Medical Reimbursement : Reimbursement of expenses incurred for self and family subject to a ceiling of six months salary in a year.
3. Leave Travel Concession : Reimbursement of expenses incurred for self and family once in a year in accordance with the Rules of the Company.
4. Club Fees : Reimbursement of fees of clubs subject to maximum of 2 clubs including admission and life membership fees.
5. Personal Accident Insurance : Reimbursement of premium not exceeding Rs.50,000/- per annum.
6. Provident Fund : Company's contribution towards Provident Fund as per the rules of the Company for the time being in force.
7. Gratuity : As per rules of the Company but shall not exceed one half month's salary for each completed year of service.
8. Telephone : Company's telephone will be provided at the residence for Company's business and personal use.
9. Car : A Car with Driver will be provided to him for Company's business and personal use.
10. Rent free furnished accommodation and reimbursement of cost of electricity, water and maintenance charges in respect thereof.

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

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

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

Item No. 15 :

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

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

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

By order of the Board of Directors

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

R.L. GUPTA
Company Secretary

Gurgaon, 28th August, 2010

THE GREEN JOURNEY

RUCHI SOYA INDUSTRIES LIMITED

24th ANNUAL REPORT, 2009 - 2010

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

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

Message From The MD

"Earth provides enough to satisfy every man's need, but not for every man's greed."

- Mahatma Gandhi

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

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

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

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

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

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

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

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

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

DINESH SHAHRA

Managing Director

From The Chairman's Desk

Dear Shareholders,

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

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

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

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

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

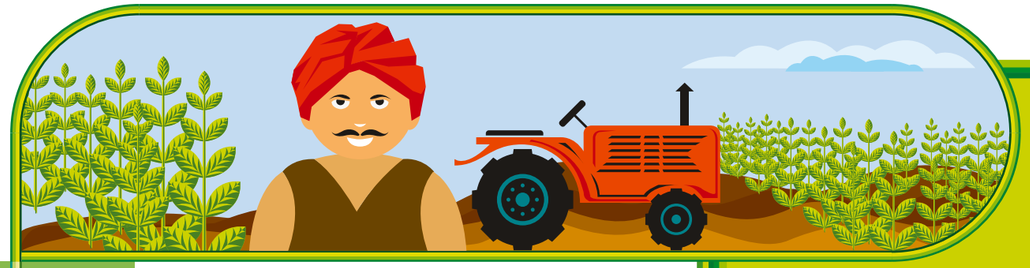
a) Energy Conservation
b) Outstanding performance for a decade in import of edible oil
c) Outstanding performance for a decade in export of oil meals

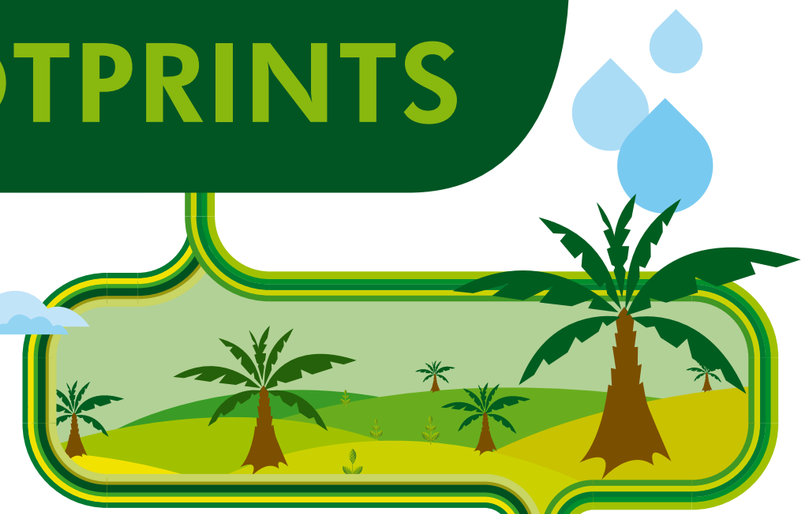
We are continuously driven by providing the best to our customers by "marketing quality and cost effective products." Living this principle to the fullest has ensured large processing capacities for the Company which are strategically located across the nation. This has given your Company an edge over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

KAILASH SHAHRA

Chairman

GREEN FOOTPRINTS





Ruchi

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