



Ruchi Soya Industries Limited

From farm to fork



Forward-looking Statement

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe that we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.

Contents

CORPORATE OVERVIEW

01-16

Ruchi Soya in a Nutshell	02
Nationwide Manufacturing Locations	04
Capacity Break-up	05
Financial Performance	07
Message from the Managing Director	08
Ensuring Taste and Quality	10
Board of Directors	12
Management Team	14
Creating Sustainable Value	15
Awards & Recognition	16

STATUTORY REPORTS

17-54

Directors' Report	17
Management Discussion and Analysis Report	43
Corporate Governance Report	48

FINANCIAL STATEMENTS

55-185

Standalone Financial Statements	55
Consolidated Financial Statements	115
Notice	175

₹ **9,094** CRORE 
Branded Sales for 2015-16

15% 
Branded edible oil sales
growth in terms of volume.



At Ruchi Soya, we strive to provide significant value to farmers as well as consumers. Our endeavour is to foster a long-term, fair and transparent relationship with farmers that will help us reduce intermediaries and procure directly.

We help farmers enhance yield, focus more on the quality of their produce and earn a better living.

We focus on consistently developing consumer-centric products that ensure health, taste and quality.

Going forward, we aim to further increase the happiness quotient of Indian farmers in terms of efficient handling of produce and sales realisation. While on the other hand, our objective will also be to develop innovative products for our consumers, ensuring highest standards of quality.



Our farm-to-fork integrated approach to business is geared to create value for all those who have a stake in our progress.

Ruchi Soya in a Nutshell

Ruchi Soya is one of the largest integrated oilseed solvent extraction and edible oil refining companies in terms of oilseed crushing and oil refining capacity. Among the trusted and reliable edible oil players in India, our strong brand recognition enables us to maintain our industry leadership. We are also a front-runner in food and agri products segment in India.

30

Years of corporate existence

19

Manufacturing locations across India

11.5 LACS

No. of retail outlets

6,500+

No. of Distributors

126

No. of Company Depots

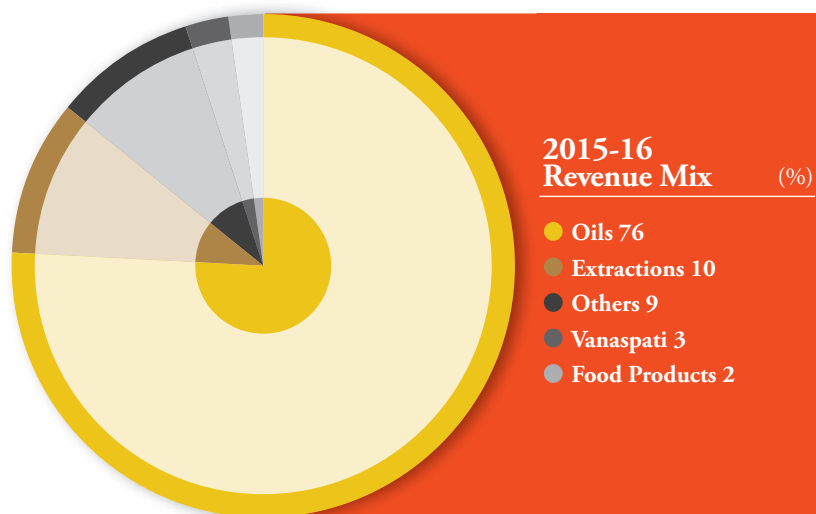
2 LACS+ HECTARES

Land access in India for palm oil plantations with exclusive procurement rights across six states

We are an integrated player from farm to fork with secured access to palm oil plantations in India as well as other key regions across the world. Over the years, we have built a strong brand reputation and emotional connect through our value-added products. Also, we are one of the biggest exporters of soya meal, lecithin and other food ingredients from India.

With secured raw material supply source, 'near to customer' sales points

and a robust distribution and dealer network, we are creating market and brand leadership. Our relentless focus on quality and hygiene has ensured that 'purity' and 'freshness' of our products are preserved till they reach the home of the consumers. Besides, we are committed to renewable energy, and exploring suitable opportunities in the sector.





BRANDS

- Nutrela, Mahakosh, Sunrich and Ruchi Gold are our trusted brands.
- Nutrela is the most respected soya foods brand in the country and has become generic to that category.

RAW MATERIAL SECURITY

- Raw material security is essential in the business of edible oil manufacturing.
- We enjoy a strong two-decade relationship with credible plantation owners, which translate into a consistent supply of raw materials and production consistency.

PRODUCT MIX

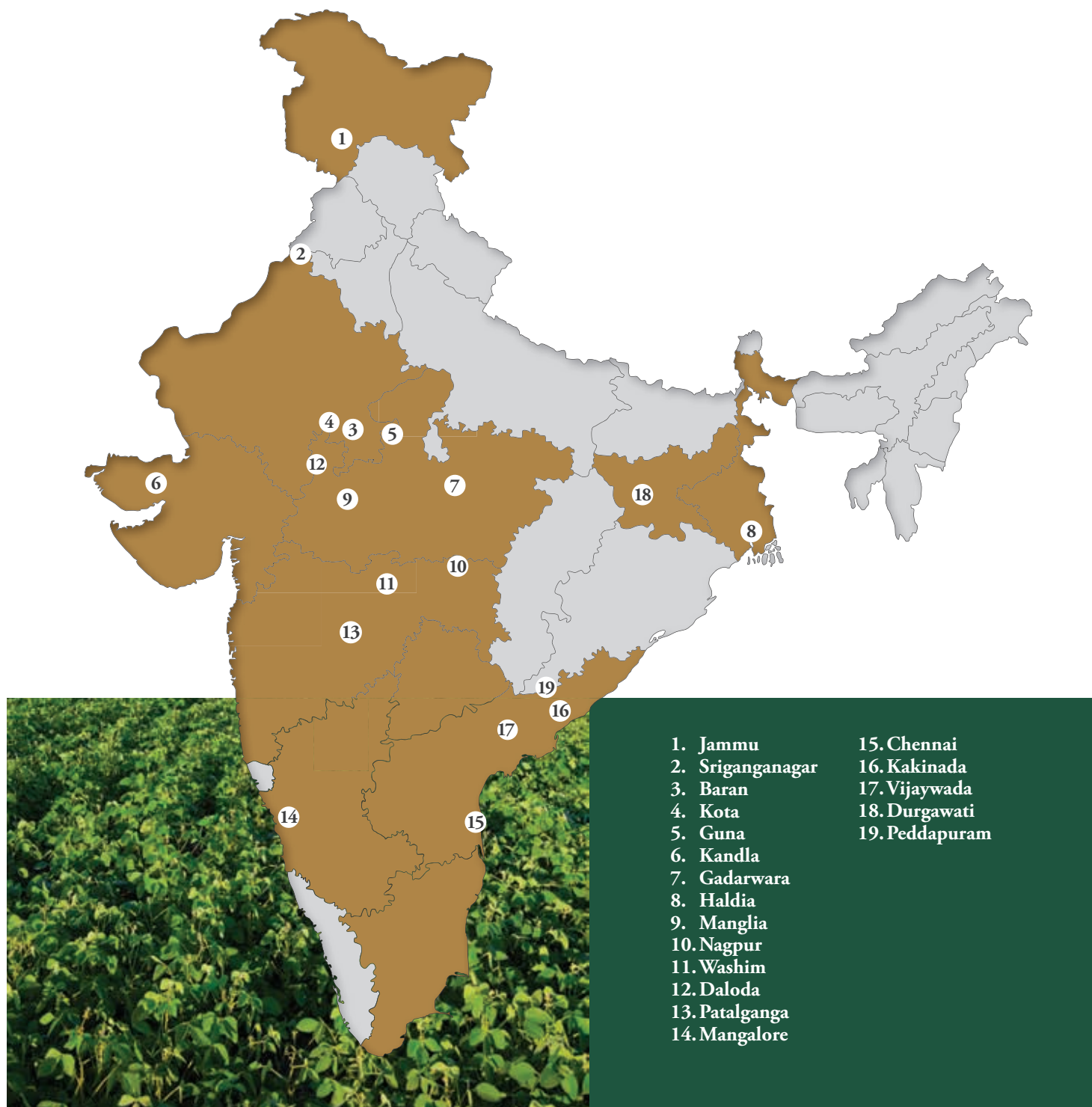
- We provide a complete range of vegetable oils – soybean, sunflower, mustard, rice bran, palmolein, groundnut and vanaspati; among others.
- We also manufacture and export value-added soybean products like soy meal, textured soy protein chunks and granules and soy lecithin; among others.

PAN-INDIA PRESENCE

- Processing plants in 19 locations in India, giving access to markets across the country.
- 126 company depots (with storage and other logistical facilities), which serve 6500+ distributors across the country reaching over 11.5 lacs retail outlets.



Nationwide Manufacturing Locations



Capacity Break-up

OILSEED EXTRACTION

Annual Capacity
3.72 million metric tonnes

Facility Locations
10

EDIBLE OIL REFINING

Annual Capacity
3.3 million metric tonnes

Facility Locations
13

PALM FRUIT PROCESSING

Annual Capacity
0.90 million metric tonnes

Facility Locations
02

VANASPATI & BAKERY FATS

Annual Capacity
0.59 million metric tonnes

Facility Locations
08

SOYA MEAL EXTRACTION

Annual Capacity
3.05 million metric tonnes

Facility Locations
10

WIND POWER GENERATION

Annual Capacity
85.3 Megawatt

Facility Locations
11

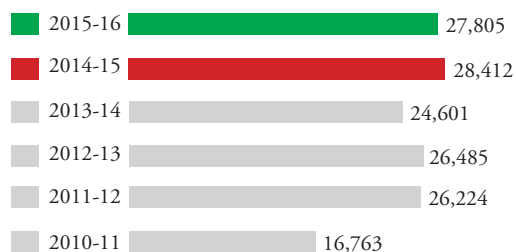
Brewing a Silent Revolution...

Oil palm is one of the most profitable cash crop globally. Higher yield and lower input cost makes it ideal for farmers in developing countries like India. Ruchi Soya is playing a leading role in popularizing palm plantations in India. Our Company has access to over 2,00,000 hectares of land which is suitable for palm cultivation. We have activated palm plantation in 55,000 hectares; in fact we are focusing on doubling the area under palm plantation within next 5 years. Palm plantations are India's best bet for meeting the growing demand for cooking oil.

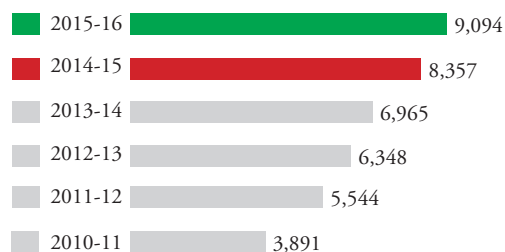


Financial Performance

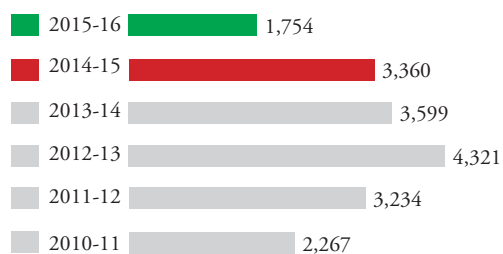
Revenue ₹ in crore



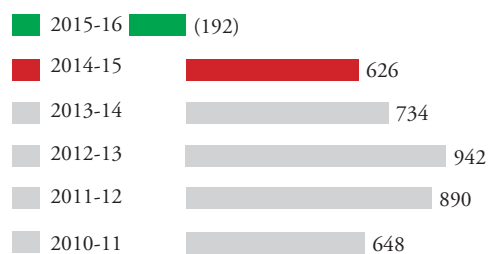
Branded Sales ₹ in crore



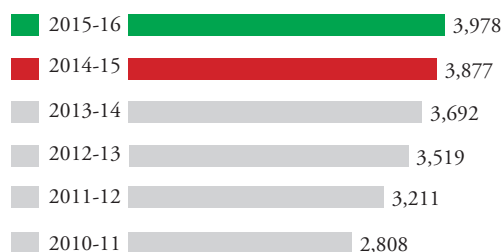
Export Sales ₹ in crore



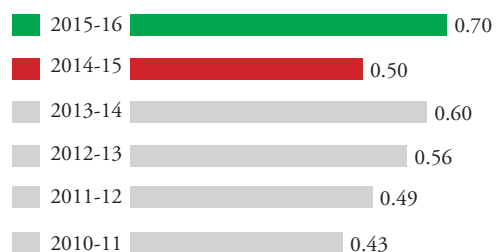
EBITDA ₹ in crore



Gross Fixed Assets ₹ in crore



Long-term debt-equity ratio



Message from the Managing Director

Dear Shareholders, 2015-16 proved to be a challenging year for global and Indian businesses, especially for companies operating in the agribusiness and commodity space. Despite challenges, we continued with our mission of enhancing our brands portfolio, strengthening our manufacturing and R&D capabilities and further expanding our distribution reach. We tried to anticipate future needs and intensified our capabilities accordingly.



**₹9,094
CRORE**

Branded Sales for 2015-16

**₹27,805
CRORE**

Revenue for 2015-16

MARKET OPPORTUNITY

According to United States Department of Agriculture (USDA), India's edible oil has a market size of 20.23 million metric tonnes (MT) in volume (annual consumption) and is valued at over INR 1 trillion. (June 2015 estimates). The national per capita consumption of edible oils and fats is 14 kg per annum, which is substantially lower than the world average of 20 kg per annum. While in developed countries the figure is 35 kg per annum. India's per capita consumption is expected to increase in future and that too substantially.

The country's vegetable oil consumption witnessed a significant growth during the year. Factors like growing population, increasing household

income, surging demand and rising health awareness contributed to this growth. The edible oil industry plays a significant role in ensuring food security for India's billion plus population. Besides, it has immense potential in saving the country's valuable foreign exchange. India is estimated to have spent over \$10 billion on the imports of edible oil, making it the third-biggest import item after crude oil and gold.

With brands like Nutrela, Mahakosh, Sunrich and Ruchi Gold, Ruchi Soya is well poised to capitalise on the ever increasing demand for edible oil in the country. These brands have built a strong equity in the market in their respective segments.