



RUCHI SOYA INDUSTRIES LIMITED

32ND ANNUAL REPORT 2017-18



RUCHI SOYA INDUSTRIES LIMITED

(CIN – L15140MH1986PLC038536)

{Company under Corporate Insolvency Resolution Process (CIRP)}

CORPORATE INFORMATION

BOARD OF DIRECTORS

(suspended during CIRP)

CHAIRMAN

Kailash Shahra

(upto September 27, 2017)

MANAGING DIRECTOR

Dinesh Shahra

DIRECTORS

Vijay Kumar Jain

Executive Director

Prabhu Dayal Divedi

(upto April 28, 2017)

N. Murugan

(upto March 26, 2018)

Navin Khandelwal

(upto October 22, 2018)

Meera Dinesh Rajda

(upto November 19, 2018)

RESOLUTION PROFESSIONAL

Shailendra Ajmera

(IP Registration No. IBBI/IPA-001/

IP-P00304/2017-18/10568)

CHIEF FINANCIAL OFFICER

Anil Singhal

COMPANY SECRETARY

R. L. Gupta

AUDITORS

Chaturvedi & Shah

COST AUDITORS

K. G. Goyal & Co.

BANKERS

State Bank of India

Central Bank of India

Punjab National Bank

Standard Chartered Bank – India

Corporation Bank

ICICI Bank Limited

IDBI Bank Limited

Bank of India

UCO Bank

Australia & New Zealand Banking Group Limited

Union Bank of India

Syndicate Bank

Bank of Maharashtra

Axis Bank Limited

DBS Bank – Singapore

Bank of Baroda

IDFC Bank Limited (assigned to Edelweiss ARC)

Dena Bank

The Karur Vysya Bank Limited

HDFC Bank Limited

Oriental Bank of Commerce

Rabo Bank

DBS Bank – India

Standard Chartered Bank - UK

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REGISTERED OFFICE

Ruchi House

Royal Palms, Survey No. 169,

Aarey Milk Colony, Near Mayur Nagar,

Goregaon (East)

Mumbai - 400 065 Maharashtra

Phone: (+91-22) 61090100 / 200

Email: ruchisoyasecretarial@ruchisoya.com

Website: www.ruchisoya.com

SHARE TRANSFER AGENT

Sarthak Global Limited

170/10, Film Colony,

R.N.T. Marg, Indore - 452 001

Madhya Pradesh

Phone: (+91-731) 4279626/2523545

Email: investors@sarthakglobal.com

ADMINISTRATIVE & HEAD OFFICE

301, Mahakosh House, 7/5, South Tukoganj,

Nath Mandir Road, Indore - 452 001

Madhya Pradesh

Phone: (+91-731) 2513281 / 282 / 283

Email: ruchisoyasecretarial@ruchisoya.com

Website: www.ruchisoya.com



RUCHI SOYA INDUSTRIES LIMITED

(CIN – L15140MH1986PLC038536) Regd. Office : “Ruchi House”, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (East), Mumbai – 400 065.

NOTICE

The National Company Law Tribunal (“NCLT”), Mumbai Bench, vide order dated 15th December, 2017 (“Insolvency Commencement Order”) has initiated corporate insolvency resolution process (“CIRP”) based on petitions filed by Standard Chartered Bank and DBS Bank Ltd under section 7 of the Insolvency and Bankruptcy Code, 2016 (“the Code”). Mr. Shailendra Ajmera IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568 was appointed as interim resolution professional (“IRP”) to manage affairs of the Company in accordance with the provisions of the Code. In the first meeting of the committee of creditors held on 12th January, 2018, Mr. Shailendra Ajmera had been confirmed as Resolution Professional (“RP”) / “Resolution Professional”) for the Company. Pursuant to the Insolvency Commencement Order and in line with the provisions of the Code, the powers of the Board of Directors were suspended and the same were to be exercised by IRP / RP. By an order dated 8th June, 2018, NCLT has extended the CIRP for a further period of 90 days with effect from 12th June, 2018. Hence, this meeting is being convened by the Resolution Professional only to the limited extent of discharging the powers of the Board of Directors of the Company which has been conferred upon him in terms of provisions of Section 17 of the Code.

Notice is hereby given that the Thirty Second Annual General Meeting of the members of Ruchi Soya Industries Limited will be held on Thursday, the 27th December, 2018 at 11.00 A.M. at Rangswar Hall, Chavan Centre, Yashwantrao Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Mumbai -400 021, Maharashtra, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2018, the reports of Board of Directors and Auditors thereon; and the audited consolidated financial statements of the Company for the financial year ended March 31, 2018 and the reports of Auditors thereon and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT the stand-alone and consolidated Audited Financial Statements of the Company for the financial year ended

March 31, 2018, the reports of Board of Directors and the Auditors thereon, be and are hereby received, considered and adopted.”

2. To appoint a Director in place of Mr. Vijay Kumar Jain (DIN: 00098298), who retires by rotation and being eligible, offers himself for re-appointment and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Vijay Kumar Jain (DIN: 00098298), Director of the Company, retiring by rotation at 32nd Annual General Meeting of the Company, being eligible for re-appointment, be and is hereby re-appointed as Director of the Company, who shall be liable to retire by rotation.”

SPECIAL BUSINESS

3. To ratify the remuneration of Cost Auditors for the financial year ending 31st March, 2019 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 {including any statutory modification(s) or re-enactment thereof, for the time being in force}, the remuneration payable to M/s. K. G. Goyal & Co., Cost Accountants (Firm Registration No. 000017), appointed by the Resolution Professional as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019, amounting to ₹ 4,40,000/- (Rupees Four Lacs Forty Thousand Only) subject to payment of applicable taxes thereon and re-imbursement of out of pocket expenses, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT Mr. R.L. Gupta, Company Secretary and Mr. Anil Singhal, Chief Financial Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limiting to, filing of necessary forms, returns and submissions under the Companies Act, 2013.”

Registered Office:

Ruchi Soya Industries Limited
Ruchi House, Royal Palms,
Survey No. 169, Aarey Milk Colony,
Near Mayur Nagar, Goregaon (East),
Mumbai – 400 065, Maharashtra

Place: New Delhi

Date : 1st December, 2018

By Order of Resolution Professional
For **Ruchi Soya Industries Limited**

(R L Gupta)
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 ON A POLL INSTEAD OF HIMSELF/HERSELF, 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.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

2. An Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, setting out the material facts in respect of the special business to be transacted at the meeting is annexed hereto. The necessary disclosure as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings "SS-2" issued by the Institute of Company Secretaries of India is provided in the Corporate Governance Report.
3. Corporate members/Societies intending to send their authorized representative to attend the Annual General Meeting (AGM) are requested to send a duly certified copy of Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
4. During the period beginning twenty-four hours before the time fixed for commencement of the meeting and ending with the conclusion of the meeting, a member entitled to vote at the meeting is entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided that not less than three days of notice of such intention to inspect is given in writing to the Company.
5. Members, proxies and authorized representatives attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
6. Members, proxies and authorized representatives are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
7. All relevant documents referred to in accompanying Notice and Explanatory Statement 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 Saturday up to the date of Annual General Meeting.
8. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Members seeking any information with regard to 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.
10. Members who wish to claim their dividends that remain unclaimed are requested to correspond with the Company or to the Registrar and Share Transfer Agent. The amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred the unpaid and unclaimed dividend amount pertaining to dividend for the financial year 2009-10 to the IEPF within the stipulated time period during the year.
11. The members are requested to note that shares on which dividend remains unclaimed for seven consecutive years will also be

transferred to the IEPF in terms of the provisions of Section 124 of the Companies Act, 2013 and the applicable rules made thereunder.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. SEBI has further strengthened the guidelines to raise industry standards for Companies and their RTAs vide its circular dated April 20, 2018 and has advised Company to take special efforts to collect copy of PAN and bank account details of members holding shares in physical form. Accordingly, letters have been sent to such shareholders through Registered Post in July, 2018, August, 2018 and November, 2018. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Registrar and Share Transfer Agent of the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque.
13. The Annual Report for the year 2017-18, the Notice of AGM along with the attendance slip/proxy form, are being sent by electronic mode to those members whose e-mail addresses are registered with the Company/depositories, unless any member has requested for a physical copy of the same. For members, who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. The members may note that the Notice of the 32nd AGM and the Annual Report 2017-18 will also be available on the Company's website viz www.ruchisoya.com.
14. Members holding shares in physical form are requested to intimate changes pertaining to their bank account details, mandates, nominations, change of address, e-mail address etc., if any, to the Company or Company's Registrar and Share Transfer Agent. Members holding shares in electronic form must intimate the changes, if any, to their respective Depository Participants.
15. To support the "Green Initiative", the members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. The facility for making/varying/cancelling nominations is available for individual shareholders of the Company. Nominations can be made in Form SH-13 and any variation/cancellation thereof can be made by giving notice in Form SH-14, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The forms can be obtained from the Company/Registrar and Share Transfer Agent or from the Website of the Ministry of Corporate Affairs at www.mca.gov.in.
17. The route map of the venue of the meeting is given at page no. 6 of the Annual Report. The prominent landmark for easy location of the venue of the Meeting is Mantralaya, Nariman Point, Mumbai.
18. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to its members to exercise their right to vote electronically at the 32nd Annual General Meeting through the electronic voting (e-voting) service facilitated by the Central Depository Services (India) Limited (CDSL). The facility for voting through ballot paper will also be made available at the meeting and the members, who have not already cast their votes by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper. The members who have cast their votes by remote e-voting prior to the meeting may attend the meeting but shall not be entitled to cast their votes again.
- A. The instructions for e-voting are as under:
 - (i) The e-voting period commences on Monday, the 24th December, 2018 at 10.00 A.M. and ends on Wednesday, the 26th December, 2018 at 5.00 P.M. During this period,

shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 14th December, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- (ii) The voting rights of the members shall be in proportion to the paid-up value of their shares in the equity share capital of the Company as on the cut-off date. A person whose name is recorded in the Register of members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility for remote e-voting as well as voting at the meeting.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders/Members.
- (v) Now enter your user ID as under :-
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Characters DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter folio number registered with the Company.
- (vi) Next enter the Image Verification as displayed and click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters e.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members

holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of "**RUCHI SOYA INDUSTRIES LIMITED**".
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user id using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

- B. The Resolution Professional of the Company has appointed Mr. Prashant D. Diwan, Practicing Company Secretary as the Scrutinizer to scrutinize the remote e-voting/ballot process in a fair and transparent manner.
- C. The Scrutinizer shall not later than two days of conclusion of 32nd Annual General Meeting, submit a consolidated scrutinizer's report to the Resolution Professional of the Company, who shall declare the results forthwith.

Registered Office:

Ruchi Soya Industries Limited

Ruchi House, Royal Palms,
Survey No. 169, Aarey Milk Colony,
Near Mayur Nagar, Goregaon (East),
Mumbai – 400 065, Maharashtra

Place: New Delhi

Date : 1st December, 2018

EXPLANATORY STATEMENT

[Pursuant to provisions of section 102(1) of the Companies Act, 2013]

Item No. 3

The Resolution Professional of the Company has approved the appointment of M/s. K.G. Goyal & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019 at a remuneration of ₹ 4,40,000/- (Rupees Four Lacs Forty Thousand Only), subject to payment of applicable taxes thereon and re-imbursement of out of pocket expenses.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, consent of the members is sought to ratify the remuneration payable to the Cost Auditors.

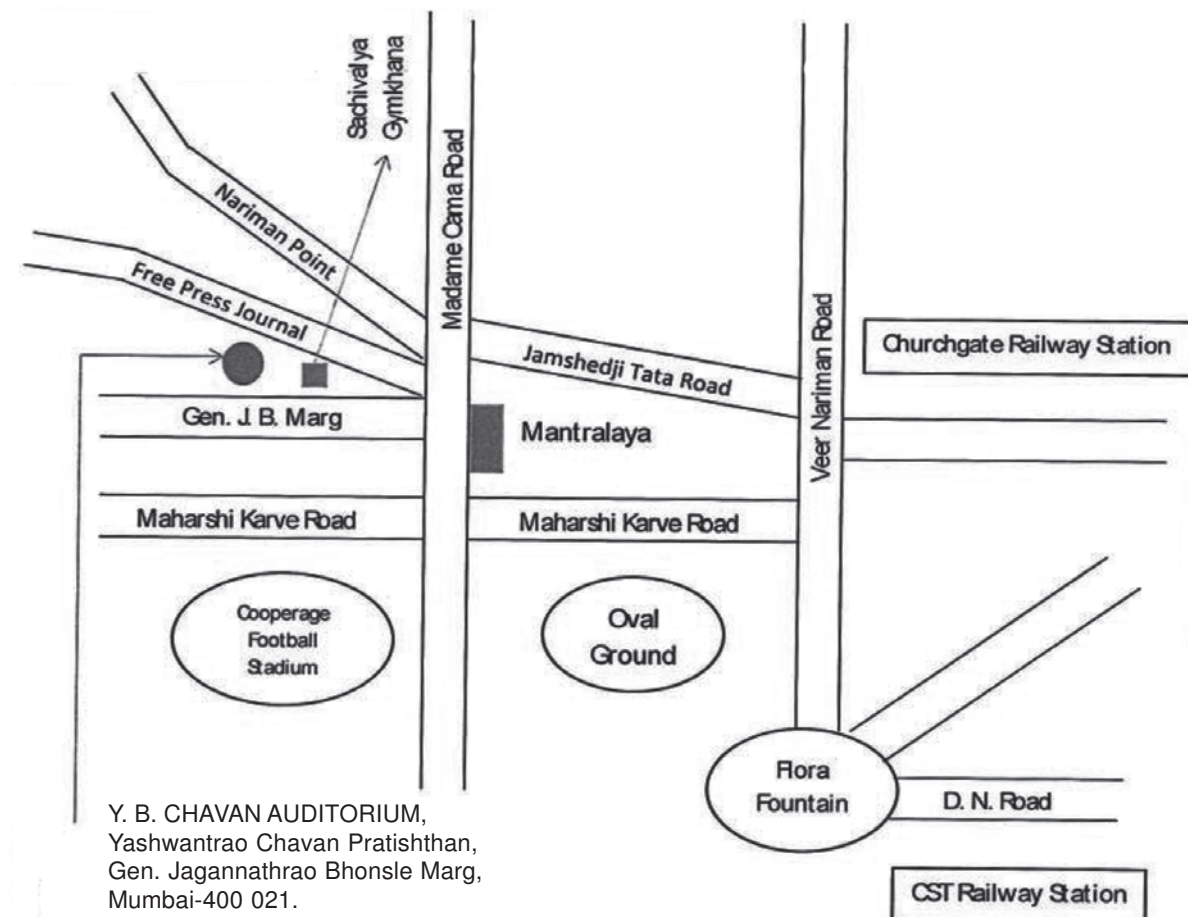
The Resolution Professional recommends the Ordinary Resolution as set out at Item No. 3 of the Notice for approval of the members.

None of the Directors or Key Managerial Personnel and their relatives, is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 3 of the Notice.

By Order of Resolution Professional
For **Ruchi Soya Industries Limited**

(R L Gupta)
Company Secretary

ROUTE MAP TO AGM VENUE



Directors' Report

Dear Members,

Presentation on Thirty Second Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March, 2018 is hereby submitted as under:

INITIATION OF CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP)

The National Company Law Tribunal ("NCLT"), Mumbai Bench, vide order dated 15th December 2017 ("Insolvency Commencement Order") has initiated corporate insolvency resolution process ("CIRP") based on petitions filed by Standard Chartered Bank and DBS Bank Ltd under section 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). Mr. Shailendra Ajmera IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568 was appointed as interim resolution professional ("IRP") to manage affairs of the Company in accordance with the provisions of Code. In the first meeting of committee of creditors held on 12th January 2018, Mr. Shailendra Ajmera had been confirmed as resolution professional ("RP/Resolution Professional") for the Company. Pursuant to the Insolvency Commencement Order and in line with the provisions of the Code, the powers of the Board of Directors were suspended and the same were to be exercised by IRP / RP. By an order dated 8th June, 2018, NCLT has extended the CIRP for a further period of 90 days with effect from 12th June, 2018.

Since the company is under Corporate Insolvency Resolution Process (CIRP), as per Section 17 of the Insolvency & Bankruptcy Code, from the date of appointment of the Resolution Professional.

- the management of the affairs of the company shall vest in the Resolution Professional.
- the powers of the Board of Directors of the company shall stand suspended and be exercised by the Resolution Professional.
- the officers and managers of the company shall report to the Resolution Professional and provide access to such documents and records of the company as may be required by the Resolution Professional.
- the financial institutions maintaining accounts of the company shall act on the instructions of the Resolution Professional in relation to such accounts and furnish all information relating to the company available with them to the Resolution Professional.

FINANCIAL HIGHLIGHTS

(₹ in crores)

	2017-18	2016-17
Total Income	12,029.28	18,620.38
Profit/(Loss) before Depreciation, amortization and impairment expenses, provision for doubtful debts, advances, bad debts, financial guarantee obligations, others, exceptional items and tax	(719.70)	(216.30)
Less : Provision for doubtful debts, advances, bad debts, financial guarantee obligations and others	5,150.18	1,302.97
Profit/(Loss) before Depreciation, amortization, impairment expenses, exceptional items and tax	(5,869.88)	(1,519.27)
Less : Depreciation, amortization and impairment expenses	140.36	156.06
Profit/(Loss) before exceptional items and tax	(6,010.24)	(1,675.33)
Exceptional Items	-	44.90
Profit/(Loss) before tax	(6,010.24)	(1,630.43)
Add : Tax Expenses	436.96	373.23
Profit/(Loss) after tax for the year	(5,573.28)	(1,257.20)
Add : (i) Remeasurement of the defined benefit plans, not reclassified to profit or loss	0.53	0.82
(ii) Equity Instruments through other comprehensive income	0.51	(7.30)
Less : Income Tax related to above	-	0.28
Add : Fair Value changes in hedge reserve	-	2.00
Total comprehensive income for the year	(5,572.24)	(1,261.96)

PERFORMANCE REVIEW

Your company achieved a total income of ₹ 12,029.28 crores during the year under review as against ₹ 18,620.38 crores in the previous financial year. [Profit/ (Loss)] after Tax for the year stood at (₹ 5,573.28 crores) as against (₹ 1,257.20 crores) for the previous year. The performance of the company has been primarily impacted due to stretched working capital cycle, lower level of liquidity impacting capacity utilization and market conditions.

TRANSFER TO RESERVES

The Company has not transferred any amount to reserves during the year under review.

DIVIDEND

Your Company is under Corporate Insolvency Resolution Process (CIRP) and incurring losses, the Board of Directors (suspended during CIRP) does not recommend any dividend for the year 2017-18.

EXPORTS

The export of the Company during the year was ₹ 697.82 Crores as compared to ₹ 1,376.96 Crores during the last financial year. The decline in the export was mainly due to lack of working capital and intense competition in the export market.

CHANGE IN SHARE CAPITAL

There is no change in the share capital of the Company during the year under review.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 ("the Act") and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements form part of this Annual Report. The Consolidated Financial Statements are prepared in accordance with the Indian Accounting Standards (IND AS) notified under section 133 of the Act read with Companies (Accounts) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per the provisions of section 152 of the Act, Shri Vijay Kumar Jain is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

During the year under review, due to health reasons, Mr. Murugan Navamani has resigned from Directorship of the Company with effect from March 26, 2018. Mr. Navin Khandelwal has vacated the office of Director with effect from October 22, 2018 due to some other pre-occupations and time engagements. Mrs. Meera Dinesh Rajda has vacated the office of Director with effect from November 19, 2018 due to health reasons.

The details of the familiarization programme for Independent Directors with the Company in respect of their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates and other related matters are available on the website of the Company i.e. www.ruchisoya.com/familiarisation_programme_for_Independent_Directors.pdf

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the company are Mr. Dinesh Chandra Shahra, Managing Director, Mr. Vijay Kumar Jain, Executive Director, Mr. Anil Singhal, Chief Financial Officer and Mr. R L Gupta, Company Secretary.

It may be noted however that, pursuant to the NCLT order for commencement of the CIRP and in line with the provisions of the Code, the powers of the Board of Directors stand suspended and exercised by IRP / RP.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Act, the Board of Directors (suspended during CIRP) confirms that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the loss of the Company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the annual accounts of the company have been prepared on a going concern basis;
- the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD EVALUATION

Since the powers of the Board of Directors have been suspended with effect from 15th December, 2017 pursuant to the orders dated 15th December, 2017 passed by Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, evaluation of Board has not taken place for the year 2017-18.

MEETINGS OF THE BOARD

The corporate insolvency resolution process (CIRP) of the Company has been in effect from December 15, 2017 as per the Orders passed by Hon'ble National Company Law Tribunal, Mumbai Bench. Prior to the commencement of CIRP, the Board of Directors met six times during the financial year 2017-18 and thereafter, since December 15, 2017 the powers of the Board of Directors have been suspended during the CIRP period. The dates of board meetings are May 29, 2017, August 14, 2017, September 6, 2017, September 26, 2017, November 2, 2017 and November 14, 2017.

One co-ordination meeting was called by Resolution Professional (RP) on 12th February, 2018 which was attended by Mr. Shailendra Ajmera, Resolution Professional, Mr. Dinesh Shahra, Managing Director, Mr. Vijay Kumar Jain, Executive Director, Mr. Navamani Murugan and Mrs. Meera Dinesh Rajda, Independent Directors.

EXTRACT OF ANNUAL RETURN OF THE COMPANY

The extract of the annual return of the Company as provided under sub-section (3) of section 92 of the Act is available at the website of the Company at link http://www.ruchisoya.com/Form_MGT_9_2018.pdf

AUDITORS AND THEIR REPORTS**Statutory Auditors**

M/s. Chaturvedi & Shah., Chartered Accountants (Firm Registration No.101720W) were appointed as Statutory Auditors of the company at the Annual General Meeting held on 27th day of September, 2017, for a period of 5 years from the conclusion of 31st Annual General Meeting till the conclusion of 36th Annual General Meeting.

The Comments on the qualifications in the Auditors' Report on the financial statements of the Company for financial year 2017-18 are as provided in the "Statement on Impact of Audit Qualifications" which is annexed hereafter as **Annexure I** and forms part of this report.

BRANCH AUDITORS

M/s. KR & Co., Chartered Accountants (Firm Registration No. 025217N) were appointed as Branch Auditors of the Company at the 28th Annual General Meeting of the Company for a period of five years i.e. until the conclusion of the 33rd Annual General Meeting of the Company, subject to ratification of their appointment by members at every Annual General Meeting held after the 28th Annual General Meeting. However, they have expressed their unwillingness to continue as Branch Auditors of the Company. The same has been taken on record.

COST AUDITORS

The Company has made and maintained the cost records as specified by the Central Govt. under sub-section (1) of section 148 of the Act. The Resolution Professional has re-appointed M/s. K.G. Goyal & Co., Cost Accountants (Registration No. 000017), to conduct audit of the cost accounting records of the Company for the financial year 2018-19 at a remuneration of ₹ 4.40 lakh (Rupees Four Lacs Forty Thousand Only) subject to payment of applicable taxes thereon and re-imbursement of out of pocket expenses. As required under Section 148 of the Act, a resolution regarding ratification of the remuneration payable to M/s. K.G. Goyal & Co., Cost Accountants, forms part of the Notice convening the 32nd Annual General Meeting of the Company.

SECRETARIAL AUDITORS

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company (suspended during CIRP) had appointed Mr. Prashant Diwan, Practising Company Secretary, to conduct Secretarial Audit of the Company for the year ended March 31, 2018. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed as **Annexure II** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark, however, the reference to specific event / action which took place during the year is self explanatory.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31st March, 2018, the Subsidiaries, Joint Ventures and Associate Companies of your Company are as follows:

Subsidiary Companies

Ruchi Worldwide Limited (Subsidiary)
 Mrig Trading Private Limited (Subsidiary)
 Ruchi J-Oil Private Limited (Subsidiary)
 Ruchi Ethiopia Holdings Limited, Dubai (Subsidiary)
 Ruchi Industries Pte. Limited, Singapore (Subsidiary)
 RSIL Holdings Private Limited (Subsidiary)
 Ruchi Agri PLC, Ethiopia (Step-down Subsidiary)
 Ruchi Agri Plantation (Cambodia) Pte. Limited, Cambodia (Step-down Subsidiary)
 Palmolien Industries Pte. Limited, Cambodia (Step-down Subsidiary)
 Ruchi Agri Trading Pte. Limited, Singapore (Step-down Subsidiary)
 Ruchi Agri SARLU, Madagascar (Step-down Subsidiary)
 Ruchi Middle East DMCC, Dubai (Step Down Subsidiary)

Joint Ventures

Indian Oil Ruchi Biofuels LLP

Associate Companies

GHI Energy Private Limited

There has been no material change in nature of business of the subsidiaries except that Ruchi J-Oil Private Limited has gone into voluntary liquidation with effect from 21st August, 2018 and in the matter of Ruchi Agri Private Limited Company, the Federal First Instance Court of The Federal Democratic Republic of Ethiopia has passed an order dated November 14, 2017 mentioning that "Bankruptcy decision was passed on Ruchi Agri Private Limited. This decision is said need to be effective for the time being in line with S/L/No.982."

The statement containing salient features of the financial statements and highlights of performance of its Subsidiaries, Joint Venture and Associate Companies and their contribution to the overall performance of the Company during the period is attached with the financial statements of the Company in form AOC-1. The Annual Report of your Company, containing inter alia the audited standalone and consolidated financial statements, has been placed on the website of the Company at www.ruchisoja.com. Further, the audited financial statements together with related information of each of the subsidiary Companies have also been placed on the website of the Company at www.ruchisoja.com.

The policy for determining material subsidiary as approved by the Board of Directors of the Company is available on the website of the Company at www.ruchisoja.com/RSIL_Policy_Material_Subsiadiary.pdf

PARTICULARS OF LOANS & ADVANCES, GUARANTEES, INVESTMENTS AND SECURITIES

Particulars of loans/advances, investments, guarantees made and securities provided during the year as required under the provisions of Section 186

of the Act and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the respective notes to the standalone financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into by the Company with related parties during the financial year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant related party transactions made by the Company with related parties which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are reportable in terms of the provisions of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of transactions with related parties are provided in Note 39 to the financial statements in accordance with the Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Since all the related party transactions entered into by the Company, were in ordinary course of business and were on Arm's length basis, disclosure in form AOC- 2 as required under Section 134(3)(h) of the Act is not applicable.

The policy on materiality of related party transactions and on dealing with related party transactions is available at Company's website at the link http://ruchisoja.com/RSIL_Policy_Materiality.pdf

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, is annexed as **Annexure III** to this Report.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of operations. The details relating to internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Report.

RISK MANAGEMENT

The company has established Risk Management process to manage various risks. The details of various risks that are being faced by the Company are provided in Management Discussion and Analysis Report, which forms part of this Report.

CORPORATE GOVERNANCE

Detailed Report on Corporate Governance as stipulated under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided under separate section and forms part of this Report.

The requisite certificate issued by Statutory Auditors of the Company confirming the compliance of the conditions stipulated under Regulations is attached to the Report on Corporate Governance.

EMPLOYEE STOCK OPTION SCHEME (ESOS)

During the year, the Company has not issued stock options to the employees of the Company. The details of shares issued under the Scheme and the disclosures in compliance with Section 62 of the Act read with rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share based Employee Benefits)