

ATMA  
NIRBHARTA SE  
ATMA  
SAMMAAN TAK



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# ATMA NIRBHARTA SE ATMA SAMMAAN TAK - EK-SANKALP





A NEW DAWN HAS RISEN ON RUCHI SOYA INDUSTRIES LIMITED



SIMULTANEOUSLY A NEW AMBITION RUNS IN THE VEINS OF EVERY INDIAN.



THE CLARION CALL FOR ATMA NIRBHARTA OR SELF-SUFFICIENCY HAS STIRRED THE NATION. IT HAS ALSO INSPIRED EACH OF US IN THE REVITALISED RUCHI SOYA INDUSTRIES LIMITED.

WE WILL SURGE AHEAD, BUILD ON THE RICH LEGACY OF THE COMPANY AND CONTRIBUTE TO THE NATION.



### WE WILL ACHIEVE SELF-RELIANCE BY:

- Promoting “Make in India” Mission;
- Focus on Oil Palm Plantation in India;
- Supplementing farm income by taking giant strides to make the nation self-sufficient in edible oil sector;
- Reducing foreign exchange outflow by building on domestic agriculture;
- Building significant and sustainable Indian FMCG brands

By building linkages that connect farmers, food processors, snack food and meal manufacturers and consumers, we will usher in win-win opportunities for growth across the nation.

We will take Ruchi Soya to new heights and transform your Company into India’s leading FMCG entity.

**THIS IS OUR SANKALP.**

# RUCHI SOYA INDUSTRIES LIMITED - THE ENTITY

Since its incorporation in 1986, Ruchi Soya Industries Limited (“Ruchi Soya” or the “Company”) has evolved as an integrated player with a presence across the entire value chain, from farm to fork with secured access to oil palm plantations in India. Today, Ruchi Soya features among the leading FMCG players in India as the manufacturer and marketer of a healthy range of consumer products viz. edible oils, vanaspati, bakery fat and a pioneer of soya foods in India. It is also one of the largest palm plantation companies in India.

## Our Consumer Products:

### NUTRELA



Soya Chunks, Soya Mini Chunks, Soya Granules, High Protein Chakki Atta, Honey, Refined Edible Oils.

### MAHAKOSH



Refined edible oils made from Soyabean, Sunflower, Mustard, Rice Bran, Cotton Seed as well as Vanaspati.

## RUCHI GOLD



Known for its purity and texture, Ruchi Gold Palm Oil is a great choice to deep fry and cook your favourite dishes with added Vitamin A & D which makes it a healthy oil.

## SUNRICH



Healthier, lighter and clearer refined sunflower oil brand in India.

## NUTRELA GOLD



This healthy oil is a blend made with 70% Physically Refined Rice Bran oil and 30% Physically Refined Sunflower oil. It contains Oryzanol, Natural Antioxidants, fortified with vitamins A, D & E. These are ingredients that help in lowering bad cholesterol and keep the body healthy and strong.

## NUTRELA HONEY



Honey has for long been considered a medicinal product; but with increased awareness of its benefits and its role in enhancing immunity, it has vast market potential in India. Nutrela Honey and its nutritional attributes are a right fit with the brand's perception and positioning.

## NUTRELA HIGH PROTEIN CHAKKI ATTA



Nutrela High Protein Chakki Atta is a combination of Whole Wheat & Soya flour. The combination delivers 30% more protein as compared to plain flour. It is an ideal fit for the protein-deficient Indian diet, and provides a range of health benefits. The dough made from this flour is soft, pliable and tasty with no bitterness associated with high protein content foods.

## NUTRI GOLD VANASPATI



Inspired by the Indian favourite home-made ghee, Nutri Gold Vanaspati has a grainy 'ghee-like' texture. It is ideal for deep-frying and for preparing dishes that need preservation for extended periods.

## OLEOCHEMICALS

Our oleochemical business utilises the byproducts produced from our edible oil refineries. It manufactures products which have application in sectors like paints, personal care, cosmetics, pharmaceuticals etc. The oleochemicals facility is Kosher and Halal certified as well as have ISO 9001 certification. The division also exports castor oil and derivatives to various countries across the globe.



## EXPORTS

Ruchi Soya is one of the largest exporters of soyameal and derived value-added products like soya lecithin, soya flakes, soya flour and soya TVP, etc.. The Company exports its products to major countries in Asia, South East Asia, Far East Asia, Middle East, Europe, Africa and to other markets across the globe.



# OTHER BUSINESS DIVISIONS OF RUCHI SOYA



## GREEN ENERGY

Ruchi Soya also has wind power generation business having windmill installations at 11 locations including Madhya Pradesh, Tamil Nadu, Maharashtra, Gujarat, Rajasthan and other states with an aggregate capacity of 85.3 MWh.



## SPECIALITY FATS

The Company offers a trusted range of specialised bakery fats, shortenings and margarine, which provides ideal solution for bakery applications. Our Vanaspati range includes all-purpose as well as specialised products in brands such as Mahakosh, Neptune, Tulsi and Avanti Bakefat. We also produce speciality fats for applications in baking cookies, cakes, biscuits and creme, among others.

# THE GOOD NEWS: TODAY, WE ARE POISED TO TAKE A BIG LEAP...



Ruchi Soya is out of the IBC process and with strong background of its new promoters, it is focussed on value creation for its stakeholders.



The Company stands to benefit from proven track record of its promoters to scale up businesses in consumer products segment.



With Pan-India distribution network of 100 Sales Depots, 6,000 distributors and 5 lakh+ retail outlets and growing.



A new vibrant management has taken over the Company w.e.f. December 2019.



Its portfolio of brands - Nutrela, Mahakosh, Sunrich & Ruchi Gold, etc. shall continue its growth journey.



With growing network and revitalised team, we shall achieve greater heights.





Nutrela is the market leader in the Soya foods segment in India.



With 22 manufacturing facilities dedicated to edible oils, seed crushing, oleochemicals, guargum manufacturing and oil palm processing, Ruchi Soya is well poised to expand the portfolio of consumer products offering under its various brands.



Mahakosh is also one of the leading brands in edible oils in India.



Ruchi Gold is one of the highest selling edible oil brands in India.



Our exports of value added products to Japan, Indonesia, Malaysia, Philippines, South Africa, Australia, Netherlands, European Union and other countries continue unabated.



The brand includes refined edible oils made from Soyabean, Sunflower, Mustard, Rice Bran and Cotton Seed.

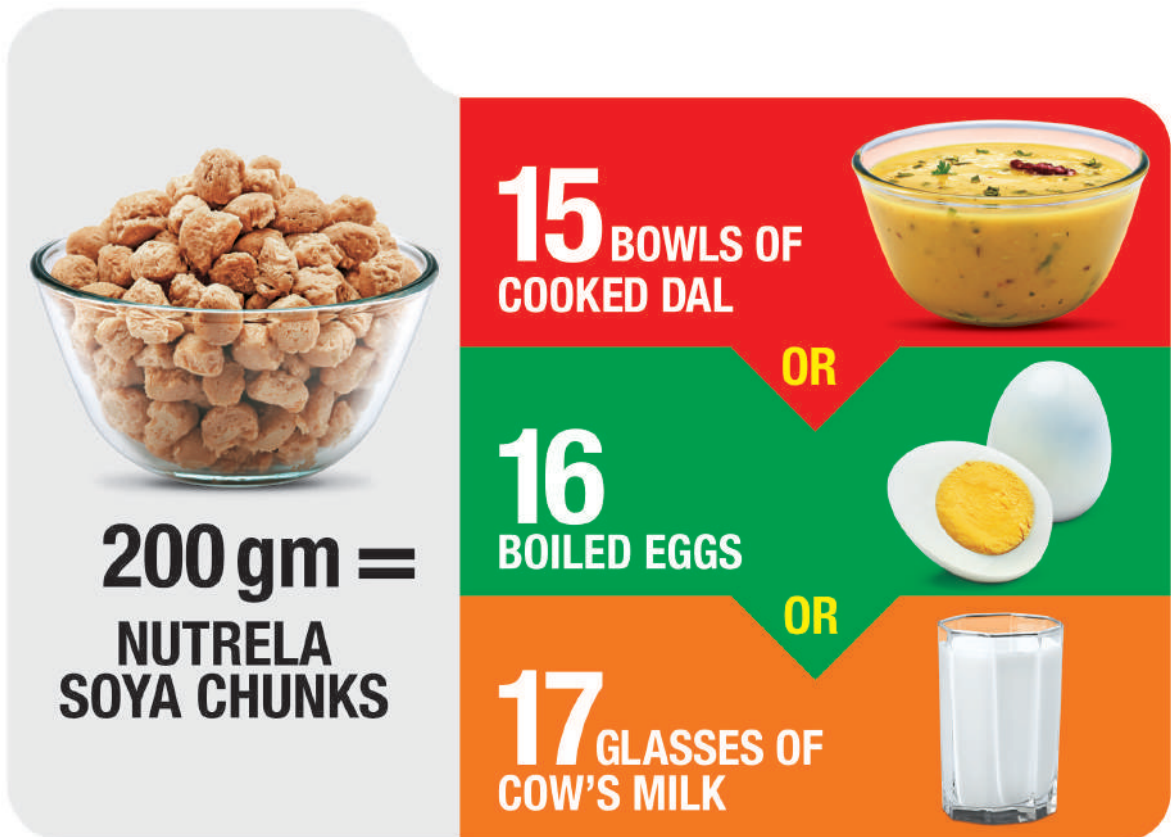
## BUILDING AND GROWING WORLD-CLASS BRANDS

Ruchi Soya is a consumer product Company at heart. We seek to build world-class brands by leveraging our deep consumer insights while maintaining our unwavering focus on quality, innovation, consumer-led differentiation, manufacturing excellence and strong marketing and distribution reach. On the anvil are new products in the Nutrela franchise as well as new variants in consumer products category.

## PROMOTING LINKAGES BETWEEN AGRICULTURE & FOOD PROCESSING TO SUPPLEMENT FARM INCOME

As producer and marketers of raw materials, we form vital linkages that add value for snack & meal food processors. Our Soya flour has been the precursor to several snack food brands that use protein- rich flour to create tasty as well as healthy snacks.

## THE COMPARATIVE PROTEIN CONTENT OF VARIOUS FOODS



*\*Comparison of the protein intake between Nutrela Soya Chunks 200g and 15 bowls of cooked dal, 16 boiled eggs and 17 glasses (200ml per glass) of cow milk. The comparative values may vary in case of any change in the parameter: Based on in-house study*

Soya is an affordable and most abundant source of protein and it is capable of bridging the protein deficiency gap in the diet of the average Indian. We seek to promote a better Indian diet by producing and marketing Soya products such as Soya Chunks, Mini Chunks, and Granules that serve as a base/additive in foods. We have also recently launched Nutrela High Protein Chakki Atta that enables consumers to meet their daily protein requirement as it delivers 30% more protein as compared to regular wheat Atta.

## LEVERAGE RESEARCH & DEVELOPMENT AS A CRITICAL TOOL TO EXPAND MARKETS WITH NEW PRODUCTS

We firmly believe that R&D can contribute in a big way to introduce new products that enhance consumer experience. Our R&D team works towards creating healthier, convenient to cook foods that are protein and nutrient rich. Our R&D team includes oil technologists, microbiologists, process engineers, and analytic chemists.



*We have a strong pipeline of products. Our R&D department shall continue to aim for innovation in the food category.*



## AB HEALTHY REHNA SIMPLE HAI!

The world today is increasingly getting more health conscious than ever before. While we have an easy access to loads of information about nutrition & health, every source has its own perspective. This often leaves us confused, making the task of 'staying healthy' look daunting.

Nutrela is poised to change the way India looks at nutrition & health, by offering a healthy and tasty range of Soya products that's filled with the power of 'Dhaakad Protein'. It's easy to make and tasty to consume.

We have launched three new product categories under the nutrela brand - Nutrela Gold, a premium blended Edible Oil, Nutrela high protein Chakki Atta and Nutrela Honey.

**'Healthy rehna simple hai.'**



# OUR WAY TO ATMA SAMMAAN

For Ruchi Soya, Atma Sammaan means being a financially viable, profitable and thriving enterprise that rewards all its stakeholders. Your Company is a contributor to national goals keeping consumer interest in mind.

## OUR JOURNEY TO BEING ATMA SAMMAAN

Self-sufficiency in edible oils, which is India's goal, is also a mission being pursued by Ruchi Soya with absolute vigour. India imports 70% of its edible oil requirements, and this is an avoidable drain on foreign exchange. We seek to correct this by contributing to the National Food Security Mission (NFSM) programme of the Government of India by aiming to undertake oil palm cultivation aggressively and market domestically produced edible Palm Oil in our brands across the country.

Total acreage and exclusive procurement contracts

**2.5 lakh (approx.)** hectares

The annual crushing capacity is

**3.72 million MT** and refining capacity is **3.30 million MT**

We aim to increase the oil palm cultivation more aggressively across various states in India.

Currently, Ruchi Soya has undertaken oil palm cultivation in partnership with more than 10,000 farmers at 39 locations across 9 states in India.

Going forward, our aim is to enhance the production of indigenous palm oil and market the same in our brands for sale to the Indian consumers with a view to significantly reduce India's dependence on import of edible oils and save precious foreign exchange for the country.

# PALM OIL PLANTATIONS - SEEDS OF PROSPERITY

Ruchi Soya is committed to address the shortage of domestically produced edible oil. We believe that Palm Oil Plantations are a win-win proposition for all - planters, processors, refiners, consumers and also the nation. We promote Palm Oil plantation amongst farmers through a mix of education, mass contact and communication, advisory and guidance in crop care. Our integrated operation connects the farmer with the consumer. We have also entered into contract procurement arrangements with over 10,000 farmers who cultivate oil palm across the country. By dis-intermediating and purchasing directly from planters, we ensure that the cultivators get better margin and price for their crop.

## BENEFITS OF PALM CULTIVATION FOR FARMERS:



Good yield from year 4-25 averaging up to 25-30 tonnes of fresh fruit bunches per hectare.



Sustained support in terms of inputs & methodology planting, nurturing and caring for the palm trees.



Payment for produce within 15 days of supply.



Workshops conducted on low maintenance, labour efficiency leading to high yielding crops with minimal disease or pest problems.



Farmers earn the benefit of cultivation in the “interspace”, thus increasing their farm productivity.



Subsidy by Government help farmers to get associated with us for long-term value creation.



Oil Palm Plantation preserves the ecology.

# BRAND JOURNEYS FROM VISIBILITY TO SALES

## EDIBLE OIL BRANDS — BUILDING ON BRAND RECOGNITION

Our Edible Oil brands have high recognition. To reiterate and build on this, we communicate with visual impact across different media.





## NUTRELA – TAKING THE NUTRITION PROPOSITION TO CONSUMERS

Nutrela is the undisputed leader in the Soya Foods category. It is the highest source of protein. The Nutrela campaign ran across different media with consumer activations and more.



### SOYA TREATS

From quick bites to main course and dessert, we use the versatile Nutrela Soya to create three wholesome dishes for you this festive season

**MAIN COURSE**

#### NUTRELA SOYA FRIED RICE

<p><b>Ingredients</b></p> <p>1 tbsp Nutrela refined Soybean oil, 1/2 cup chopped and boiled French beans, 1/2 cup chopped and boiled carrot, 1/2 cup chopped and boiled cauliflower, 1/2 bunch spring onions, chopped, 1/2 cup Nutrela Soya Chunks, boiled for 4 to 5 minutes and squeezed dry, 1 cup parboiled rice, 1 tsp white pepper powder, 1 tsp soy sauce, salt, to taste</p>	<p><b>Method</b></p> <ol style="list-style-type: none"> <li>1. Heat the Nutrela refined soybean oil in a wok.</li> <li>2. Add the French beans, carrot, cauliflower, spring onion, and the Nutrela Soya Chunks, and sauté for a couple of minutes.</li> <li>3. Add the cooked rice and toss well.</li> <li>4. Season with the white pepper powder, soy sauce and salt.</li> <li>5. Cook for a couple of minutes, stirring intermittently.</li> <li>6. Serve hot.</li> </ol>
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Healthy rehna simple hai! **Nutrela**

**52% धाकड़ प्रोटीन**

## न्यूट्रेला सोया में है, 16 अंडे जितना प्रोटीन!

**इसीलिए ले आईये, 52% धाकड़ प्रोटीन!**

बढ़ते बच्चों को चाहिए प्रोटीन की ताकत, लेकिन "सबसे ज्यादा प्रोटीन" है किसमें? इस सवाल ने किया है हर माँ को अक्सर कंप्यूज़, तो आईए, इस कंप्यूज़न का सॉल्यूशन-न्यूट्रेला सोया.

इसमें है 52% 'धाकड़ प्रोटीन', जो 15 कटोरी दाल या 16 अंडों या 17 ग्लास दूध के बराबर है. तो अब प्रोटीन को लेकर नो कंप्यूज़न!

www.nutrelahealth.com | www.facebook.com/nutrela

**हेल्दी रहना सिपल है! Nutrela**



## NUTRELA – TAKING THE NUTRITION PROPOSITION TO CONSUMERS

An assortment of healthy and tasty recipes for all kinds of hunger

52%  
DHAAKAD  
PROTEIN



Healthy rehna simple hai!

**Nutrela**  
LIVE HEALTHY. LIVE HAPPY.

# MESSAGE TO SHAREHOLDERS



Dear Shareholders,

*Pranam.*

We are glad to present our Annual Report for Financial Year 2019-20 after takeover of management in December 2019.

The year has been challenging given the slowdown in World Economy, coupled with the impact of the Coronavirus (COVID-19) outbreak, affecting several economies with COVID-19-induced lockdowns. During the outbreak of coronavirus (“COVID-19”) pandemic, despite various constraints, most of the manufacturing units of your Company were in production to manufacture essential commodities like edible oils and soya food products in line with the guidelines from the Central and State Governments. Your Company has adopted various measures like social distancing and precautionary hygiene practices for the safety of people employed in manufacturing facilities and on-ground operations.

#### **MOVING TOWARDS “ATMA NIRBHARTA”**

We are one of the largest manufacturers and marketers of a healthy range of Consumer Products viz. edible oils, vanaspati, bakery fat and soya foods. In addition, we are one of the largest palm plantation companies in India.

Against an estimated consumption of 23 million tonnes of Edible Oils per year, India’s domestic production stands at merely 8 million tonnes. The demand-supply gap of 15 million tonnes is imported from Malaysia, Indonesia and other countries. India being an agrarian economy, with hard-working farmers desperately need profitable crops, yet so much money is spent on importing edible oil and enriching farmers in

other countries. We are taking this as a challenge and are working to make India self-reliant in edible oils by promoting oil palm plantation in India in a big way. The measures undertaken by the Indian Government by way of restricting import of refined palm oil along with increasing the Minimum Support Prices of oilseeds such as soyabean, ground nut as well as mustard seeds are aimed to give a boost to the domestic edible oil sector.

At Ruchi Soya, we understand this growing opportunity in domestic edible oil sector and have been contributing towards reducing our dependency on imports of edible oils for domestic consumption by promoting oil palm plantation in India. We have successfully built a strong value chain with the engagement of Indian farmers. We support them in planting and producing palm oil fruits, which is sourced by our crushing and refining units and sold in our brands to the consumer. We work towards improving the farm yield in Palm Fruits and undertake direct purchases from Indian farmers. This result in conserving India's foreign exchange and taking a step towards "Atma Nirbhar Bharat".

**SOLVING NUTRITIONAL CHALLENGES OF INDIAN CONSUMERS**

We understand that an average Indian diet is protein deficient. In Soya, we have the richest and most economical source of protein. As a Consumer Products Company, we have a significant role to play in meeting the Indian consumers' nutritional needs. To cater to the growing need for protein in children and other consumer segments, we have launched protein rich Nutrela Atta which delivers 30% more protein as compared to other regular flours which helps the consumers to bridge their deficiency for protein. Besides this, we have also launched Nutrela Gold, a premium edible oil. Nutrela Gold is a blended edible oil, having 70% physically refined rice bran oil and 30% physically refined sunflower oil, and it helps in lowering bad cholesterol. Post COVID-19 scenario where immunity has become the major concern, we have added Nutrela Honey to our growing consumer products portfolio.

With the edible oil and food segment poised to record healthy growth, we are confident of increasing the reach of our brands like Nutrela, Ruchi Gold, Mahakosh and Sunrich etc.

*With edible oil and food segments expected to record healthy growth, we are confident of increasing the reach of our brands*



Over time, your Company has focussed on developing a strong basket of brands in addition to expanding the consumer product offerings



Our aim is to continue to make strategic investments through recent brand launches in the edible oil and soya foods segment. In order to create further value for all our stakeholders, we have plans to launch more brands in different food categories in the premium, popular and mass segments.

#### SERVING PEOPLE, NOT "MARKETS"

We do not look at India as a market place but as our family, our people. We count our success by the number of people and households that we serve. Today, Ruchi Soya brands such as Ruchi Gold, Sunrich, Soyumm, Ruchi Star, Mahakosh and Nutrela reach a large number of households in India and in coming years we wish to further expand this by launch of new products, expanding geographies and deeper penetration.

#### ENHANCING OUR ONLINE PRESENCE

We continue to make inroads by increasing our online presence through tie-ups with different e-commerce platforms. With this, we aim to increase our share of online sales by making our brands available across different platforms and consolidating our market standing in the e-Commerce segment. We continue to strengthen our position in this space by way of collaborative planning, driving customisation and by ensuring higher discoverability of offers across different e-Commerce platforms.

#### PARTNERS IN PROSPERITY

Over the years, your Company has been focussing on developing a strong basket of brands and in addition to expanding the consumer product offerings, now your Company is ensuring backward linkage by way of promoting domestic oil palm cultivation. Our new product offerings in the near future under the Soya and other product categories will not only offer wider choices to the consumers but also stimulate demand of raw materials provided by the agriculture sector ensuring prosperity for the Indian farmers.

We end our address by thanking our shareholders, employees, distributors and all other stakeholders including our consumers for standing alongside with the Company in troubled times of the year.

We are well poised to capitalise on the growing opportunities that come our way and create new ones, with the aim of taking Ruchi Soya to a new orbit of growth and success.

**Swami Ramdev and  
Acharya Balkrishna**

# ADDRESS BY MANAGING DIRECTOR



## Dear Shareholders,

FMCG is the fourth largest Sector in the Indian economy, covering food & beverages; healthcare and household & personal care, of which food & beverages accounts for 19-20% of total FMCG Sector. The Sector is expected to grow by 5-6% in next 1-2 years. The growth in urban segment has been comparatively better than rural segment which is largely driven by growing awareness, easier access, brand consciousness and changing lifestyles.

Your Company being one of the largest manufacturers of a healthy range of Consumer Products is well placed in the FMCG Sector by offering branded consumer products which include Edible Oils, Soya Foods, Vanaspati, Bakery Fat, Atta, Honey amongst others. Your Company produces value added products from downstream and upstream businesses with significant presence in the export market as well.

Your Company has an integrated value chain in Palm and Soya segments having

a seamless business model. We are one of the largest Oil Palm companies in India, which is amongst the most profitable crops. Our management has taken ambitious target to fast track area expansion in Oil Palm over next 5 years towards reducing India's dependence on edible oil imports.

The new management has initiated several measures to stabilise the business operations by putting in place internal control mechanism; risk management measures; building organisational structure; enhancing corporate governance; which strengthened integrity, transparency and enhancing good and accountable governance.

Your Company has achieved a total income of ₹ 13,175.37 Crores the financial year 2019-20 as compared to 12,829.26 Crores during the previous financial year. Profit before tax (excluding exceptional items) were ₹ 210.38 Crores during 2019-20 as compared to ₹ 76.72 Crores registering a significant growth of over 174%.

The growth opportunity in our core categories remains strong. Your Company continues to benefit from large brand portfolio that spread across the mass, popular and premium segments. Your Company is well placed to lead growth trend with a strong portfolio of brands including Mahakosh, Sunrich and Ruchi Gold in the popular business. Further, on the back of continuing premiumisation with Nutrela, the Company has introduced new products under Nutrela brand such as Nutrela Honey, Nutrela High Protein Atta, to name a few. In this league, the launch of 'Nutrela Gold', premium edible oil by your Company, is also gaining widespread consumer acceptance. Your Company is also keen to expand in other areas of food segment either through self-production enhancement or by way of organic/inorganic growth to widen the consumer offering and leverage our expanding distribution reach across the Country. It will solidify Ruchi Soya's position amongst the top FMCG players in India.

As large consumer of energy, we are also committed towards clean energy and are actively and profitably engaged in the wind power generation at 11 locations in India with an annual capacity of 85.3 Megawatts. We are also exploring deployment of solar power at our plant locations in various parts of India to reduce dependence on expensive fossil fuel generated power.

I would like to extend my gratitude to our management, our staff, our customers, business associates and our stakeholders for their ongoing trust and support. We believe that our value creation approach enable us to optimise value for our shareholders and have a long-term positive impact on all stakeholders connected to our each business.

**Ram Bharat**

# BOARD OF DIRECTORS

## SWAMI RAMDEV



Swami Ramdevji is a renowned global yoga guru and author of several books on Yoga. He was appointed as “Brand Ambassador” of Yoga and Ayurveda by Govt. of Haryana. Swamiji studied Sanskrit and Yoga, and earned a postgraduate (Acharya) degree with specialisation in Sanskrit Vyakarana, Yoga, Darsana, Vedas and Upanisads. He thoroughly studied Satyarth Prakash. Swami Ramdevji’s work has touched the lives of millions of people around the world, going beyond the barriers of race, nationality and religion and he continues to rewrite the rules of consumer marketing in India.

## ACHARYA BALKRISHNA



Acharya Balkrishnaji, a dynamic personality, is the Founder Secretary of Patanjali Yogpeeth Trust. He is a successful business leader, a great visionary, highly ascetic, simple, easy-going and a versatile personality with multi-dimensional skills who is constantly engaged in the service of mankind. He is a great scholar of Ayurveda, Sanskrit language and the Vedas. His unimpeachable contribution in the field of characterisation of Medicinal plants, indigenous medicine identification, authentication at national & international levels speaks high of him.

## RAM BHARAT



Shri Ram Bharatji, a first-generation entrepreneur, is a business leader who is instrumental in transformational changes in the company. He has an eye for detail without losing focus on the big picture that is reshaping Ruchi Soya into a powerhouse. With his deep insight, he has led a large team into a high performing organisation that is achieving sustained success. A firm believer in simple living and high thinking, Shri Bharatji has transformed lives of many.

## DR. GIRISH KUMAR AHUJA



Dr. Girish Kumar Ahuja is a Chartered Accountant and academician with 44 years of consulting experience in international and domestic taxation, joint ventures, etc. He is an expert in Direct Taxes and has earned a Doctorate in Financial Sector Reforms - Capital Market Efficiency and portfolio Investment.

## DR. T.M. BHASIN



Dr. T.M. Bhasin is the Chairman, Advisory Board for Banking and Financial Frauds (ABB&FF), constituted by the Central Vigilance Commission (CVC) in Consultation with Reserve Bank of India (RBI). He has a distinguished academic record as well as a very successful career replete with achievements and awards.

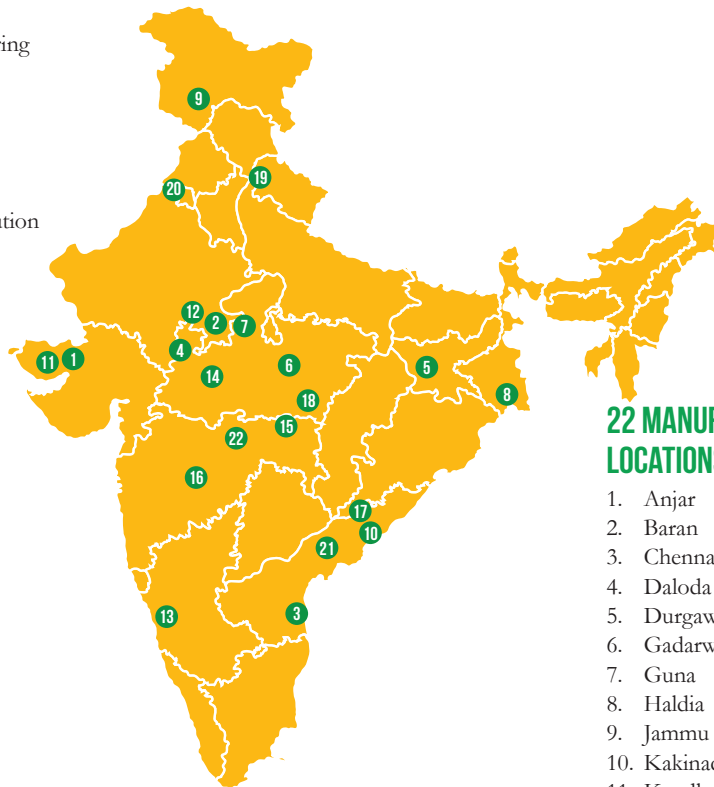
## JUSTICE (MRS.) GYAN SUDHA MISRA



Mrs. Justice (Retired) Gyan Sudha Misra is a former judge of the Supreme Court of India. Earlier she was the Treasurer, Joint Secretary, and Member Executive Committee of the Supreme Court Bar Association, which is the premier association of lawyers in the country.

# BUSINESS DIVISIONS AND MANUFACTURING EXCELLENCE

- Pan-India Manufacturing Footprint
- Proximity to Ports
- Proximity to Strategic Inland Locations for Sourcing and Distribution



## 22 MANUFACTURING LOCATIONS ACROSS INDIA

- |              |                    |
|--------------|--------------------|
| 1. Anjar     | 12. Kota           |
| 2. Baran     | 13. Mangalore      |
| 3. Chennai   | 14. Manglia        |
| 4. Daloda    | 15. Nagpur         |
| 5. Durgawati | 16. Patalganga     |
| 6. Gadarwara | 17. Peddapuram     |
| 7. Guna      | 18. Rani Piparia   |
| 8. Haldia    | 19. Roorkee        |
| 9. Jammu     | 20. Sri Ganganagar |
| 10. Kakinada | 21. Vijayawada     |
| 11. Kandla   | 22. Washim         |

Note: Map not to scale

<p><b>OIL SEED EXTRACTION</b></p> <p>Capacity Per Year <b>3.72</b> Million MT</p> <p>Locations <b>10</b></p>	<p><b>EDIBLE OIL REFINING</b></p> <p>Capacity Per Year <b>3.30</b> Million MT</p> <p>Locations <b>13</b></p>	<p><b>PALM FRUIT PROCESSING</b></p> <p>Capacity Per Year <b>0.90</b> Million MT</p> <p>Locations <b>2</b></p>	<p><b>PALM PLANTATIONS</b></p> <p>Locations <b>39</b></p>
<p><b>VANASPATI &amp; BAKERY FATS</b></p> <p>Capacity Per Year <b>0.59</b> Million MT</p> <p>Locations <b>8</b></p>	<p><b>SOYA MEAL</b></p> <p>Capacity Per Year <b>3.05</b> Million MT</p> <p>Locations <b>10</b></p>	<p><b>WIND POWER GENERATION</b></p> <p>Capacity Per Year <b>85.30</b> MW</p> <p>Locations <b>11</b></p>	<p><b>OIL PALM AREA ALLOCATIONS</b></p> <p>Locations <b>9</b> States</p>



# FINANCIAL HIGHLIGHTS

## PAT

₹ **224.38** Crores

(after deducting exceptional items  
₹ 7,447.64 Crores)

## EBITDA

₹ **458.47** Crores

## Networth

₹ **3,370.90** Crores

## Total Income

₹ **13,175.37** Crores



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### CHAIRMAN

**Acharya Balkrishna**

(Chairman & Managing Director up to 18<sup>th</sup> August, 2020)

### MANAGING DIRECTOR

**Ram Bharat**

(Whole-time Director up to 18<sup>th</sup> August, 2020)

### DIRECTORS

**Swami Ramdev**

(Non-Executive Non-Independent Director  
w.e.f. 18<sup>th</sup> December, 2019)

**Dr. Girish Kumar Ahuja**

(Independent Director w.e.f. 18<sup>th</sup> December, 2019)

**Dr. Tejendra Mohan Bhasin**

(Independent Director w.e.f. 13<sup>th</sup> August, 2020)

**Gyan Sudha Misra**

(Independent Director w.e.f. 13<sup>th</sup> August, 2020)

**Rajat Sharma**

(Independent Director w.e.f. 18<sup>th</sup> December, 2019  
up to 2<sup>nd</sup> July, 2020)

**Bhavna Samir Shah**

(Independent Director w.e.f. 18<sup>th</sup> December, 2019  
up to 13<sup>th</sup> July, 2020)

## CHIEF EXECUTIVE OFFICER

**Sanjeev Kumar Asthana**

## CHIEF FINANCIAL OFFICER

**Anil Singhal**

(Up to 10<sup>th</sup> November, 2020)

## COMPANY SECRETARY

**R. L. Gupta**

## AUDITORS

**Chaturvedi & Shah LLP**

## COST AUDITORS

**K. G. Goyal & Co.**

## BANKERS

**State Bank of India**

**Punjab National Bank**

**Union Bank of India**

**Canara Bank**

**Indian Bank**

## 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](mailto:ruchisoyasecretarial@ruchisoya.com)

Website: [www.ruchisoya.com](http://www.ruchisoya.com)

## HEAD OFFICE

601, Part B-2, 6<sup>th</sup> Floor, Metro Tower,

Vijaynagar, A.B. Road, Indore - 452 010

Madhya Pradesh

Phone: (+91-731) 4767009 / 109

Email: [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com)

Website: [www.ruchisoya.com](http://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](mailto:investors@sarthakglobal.com)

# Directors' Report

## Dear Members,

Your Board of Directors have pleasure in presenting the Thirty Fourth (34<sup>th</sup>) Directors' Report together with the audited financial statements of the Company for the financial year ended March 31, 2020.

Members may kindly note that the directors of the reconstituted board were not in office for the part of the period to which this report primarily pertains. Resolution Professional during the Corporate Insolvency Resolution Process ("CIRP") and Monitoring Committee from completion of CIRP until implementation of Resolution Plan, were entrusted with and responsible for the management of the affairs of the Company. Pursuant to the implementation of Resolution Plan, the new directors of the Company were appointed w.e.f. December 18, 2019 (as detailed herein below) and new management was put in place.

## SUCCESSFUL IMPLEMENTATION OF RESOLUTION PLAN

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), vide its order dated July 24, 2019 read with order dated September 4, 2019, approved the Resolution Plan

submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas under Section 31 of the Insolvency and Bankruptcy Code, 2016.

Upon successful implementation of the Resolution Plan, the following activities have been made in the Company, all of which were effective from December 18, 2019:

- Reduction and Consolidation / extinguishment of Share Capital of the Company, detailed in note no. 11 to financial statements;
- Increase in authorised share capital and allotment of securities;
- Reconstitution of the Board of Directors of the Company and its Committees;
- Revocation of Power of Attorney/Authorizations issued before and during CIRP by the Company; and
- Re-classification of erstwhile promoter and promoter group as public shareholders.

## FINANCIAL PERFORMANCE

The summarized financial performance highlight is presented in the table below:

Particulars	₹ in Lakhs)	
	Financial Year	
	2019-20	2018-19
Income (including other income)	13,17,536.56	12,82,925.56
Total Expenses other than Finance Cost and Depreciation	12,71,689.34	12,60,730.04
Profit/(Loss) before Depreciation, Finance Cost and Tax	45,847.22	22,195.52
Less: Finance Cost	11,231.48	699.07
Less: Depreciation amortisation and impairment Expenses	13,577.36	13,824.44
Profit for the year before Exceptional Items and Tax	21,038.38	7,672.01
Add: Exceptional Items	7,44,763.89	0.00
Profit for the year before Tax	7,65,802.27	7,672.01
Total Tax Expenses	(1,400.00)	0.00
Net Profit for the year after Tax	7,67,202.27	7,672.01
Less : Items that will not be reclassified to statement of profit or loss	(644.50)	(632.57)
Total comprehensive income for the year	7,66,557.77	7,039.44

## STATE OF COMPANY'S AFFAIRS

As mentioned above, the Resolution Plan approved by Hon'ble NCLT under section 31 of the Insolvency and Bankruptcy Code, 2016 was implemented in the Company with effect from December 18, 2019. Your Company has achieved a total income of ₹ 13,17,536.56 Lakh during the year under review as against ₹ 12,82,925.56 Lakh in the previous financial year. The net profit after tax of the Company for the year under review is ₹ 7,67,202.27 Lakh as against ₹ 7,672.01 Lakh for the previous year. The net profit for the year under review includes an exceptional item of ₹ 7,44,763.89 Lakh on account of write off of trade receivables and advances provided in earlier years.

The export of the Company during the year under review was ₹ 24,136.84 Lakh as compared to ₹ 46,372.64 Lakh 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.

You will appreciate that despite of lock down across the country due to Covid 19 pandemic, most of the plants of your Company were in operation and utilizing maximum capacity of the same.

## FUTURE OUTLOOK

Your Company has a robust and sustainable business model and is confident of the medium to long-term growth prospects in edible oils, processed food, palm plantations and other businesses of the Company. Your Company's businesses will continue to register healthy growth in revenue and margins.

Even during uncertainties due to Covid-19 pandemic, your Company is optimistic on its future outlook and expects to grow with strong portfolio of brands, drive towards healthy and premium offering to the customers and new product launches. Your Company's focus is to capitalize on the existing brands and aim to increase market share across categories. Investment towards brand building will be stepped up to support market growth and launch of new products. Your Company plans to drive cost excellence across the organization to extract savings that will be redeployed for its growth.

Your Company is taking all necessary steps to utilize manufacturing capacity, energize human resource asset, drive cost efficiency and improve margins. Your Company envisages to increase the area under Oil Palm Plantation towards 'Atma Nirbhar Bharat' mission and reduce country's dependence on imported oil. Your Company is positive on better financial and strategic performance outcomes in the current year. A detailed statement on management's outlook included in the Management Discussion and Analysis Report, which forms part of the Annual Report 2019-20.

## TRANSFER TO RESERVES

During the year under review, no amount was proposed to be transferred to Reserves.

## DIVIDEND

The Board of Directors of your Company has approved and adopted the Dividend Distribution Policy of the Company. The Dividend Distribution Policy is annexed to this Report as **Annexure I** and is also available on the web link [http://www.ruchisoya.com/2020/Dividend\\_Distribution\\_Policy\\_of\\_the\\_Company.pdf](http://www.ruchisoya.com/2020/Dividend_Distribution_Policy_of_the_Company.pdf).

The Board of Directors of your Company, after considering the relevant circumstances and keeping in view the Company's Dividend Distribution Policy, has not recommended any Dividend for the year under review.

## DEPOSITS

During the year under review, your Company has not accepted/renewed any public deposits within the meaning of Sections 73 to 76A of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Particulars of loans, guarantees or investments pursuant to Section 186 of the Companies Act, 2013 are provided in the notes to the financial statements.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As a part of the implementation of Resolution Plan approved by the Hon'ble NCLT vide its order dated July 24, 2019 read with order dated September 4, 2019 under section 31 of the Insolvency and Bankruptcy Code, 2016, your Company has disposed off its entire equity investment/ ownership interest held in its subsidiaries during the year under review.

During the year under review, the following changes have taken place in subsidiaries and associate companies :

### Cessation of subsidiary companies:

- a. Ruchi Worldwide Limited
- b. Mrig Trading Private Limited
- c. RSIL Holdings Private Limited
- d. Ruchi Ethiopia Holdings Limited, Dubai
- e. Ruchi Industries Pte. Limited, Singapore

### Cessation of Step-down subsidiary companies:

- a. Ruchi Agri Plantation (Cambodia) Pte. Limited, Cambodia
- b. Ruchi Agri Trading Pte. Limited, Singapore

- c. Ruchi Agri SARLU, Madagascar
- d. Ruchi Agri PLC, Ethiopia
- e. Palmolien Industries Pte. Limited, Cambodia
- f. Ruchi Middle East DMCC, Dubai

Ruchi Hi-Rich Seeds Private Limited ceased to be the Associate of the Company.

Ruchi J-Oil Private Limited, a joint venture, is under voluntary liquidation from August 21, 2018.

GHI Energy Private Limited ("GHI") was an associate of the Company with Company's holding 49% of the paid up equity share capital. However, GHI issued further equity shares on 13<sup>th</sup> May, 2019 without consent of the Company as a result of which Company's equity shareholding in GHI reduced to 19.34%. On pursuance by the Company, GHI has filed a petition with Hon'ble National Company Law Tribunal, Chennai Bench ("Hon'ble Tribunal") for reduction of capital under section 66 of the Companies Act, 2013. Accordingly, pending confirmation of the Hon'ble Tribunal of the aforesaid reduction of share capital of GHI, the Company continues to hold only 19.34% in GHI. Upon approval of the capital reduction by the Hon'ble Tribunal and such capital reduction, being effective, the paid up share capital of GHI shall stand reduced to the extent of the shares so extinguished and the original shareholding of 49% of the Company shall stand restored.

The investment of the Company in Indian Oil Ruchi Biofuels LLP, a Joint Venture, has been impaired in the books of accounts of the Company in the year 2018-19 as per the provisions of applicable Ind-AS.

## CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Directors

During the year under review, Shri Dinesh Chandra Shahra (DIN: 00533055) conveyed his desire not to seek re-appointment as director and vacated the office of director with effect from December 13, 2019. Shri Vijay Kumar Jain vacated the office of executive director with effect from December 18, 2019.

Further, as a part of the implementation of the Resolution Plan, the erstwhile board of directors of the Company were replaced with new board of directors with effect from December 18, 2019 and Monitoring Committee responsible for the implementation of the Resolution Plan, in its meeting held on December 18, 2019, constituted the new board of the Company and appointed the new directors as under:

- (a) Shri Acharya Balkrishna (DIN: 01778007) as an Additional Director (Chairman and Managing Director);

- (b) Shri Ram Bharat (DIN: 01651754) as an Additional Director (Whole-time Director);
- (c) Shri Swami Ram Dev (DIN: 08086068) as an Additional Director (Non-Executive Non-Independent Director);
- (d) Dr. Girish Kumar Ahuja (DIN: 00446339) as an Additional Director (Independent Director);
- (e) Shri Rajat Sharma (DIN: 00005373) as an Additional Director (Independent Director); and
- (f) Smt. Bhavna Samir Shah (DIN: 00246394) as an Additional Director (Independent Director).

Shri Rajat Sharma (DIN: 00005373) has resigned from the office of Independent Director with effect from July 2, 2020, due to his pre-occupation. Smt. Bhavna Samir Shah (DIN: 00246394) has resigned from the office of Independent Director with effect from July 13, 2020, due to her pre-occupation. Shri Rajat Sharma and Smt. Bhavna Samir Shah both have provided the detailed reason of their resignation and a confirmation that there was no other material reason for their resignation other than the reason provided as above.

The Board of Directors on August 13, 2020, appointed Dr. Tejendra Mohan Bhasin (DIN: 03091429) and Smt. Gyan Sudha Misra (DIN: 07577265) as Additional Directors (Independent Directors) of the Company, not liable to retire by rotation, for a term of three (3) consecutive years with effect from August 13, 2020 to August 12, 2023, subject to approval of members in the ensuing annual general meeting.

In the opinion of the Board of your Company, Dr. Tejendra Mohan Bhasin and Smt. Gyan Sudha Misra are persons of integrity and possesses relevant expertise and experience and they fulfil the conditions specified in the Companies Act, 2013 and the Listing Regulations, for such an appointment.

The board of directors has recommended the appointment of all the directors in ensuing annual general meeting to members for their approval.

Since, as a part of the implementation of the Resolution Plan, the erstwhile board of directors of the Company were replaced with new board of directors with effect from December 18, 2019, no director will retire by rotation at the ensuing annual general meeting of the Company pursuant to Section 152 and other applicable provisions of the Companies Act, 2013.

### Key Managerial Personnel

Shri Acharya Balkrishna was appointed as Chairman and Managing Director by the monitoring committee on December 18, 2019. Subsequently, Shri Acharya Balkrishna tendered his resignation on August 18, 2020 from the office of managing director and agreed to continue as non-executive

chairman. Thereafter, on the basis of recommendation made by Nomination and Remuneration Committee of the Board of Directors, Shri Ram Bharat was appointed as managing director of the Company with effect from August 19, 2020 till December 17, 2022.

Shri Sanjeev Asthana joined the Company as Chief Executive Officer with effect from July 06, 2020 and appointed as key managerial personnel of the Company with effect from August 19, 2020.

Your Company has following key managerial personnel as on date:

Shri Ram Bharat, Managing Director;

Shri Sanjeev Asthana, Chief Executive Officer;

Shri Ramji Lal Gupta, Company Secretary.

Shri Anil Singhal, Chief Financial Officer of the Company has resigned from the office of Chief Financial Officer and Key Managerial Personnel of the Company with effect from 11<sup>th</sup> November, 2020.

### STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the necessary declaration from each independent director who are part of reconstituted Board confirming that he/she meets the criteria of independence as laid out in Section 149(6) of the Companies Act, 2013 read with the schedules, rules made thereunder and Regulation 16(1) (b) of the Listing Regulations.

### POLICY ON DIRECTORS' APPOINTMENT AND POLICY ON REMUNERATION

Pursuant to Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the Policy on appointment of Board Members including criteria for determining qualifications, positive attributes, independence of a Director and the Policy on remuneration of Directors, KMP and other employees is annexed to this Report as **Annexure II** and is also available on the web link [http://www.ruchisoya.com/2019/Remuneration\\_and\\_Board\\_Diversity\\_Policy.pdf](http://www.ruchisoya.com/2019/Remuneration_and_Board_Diversity_Policy.pdf)

### PARTICULARS OF REMUNERATION OF DIRECTORS / KMP / EMPLOYEES

Disclosures pertaining to remuneration and other details as required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure III**.

### NUMBER OF MEETINGS OF THE BOARD

Members may kindly note that the directors of the reconstituted board were not in office for the part of the

period to which this report primarily pertains. Resolution Professional during the CIRP and Monitoring Committee from completion of CIRP until implementation of Resolution Plan, were entrusted with and responsible for the management of the affairs of the Company.

After the re-constitution of Board as a part of the implementation of Resolution Plan of the Company with effect from December 18, 2019, five (5) board meetings were held during the year under review. For attendance and other details, please refer the Corporate Governance Report which forms part of the Annual Report 2019-20.

### PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

As per section 17 of the Insolvency and Bankruptcy Code, 2016, the powers of the Board of Directors of the Company were suspended during the CIRP with effect from December 15, 2017 and such powers were vested with the Resolution Professional. As a part of the implementation of the Resolution Plan approved by the Hon'ble NCLT vide its order dated July 24, 2019 read with order dated September 4, 2019, the erstwhile board of directors of the Company were replaced by the new board of directors with effect from December 18, 2019. Therefore, being very short period, it was not feasible for the new board of directors to carry out the performance evaluation of board, its committees and individual directors during the remaining period of year under review after re-constitution.

The Company has put in place a policy containing, *inter-alia*, the criteria for performance evaluation of the Board, its Committees and individual Directors (including independent directors).

### DIRECTORS' RESPONSIBILITY STATEMENT

Members may kindly note that the directors of the reconstituted board were not in office for the part of the period to which this report primarily pertains. Resolution Professional during the CIRP and Monitoring Agency from completion of CIRP until full implementation of Resolution Plan, were entrusted with and responsible for the management of the affairs of the Company.

As pointed out above, the reconstituted Board of Directors have been in office only since December 18, 2019. The reconstituted Board is submitting this report in compliance with the Act and Listing Regulations and the Directors, as on date, are not to be considered responsible for the fiduciary duties discharged with respect to the oversight on financial and operational health of the Company and performance of the management for the period prior to December 18, 2019.

Accordingly, as required under section 134(3) (c) read with section 134 (5) of the Act, the board of directors, based on the

knowledge/ information gained by them about the actions of the resolution professional/ Monitoring Committee (i.e. who were entrusted with and responsible for the management of the affairs of the Company prior to the 18<sup>th</sup> December, 2019) and the affairs of the Company in a limited period of time, from the records of the Company, state that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards had been followed and no material departures have been made from the same;
- b. such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
- c. the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. the internal financial controls were in place and that such internal financial controls were adequate and were operating effectively; and
- f. the reconstituted board has devised the proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## AUDITORS AND THEIR REPORTS

### Statutory Auditor

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, M/s. Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration No.101720W) were appointed as Statutory Auditor of the Company at the Annual General Meeting held on September 27, 2017, for a period of five (5) consecutive years from the conclusion of 31<sup>st</sup> Annual General Meeting till the conclusion of 36<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2022, subject to annual ratification by members at every Annual General Meeting, on such remuneration as may be recommended by the Audit Committee and mutually agreed, between the Board of Directors and the Auditors plus out of pocket expenses as may be incurred. However, as per the Companies (Amendment) Act, 2017, the requirement of annual ratification has been omitted.

M/s. Chaturvedi & Shah LLP, Chartered Accountants, have submitted their Report on the financial statements of the Company for the financial year ended March 31, 2020, which forms part of the Annual Report 2019-20. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation or comments from the Directors of your Company.

### Cost Auditor

The Board of Directors on the recommendation of Audit Committee has re-appointed M/s. K.G. Goyal & Co., Cost Accountants (Firm Registration No. 000017) as Cost Auditor, to conduct audit of the cost accounting records of the Company for the financial year ending on March 31, 2021. As required under Section 148 of the Companies Act, 2013, a resolution regarding ratification of the remuneration payable to M/s. K.G. Goyal & Co., Cost Accountants, forms part of the Notice convening the 34<sup>th</sup> Annual General Meeting of the Company.

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(5) of the Companies (Accounts) Rules, 2014, it is confirmed that the Company has made and maintained the cost records as specified by the Central Government under sub-Section (1) of Section 148 of the Companies Act, 2013.

### Secretarial Auditor

CS Prashant Diwan, Practicing Company Secretary (FCS: 1403, CP: 1979), was appointed as Secretarial Auditor, to conduct the audit of secretarial records of the Company for the financial year ended on March 31, 2020 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by him in the prescribed form MR- 3 is annexed to this Report as **Annexure IV**.

### Secretarial Audit Report:

The directors of the reconstituted Board were not in office for the part of the period to which this report primarily pertains. Resolution Professional during the CIRP and Monitoring Agent from completion of CIRP until implementation of Resolution Plan, were entrusted with and responsible for the management of the affairs of the Company. The reconstituted Board of Directors have been in office only since December 18, 2019 and reconstituted Board is submitting these explanations in compliance with the Act. Explanations to the observations made by the secretarial auditor in his report for the year under review are as follows:

- a. One Designated Person of the Company has not complied with the Code of Conduct of Company adopted pursuant to Regulation 9 read with Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015 by trading Equity Shares of the Company during the period when window was closed.

**Explanation:** In accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has duly adopted the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives. In pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company promptly submitted a report to SEBI in the prescribed format as per SEBI circular no. SEBI/HO/ISD/CIR/P/ 2019/82 dated July 19, 2019 on November 18, 2019. Further, the designated person was warned that adherence of Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives is absolute and shall be complied with without any exceptions.

- b. As required under Regulation 29(2)/29(3) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Company has not made prior intimation about the Board Meeting for Issue of Shares on Preferential basis.

**Explanation:** The reconstituted Board took over the management of the Company in December, 2019 and was under process to set up effective and efficient standard operating procedures for operating and managing the affairs of the Company. After CIRP, the first board meeting of the Company was held through video conference on 19<sup>th</sup> December, 2019 wherein induction of new Directors on the Board of the Company was noted. Thereafter, board meeting held on January 17, 2020 was effectively the first board meeting which was called by the new Board to discuss various policy and operational matters. Further, the agenda item for issue of shares on preferential basis was not part of the Board agenda and was taken up by the Board as an additional item. As soon as this item was approved by the Board, the Company immediately sent the relevant disclosure to stock exchanges after conclusion of board meeting held on January 17, 2020.

It is pertinent to mention that even at the time of holding the Board meeting on January 17, 2020, the trading of shares of the Company was suspended due to restructuring and share capital of the Company was reduced from 33,41,00,722 equity shares of ₹ 2/- each to 33,41,007 equity shares of ₹ 2/- each and the listing and trading permission for such reduced equity share capital was not granted at the time of holding the meeting on 17<sup>th</sup> January, 2020.

Given the fact that since trading of entire equity share capital of the Company was suspended and reduced share capital of the Company was not listed and traded

at the time of holding the Board meeting on January 17, 2020, there could not have been any adverse effect on the market price of shares of the Company or abuse of this information in relation to trading of shares of the Company, due to non-availability of prior intimation regarding fund raising under regulation 29 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. The Company paid a penalty of ₹ 11,800/- to BSE and NSE each.

- c. As required under Regulation 33 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Financial Results for the 1<sup>st</sup> quarter ended 30<sup>th</sup> June, 2019 were not submitted within a period of 45 Days from the end of the quarter.

**Explanation:** The Company was under the CIRP since December 15, 2017. During the said process, the powers of the board of directors of the Company were suspended and were being exercised by the Resolution Professional ("RP"). It was informed that the Resolution Professional sought some clarifications/documents on the financial results of the Company which was requiring some time to prepare and submit. Hence, the Board meeting which was scheduled to be held on August 14, 2019 for the consideration and approval of unaudited financial results for the quarter ended June 30, 2019, was adjourned and held on September 10, 2019. A penalty of ₹ 1,53,400/- was paid to BSE and NSE each.

- d. As required under Regulation 34 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Company has not submitted Annual Report to BSE and NSE within the prescribed time. The Company has paid fine of ₹ 73,160/- to BSE and ₹ 80,240/- to NSE.

**Explanation:** The Company has duly dispatched the physical copy of annual report to stock exchanges, however, soft copy of the annual report was uploaded at designated electronic portal of stock exchanges beyond the prescribed time. The Company has paid the penalty of ₹ 73,160/- to BSE and ₹ 80,240/- to NSE towards such delay in submission of annual report.

- e. The Company has not filed Form PAS-3 for allotment of 29,25,00,000 Equity Shares of ₹ 2/- each fully paid up and 4,50,00,000 0.0001% Cumulative Non-Convertible Redeemable Preference shares of ₹ 100/- each fully paid up which were allotted in the meeting of Monitoring Agent held on 18<sup>th</sup> December, 2019.
- f. Further the Company has filed Form PAS 3 in respect of 4,500 9% Unsecured Cumulative Non-Convertible



Debentures of face value of ₹ 10,00,000/- which were allotted in the meeting of Monitoring Agent held on 18<sup>th</sup> December, 2019 subsequent to the closure of financial year.

**Explanation to (e) and (f):** As per the Resolution Plan approved by Hon'ble NCLT, the Patanjali Consortium Adhigrahan Private Limited, a special purpose vehicle company ("PCAPL") was merged with the Company, and consequent thereupon the authorized share capital of the Company was increased from "₹ 25,305 Lakhs consisting of 1,01,02,50,000 equity shares of ₹ 2 each and 51,00,000 preference shares of ₹ 100 each" to "₹ 95,305 Lakhs consisting of 2,11,20,50,000 equity shares of ₹ 2 each and 5,30,64,000 preference shares of ₹ 100 each", and 29,25,00,000 equity shares of ₹ 2/- each and 4,50,00,000 (0.0001%) Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") of ₹ 100/- each were allotted to the members of PCAPL. However, since the authorized share capital post merger of PCAPL into the Company, has not been updated in the records of the Ministry of Corporate Affairs/Registrar of Companies, the Company could not file the Return of Allotment (e-form PAS-3) for allotment of above stated equity shares. The Return of Allotment for allotment of NCRPS has been filed after close of the year.

CS Prashant Diwan, Practicing Company Secretary has been re-appointed to conduct the secretarial audit of the Company for the year ending March 31, 2021.

### DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditor, Cost Auditor and Secretarial Auditor of your Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

### INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The internal control systems include documented policies, checks and balances, guidelines and procedures, that are supplemented by robust internal audit processes and monitored continuously through periodical reviews by management to provide reasonable assurance that all assets are safeguarded; and all transactions entered into by Company are authorized, recorded and reported properly.

Internal control systems are integral to the Company's corporate governance. The internal control systems and procedures are

designed to assist in the identification and management of risks, the procedure-led verification of all compliances as well as an enhanced control consciousness.

The reconstituted board / management are of the opinion that based on the knowledge/ information gained by them about affairs of the Company in a limited period of time from records of the Company, the Company has effective internal financial control systems and policies and such controls are operating effectively. The reconstituted management is taking steps for further strengthening of internal financial controls.

Post-acquisition, the reconstituted Board/management has reviewed the internal controls framework of the Company with an objective to have a robust internal control framework commensurate with the size, scale and nature of business of the Company. The reconstituted management has initiated steps to implement the robust internal control framework. This framework includes entity-level policies, processes and Standard Operating Procedures (SOP).

The details relating to internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of the Annual Report 2019-20.

### CHANGE IN NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of your Company.

### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year of the Company to which the financial statements relate and date of this Report.

### RISK MANAGEMENT

The Board of your Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan of the Company for identifying and mitigating various risks. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Company recognizes that the emerging and identified risks need to be managed and mitigated to (a) protect its shareholders and other stakeholders' interest; (b) achieve its business objectives; and (c) enable sustainable growth.

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.

## DETAILS OF POLICY DEVELOPED AND IMPLEMENTED ON CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Board of the Company has formed Corporate Social Responsibility (“CSR”) Committee. The policy on CSR as approved by the Board of Directors is also hosted on the website of the Company and can be accessed from web link [http://www.ruchisoya.com/2019/RSIL\\_CSR\\_Policy.pdf](http://www.ruchisoya.com/2019/RSIL_CSR_Policy.pdf)

Pursuant to Section 135 of the Companies Act, 2013 read with CSR policy of the Company, it is required to spend two percent of the average net profit of the Company for three immediately preceding financial year. As the average net profit of the Company during previous three financial years is negative, the Company is not required to spend any amount for the CSR purpose during the year under review. The Annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Report as **Annexure V**.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, 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 Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is annexed to this Report as **Annexure VI**.

## CHANGE IN SHARE CAPITAL

As a part of the implementation of the Resolution Plan approved by the Hon'ble NCLT under Section 31 of the Insolvency and Bankruptcy Code, 2016, vide its order dated July 24, 2019 read with order dated September 4, 2019, the following changes have taken place in the share capital of your Company during the year under review:

### Authorised Share Capital

Pursuant to the Resolution Plan, the authorised share capital of your Company was increased from “₹ 25,305 Lakhs consisting of 1,01,02,50,000 equity shares of ₹ 2 each and 51,00,000 preference shares of ₹ 100 each” to “₹ 95,305 Lakhs consisting of 2,11,20,50,000 equity shares of ₹ 2 each and 5,30,64,000 preference shares of ₹ 100 each”.

### Paid-up Share Capital

Pursuant to the implementation of Resolution Plan as approved by Hon'ble NCLT:

- the face value of equity shares of ₹ 2 each, reduced to 2 paise each and immediately after reduction, 100 equity

shares of 2 paise each, consolidated into 1 equity share of ₹ 2 each resulting into the reduction and consolidation of the existing issued, subscribed and paid-up equity share capital of your Company from ₹ 6,682.01 Lakhs divided into 33,41,00,722 equity shares of ₹ 2 each fully paid-up to ₹ 66.82 Lakhs divided into 33,41,007 equity share of ₹ 2 each fully paid-up, thereby reducing the value of issued, subscribed and paid up equity share capital of the Company by ₹ 6,615.19 Lakhs.

- the existing issued, subscribed and paid up 2,00,000 cumulative redeemable preference shares of ₹ 100 each stand fully cancelled and extinguished.
- Pursuant to Resolution Plan, during the year, the Company allotted 29,25,00,000 equity shares of ₹ 2/- each, 4,50,00,000-0.0001% Cumulative Non-convertible Redeemable Preference shares of ₹ 100/- each and 4,500-9% Cumulative Non-convertible Debentures of ₹ 10,00,000/- each.

As on March 31, 2020, the total equity paid-up share capital of your Company was ₹ 5,916.82 Lakhs divided into 29,58,41,007 equity shares of ₹ 2 each fully paid-up and total preference paid-up share capital of your Company was 45,000 Lakh divided into 4,50,00,000 preference shares of ₹ 100 each fully paid up.

## EXTRACT OF ANNUAL RETURN OF THE COMPANY

The copy of the Annual Return of the Company as provided under sub-section (3) of section 92 of the Companies Act, 2013 is available on the web link [www.ruchisoya.com](http://www.ruchisoya.com).

## SECRETARIAL STANDARDS

Your Company has followed applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to Meetings of the Board of Directors and General Meetings, respectively.

## CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements as set out by the Securities and Exchange Board of India (“SEBI”). Your Company has also implemented several best governance practices.

Separate reports on Corporate Governance Compliance and Management Discussion and Analysis as stipulated under Regulation 34 read with Schedule V of the Listing Regulations forms part of the Annual Report 2019-20 along with the requisite certificate issued by Statutory Auditors of your Company regarding compliance of the conditions of Corporate Governance.

## BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report for the year ended March 31, 2020 as stipulated under Regulation 34 of the Listing Regulations is annexed and forms part of the Annual Report 2019-20.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

With reference to Section 134(3) (h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Companies Act, 2013 entered by your Company during the year under review, were in the ordinary course of business and on an arm's length basis.

During the year under review, your Company had not entered into any contract or arrangement with a related party which could be considered 'material' (i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements entered into individually or taken together with previous transactions during the financial year) according to the policy of your Company on materiality of Related Party Transactions. There are no transactions that are required to be reported in form AOC-2. However, all the transactions with related parties, which were in the ordinary course of business and on an arm's length basis, have been disclosed in Note No. 39 of the Financial Statements.

## DISCLOSURE ON AUDIT COMMITTEE

The Audit Committee as on March 31, 2020 comprises of the following Independent Directors:

Shri Girish Kumar Ahuja (Chairman), Shri Ram Bharat, Smt. Bhavna Samir Shah as members. For attendance and other details kindly refer the Corporate Governance Report, which forms part of the Annual Report 2019-20.

All recommendations of Audit Committee were accepted by the Board of Directors.

Smt. Bhavna Samir Shah has resigned from the office of Independent Director with effect from July 13, 2020 due to her pre-occupation and therefore ceased to be the member of the Audit Committee. Thereafter, Dr. Tejendra Mohan Bhasin appointed as Independent Director with effect from August 13, 2020 and induced as member in Audit Committee.

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company has adopted a Vigil Mechanism/Whistle Blower Policy in terms of the provisions of Companies Act, 2013 and the Listing Regulations, to provide a formal mechanism to the Directors and employees of the Company to report their genuine concerns and grievances about unethical behaviour,

actual or suspected fraud or violation of the Company's Code of Conduct or Ethics. The policy provides adequate safeguards against victimization of Directors and employees who avail such mechanism and also provides for direct access to the Vigilance Officer and the Chairman of Audit Committee. The Audit Committee of the Board is entrusted with the responsibility to oversee the vigil mechanism. During the year, no personnel was denied access to the Chairman of the Audit Committee. The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company at [http://www.ruchisoya.com/2019/RSIL\\_WhistleBlower.pdf](http://www.ruchisoya.com/2019/RSIL_WhistleBlower.pdf).

## DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The aim of the policy is to provide protection to women employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where women employees feel secure. All women employees (permanent, contractual, temporary, trainees) are covered under the said policy.

Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to redress complaints received on sexual harassment.

No complaint was pending at the beginning of the year and none was received during the year.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Hon'ble NCLT under Section 31 of the Insolvency and Bankruptcy Code, 2016, vide its order dated July 24, 2019 read with order dated September 04, 2019 approved the Resolution Plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas.

The SEBI, vide its order dated August 12, 2020, has revoked its earlier directions (ad interim orders dated March 02, 2016 and May 24, 2016 and confirmed vide order dated March 08, 2017) due to which the Company was restrained from buying, selling

or dealing in the securities market either directly or indirectly in any manner whatsoever.

Except above, no other significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

### **GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions or events occurred on these items during the year under review:

- a. Receipt of any remuneration or commission from any of its subsidiary companies by the Managing Director or the Whole-time Directors of the Company.
- b. During the year under review, the Company has not bought back any of its securities/ not issued any sweat equity shares / not provided any Stock Option Scheme to its employees / not issued any equity shares with differential rights.

- c. There was no revision of the previous year's financial statements during the financial year under review.

### **ACKNOWLEDGMENT**

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

For and on behalf of the Board of Directors of  
**Ruchi Soya Industries Limited**

**Acharya Balkrishna**

Chairman

DIN: 01778007

Place: Haridwar

Date: November 10, 2020

## DIVIDEND DISTRIBUTION POLICY

The Equity shares of Ruchi Soya Industries Limited (“the Company”) are listed on BSE Limited and National Stock Exchange of India Limited. Pursuant to the provisions of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Company adopts this Policy to comply with the requirements of the Listing Regulations.

The objective of this policy is to lay down the broad parameters and factors that will be taken into consideration by the Board of Directors of the Company for declaration of dividend.

### **The circumstances under which the shareholders of the Company may or may not expect dividend:**

The Board will assess the Company’s financial requirements, including present and future investment opportunities and other relevant factors and declare Dividend in any financial year.

The Dividend for any financial year shall normally be paid out of the Company’s profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013 (the Act). If circumstances require, the Board of Directors of the Company may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with the provisions of the Companies Act, 2013 (“the Act”).

### **The financial parameters and other internal and external factors that shall be considered before declaration of dividend:**

- Distributable surplus available as per the Act
- The Company’s liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution

- Capital expenditure and Investment requirements
- Cost and availability of alternative sources of financing
- Stipulations/ Covenants of loan agreements
- Macroeconomic and business conditions in general
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend

### **Utilization of retained earnings:**

Subject to applicable provisions of the Act, the Company’s retained earnings shall be applied for:

- Funding growth needs including working capital, capital expenditure, repayment of debt, etc.
- Payment of Dividend in future years
- Issue of Bonus shares/ Buyback etc.
- Any other permissible purpose

### **Parameters that shall be adopted with regard to various classes of shares**

- Preference shareholders shall receive Dividend at the fixed rate as per the terms of allotment and shall stand in priority to the equity shareholders for payment of Dividend .
- Equity shareholders shall be entitled for the Dividend, interim or final, if recommended by the Board of Directors and confirmed or approved by the shareholders of the Company, as the case may be. Equity Dividend shall stand second in priority after payment of Dividend to the Preference Shareholders, if any.

**Review/Revision/Amendment to the Policy:** The Board of Directors of the Company reserves the right to amend, alter and modify this Policy from time to time at its sole discretion in accordance with the provisions of the Act and Listing Regulations.

## REMUNERATION AND BOARD DIVERSITY POLICY

### 1. PREFACE

Section 178 of the Companies Act, 2013 requires the Nomination and Remuneration Committee to recommend to the Board a policy for nomination of directors, key managerial personnel, senior management and other employees. Further, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 also requires that Nomination and Remuneration Committee shall recommend a policy relating to the remuneration of the directors, key managerial personnel and other employees.

This Remuneration and Board Diversity Policy (the “**Policy**”) applies to the Board of Directors (the “**Board**”), Key Managerial Personnel (the “**KMP**”), the Senior Management Personnel and to other Employees of Ruchi Soya Industries Limited (the “**Company**”).

### 2. DEFINITIONS

For the purposes of this Policy, unless the context otherwise requires, the following terms will have the meaning ascribed to them below:

1. “**Act**” means Companies Act, 2013 including Rules made thereunder, as amended, from time to time.
2. “**Board**” or “**Board of Directors**” means members of the Board of Directors of the Company.
3. “**Company**” means Ruchi Soya Industries Limited.
4. “**Director**” means a director on the Board of the Company.
5. “**Independent Director**” has the meaning ascribed to such term under Section 2(47) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations.
6. “**Key Managerial Personnel**” or “**KMP**” shall mean – (i) the Chief Executive Officer or the Managing Director or the Manager; (ii) the Company Secretary; (iii) the Whole-time Director; (iv) the Chief Financial Officer; (v) such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and (vi) such other officer as may be prescribed in the Act.
7. “**Nomination and Remuneration Committee**” means the nomination and remuneration committee constituted by the Board of Directors of the Company under provisions of the Act and the SEBI Listing Regulations.
8. “**Policy**” means this Remuneration and Board Diversity Policy.
9. “**SEBI Listing Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time.
10. “**Senior Management**” shall mean those personnel of the Company who are members of its core management team excluding the Board, comprising all members of management one level below the chief executive officer/ managing director/ whole-time director/ manager (including chief executive officer/ manager, in case they are not part of the board) and shall specifically include the Company secretary and chief financial officer. For the sake of clarity, Senior Management shall also include personnel employed as ‘Senior Management’ under Section 178 of the Act.

*Words and expressions not defined in this Policy shall have the same meaning as contained in the Act, the SEBI Listing Regulations or any other applicable laws or regulations.*

### 3. PURPOSE

The primary objective of the Policy is to provide a framework and set standards for the selection, nomination, remuneration and evaluation of the Directors, Key Managerial Personnel, officials comprising the senior management and other employees. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel, Senior Management and other employees. This Policy *inter-alia* sets out the approach to diversity on the Board of Directors of the Company.

### 4. ACCOUNTABILITIES

- a. The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
- b. The Nomination and Remuneration Committee shall assess and select the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company and shall make recommendations to the Board.

## 5. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is responsible for:

- 5.1 Reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;
- 5.2 Identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company;
- 5.3 Recommending to the Board on the selection of individuals nominated for directorship;
- 5.4 Making recommendations to the Board on the remuneration payable to the Directors/ KMPs/ Senior Officials so appointed/reappointed;
- 5.5 Assessing the independence of independent directors;
- 5.6 Such other key issues/matters as may be referred by the Board or as may be necessary in view of the SEBI Listing Regulations and provisions of the Act and Rules thereunder.
- 5.7 To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- 5.8 Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- 5.9 To devise a policy on Board diversity;
- 5.10 To develop a succession plan for the Board and to regularly review the plan.

## 6. COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

- 6.1 The Nomination and Remuneration Committee comprises of the following:
  - a) The Committee shall consist of a minimum three non-executive directors, majority of them being independent.

- b) Minimum two members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

### 6.2 Chairman

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

### 6.3 Committee Members' Interests

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

### 6.4 Voting

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In case of equality of votes, the Chairman of the meeting shall have casting vote.

## 7. APPOINTMENT OF DIRECTORS/KMPS/ SENIOR OFFICIALS

- 7.1 Enhancing the competencies of the Board and attracting as well as retaining talented employees for role of KMP/a level below KMP are the basis for the Nomination and Remuneration Committee to select a candidate for appointment as KMP or a level below KMP and to the Board.
- 7.2 When recommending a candidate for appointment, the Nomination and Remuneration Committee has regard to:

- (i) assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
- (ii) the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
- (iii) the skills and experience that the appointee brings to the role of KMP/Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;
- (iv) the nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment.

### 7.3 Personal specifications:

- (i) Degree holder in relevant disciplines;
- (ii) Experience of management in a diverse organization;
- (iii) Excellent interpersonal, communication and representational skills;
- (iv) Demonstrable leadership skills;
- (v) Commitment to high standards of ethics, personal integrity and probity;
- (vi) Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- (vii) Having continuous professional development to refresh knowledge and skills.

## 8. LETTERS OF APPOINTMENT

Each of Directors/KMP/Senior Officials/other employees is required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

## 9. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

9.1 The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate

Directors, Key Management Personnel and other senior officials.

The Directors, Key Management Personnel and other senior official's remuneration shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed under the Act and the Rules made thereunder, if any.

The Nominations & Remuneration Committee shall determine and recommend individual remuneration packages for Directors, KMPs and Senior Officials of the Company to the Board of Directors after taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government / other guidelines.

### 9.2 Remuneration

- a) Base Compensation (fixed salaries)  
Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/ non-statutory benefits which are normal part of remuneration package in line with market practices).
- b) Variable salary:  
The Nominations & Remuneration Committee may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, for fulfillment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable shall be determined by the Committee, based on performance against pre-determined financial and non-financial metrics.

### 9.3 Statutory Requirements:

- Section 197(5) of the Act provides for remuneration by way of a fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board.
- Section 197(1) of the Act provides for the total managerial remuneration payable by the Company to its directors, including managing director and whole time director, and its manager in respect of



any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 of the Act.

- The Company with the approval of the shareholders may authorise the payment of remuneration exceeding eleven percent of the net profits of the Company, subject to the provisions of Schedule V to Act.
  - The Company may with the approval of the shareholders by way of special resolution authorise the payment of remuneration exceeding five percent of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and exceeding ten percent in case if there is more than one such official.
  - The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a managing director or whole time director or manager and three percent of the net profits in any other case.
  - The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Act.
- 9.4 The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.
- 9.5 The remuneration payable to the Directors shall be as per the Company's policy and subject to the provisions of the Act and shall be valued as per the applicable provisions of the Income-tax Act, 1961 read with applicable rules.
- 9.6 The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as may be decided by the Board and subject to the provisions of the Act having regard to their experience, leadership abilities, initiative taking abilities and knowledge base. Evaluation/Assessment of Directors/ KMPs/Senior Officials of the Company.

9.7 The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis to comply with the requirements of the SEBI Listing Regulations and the Act.

The following criteria may assist in determining how effective the performance of the Directors/KMPs/Senior officials have been:

- leadership & stewardship abilities;
- contributing to clearly define corporate objectives & plans;
- communication of expectations & concerns clearly with subordinates;
- obtain adequate, relevant & timely information from external sources;
- review & approval achievement of strategic and operational plans, objectives, budgets;
- regular monitoring of corporate results against projections;
- identify, monitor & mitigate significant corporate risks;
- assess policies, structures & procedures;
- direct, monitor & evaluate KMPs, senior officials;
- review management's succession plan;
- effective meetings;
- assuring appropriate board size, composition, independence, structure;
- clearly defining roles & monitoring activities of committee; and
- review of corporation's ethical conduct.

9.8 Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Whole-time/Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

The Nomination and Remuneration Committee shall also carry out evaluation of the performance of Directors of the Company at regular interval.

#### 9.9 Remuneration of other employees

The remuneration to other employees shall be fixed considering internal, external and individual equity; and also procedural equity.

##### Key Principles:

Remuneration should be sufficient to attract, retain and motivate best talent suits to the requirement of the Company. Remuneration practice should be consistent with the recognized best standard practices for other employees.

Elements of the Remuneration structure of other Employees:-

- Fixed salary - Company shall provide the base level fixed remuneration to reflect the scale and dynamics of the business and to be competitive with the external market.
- Perquisites and Allowances - Company shall provide such perquisites and allowances to other employees, as it may consider necessary, keeping in view the market trend, industrial analysis etc.
- Performance-linked bonus which shall be a cumulative outcome of both the individual target achievement level as well as the Company's Performance.
- Special awards for breakthrough business performance
- Retention Bonus, where deemed fit, to ensure continuity of service depending upon: Criticality of the role, Difficulty of replacement, Risk of Resignation
- Premium for Health Insurance - The Company may pay the premium for Health Insurance for employees and their spouse as may be decided by the Board.
- Other benefits in accordance with the market practice.

Annual remuneration reviews shall be based on individual performance, Company Performance, market environment and future plans.

## 10. BOARD DIVERSITY

The Company is committed to actively managing diversity as a means of enhancing its performance by recognising and utilising the contribution of diverse skills and talent from its directors, officers and employees.

To ensure that the Company has a diverse Board, all appointments shall be made on the basis of merit and due regard shall be given to other attributes including gender, age, cultural, educational & geographical background, ethnicity, professional experience, skills and knowledge. This will also contribute to drive growth, improve corporate governance practices, enhance decision making and gain competitive advantage.

Considering the above, the Nomination and Remuneration Committee shall recommend the appointment or continuation of members to achieve optimum combination at the Board and periodically assess the specific requirements in relation to Board diversity.

## 11. REVIEW

The Nomination and Remuneration Committee or the Board may review the policy as and when it deems necessary. The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.

This policy may be amended or substituted by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

## 12. INTERPRETATION

The Nomination and Remuneration Committee of the Company shall, subject to supervision of the Board, interpret and administer this Policy in line with the broad intent of this Policy read with the applicable provisions of the Act, rules made thereunder, and the SEBI Listing Regulations.

The decision of the Board with regard to any or all matters relating to this Policy shall be final and binding on all concerned. The Board shall have the power to modify, amend or replace the Policy in part or full, as may be thought fit from time to time in their absolute discretion.

## 13. AMENDMENT

In the event of any conflict between the provisions of this Policy and the Act or the SEBI Listing Regulations or any other statutory enactments or rules, the provisions of the SEBI Listing Regulations / the Act or statutory enactments, rules made thereunder shall prevail over this Policy and the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force. Any subsequent amendment/modification in the Regulations shall automatically apply to this Policy.

## Annexure-III

## DETAILS PERTAINING TO REMUNERATION

[As required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1), (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year ended March 31, 2020 and the percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year ended March 31, 2020 is as under:

Name of Director / Key Managerial Personnel	Ratio of remuneration of each Director to the Median remuneration of Employees	% increase in remuneration in the financial year ended March 31, 2020
<b>Executive Directors</b>		
Shri Acharya Balkrishna Chairman & Managing Director	N.A.	N.A.
Shri Ram Bharat Whole-time Director	N.A.	N.A.
Shri Vijay Kumar Jain Executive Director	113.62	Nil
<b>Non-Executive Directors</b>		
Shri Swami Ram Dev Non-Executive Non-Independent Director	N.A.	N.A.
Dr. Girish Kumar Ahuja Independent Director	N.A.	N.A.
Shri Rajat Sharma Independent Director	1.77	N.A.
Smt. Bhavna Samir Shah Independent Director	12.41	N.A.
Shri Dinesh Chandra Shahra Non-Executive Non-Independent Director	N.A.	N.A.
<b>Key Managerial Personnel</b>		
Shri Anil Singhal Chief Financial Officer	N.A.	6.44
Shri Ramji Lal Gupta Company Secretary	N.A.	Nil

## Notes:

- a) With effect from December 18, 2019, the Monitoring Committee responsible for implementation of Resolution Plan appointed Shri Acharya Balkrishna as Chairman and Managing Director, Shri Ram Bharat as Whole-time Director, Shri Swami Ram Dev as Non-Executive Non-Independent Director, Dr. Girish Kumar Ahuja, Shri Rajat Sharma and Smt. Bhavna Samir Shah as Independent Directors.
- b) No remuneration has been paid to the Shri Acharya Balkrishna, Chairman and Managing Director Shri Ram Bharat, Whole-time Director, Shri Swami Ram Dev, Non-Executive Non-Independent Director and Shri Dinesh Chandra Shahra, Non-Executive Non-Independent Director
- c) No remuneration except sitting fees for attending the meetings of Board and its Committees, has been paid to Shri Rajat Sharma and Smt. Bhavna Samir Shah, Independent Directors during the financial year ended March 31, 2020.
- d) No remuneration has been paid to Dr. Girish Kumar Ahuja, Independent Director during the financial year ended March 31, 2020. The ratio of remuneration and percentage increase during the financial year ended March 31, 2020. The ratio of remuneration and percentage increase in remuneration of these Directors is therefore not considered for the above information.

in remuneration of Dr. Girish Kumar Ahuja is therefore not considered for the above information.

- e) Shri Rajat Sharma has resigned from the office of Independent Director with effect from July 2, 2020, due to his pre-occupation.
- f) Smt. Bhavna Samir Shah has resigned from the office of Independent Director with effect from July 13, 2020 due to her pre-occupation.
- g) Shri Dinesh Chandra Shahra has conveyed his desire not to seek re-appointment as Director and vacated the office of Director with effect from December 13, 2019. No remuneration has been paid to him during the financial year ended March 31, 2020. The ratio of remuneration and percentage increase in remuneration of Shri Dinesh Chandra Shahra is therefore not considered for the above information
- h) Shri Vijay Kumar Jain vacated the office of Executive Director with effect from December 18, 2019. There was no increase in the remuneration of Shri Vijay Kumar Jain, Executive Director during the financial year ended March 31, 2020.
- i) There was no increase in the remuneration of Shri Vijay Kumar Jain, Executive Director and Shri Ramji Lal Gupta, Company Secretary during the financial year ended March 31, 2020.
- j) Shri Acharya Balkrishna has resigned from the office of Managing Director with effect from August 18,

2020 and re-designated as Non-Executive Non-Independent Director, liable to retire by rotation with effect from August 19, 2020. He shall continue to be the Chairman of the Board.

- k) Shri Ram Bharat designated as Managing Director of the Company with effect from August 19, 2020 till December 17, 2022, not to liable to retire by rotation subject to the approval of members in the ensuing annual general meeting.
- l) Shri Anil Singhal, Chief Financial Officer of the Company has resigned from the office of Chief Financial Officer and key managerial personnel with effect from November 11, 2020.

- 2. The percentage increase in the median remuneration of employees in the financial year ended March 31, 2020 was 8.20%, whereas there was no increase in the managerial remuneration for executive directors during the year ended March 31, 2020.
- 3. There were total 2,592 permanent employees on the rolls of the Company as on March 31, 2020.
- 4. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year was 6.63 %, whereas there was no increase in the managerial remuneration for executive directors during the year ended March 31, 2020. The increase in the remuneration of the employees was as per the policy of the Company and financial performance of the Company.

5. **Statement of particulars of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2020:**

Sr. No.	Name	Designation	Remuneration received during 2019-20 (Amount in Lakh)	Qualifications	Total No. of Years' experience	Date of commencement of current Employment	Age as on March 31, 2020	Last employment held, if any
1.	Shri Satendra Satya Prakash Aggarwal	Chief Operating Officer	284.04	B.Sc, MBA	36	April 11, 2013	58	Aditya Birla Retail Limited
2	Shri Aashish Acharya	Vice President (Soft Oil)	111.06	Masters of International Business, Post Graduate Diploma in System Analysis and Designing	26	June 01, 1995	49	--

Sr. No.	Name	Designation	Remuneration received during 2019-20 (Amount in Lakh)	Qualifications	Total No. of Years' experience	Date of commencement of current Employment	Age as on March 31, 2020	Last employment held, if any
3	Shri Yogesh Shah	Vice President (Import)	103.93	B.Com	33	October 2, 1989	54	--
4	Shri Anil Singhal	Vice President (Chief Financial Officer)	97.94	CA (Inter)	30	March 10, 1997	54	Plethico Pharmaceuticals Limited
5	Shri Ashim Kumar Banerjee	Vice President (HR)	88.21	Graduation (Honours) in Chemistry, Post Graduation in PM and IR	38	September 01, 2012	60	Pepsi Co.
6	Shri Ajay Malik	Vice President	84.49	B.Com	35	September 16, 2003	54	Amrit Banaspati Company Private Limited
7	Shri Makarand Shastri	National Sales Manager (Nutrela Consumer Brands)	78.08	MBA (Marketing)	22	August 11, 2015	44	Bunge India Private Limited
8	Shri P. Malleshram	Business Head (Oil Palm Division)	67.45	MBA	28	March 08, 2013	50	--
9	Shri Sanjay Goyal	Assistant Vice President (Operations)	63.52	B.Sc (Maths), Master in Business Economics	26	June 15, 1994	48	--
10	Shri Ramji Lal Gupta	Vice President (Corporate Planning) and Company Secretary	59.54	M.Com, LL.B, FCS, AICWA	32	December 01, 1993	58	Saurabh Cement Limited

**Notes:**

- a) Remuneration comprises of salary, allowance, perquisites, contribution of provident fund and leave encashment.
- b) Except as stated above, the Company has no employees who were in receipt of remuneration more than ₹ 1.02 Crore who employed throughout the financial year under review or draws remuneration at a rate of above ₹ 8.50 Lakh per month, and worked for the part of the financial year under review.
- c) The nature of employment in all cases is permanent.
- d) None of the above employees are related to any director of the Company.
- e) None of the employees mentioned above holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.
- f) The Company has no employees posted and working in a country outside India.
6. It is hereby affirmed that the remuneration is as per the Nomination & Remuneration Policy of the Company.

For and on behalf of the Board of Directors of  
**Ruchi Soya Industries Limited**

**Acharya Balkrishna**

Chairman

Place: Haridwar

Date: November 10, 2020

DIN: 01778007

**SECRETARIAL AUDIT REPORT**

Form No. MR-3

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members

**Ruchi Soya Industries Limited**

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

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ruchi Soya Industries Limited** having CIN: L15140MH1986PLC038536 (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

The Hon’ble National Company Law Tribunal (“NCLT”), Mumbai Bench, had admitted petition for initiation of Corporate Insolvency Resolution Process (“CIRP”) u/s 7 of the Insolvency and Bankruptcy Code, 2016 (“the Code”) filed by financial creditors and delivered the order no. CP1371 & CP1372 / I&BP / NCLT / MAH/2017 on 15<sup>th</sup> December 2017.

The Committee of Creditors had approved the Resolution Plan and was filed with Hon’ble NCLT which was approved by NCLT vide Orders dated 24<sup>th</sup> July, 2019 and 4<sup>th</sup> September, 2019 and Mr. Shailendra Ajmera, erstwhile Resolution Professional of the Company had been appointed as Monitoring Agent to supervise the implementation of the Resolution Plan. However, the detailed Resolution Plan has not been made available for our review. Mr. Shailendra Ajmera, Monitoring Agent has completed the process of implementing of Resolution Plan on 18<sup>th</sup> December, 2019.

Further, I have been informed by Resolution Professional (“RP”) that certain information including the Minutes of meeting of Committee of Creditors (“CoC”) and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than Committee of Creditors and NCLT.

In view of this, my verification and/or examination of the Board process and compliance, Secretarial Standards as well as related relevant Minutes Books, Papers and documents etc are restricted during the period 1<sup>st</sup> April, 2019 to 18<sup>th</sup> December, 2019 under review and wherever applicable herein after in this Secretarial Audit Report and therefor my observation are limited to the extent as mentioned hereinabove.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 generally complied with the statutory provisions listed hereunder and also that the Company has proper processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings, Overseas Direct Investment and Foreign Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (vi) Further, as representation made by the management and relied upon by me, during the period under review, provisions of the Food Safety and Standards Act, 2006, to the extent of filing of returns and renewal of requisite license were complied by the Company:

As per the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations were not applicable to the Company:

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India under the Companies Act, 2013.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except the Provisions as specified in regulations 17, 18, 19, 20 and 21 which were not applicable during the Insolvency Resolution Process period from - 15<sup>th</sup> December, 2017 to 18<sup>th</sup> December, 2019 in respect of a listed entity which was undergoing Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to this report to the extent applicable, except following:

- 1) One Designated Person of the Company has not complied with the Code of Conduct of Company adopted pursuant to Regulation 9 read with Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015 by trading Equity Shares of the Company during the period when window was closed. The Company has received a letter from said Designated Person stating that by an oversight, his broker had traded in equity shares of the Company.

The Company has submitted a Report to SEBI in the prescribed format as per SEBI circular no. SEBI/HO/ISD/CIR/P/ 2019/82 dated 19.07.2019 on 18<sup>th</sup> November, 2019.

- 2) As required under Regulation 29(2)/29(3) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015; the Company has not made prior intimation about the Board Meeting for Issue of Shares on Preferential basis.

In this regards, the Company has paid fine of ₹ 11,800/- (inclusive of GST ₹ 1800/-) respectively to BSE and NSE on 6<sup>th</sup> March, 2020.

- 3) As required under Regulation 33 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Financial Results for the 1<sup>st</sup> quarter ended 30<sup>th</sup> June, 2019 were not submitted within a period of 45 Days from the end of the quarter.

In this regards, the Company has paid total fine of ₹ 1,53,400/- (inclusive of GST ₹ 23,400/-) to BSE on 11<sup>th</sup> September, 2019 and 29<sup>th</sup> January, 2020. The Company has also paid total fine of ₹ 1,53,400/- (inclusive of GST ₹ 23,400/-) to NSE on 11<sup>th</sup> September, 2019, and 22<sup>nd</sup> January, 2020.

- 4) As required under Regulation 34 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 for the Company has not submitted Annual Report to BSE and NSE was not submitted within the prescribed time.

In this regards, the Company has paid fine of ₹ 73,160/- (inclusive of GST ₹ 11,160/-) to BSE and ₹ 80,240/- (inclusive of GST ₹ 12,240/-) to NSE on 6<sup>th</sup> March, 2020.

- 5) (I) The Company has not filed Form PAS-3 for Allotment of 29,25,00,000 Equity Shares of ₹ 2/- each fully paid up and 4,50,00,000 0.0001% Cumulative Non-Convertible Redeemable Preference shares of ₹ 100/- each fully paid up which were allotted in the meeting of Monitoring Agent held on 18<sup>th</sup> December, 2019.

[II] Further the Company has filed Form PAS 3 in respect of ₹ 4,500 9% Unsecured Cumulative Non-Convertible Debentures of face value of ₹ 10,00,000/- which were allotted in the meeting of Monitoring Agent held on 18<sup>th</sup> December, 2019 subsequent to the closure of financial year.

I further report that during the year under review.

- 1) Adequate notices are generally given by Company Secretary to Resolution Professional during the period of corporate insolvency resolution process from 1<sup>st</sup> April, 2019 to 4<sup>th</sup> September, 2019 and to Monitoring Agent during the period from 4<sup>th</sup> September, 2019 to 18<sup>th</sup> December, 2019 to schedule the meetings of Resolution Professional or Monitoring Agent, as the case may be, to manage the affairs of the Company.

Adequate notices are also generally given by Company Secretary to newly constituted Board of Directors of the Company during the period from 18<sup>th</sup> December, 2019 to 31<sup>st</sup> March, 2020 to manage the affairs of the Company.

Agenda and detailed notes on agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- 2) All the decisions to manage the affairs of the Company are carried out by Resolution Professional during the period from 1<sup>st</sup> April, 2019 to 4<sup>th</sup> September, 2019 and by Monitoring Agent during the period from 4<sup>th</sup> September, 2019 to 18<sup>th</sup> December, 2019 and thereafter by the newly constituted Board of Directors of the Company during the period from 18<sup>th</sup> December, 2019 to 31<sup>st</sup> March, 2020. As informed, there were no dissenting views and hence not recorded as part of the minutes.

I further report that as per the representations made by the management and relied upon by me there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As per the representations made by the management and relied upon by me, I further report that, the following are the specific events/ actions took place, having a major bearing on the Company's affairs, in pursuance of the above referred laws, rules, regulations, guidelines, etc.,

- 1) Pursuant to Section 96 of the Companies Act, 2013, the 33<sup>rd</sup> Annual General Meeting (AGM) of the members of the Company for the year 2019 which was required to be held on or before 30<sup>th</sup> September, 2019 was held on 13<sup>th</sup> December, 2019 with the prior approval for extension of AGM from Registrar of Companies (ROC), Maharashtra, Mumbai.
- 2) The National Company Law Tribunal ("NCLT"), Mumbai Bench, vide order dated 15<sup>th</sup> December 2017

("Insolvency Commencement Order") had initiated Corporate Insolvency Resolution Process ("CIRP") based on petitions filed by Standard Chartered Bank and DBS Bank Ltd u/s 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 12<sup>th</sup> 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 8<sup>th</sup> June 2018, NCLT has extended the CIRP for a further period of 90 days with effect from 12<sup>th</sup> June, 2018.

The Committee of Creditors had approved the Resolution Plan submitted by Consortium of Patanjali with a vote share of 96.95%, e-voting of which concluded on 30<sup>th</sup> April, 2019.

The NCLT has approved the Resolution Plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas (collectively referred to as the "Resolution Applicant") (PAL Resolution Plan) vide orders dated 24<sup>th</sup> July, 2019 and 4<sup>th</sup> September, 2019. The PAL Resolution Plan, as approved by the NCLT, is binding on the Company and its employees, members, creditors, guarantors and other stakeholders involved, as per the provisions of the Insolvency and Bankruptcy Code. The NCLT has also approved constitution of Monitoring Committee and appointment of Mr. Shailendra Ajmera as Monitoring Agent until closing date to supervise implementation of the PAL Resolution plan.

- 3) The Hon'ble National Company Law Appellate Tribunal, New Delhi has extended the period of implementation of the Resolution Plan upto 23<sup>rd</sup> December, 2019 vide its Order dated 17<sup>th</sup> December, 2019 in I.A. No.4203 of 2019 in Company Appeal (AT) (Insolvency) No. 1068 of 2019 in the matter of DBS Bank Ltd. Singapore Vs. Mr. Shailendra Ajmera & Anr.
- 4) The Monitoring Agent decided 18<sup>th</sup> December, 2019 as the closing date (the "Closing Date") for the purpose of implementation of requisite corporate actions envisaged under the approved Resolution Plan.



5) Subsequent to approval of Resolution Plan by the NCLT, the following changes have been made in the Company.

**a) Reduction and Consolidation / extinguishment of Share Capital of the Company with effective from 17<sup>th</sup> December, 2019**

The existing issued, subscribed and paid-up equity share capital of the Ruchi Soya Industries Limited (RSIL) was reduced from ₹ 66,82,01,444 divided into 33,41,00,722 equity shares of ₹ 2/- each to ₹ 66,82,014 divided into 33,41,007 equity shares of ₹ 2/- each, accordingly the value of issued, subscribed and paid-up equity share capital of the Company was reduced by ₹ 66,15,19,430 divided into 33,07,59,715 equity shares of ₹ 2/- each.

The reduction of existing issued, subscribed and paid-up equity share capital of the Company shall be effected by:

- a) reducing the face value of equity share from ₹ 2/- each to 2 paisa each, thereby reducing the face value of equity shares by ₹ 1.98 per equity share.
- b) Immediately after reduction, consolidating 100 equity shares of 2 paisa each into 1 equity share of ₹ 2/- each to be carried out proportionately among the existing members of the Company.

The Equity Share Capital of the Company held by the shareholders as on November 16, 2019, being record date for the purpose of reduction, has been reduced on 17<sup>th</sup> December, 2019 and thereafter the reduced 33,41,00,722 Equity Shares of ₹ 0.02 each were consolidated into 33,41,007 Equity Shares of ₹ 2/- each on 17<sup>th</sup> December, 2019.

The existing issued, subscribed and paid up 2,00,000 Cumulative Redeemable Preference Shares of ₹ 100 each stand fully cancelled and extinguished on December 17, 2019.

**b) Amalgamation of Patanjali Consortium Adhigrahan Private Limited with and into the Company with effective from 18<sup>th</sup> December, 2019**

Patanjali Consortium Adhigrahan Private Limited has been amalgamated with and into the

Company with effect from 18<sup>th</sup> December, 2019 and pursuant to the said amalgamation, the

Company has issued and allotted the securities as per the details mentioned below:

- a) 14,25,00,000 equity shares of ₹ 2/- each fully paid up to Patanjali Ayurved Limited, being the equity shareholder of Patanjali Consortium Adhigrahan Private Limited;

b) 6,00,00,000 equity shares of ₹ 2/- each fully paid up to Divya Yog Mandir Trust (acting through its business undertaking Divya Pharmacy), being the equity shareholder of Patanjali Consortium Adhigrahan Private Limited;

c) 5,00,00,000 equity shares of ₹ 2/- each fully paid up to Patanjali Parivahan Private Limited, being the equity shareholder of Patanjali Consortium Adhigrahan Private Limited;

d) 4,00,00,000 equity shares of ₹ 2/- each fully paid up to Patanjali Gramudyog Nyas, being the equity shareholder of Patanjali Consortium Adhigrahan Private Limited;

e) 4,50,00,000 0.0001% Cumulative Non-Convertible Redeemable Preference shares of ₹ 100/- each fully paid up to Patanjali Ayurved Limited, being the preference shareholder of Patanjali Consortium Adhigrahan Private Limited;

f) 4,500 9% Unsecured Cumulative Non-Convertible Debentures of face value of ₹ 10,00,000/- each to Patanjali Ayurved Limited, being the debenture holder of Patanjali Consortium Adhigrahan Private Limited.

Pursuant to the said amalgamation, the authorized share capital of the Company stands increased to ₹ 953,05,00,000 divided into 211,20,50,000 equity shares of ₹ 2 each and 5,30,64,000 preference shares of ₹ 100 each.

**c) Reconstitution of the Board of Directors of the Company with effect from 18<sup>th</sup> December, 2019 and its Committees with effect from 19<sup>th</sup> December, 2019.**

- 1) Appointment of Shri Acharya Balkrishna as Chairman and Managing Director of the Company for a period of 3 years.
- 2) Appointment of Shri Swami Ram Dev as Non-Executive Non-Independent director of the Company on a rotational basis.
- 3) Appointment of Shri Ram Bharat as Whole Time Director of the Company for a period of 3 years on a rotational basis.
- 4) Appointment of Shri Rajat Sharma as Independent Director of the Company for a period of 3 years.
- 5) Appointment of Shri Girish Ahuja as Independent Director of the Company for a period of 3 years.

- 6) Appointment of Ms. Bhavna Shah as Independent Director of the Company for a period of 3 years.
- 7) Shri Vijay Kumar Jain, currently executive director has vacated the office of Board of Directors of the Company.

Accordingly, the newly constituted Board and Board Committees are as under:

#### Board of Directors

- (i) Shri Acharya Balkrishna: Chairman and Managing Director
- (ii) Shri Swami Ram Dev: Non-executive Non-Independent Director
- (iii) Shri Ram Bharat: Whole Time Director
- (iv) Shri Rajat Sharma: Independent Director
- (v) Shri Girish Ahuja: Independent Director
- (vi) Ms. Bhavna Shah: Independent Director

#### Audit Committee

- (i) Shri Girish Ahuja: Chairman
- (ii) Shri Ram Bharat: Member
- (iii) Ms. Bhavna Shah: Member

#### Nomination and Remuneration Committee

- (i) Shri Rajat Sharma: Chairman
- (ii) Shri Swami Ramdev: Member
- (iii) Ms. Bhavna Shah: Member

#### Corporate Social Responsibility Committee

- (i) Shri Acharya Balkrishna: Chairman
- (ii) Shri Swami Ramdev: Member
- (iii) Shri Rajat Sharma: Member

#### Stakeholders' Relationship Committee

- (i) Shri Rajat Sharma: Chairman
- (ii) Shri Acharya Balkrishna: Member
- (iii) Ms. Bhavna Shah: Member

#### Risk Management Committee

- (i) Shri Acharya Balkrishna: Chairman
- (ii) Shri Ram Bharat: Member
- (iii) Shri Anil Singhal, Chief Financial Officer

#### d) Revocation of powers of existing promoters group with effective from 18<sup>th</sup> December, 2019

All powers of management and operation of the Company granted to the erstwhile promoters/promoter group *inter-alia* including the following persons

- (i) Mr. Dinesh Sahara,
- (ii) Mr. Kailash Shahra;
- (iii) Ms. Savitri Devi Shahra;
- (iv) Ms. Bhavna Goel;
- (v) Ms. Mamta Khandelwal;
- (vi) Mr. Umesh Shahra;
- (vii) Mr. Dinesh Khandelwal;
- (viii) Mr. Suresh Chandra, Santosh Kumar Shahra and/or their nominees shall stand withdrawn, revoked, terminated and rescinded.

#### e) Reclassification of Promoters with effect from 18<sup>th</sup> December, 2019

In terms of the Resolution Plan, the Company has made an application to Stock Exchanges for reclassification of its existing promoters/promoter group as 'public shareholders' and classification of Successful Resolution Applicant as 'promoter' under Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Approvals from respective Stock Exchanges are pending.

#### 6) The Company at its Extra-ordinary General Meeting held on 20<sup>th</sup> February, 2020 passed following Special Resolutions:

- i) Approval of Borrowing Limits of the Company pursuant to the provisions of Section 180 (1)(c) of the Companies Act, 2013.
- ii) Approval of creation of security and execution of security documents pursuant to the provisions of Section 180 (1)(a) of the Companies Act, 2013
- iii) Approval for conversion of loan into equity
- iv) Approval for issue of equity shares on preferential basis

**CS Prashant Diwan**

Practicing Company Secretary

FCS: 1403 CP: 1979

PR: 530/2017

Place: Mumbai

Date: August 19, 2020

UDIN: F001403B000595777

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

## Annexure “A”

To  
The Members

**Ruchi Soya Industries Limited**

Ruchi House, Royal Palms, Survey No. 169

Aarey Milk Colony, Near Mayur Nagar

Goregaon (East), Mumbai – 400 065

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate, Specific and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I have not carried out the physical verification of any records due to prevailing conditions of COVID 2019 in the country. I have relied on the records as made available by the Company through digital mode as well as I have also relied on the Management representation made by the Company.

Place: Mumbai  
Date: August 19, 2020

**CS Prashant Diwan**  
Practicing Company Secretary  
FCS: 1403 CP: 1979  
PR: 530/2017  
UDIN: F001403B000595777

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

(Pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014)

**1. Brief outline of the Company's CSR policy and a web-link to the CSR policy on Company's website:**

Corporate Social Responsibility (CSR) forms an important part of the Company's overall philosophy of giving back to the society. The Company is committed to bring about positive changes in the society it operates.

The Company has formulated a robust CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare and sustainable development of the Society. The CSR Policy of the Company can be accessed from the weblink [http://www.ruchisoya.com/2019/RSIL\\_CSR\\_Policy.pdf](http://www.ruchisoya.com/2019/RSIL_CSR_Policy.pdf)

**2. Composition of the CSR Committee:**

The Corporate Social Responsibility Committee is in compliance with the provisions of section 135 of the Companies Act, 2013 and rules made thereunder, as amended from time to time.

The composition of the Corporate Social Responsibility Committee as on year ended March 31, 2020 is as follows:

Name of the Member	Designation	Category
Shri Acharya Balkrishna	Chairman	Promoter, Executive
Shri Swami Ram Dev	Member	Promoter, Non-Executive Non Independent
Shri Rajat Sharma	Member	Independent Non-Executive

**Note:**

- Shri Rajat Sharma has resigned from the office of independent director with effect from July 2, 2020 and consequently ceased to be the member of the Corporate Social Responsibility Committee.
- Dr. Girish Kumar Ahuja appointed as member of the Corporate Social Responsibility Committee with effect from August 13, 2020.

**3. Average net profit of the Company for last three financial years:**

The Company did not have average net profit during the three immediately preceding financial years as calculated under Section 135 read with Section 198 of the Companies Act, 2013.

**4. Prescribed CSR Expenditure (Two percent of the amount as per item 3 above): Not applicable****5. Details of CSR spent during the financial year ended March 31, 2020:**

- Total amount to be spent for the financial year: Nil
- Amount unspent, if any: Not Applicable
- Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs: (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on Projects or programs (2) Overheads: Direct Overhead	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing Agency
Not Applicable							

6. **In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount:** Not Applicable
7. **Responsibility Statement by CSR Committee:** The implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors of  
**Ruchi Soya Industries Limited**

**Acharya Balkrishna**

Chairman

Chairman – CSR Committee

DIN: 01778007

Place: Haridwar

Date: November 10, 2020

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

[As per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

Your Company operates in a safe and environmentally responsible manner for the long-term benefit of all stakeholders. The Company works towards minimizing the impact of its operations on the environment and is committed to take effective measures to conserve energy, promote the use of renewable energy and drive energy efficiency in its operations. During the year under review, several steps were taken for conservation of energy, some of which are listed below:

### (A) CONSERVATION OF ENERGY:

#### (I) Steps taken or impact on conservation of energy:

##### Steam Energy Saving:

- Regular monitoring of steam trap to save heat/ steam energy.
- Insulation on valves, bend, flanges to avoid heat loss & steam energy saving.
- Condensate recovery system to utilize to save heat/ steam energy.
- Reduction of open steam in process hence to reduce steam energy at refinery.
- Conversion of diesel fuel based boiler to husk based boiler to reduce operational cost.
- Installation of Plate heat exchanger to utilize heat of final crude oil or refined oil to save steam energy.
- To increase turbine utilization vacuum system designed on low pressure & preventing venting of steam.

#### (II) Steps taken by the Company for utilizing alternate sources of energy:

##### Electrical Energy saving:

- Old & inefficient gear boxes worm reduction replaced by helical type for power saving. Variable frequency drive installed to reduce excess power consumption by motors.
- Halogen lighting replaced by LED to save electrical energy.
- Higher capacity pumps & motors replaced by efficient pumps & motors after conducting audit.
- By automation on cooling tower fan with temperature of water we reduce power consumption

#### Other Areas

- To reduce effluent water load we installed nozzle centrifuge at palm oil plant to recover oil from effluent water.
- Utilization of agro fuel with coal to reduce operation cost or steam cost.
- Installation of Reject recycle RO plant to reduce wastage of water. Utilization of RO reject water/ blow down water directly in cooling tower of refinery to reduce water consumption in process.
- Continued the physical refining process of oil to reduce chemical consumption.

#### (III) Capital investment on energy conservation equipments: Nil

### (B) TECHNOLOGY ABSORPTION:

#### (I) Efforts made towards technology absorption:

In order to maintain its leadership position, your Company is continuously focusing on upgrading its product and manufacturing technology as well as acquiring new and advanced technology to meet the emerging expectations of the customers. The R&D department is actively involved in the development and implementation of advanced utility generation system to make manufacturing process efficient and has procured Indigenous Technology of Co-generation (STG set- Steam Turbine & Generator set). An expert consultant has been hired for installation of Co-generation unit (Steam Operated Turbine-Electricity Generation Unit). The activities are in full consonance with the Company's objective of utilizing the most advanced energy efficient solutions at minimum cost.

#### (II) Benefits derived like product improvement, cost reduction, product development or import substitution:

Introduction of new technologies has helped the Company to achieve more efficient operations, manufacture high quality and safe products, reduce energy cost and better energy utilization. By adoption of latest advanced technologies, the Company intends to capitalize and bookshelf the developed technology for incorporation into the quality products at competitive price for making them more attractive to the end customers. The Company is also taking measures to mitigate all future risks related to technology by taking appropriate emerging technology, green initiatives etc. to meet and exceed all future emissions.

**(III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

The Company was under the corporate insolvency resolution process since 15<sup>th</sup> December, 2017 and it has not imported any technology in last three years reckoned from the beginning of the financial year, hence nothing to report under this section.

**(IV) Expenditure incurred on Research and Development:**

Expenditure incurred on research and development are charged under primary heads of accounts and not allocated separately.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The foreign exchange earned in terms of actual inflows during the year ended March 31, 2020 was ₹ 24,136.84 Lakh (Previous year ₹ 46,372.64 Lakh) and the foreign exchange outgo during the year ended March 31, 2020 in terms of actual outflows was ₹ 3,20,544.81 Lakh (previous year ₹ 2,79,983.11 Lakh).

For and on behalf of the Board of Directors of  
**Ruchi Soya Industries Limited**

**Aacharya Balkrishna**

Chairman

DIN: 01778007

Place: Haridwar

Date: November 10, 2020

# Management Discussion and Analysis Report

## A. INDUSTRY STRUCTURE AND DEVELOPMENT

The fast moving consumer goods (FMCG) is the fourth largest sector in the Indian economy. There are three main segments in the sector – food and beverages, which accounts for 19 per cent of the sector; healthcare, which accounts for 31 per cent of the share; and household and personal care, which accounts for the remaining 50 per cent share. FMCG market is expected to grow by 5-6 per cent in 2020. FMCG's urban segment grew by 8 per cent, whereas, its rural segment grew by 5 per cent in the quarter ending September 2019, supported by moderate inflation, increase in private consumption and rural income.

As per the industry sources, even though India's FMCG growth is pegged at 5-6% p.a (6.31% in FY19) the country is expected to be consuming around 34 Million tonnes of edible oil by 2025, with a projected vegetable oil imports bill of US\$25 Billion. The rising income level and improvement in living standards has led to steady increase in demand for edible oils, from less than 6 kgs per capita in 1992-93 to about 13.3 kgs in 2009-10 kgs per capita to approx. 17 kgs per capita now. The growth in edible oil consumption presents an opportunity to build around a sustainable business model to capitalise the growing business prospects.

Your Company's primary business is food processing - processing of oilseeds, refining of crude edible oil for use as cooking oil, manufacturing of soya products and other consumer products. Your Company is a major player in the Oil Palm Plantation sector in India. The Company produces oil meal, food products from soya and value added products from downstream and upstream businesses with significant presence in the export market. The Company has an integrated value chain in palm and soya segments having a farm to fork business model. Considering the growing population and the food habits across India, edible oils form an essential part of the modern diet. The total consumption of edible oil in India is estimated to be around 23 million metric ton out of which domestic supply is approx. 8 million metric ton due to stagnant production of edible oil seeds, leaving demand-supply gap of 15 million metric ton to be bridged by imports.

## B. OPPORTUNITIES AND THREATS

### Opportunities:

The FMCG market is expected to grow by 5-6 per cent in 2020. FMCG's urban segment grew by 8 per cent, whereas, its rural segment grew by 5 per cent in the quarter ending September 2019, supported by moderate inflation, increase in private consumption and rural income. Indian online grocery market is estimated to exceed sales of about ₹ 22,500 crore (US\$ 3.19 billion) in 2020, a significant jump of 76 per cent over the previous year. Growing awareness, easier access, and changing lifestyle are the key growth drivers for the consumer market. The focus on agriculture, MSMEs, education, healthcare, infrastructure and tax rebate under Union Budget 2019-20 was expected to directly impact the FMCG sector. Initiatives undertaken to increase the disposable income in the hands of common man, especially from rural areas, will be beneficial for the sector. (source <https://www.ibef.org/archives/industry/fmcg-reports/indian-fmcg-industry-analysis-september-2020>)

**Increasing presence on e-commerce platform:** It is estimated that 40% of all FMCG purchases in India will be online by 2020, thereby making it a US\$ 5-6 billion business opportunity. Owing to their innate desires to live independently and well, Indians are spending like never before on platforms like e-commerce. They are now looking for products and services that can be bought with convenience.

Your Company has presence on various e-commerce platforms and it contemplates to increase its share of online sales and make its brands available across various e-commerce channels. Your Company is constant in its efforts towards customised servicing and engagement programmes for various e-commerce channels and given the estimated growth rates in e-commerce segment. Your Company continues to roll out its business models and market specific interventions to enhance its footprint in these markets. During the year, your Company has consolidated its market standing in the online segment and it continues to make inroads in increasing its online presence through tie-ups with e-commerce platforms. Your Company shall continue to strengthen its position in this emerging space through collaborative planning,



constant endeavour to drive customisation as required by the online shoppers and through higher discoverability of its offers across various platforms. Your Company will adapt, innovate and collaborate with established and emerging e-commerce players to stay ahead in further evolution of this channel and increase share of online sales and make its brands available across various e-commerce channels thereby appealing to consumers' need for convenience.

**Thrust on Rural segment:** Rise in rural consumption will drive the FMCG market and it contributes around 36% to the overall FMCG spending. The rural FMCG market in India is expected to grow to US\$ 220 billion by 2025. Keeping in mind the growth in the rural FMCG market, your Company plans to leverage rural demand by increasing the reach and penetration of its products in the both premium as well as popular product portfolios. Your Company expects to increase its spend on distribution outreach, consumer promotions and products in rural India in the coming fiscal years.

**Focus on palm plantation:** The domestic consumption of edible oils in India has been outstripping the production and the gap between the two is quite significant which is being met by imports. Your Company encourages sustainable farming practices in the palm cultivation by use of drip irrigation techniques to 'achieve per drop more drop'. As per your Company's analysis, 4 million tonnes of traditional oils is being produced in the country by using approx. 15.80 million hectares of land. This much volume of palm oil could be produced by cultivating just 10 Lakh hectares of land. To encash the growing opportunity in the palm plantation sector, your Company has already put 53,474 hectares of palm plantations under cultivation out of its total allocation of 2,55,207 hectares of land for cultivation of palm plantation in different states in India.

**Opportunity for efficient procurement:** Ruchi Soya's pre-eminent position as one of India's leading corporates is based on strong and enduring relationship with farmers that support rural livelihoods. Your Company is aligning its procurement strategies keeping in mind the latest reforms in the farm sector in India to ensure that the businesses have easy access to raw materials and build a competitive supply chain network. Your Company's endeavor is to foster a long-term, fair and transparent relationships with farmers that will help us reduce intermediaries and procure efficiently.

Your Company's palm plantation, soya and mustard business touches the lives of approx. 5-7 Lakh farmers. The farmer count is expected to double with additional area under palm cultivation in a span of next 5 years. In the palm business, your Company has signed offtake arrangements for procurement of palm fruits with more than 10,000 farmers for which payments are made electronically to the farmer's bank account. In the palm business, your Company closely works with farmers and provides assistance to farmers to achieve better productivity and income growth with added surety of offtake arrangements. Your Company believes that its pro farmer initiatives are in line with the country's vision to double farmers' income and shall take proactive steps to tie up with Farmer Producer Companies (FPCs) in the near future for its procurement keeping in mind the recent reforms in the farm sector. Keeping in mind the above, your Company is well poised to take advantage and make its procurement more efficient .

**Significant Opportunities in export of value added products:** The export demand for Indian Non Genetically Modified (GMO) soya products is increasing. Your Company is one of the highest exporters of soymeal, derived value added products and exports its products to major countries in Asia, Europe and Africa and across the globe. With extensive on-factory packing and stuffing facilities, we ship material for export directly from the factory. This negates any chance of contamination at ports or other trans-loading areas. These high-speed facilities also help us to reduce the shipment time. All our products are available round the year, due to our excellent warehousing facilities. Your Company is well poised to take advantage of the opportunity of exports of Non GMO products such as oilmeals and value added soya products such as Lecithin, Soya Flakes, Soya Flour, Soya Grits, Soya TVP etc.

**Threats:** According to market sources, our per capita consumption of edible oil is 17 kg per annum which is quite low in comparison to world average of 24 kg. Thus, there is strong potential to catch up with the global average considering the overall economic growth and improvement in per capita disposable income for food.

The consistent rise in import of edible oil to bridge the demand-supply gap impacts the trade imbalance and results in significant outflow of foreign exchange. There is strong need to improve the production and productivity of domestic oil seed sector and promote domestic supply of edible oil to address the growing demand-supply gap imbalance.

The edible oil and oil seeds scenario in India has undergone a sea change. As per Industry estimates, import of edible oils by India for domestic consumption has experienced a massive jump of 45% in the last five years. In fact, since 1993 when oil imports were at 3% of domestic requirement, India's dependence on countries such as Malaysia, Indonesia, USA and Argentina has skyrocketed to 70% of our requirement. The primary reasons for the increase are insufficient domestic oil seed supply commensurate to the consumption of edible oil growth, low productivity per hectare, higher Minimum Support Price (MSP) offered by the Government to food grains than edible oil seeds resulting in preference of farmers towards sowing of food grains over edible oil seeds, higher net income of competing crops due to better end product realisations, large number of farmers having fragmented holding of farm land, low deployment of technology and productivity oriented measures due to lack of resources, etc. Also, the low duty on imported edible oils and higher quantum of import to meet the demand-supply gap of edible oils impact the profitability and viability of domestic growing of oil seed crop. It is, therefore, necessary to accord utmost importance to substantially augment the domestic supply to stem the unbridled import not on such basic item of mass consumption.

Other general threats to your Company's business are fluctuation in foreign exchange, volatility in commodity pricing, changes in government policies and duty structure and impact of monsoon.

### C. SEGMENT WISE / PRODUCT WISE PERFORMANCE

The identified segments and their performance during the financial year 2019-20 was as under:

Segment	Total Revenue (₹ in Lakh)	Profit before interest and taxes (₹ in Lakhs)
Seed Extractions	104,965.19	6,741.65
Vanaspati	69,366.51	597.32
Oils	1,062,911.65	20,070.13
Food Products	54,418.45	1,961.72
Wind Power Generation	4,332.64	3,785.17
Others	15,784.37	(1,416.85)

The products of seed extractions, vanaspati, oils and food segments are sold in the brands of Company, exported as well as caters to the institutional segment.

### D. INDUSTRY OUTLOOK

Indian consumers are adaptable to the products of your Company. For instance, your Company's products such as

edible oil is an essential commodity and forms part of daily dietary requirement. Further, Nutrela High Protein Atta and soya food meet the protein requirement of the consumers. Nutrela Honey has been launched recently to meet the nutrition requirements of the Indian consumers.

Your Company's products have been gaining wider acceptance with a growing number of consumers and it is proposed to focus on expansion in food products by way of launch of various products in the FMCG segment.

To cater to the growing need for protein in children and other consumer segments, the Company launched Nutrela High Protein Atta, which delivers 30 % more protein. The Company also launched Nutrela Gold Edible Oil – a blend of Physically Refined Rice Bran and Sunflower Oil with added vitamins which helps to lower the cholesterol levels. To cater to the growing demand and considering the emerging trends in the healthcare sector, the Company launched packaged Honey in its Nutrela brand. The Company stands to gain from strong brand association amongst consumers and growing trend.

The Indian economy is showing signs of strength backed by growing consumption. The pattern of consumption of edible oil is moving towards packed and /or branded form due to factors such as rising income level coupled with changes in household demographics, increasing health consciousness, growing organized retail etc. The edible oils and foods segment are poised to register double digit growth in the near future keeping in mind the above factors and increasing popularity and reach of the Company's various brands such as Nutrela, Ruchi Gold, Mahakosh, Sunrich etc. The Company shall continue to strategically invest to drive sustained leadership and competitive advantage in the edible oils, soya foods and consumer products segments. In addition to the recent brand launches in the High Protein Atta, Honey and Edible Oil category, the Company has plans to launch more brands in the foods categories in the premium, popular and mass segments and this shall result in creating value for all stakeholders in the near future.

#### (i) Consumption growth

As per the industry sources, India's consumption growth is pegged at 5% p.a and the country is expected to be consuming around 34 Million tonnes of edible oil by 2025, with a projected vegetable oil imports bill of US\$25 Billion. Growth in consumption presents an opportunity to build around a sustainable business model to participate in the import activity and domestic business to capitalise on the business prospects.

**(ii) Improvement in domestic production of Mustard seed**

India produces about 37 million tonnes of Oilseeds, of which 7 million tonnes are Mustard oilseeds. Industry associations have proposed Mustard oilseeds production target of 15 million tonnes by 2025, thereby doubling the income of farmers to accomplish vision of Honorable Prime Minister of India in the next five years.

**(iii) Domestic Palm Oil production**

As per the Indian agriculture ministry, India has the potential for oil palm plantations in nearly two million hectares of land. Accordingly, India is trying to promote the domestic production of Palm Oil under the Oil Palm Development Programme and National Mission on Oilseeds and Oil Palm (NMOOP) in 13 states. The Government of India has provided various incentives to promote Oil Palm production in India.

**(iv) Significant Decrease of Export of Oilmeals**

According to industry sources, there has been a significant reduction in export of oilmeal for the year 2019-20, down by 27% in volume terms compared to 2018-19.

**(v) Government's support in the growth of the oil and oil seed sector**

- 1) As per industry estimates, import of Palm products constituting 59 % of the overall imports and the same are subject to value-based Tariff.
- 2) Government of India has recently restricted import of refined palm oil. This shall give boost to the domestic refiners, as only crude palm oil will be imported which will benefit manufacturers leading to improvement in capacity utilization and profitability. The industry hopes that the Government would continue to support domestic refiners to facilitate the domestic industry to grow and support Government initiatives of "domestic value addition" and "Make in India".
- 3) The Food Safety and Standards Authority of India ("FSSAI") has notified the Food and Drug Administration ("FDA") departments in each state to ensure that all eateries using more than 50 liters of oil per day comply with the rule of prohibiting them from using the same batch of cooking oil for more than three times from March 1, 2019. This rule has been brought into effect as per Section 16(5) of the Food Safety and Standards Act, 2006.
- 4) During the year under review, the procurement price of Fresh Fruit Bunches of Oil Palm fruits have been

revised from time to time in line with international prices. Further, the Government of India has hiked the Minimum Support Price (MSP) of oil seeds.

- 5) The government is seriously concerned about stagnant oilseeds production and the rising import of edible oils to the tune of 15 million tonnes per annum, costing the exchequer over ₹ 75,000 crore. To increase production of oilseeds from the current 30 million tonnes to over 47 million tonnes by 2024-25, the government plans to launch the national mission on edible oil programme in the year 2020-21.

- 6) The government is contemplating a complete ban on the sale of loose edible oil after concerns were raised about its authenticity and the possible impact on health as well. Also, re-use of packed materials like tins and plastic containers is also being prohibited. This gives an opportunity for packaged and branded players to boost their sales. Marketing strategy of all staple foods including edible oils would see a drastic change with lot of consumers shifting from unbranded to branded products and loose to packaged products for safety and security of their health. Consumer behavior is set to change.

It is essential that the Government proactively continues to consider and support the recommendations of the industry from time to time, in the larger context and benefit of the farmers, industry, consumer and regional development. The positive response will encourage the industry to make productive suggestions which support the initiatives and well-intended schemes of the Government. This will also address the structural changes required in the long term sustainability of the oil and oil seed industry, while balancing the equitable interests of various stake holders such as farmers, consumers, industry and the Government.

**E. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.**

The internal control system include documented policies, checks and balances, guidelines and procedures that are supplemented by robust internal audit processes and monitored continuously by periodical reviews by the management to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly. Post-acquisition of the Company, the Board has been reconstituted and the Management is in the process of further strengthening the internal controls framework with an objective to have a more effective and robust internal control framework commensurate with the size and nature of business.

## F. INFORMATION TECHNOLOGY

In the context of the IT environment of your Company, the Company has merged Network Operations Center (“NOC”) and Data Center (“DC”) at a single location resulting in almost zero downtime between locations and DC. This has enabled minimizing connectivity loss between DC and locations as the Company is using SAP in its plants, depots, regional offices and head office. The company has also taken steps to reduce cost on licenses by shifting to Ubuntu open operating system to the extent possible without compromising the information security aspects.

Your Company has provided IP based Telecommunication solution instead of EPABX solution. During COVID-19 pandemic and lockdown, we have deployed RDP and VPN connections for users to enable work from home and ensured business continuity. Airtel Tracemate solution has been implemented for tracking and daily report collection of the sales team to increase the sales of consumer products. Business intelligence is revamped in SAP as per new business requirement. The customer payment collection is automated with support of State Bank of India, which provides a virtual customer ID to each customer resulting in the payments being immediately reflected in SAP. Centralized firewall manager has been implemented to manage the firewalls centrally for smooth functioning and enhanced security. In the beginning of 2020, we had shifted our regional offices and made major changes in Network Infrastructure as well as provided support for audio conferencing and CRM across offices to enable smooth and easy connectivity.

## G. HUMAR RESOURCES

Your Company appreciates the contribution of its people and recognizes them as a key asset for the business performance. The Company had 2,592 employees at the end of the financial year 2019-20. With finalization of the Annual Operating plan of the Company, individual annual goal setting exercise for all management staff was completed in line with Balanced Score Card approach. The Company signed wage settlement agreement for Patalganga plant in the first week of July 2020. Your Company launched HR Konnect – an app for online attendance and leave management system. The company has taken various initiatives for productivity enhancement of its employees and ensure operational synergies keeping in mind the size and scale of the business. During COVID-19 and lockdown, your Company made necessary arrangements on an ongoing basis to keep its operations running to the extent possible. The operations of the Company were categorized as “Emergency services” keeping in mind the essential products that the Company

manufactures. Your Company obtained, all necessary permissions from concerned Government authorities in various states and adopted all Government recommended safety precautions vis-a-vis employees who were ensuring continued operations. Employee education exercise on Covid-19 precautions were periodically undertaken across locations to ensure implementation of all safety norms.

## H. RISK AND CONCERNS

As per the Order of Hon’ble National Company Law Tribunal (“NCLT”), Mumbai Bench, the Company was under CIRP with effect from December 15, 2017 till the date of approval of the Resolution Plan by the Hon’ble NCLT on July 24, 2019 and September 4, 2019. Post-acquisition of the Company, the new management of the Company is gaining confidence of the various stakeholders viz. vendors, suppliers, lenders and customers etc.

### Price Volatility

Your Company is exposed to commodity price fluctuations in its business. All major raw materials as well as finished goods being agro-based are subject to market price variations. Prices of these commodities continue to be linked to both domestic and international prices, which in turn are dependent on various Macro/ Micro factors. Also, commodities are increasingly becoming asset classes. Prices of the raw materials and finished products manufactured by your Company fluctuate widely due to a host of local and international factors. Post acquisition, your Company has been given necessary go ahead by SEBI for hedging activities which was under review during the CIRP period by SEBI vide its various orders. Your Company continues to place a strong emphasis on the risk management and has successfully introduced and adopted various measures for hedging the price fluctuations in order to minimize its impact on profitability.

### Government Policies

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

### Freight & Port Infrastructure

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

### Weather Conditions & Monsoon

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

### Volatility in Foreign Currencies

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

- (i) Products imported for sale in domestic markets; and
- (ii) Products exported to other territories

Your Company utilises the hedging instruments available in the markets on an ongoing basis and manages the

currency exposures as and when required subject to the availability of facilities granted by banks to the Company.

### Fuel Prices

Fuel prices continue to be an area of concern as fuel, particularly coal is widely used in manufacturing operations and has a direct impact on total costs. Your Company has taken productivity linked measures aimed at controlling costs.

### Domestic Economy

Your Company is well geared with multi-processing capabilities to cater to the changing consumer preferences. Also, keeping in view the overall growth of the economy, emerging health consciousness and growing retail industry in India, it is expected that the packaged edible oil consumption will continue to grow.

## I. FINANCIAL REVIEW AND ANALYSIS

(₹ in Lakhs)

Particulars	Financial Year	
	2019-20	2018-19
Total Income (including other income)	13,17,536.56	12,82,925.56
Less: Total Expenses other than Finance Cost and Depreciation	12,71,689.34	12,60,730.04
Profit/(Loss) before Depreciation, Finance Cost and Tax	45,847.22	22,195.52
Less: Finance Cost	11,231.48	699.07
Less: Depreciation and Amortisation Expenses	13,577.36	13,824.44
Profit for the year before Exceptional Items and Tax	21,038.38	7,672.01
Add: Exceptional Items	7,44,763.89	0.00
Profit for the year before Tax	7,65,802.27	7,672.01
Total Tax Expenses	(1,400.00)	0.00
Net Profit for the year after Tax	7,67,202.27	7,672.01
Less : Items that will not be reclassified to statement of profit or loss	(644.50)	(632.57)
Total comprehensive income for the year	7,66,557.77	7,039.44

## J. DETAILS OF SIGNIFICANT CHANGES IN THE KEY FINANCIAL RATIOS AND RETURN ON NET WORTH

Pursuant to the amendment made in Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company (on standalone basis) including explanations thereof are given below:

Sr. No.	Key Financial Ratios	Financial Years		% of change in Key Financial Ratios	Explanation
		2019-20	2018-19		
1	Debtors Turnover	47.88	48.54	(1.36)	Not applicable
2	Inventory Turnover	9.68	10.10	(4.16)	Not applicable
3	Interest Service Coverage	3.43	13.89	(75.31)	As the Company was under Corporate Insolvency Resolution Process during the financial year ended March 31, 2019, lenders were not charging interest. The Company was acquired by a consortium led by Patanjali Ayurved Limited in December 2019 which was also financed by term loans and working capital facilities for which banks have charged interest during the financial year ended March 31, 2020. Therefore, this ratio was very high in FY 2018-19 as compared to FY 2019-2020.

Sr. No.	Key Financial Ratios	Financial Years		% of change in Key Financial Ratios	Explanation
		2019-20	2018-19		
4	Debt Service Coverage	4.91	0.38	1192.11	Due to improved profitability on account of higher sales realisations, increased branded sales and cost rationalisation during the financial year ended March 31, 2020 and term loan installments to be commenced from December 2020, ratio has improved for financial year ended March 31, 2020.
5	Gearing Ratio	1.76	(2.07)	(185.02)	The decline is on account of reduction in term and current liabilities in financial year ended March 31, 2020 due to settlement of liabilities under CIRP and positive net worth due to equity infusion by consortium led by Patanjali Ayurved Limited.
6	Current Ratio	2.13	0.20	965.00	The ratio improved due to reduction in current liabilities in the financial year ended March 31, 2020 due to settlement of dues under CIRP.
7	Debt Equity Ratio	1.04	(0.10)	(1140.00)	The ratio improved due to reduction in term liabilities in the financial year ended March 31, 2020 due to settlement of the same under CIRP and positive net worth due to equity infusion by consortium led by Patanjali Ayurved Limited.
8	Operating Profit Margin	2.33%	0.14%	1564.29	The ratio improved due to increased profitability on account of higher sales realisations, increased branded sales and cost rationalisation during the financial year ended March 31, 2020.
9	Net Profit Margin	1.71%	0.60%	185.00	The ratio improved due to increased profitability on account of higher sales realisations, increased branded sales and cost rationalisation during the financial year ended March 31, 2020.
10	Return on Net Worth	5.88%	(1.71%)	(443.86)	The ratio improved due to increased profitability on account of higher sales realisations, increased branded sales and cost rationalisation during the financial year ended March 31, 2020. Net worth is positive due to equity infusion by consortium led by Patanjali Ayurved Limited.

### CAUTIONARY STATEMENT

Certain statements in the 'Management Discussion and Analysis' section may be forward-looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which would be different from what the Directors envisage in terms of the future performance and outlook. Investors are cautioned that this discussion contains forward looking statement that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, dependence on certain businesses, dependence on availability of qualified and trained manpower and other factors discussed. The discussion and analysis should be read in conjunction with the Company's financial statements and notes on accounts.

# Corporate Governance Report

Pursuant to Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”), the Company’s Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2020 is set out below:

## CORPORATE INSOLVENCY RESOLUTION PROCESS:

The Company was undergoing the corporate insolvency resolution process (“CIRP”) with effect from December 15, 2017 under the provisions of the Insolvency and Bankruptcy Code, 2016 (“IBC”). During the said process, the powers of the board of directors of the Company were suspended and were being exercised by the Resolution Professional (“RP”) duly appointed by the Adjudicating Authority which in this case is Hon’ble National Company Law Tribunal, Mumbai (“NCLT”). The Company continued to operate as a going concern and while the RP managed the affairs of the Company from the initiation of CIRP proceeding till the approval of Resolution Plan.

The Resolution Plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas was approved by the committee of creditors (“CoC”) of the Company. The RP submitted the CoC approved Resolution Plan to the Hon’ble NCLT for its approval and the NCLT vide its order dated July 24, 2019 read with order dated September 04, 2019 approved the Resolution Plan, submitted by the resolution applicants under Section 31 of the IBC.

As per the approved Resolution Plan, a Monitoring Committee was constituted for the implementation of the Resolution Plan and all the decisions which could otherwise have been taken by the Company’s board of directors, were taken by the Monitoring Committee and Shri Shailendra Ajmera (IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568), who acted as Resolution Professional during CIRP of the Company, was appointed to act as the Monitoring Agent. As a part of the implementation of the Resolution Plan, the erstwhile board of directors of the Company were replaced by the new board of directors with effect from December 18, 2019 and took control over the management of the Company.

## COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate Governance is based on the principles of integrity, transparency, accountability and commitment

to values. Company’s views are not only to comply with the statutory requirements in letter and spirit, but also to aim at implementing the best practices, keeping in view the overall interest of all its stakeholders. Your Company takes Corporate Governance as a critical tool to enhance trust of its Customers, Employees, Investors, Government and the Community at large and achieve its goal of maximizing value for its stakeholders. The Company has adopted a Code of Conduct for Board Members and Senior Management.

Ethical dealings, transparency, Integrity, fairness, disclosure and accountability are the main thrust of the working of the Company.

The Company further believes that the concept of corporate governance is founded upon the core values of transparency, empowerment, accountability, independent monitoring and environmental consciousness. The Company has always given its best efforts to uphold and nurture these core values across all operational aspects.

The Company continuously follows the procedure of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability, trusteeship and checks at the different levels of the management of the Company.

## BOARD OF DIRECTORS:

### Composition, Category and size of the Board

The Board of the Company is broad-based and consists of eminent individuals. The Company is managed by the board of directors in co-ordination with the senior management team.

The Hon’ble NCLT, vide its order dated July 24, 2019 read with order dated September 4, 2019, approved the Resolution Plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas under Section 31 of the Insolvency and Bankruptcy Code, 2016 (“Resolution Plan”)

The Resolution Plan has been implemented with effect from December 18, 2019 and as a part of the implementation of the Resolution Plan, the erstwhile board of directors of the Company have ceased to be directors of the Company with effect from 18<sup>th</sup> December, 2019.

As on March 31, 2020, the Board of the Company comprises of six (6) Directors. The Board has an optimum combination of executive and non-executive Directors including one (1) woman independent director. Out of total Six (6) Directors,

two (2) are executive directors, one (1) is non-executive non-independent director and three (3) are independent directors. The composition of the board of directors of the Company is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Companies Act, 2013.

### Meetings of Board

During the year, Company's Board met five (5) times i.e. on December 19, 2019, January 17, 2020, January 31, 2020, February 14, 2020 and March 27, 2020. The Company has held a minimum of one board meeting in each quarter and maximum gap between two consecutive meetings did not exceed 120 days which is in compliance with the Listing Regulations and provisions of the Companies Act, 2013.

Agenda papers are sent electronically to the directors, well in advance, before the meetings. Draft minutes of the board and committee meetings are circulated to the directors of the Company for their comments and thereafter, noted by the board/committees at the next meeting.

The following table gives the composition and category of the directors on the Board as on March 31, 2020, their attendance at the board meetings during the year under review and at the last annual general meeting, as also the number of directorships and committee memberships/ chairmanships held by them in other Companies and names of the other Listed Companies where he/she is a director & the category of directorship:

Name of Director	Category	Attendance Particulars		Number of other Directorships and Committee Memberships/Chairmanships			Name of other Listed Companies & category of Directorship as on March 31, 2020
		Board Meeting	Last AGM	Other Directorship	Committee Memberships	Committee Chairmanships	
Shri Acharya Balkrishna, Chairman and Managing Director (w.e.f. December 18, 2019)	Promoter, Executive	5	N.A.	17	0	0	0
Shri Swami Ramdev, Director (w.e.f. December 18, 2019)	Promoter, Non-Executive	3	N.A.	1	0	0	0
Shri Ram Bharat, Whole-time Director (w.e.f. December 18, 2019)	Promoter, Executive	5	N.A.	17	0	0	0
Dr. Girish Kumar Ahuja (w.e.f. December 18, 2019)	Independent Non- Executive	5	N.A.	5	3	3	Amber Enterprises India Limited (Independent Non-Executive), Unitech Limited (Non-Executive, Nominee)
Shri Rajat Sharma (w.e.f. December 18, 2019)	Independent Non- Executive	3	N.A.	8	0	0	0
Smt. Bhavna Samir Shah (w.e.f. December 18, 2019)	Independent Non- Executive	5	N.A.	0	0	0	0

#### Notes:

- The Monitoring Committee, responsible for implementation of Resolution Plan, appointed Shri Acharya Balkrishna as chairman and managing director, Shri Ram Bharat as whole-time director, Shri Swami Ram Dev as non-executive non-independent director, Dr. Girish Kumar Ahuja, Shri Rajat Sharma and Smt. Bhavna Samir Shah as independent directors of the Company.
- Shri Rajat Sharma has resigned from the office of independent director with effect from July 2, 2020, due to his pre-occupation.
- Smt. Bhavna Samir Shah has resigned from the office of independent director with effect from July 13, 2020 due to her pre-occupation.
- Dr. Tejendra Mohan Bhasin and Smt. Gyan Sudha Misra appointed as additional directors in the category of non-executive independent director of the Company, for a term of three (3) consecutive years with effect from August 13, 2020 to August 12, 2023.
- Shri Acharya Balkrishna tendered his resignation from the office of managing director with effect from August 18, 2020 and agreed to continue as non-executive chairman of the Company.
- Shri Ram Bharat was appointed as managing director of the Company with effect from August 19, 2020 till December 17, 2022.
- Shri Dinesh Chandra Shabra has conveyed his desire not to seek re-appointment as director and vacated the office of director with effect from December 13, 2019.
- Shri Vijay Kumar Jain vacated the office of executive director with effect from December 18, 2019.
- Chairmanship/Membership of Committees only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies (whether listed or not) other than Ruchi Soya Industries Limited.
- Shri Ram Bharat is the brother of Shri Swami Ramdev, hence, both are related to each other. Except the aforesaid, no other director of the Company is related to any other directors on the Board.
- Video conferencing facilities are used by directors, present at different locations, to participate in board/ committee meetings.
- The Directorships, held by Directors as mentioned above, do not include directorship(s) in foreign companies and section 8 companies under the Companies Act, 2013.



All the directors have informed about their committee membership/chairmanship as mandated by Regulation 26(1) of the Listing Regulations and on the basis of that, none of the directors on the Board of the Company acts as a member of more than ten (10) committees or acts as a chairperson of more than five (5) committees (considering only Audit Committee and Stakeholders Relationship Committee) in which he/she is a director.

Shri Rajat Sharma and Smt. Bhavna Samir Shah have resigned from the office of independent director with effect from July 2, 2020 and July 13, 2020 respectively, due to their pre-occupation. Both the aforesaid independent directors provided the detailed reason of their resignation and a confirmation that there was no other material reason for their resignation other than the reason provided as above.

All the independent directors have submitted a declaration that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an independent judgment and without any external influence. Further, in compliance with sub-rule (1) of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, all the existing independent directors of the Company have applied online to the Indian Institute of Corporate Affairs ("IICA") for inclusion of their name in the data bank and they have received the registration certificate from IICA.

#### Shares held by non-executive director:

Sr. No.	Name of non-executive director	No. of equity shares held
1.	Mr. Dinesh Chandra Shabra (upto December 12, 2019)	21,113

*Note: Shri Dinesh Chandra Shabra has conveyed his desire not to seek re-appointment as director and vacated the office of director with effect from December 13, 2019.*

#### Familiarisation Program

As a part of the implementation of the Resolution Plan approved by the Hon'ble NCLT vide their order dated July 24, 2019 read with order dated September 4, 2019, the erstwhile board of directors of the Company were replaced by the new board of directors with effect from December 18, 2019 and took control over the management of the Company. During the course of Board Meeting(s) held during the financial year 2019-20 post re-constitution of new board of the Company, presentations were made on various matters, inter alia, covering the Company's business and operations, industry and regulatory updates, strategy, finance, risk management framework and other relevant matters as a part of familiarisation programmes.

Details of familiarisation programme imparted to Independent Directors is disclosed on the website of the Company and can be accessed through web link [http://ruchisoya.com/2020/Presentation\\_to\\_Directors\\_2019\\_20.pptx](http://ruchisoya.com/2020/Presentation_to_Directors_2019_20.pptx)

#### List of core skills/expertise/competencies identified by the board of directors as required in the context of Company's business(es) and sector(s) for it to function effectively and those actually available with the Board and the names of directors who have such skills/expertise/competencies are as follows:

The following is the list of core skills/expertise/competencies identified by the board of directors as required in the context of Company's business(es) and sector(s) and the names of directors who have such skills/expertise/competencies:

Sr. No.	Skills/Expertise/Competencies	Names of directors who have skills / expertise / competencies
1	Leadership and Management Strategy	Shri Swami Ramdev, Shri Acharya Balkrishna and Dr. Tejendra Mohan Bhasin
2	Strategic Planning	Shri Ram Bharat
3	Research & Development and Innovation	Shri Swami Ramdev and Shri Acharya Balkrishna
4	Expertise in marketing, logistics, import & exports, commercial including taxation, public relations and business development.	Shri Acharya Balkrishna, Shri Swami Ramdev and Shri Ram Bharat
5	Financial, Regulatory / Legal & Risk Management, Taxation	Dr. Girish Kumar Ahuja, Dr. Tejendra Mohan Bhasin and Smt. Gyan Sudha Misra

In the opinion of the Board, the independent directors who are proposed to be appointed at the Annual General Meeting, fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

#### Information given to the Board

The Board and its Committees have complete access to all relevant information. Such information is submitted either as a part of the agenda papers prior to the meetings or by way of presentations and discussion material during the meetings. Such information, *inter-alia*, includes the following:

- Annual operating plans, budgets and updates thereon;
- Capital budgets and updates thereon;
- Quarterly results of the Company and its operating divisions and business segments;
- Minutes of the meetings of Audit Committee and other committees of the board of directors;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;

- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal and serious accidents, dangerous occurrences, any material effluent and pollution problems;
- Material defaults in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Issues which involve possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions including any significant development in Human Resources/ Industrial Relations front;
- Sale of investments and assets which are material in nature and not in normal course of business; Quarterly details of foreign exchange exposures and steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Statement of significant transactions or arrangements made by unlisted subsidiary companies;
- Non-compliance of any regulatory, statutory or listing requirements and shareholder services such as non-payment of dividend, delay in share transfer, etc.;
- Compliance reports pertaining to applicable laws and steps taken to rectify instances of non-compliances, if any; and
- Quarterly Compliance Report on Corporate Governance.

### COMMITTEES OF THE BOARD:

As a part of the implementation of the Resolution Plan approved the Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated July 24, 2019 read with order dated September 4, 2019 under Section 31 of the Insolvency and Bankruptcy Code, 2016, the following Committees of the Board have been reconstituted with effect from December 19, 2019:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

### AUDIT COMMITTEE

The Audit Committee is in compliance with the provisions of section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations, as amended from time to time.

#### Constitution and composition:

The composition of the Audit Committee as on March 31, 2020 is as follows:

Name of the Member	Designation	Category
Dr. Girish Kumar Ahuja	Chairman	Independent Non-Executive
Shri Ram Bharat	Member	Promoter, Executive
Smt. Bhavna Samir Shah	Member	Independent Non-Executive

Note:

1. *Smt. Bhavna Samir Shah resigned from the office of independent director w.e.f. July 13, 2020 and consequently ceased to be the member of the Audit Committee.*
2. *Dr. Tejendra Mohan Bhasin appointed as independent director and member of the Audit Committee with effect from August 13, 2020.*

The Chairman of the Audit Committee has a strong financial and accounting background with immense experience. All the members of the Audit Committee are financially literate and having insight to interpret and understand financial statements. The Company Secretary acts as the Secretary to the Committee.

#### Meetings and attendance during the year under review:

During the financial year under review, the Audit Committee met four (4) times on January 17, 2020, January 31, 2020, February 14, 2020 and March 27, 2020 after reconstitution. The meetings were scheduled in advance. Dr. Girish Kumar Ahuja, Shri Ram Bharat and Smt. Bhavna Samir Shah attended all meetings held during the year ended March 31, 2020.

The Committee meetings were also regularly attended by Chief Financial Officer, Accounts and Finance Executives, Internal Auditor and Statutory Auditor of the Company.

The composition, quorum, powers, role and terms of reference of the Audit Committee *inter-alia* covers the areas as contemplated under Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013, as applicable.

#### The Audit Committee has following powers:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

### Role of Audit Committee

The broad role of Audit Committee is as under:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d. Reviewing, with the management, the annual financial statements, auditor's report thereon before submission to the board for approval, with particular reference to:
  - i. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) section 134 of the Companies Act, 2013.
  - ii. changes, if any, in accounting policies and practices and reasons for the same
  - iii. major accounting entries involving estimates based on the exercise of judgment by management.
  - iv. significant adjustments made in the financial statements arising out of audit findings.
  - v. compliance with listing and other legal requirements relating to financial statements.
  - vi. disclosure of any related party transactions.
  - vii. qualifications in the draft audit report;
- e. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- f. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- h. Approval or any subsequent modification of transactions of the Company with related parties;
- i. Scrutiny of inter-corporate loans and investments;
- j. Valuation of undertakings or assets of the Company, wherever it is necessary;
- k. Evaluation of internal financial controls and risk management systems;
- l. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m. Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n. Discussion with internal auditors of any significant findings and follow up thereon;
- o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of any material nature and reporting the matter to the board;
- p. Discussion with the statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q. To look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r. To review the functioning of the Whistle Blower mechanism;
- s. Approval of appointment of chief financial officer after assessing the qualification, experience and background etc. of the candidate;
- t. Reviewing the utilization of loans and/ or advances from/ investment by the Company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

### Review of information by Audit Committee

The Audit Committee mandatorily reviews the following information:

- a. Management discussion and analysis of financial condition and results of operations.

- b. Statement of significant related party transactions (as defined by the Audit Committee) submitted by Management.
- c. Internal audit reports relating to internal control weakness.
- d. Management letters / letters of internal control weaknesses issued by the statutory auditors; and
- e. The appointment, removal and terms of remuneration of Chief Internal Auditor shall be subject to review by the Audit Committee.
- f. If applicable, statement of deviations:
  - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
  - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

## NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is in compliance with the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, as amended from time to time.

### Constitution and composition:

The composition of the Nomination and Remuneration Committee as on March 31, 2020 is as follows:

Name of the Member	Designation	Category
Shri Rajat Sharma	Chairman	Independent Non-Executive
Shri Swami Ram Dev	Member	Promoter, Non-Executive
Smt. Bhavna Samir Shah	Member	Independent Non-Executive

Note:

1. *Shri Rajat Sharma and Smt. Bhavna Samir Shah have resigned from the office of independent director w.e.f. July 02, 2020 and July 13, 2020 respectively and consequently ceased to be member of the Nomination and Remuneration Committee.*
2. *Smt. Gyan Sudha Misra appointed as independent director and chairperson of the Nomination and Remuneration Committee with effect from August 13, 2020.*
3. *Dr. Tejendra Mohan Bhasin appointed as independent director and member of the Nomination and Remuneration Committee with effect from August 13, 2020.*

### Meeting and attendance during the year under review:

During the financial year under review, the Nomination and Remuneration Committee met once on March 27, 2020 after reconstitution and attended by two members of the Committee.

The composition, quorum, powers, role and terms of reference of the Nomination and Remuneration Committee *inter-alia* covers the areas as contemplated under Regulation 19 read with para A of Part D of Schedule II of the Listing Regulations and section 178 of the Companies Act, 2013, as applicable.

The broad terms of reference of the Nomination and Remuneration Committee is as follows:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- b. Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
- c. Devising a policy on diversity of Board of Directors;
- d. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors for their appointment and removal.
- e. Whether to extend or continue the terms of appointment of the independent Directors, on the basis of the report of performance evaluation of Independent Directors.
- f. Recommend to the Board, all remuneration, in whatever form, payable to senior management; and

### Performance Evaluation criteria for Independent Directors:

As per section 17 of the Insolvency and Bankruptcy Code, 2016, the powers of the board of directors of the Company were suspended during Corporate Insolvency Resolution Process with effect from December 15, 2017 and such powers were vested with the Resolution Professional. As a part of the implementation of the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Mumbai, vide their order dated July 24, 2019 read with order dated September 4, 2019, the erstwhile board of directors of the Company were replaced with the new board of directors with effect from

December 18, 2019. Therefore, it was not feasible for the new board of directors to carry out the performance evaluation of Board, its Committees and individual directors during the remaining period of year under review after re-constitution.

The Company has put in place a policy containing, *inter-alia*, the criteria for performance evaluation of the Board, its Committees and individual directors (including independent directors).

## REMUNERATION OF DIRECTORS:

### Remuneration policy

#### a. Remuneration to Independent Directors and Non-Executive Directors

The Company considers the time and efforts put in by the non-executive directors in deliberations at the Board/ Committee meetings. They are remunerated by way of sitting fees for attending the meetings, as recommended by Nomination and Remuneration Committee and approved by the Board of the Company. The independent directors are paid sitting fees for each meeting of the Board and its Committees, attended by them.

#### b. Remuneration to Executive Directors

The appointment and remuneration of chairman & managing director and whole-time director is governed by the recommendation of the Nomination and Remuneration Committee, Remuneration and Board Diversity Policy and approval of the board of directors and Shareholders of the Company.

The Remuneration and Board Diversity Policy is displayed on the Company's website viz. [www.ruchisoya.com](http://www.ruchisoya.com).

### Details of remuneration paid to Directors for the year ended 31<sup>st</sup> March, 2020:

#### a. Executive Directors

Name of Directors	Salary	Commission	Perquisites	Total
Shri Acharya Balkrishna Chairman and Managing Director (w.e.f. December 18, 2019)	0.00	0.00	0.00	0.00
Shri Ram Bharat Whole-time Director (w.e.f. December 18, 2019)	0.00	0.00	0.00	0.00
Shri Vijay Kumar Jain Executive Director (upto December 17, 2019)	32.04	0.00	0.00	32.04

#### Notes:

- Shri Acharya Balkrishna appointed as chairman and managing director and Shri Ram Bharat as Whole-time director with effect from December 18, 2019 as part of implementation of Resolution Plan of the Company. Subsequently, Shri Acharya Balkrishna resigned from the position of managing director w.e.f. August 18, 2020 and consented to act as non-executive chairman. Shri Ram Bharat was appointed as managing director of the Company and his designation was changed from whole-time director to managing director w.e.f. August 19, 2020.
- Shri Vijay Kumar Jain vacated the office of executive director with effect from December 18, 2019.
- There is no separate provision for payment of severance fees under the resolutions governing the appointment of managing director / whole-time director of the Company.
- The Company has not granted stock options to the managing director / executive director of the Company.

#### b. Non-Executive Directors:

Name of Directors	Category	Sitting fees paid (₹ in Lakhs)
Shri Swami Ram Dev (w.e.f. December 18, 2019)	Non-Executive Director	0.00
Dr. Girish Kumar Ahuja (w.e.f. December 18, 2019)	Independent Director	0.00
Shri Rajat Sharma (w.e.f. December 18, 2019)	Independent Director	0.50
Smt. Bhavna Samir Shah (w.e.f. December 18, 2019)	Independent Director	3.50
Shri Dinesh Chandra Shahara (upto December 12, 2019)	Non-Executive Director	0.00

## STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee is in compliance with the provisions of section 178 of the Companies Act, 2013 and Regulation 20 read with Para B of Schedule II to Listing Regulations, as amended from time to time.

### Constitution and composition:

The composition of the Stakeholders Relationship Committee as on March 31, 2020 is as follows:

Name of the Member	Designation	Category
Shri Rajat Sharma	Chairman	Independent Non-Executive
Shri Acharya Balkrishna	Member	Promoter, Executive
Smt. Bhavna Samir Shah	Member	Independent Non-Executive

#### Note:

- Shri Rajat Sharma and Smt. Bhavna Samir Shah have resigned from the office of independent director w.e.f. July 02, 2020 and July 13, 2020 respectively and consequently ceased to be member of the Stakeholders Relationship Committee.
- Dr. Tejendra Moban Bhasin appointed as independent director and chairman of the Stakeholders Relationship Committee with effect from August 13, 2020.
- Smt. Gyan Sudha Misra appointed as independent director and member of the Stakeholders Relationship Committee with effect from August 13, 2020.

(₹ In Lakhs)

**Meetings and attendance:**

Since, pursuant to the implementation of Resolution Plan, the existing Board of the Company was constituted on December 18, 2019, no meeting of the Stakeholders Relationship Committee held during the year under review.

The broad terms of reference of the Stakeholders Relationship Committee is as follows:

- a. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- b. Review of measures taken for effective exercise of voting rights by shareholders;
- c. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.; and
- d. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

**Name, designation and address of the Compliance Officer**

Shri Ramji Lal Gupta  
 Company Secretary & Compliance Officer  
 Ruchi Soya Industries Limited  
 “Ruchi House”, Royal Palms, Survey No. 169,  
 Aarey Milk Colony, Near Mayur Nagar,  
 Goregaon (East), Mumbai 400065, Maharashtra, India  
 Ph: +91 22 61090100  
 Email: ruchisoyasecretarial@ruchisoya.com

**Detail of complaints received and resolved during the year under review:**

The Company and Share Transfer Agent viz. Sarthak Global Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges and other statutory regulatory authorities.

The details of shareholders / investors complaint is as under

Complaint outstanding as on April 1, 2019	: 0
Compliant received during the financial year ended March 31, 2020	: 94
Compliant resolved during the financial year ended March 31, 2020	: 92
Complaint outstanding as on March 31, 2020 (resolved in the quarter ended June 30, 2020)	: 2

**GENERAL BODY MEETINGS**

**Annual General Meetings:**

**Location and time, where last three Annual General Meetings of the Company were held and details of special resolutions passed:**

Date & Time	Venue of the Meeting	Details of Special Resolution Passed
December 13, 2019 11:00 a.m.	Indian Textile Accessories & Machinery Manufacturers Association, Bhogilal Hargovindas Building, 4 <sup>th</sup> Floor, 18/20, K Dubhash Marg, Kala Ghoda, Mumbai 400001 (M.H.)	Re-appointment of Mr. Vijay Kumar Jain as executive director of the Company
December 27, 2018 11.00 a.m.	Rangswar Hall, Chavan Centre, Yashwantrao Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Mumbai 400021 (M.H.)	No special resolution was passed in this meeting
September 27, 2017 11:30 a.m.	Rangswar Hall, Chavan Centre, Yashwantrao Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Mumbai 400021 (M.H.)	Revision in remuneration payable to Mr. Dinesh Chandra Shahra, managing director

Location and time, where last Extra-Ordinary General Meeting of the Company was held and details of special resolutions passed:

Date & Time	Venue of the Meeting	Details of Special Resolution Passed
February 20, 2020 11:00 a.m.	Astha Bhawan, A-105, Sector-5, Noida 201301 (U.P.)	<ol style="list-style-type: none"> <li>Approval for borrowing limits of the Company;</li> <li>Approval for creation of Security and Execution of Security Documents;</li> <li>Approval for Conversion of Loan into Security; and</li> <li>Approval for issue of Equity Shares on preferential Basis.</li> </ol>

#### Postal Ballot:

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

#### MEANS OF COMMUNICATION

<b>A Quarterly Results</b>	: Quarterly results are approved and taken on record by the board of directors and submitted to the Stock Exchanges as per requirements of the Listing Regulations.
<b>B Newspapers wherein results are normally published</b>	: English Newspaper - The Free Press Journal Vernacular Newspaper - Nav Shakti
<b>C Any website, where results are displayed</b>	: www.ruchisoya.com
<b>D Whether the website also displays</b>	
(i) official news releases	: Yes
(ii) presentations made to institutional investors or to the analysts	: No presentations were made to institutional investors or to the analysts during the year under review

#### GENERAL SHAREHOLDERS INFORMATION

##### Annual General Meeting:

<b>a. Day</b>	: Monday
<b>Date</b>	: December 21, 2020
<b>Time</b>	: 04:30 P.M.
<b>Venue</b>	: The 34 <sup>th</sup> Annual General Meeting of the Company is being conducted through VC/OAVM. In accordance with the provisions of Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSP") read with Guidance/Clarification dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
<b>b. Financial Year</b>	: Begins on April 1 and ends on March 31 of the following year
<b>c. Dividend Payment date</b>	: No dividend is recommended by the board of directors for the financial year ended March 31, 2020
<b>d. Name and Address of Stock Exchanges</b>	: BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 (M.H.) National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051
	The Company has timely paid the annual listing fee for the financial year ended March 31, 2020 to the BSE and NSE .
<b>e. Stock Codes:</b>	
i. BSE Limited	: 500368
ii. National Stock Exchange of India Limited	: RUCHI
<b>f. ISIN of the Company</b>	: INE619A01035

**g. Market Price Data:**

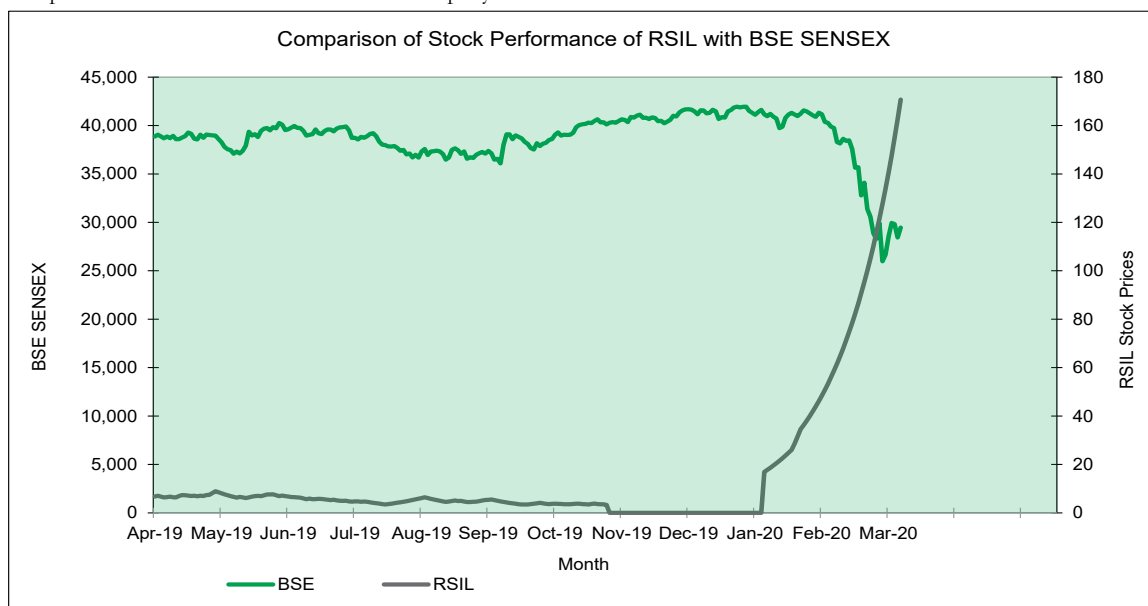
The monthly high and low quotations of equity shares traded on BSE and NSE during the financial year ended March 31, 2020 are as follows:

Month	BSE		NSE	
	High	Low	High	Low
April, 2019	7.90	6.20	7.90	6.20
May, 2019	9.14	5.96	9.10	6.00
June, 2019	7.29	5.05	7.25	5.00
July, 2019	5.41	3.28	5.40	3.35
August, 2019	6.74	4.31	6.40	4.35
September, 2019	5.80	3.43	5.80	3.50
October, 2019	4.30	3.35	4.20	3.35
November, 2019	3.99	3.32	3.90	3.35
December, 2019	0.00	0.00	0.00	0.00
January, 2020	20.52	16.10	20.55	16.20
February, 2020	61.60	21.5	62.00	21.55
March, 2020	170.70	64.65	172.05	65.10

(Amount in Indian ₹)

**h. Share price performance in comparison to broad based indices**

Comparison of Stock Performance of the Company with BSE SENSEX:



**i Registrar and Share Transfer Agent** : Sarthak Global Limited  
 170/10, RNT Marg, Film Colony,  
 Indore 452001 (M.P.)  
 Ph: +91 731 4279626 / +91 731 2526388  
 Email : investors@sarthakglobal.com  
 Website : www.sarthakglobal.com

**j. Suspension of trading of equity shares on Stock Exchanges:**

The equity shares of the Company remain suspended from trading on BSE Limited and National Stock Exchange of India Limited during the period from November 16, 2019 to January 23, 2020 due to restructuring of capital of the Company pursuant to the implementation of Resolution Plan duly approved by the Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated July 24, 2019 read with order dated September 4, 2019 under Section 31 of IBC.



**k. Share Transfer System:**

All matters pertaining to share transfer and related activities are handled by the Share Transfer Agent of the Company who are fully equipped to carry out the transfer of shares. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective depository participants. The request for dematerialization of equity shares is confirmed/ rejected within an average period of fifteen (15) days. Transmission requests were processed for shares held in dematerialized form and physical form within seven days (7) and twenty one (21) days, respectively, after receipt of specified documents, complete in all respect, and dispatch of share certificates

in physical form were generally completed within thirty (30) days. As per amended Regulation 40 of Listing Regulations requests for effecting transfer of securities is not processed effective from April 1, 2019 except in case of transmission or transposition, unless the securities are held in the dematerialized form with a depository. Members who are holding equity shares of the Company in physical form are therefore advised to dematerialise their equity shares for facilitating transfer of shares. The Company obtains from the Company Secretary in practice half-yearly certificate of compliance with share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the stock exchange(s).

**l. Shareholding pattern as on March 31, 2020**

Category	No. of shares held	% of holding
<b>Promoter Holding</b>		
1 Promoters		
Indian Promoters	29,29,81,689	99.03
Foreign Promoters	--	--
2 Persons acting in concert	--	--
<b>Sub-total</b>	<b>29,29,81,689</b>	<b>99.03</b>
<b>Non-Promoters Holding</b>		
1 Institutions		
a) Mutual Funds	230	0.00
b) Banks/ FIs/ Insurance Companies	2,401	0.00
c) FIIs	--	--
<b>Sub-total</b>	<b>2,631</b>	<b>0.00</b>
2 Non Institutions		
Indian Bodies Corporate	1,14,824	0.04
Individuals holding nominal capital up to ₹ 1.00 Lakh	24,25,388	0.82
Individuals holding nominal capital more than ₹ 1.00 Lakh	0	0
Other (Clearing Members, NRIs, HUF, Trust, Overseas Corporate Bodies, Foreign Corporate Bodies and EPFA)	3,16,475	0.11
<b>Sub-total</b>	<b>28,56,687</b>	<b>0.97</b>
<b>Custodian (depository for shares underlying GDRs)</b>	<b>--</b>	<b>--</b>
<b>Grand Total</b>	<b>29,58,41,007</b>	<b>100.00</b>

Note : The promoter holding of 29,29,81,690 shares include 4,05,390 shares held by outgoing promoters. As per the Resolution Plan approved by Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated July 24, 2019 read with Order dated September 4, 2019, the Company has filed application for re-classification of outgoing promoters in 'public category' under regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. The same is pending with Stock Exchanges for approval.

**m. Distribution of shareholding as on March 31, 2020**

Number of equity shares held	Number of shareholders	% of shareholders	Number of shares held	% of shareholding
1 - 2,500	81,792	99.73	20,57,661	0.69
2,501 - 5,000	132	0.16	2,33,067	0.08
5,001 - 10,000	61	0.07	2,10,635	0.07
10,001 - 20,000	11	0.01	77,343	0.03
20,001 - 30,000	9	0.01	1,09,405	0.04
30,001 - 40,000	3	0.00	47,214	0.02
40,001 - 50,000	3	0.00	64,605	0.02
50,001 - 1,00,000	5	0.01	1,82,223	0.06
1,00,001 and above	6	0.01	29,28,58,854	98.99
<b>Grand Total</b>	<b>82,022</b>	<b>100.00</b>	<b>29,58,41,007</b>	<b>100.00</b>

**n. Dematerialisation of shares and liquidity:**

The trading in shares of the Company are under compulsory demat segment. The Company is listed on BSE Limited and National Stock Exchange of India Limited. The Company's shares are available for trading in the depository systems of both National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). 29,57,21,688 equity shares of the Company, representing 99.96 % of total issued and listed equity share capital of the Company as on March 31, 2020 were in dematerialized form.

**o. Outstanding GDR/ADR/ Warrants or any Convertible instruments, Conversion date and likely Impact on equity:**

There were no GDR/ADR/Warrants or Convertible Instruments outstanding at the end of the year ended March 31, 2020.

**p. Commodity price risk or foreign exchange risk and hedging activities:**

**(i) Commodity price risk and hedging activities**

The details of commodity price risk and hedging activities is provided in Note No. 42 of Notes to financial statements in the Annual Report.

**(ii) Foreign exchange risk and hedging activities**

The details of foreign exchange risk and hedging activities is provided in Note No. 42 of Notes to financial statements in the Annual Report.

**q. Manufacturing Plant locations of the Company:**

- i. Mangliagaon, A.B. Road, Indore (M.P)
- ii. Baikampady Industrial Area, Mangalore (Karnataka)
- iii. Village Esambe, Taluka Khalapur, Distt.Raigad (Maharashtra)
- iv. Bijoyramchak, Ward No. 9, P.O. Durgachak, Haldia (West Bengal)
- v. Village Butibori, Tehsil Nagpur (Maharashtra)
- vi. Village Kamati, Gadarwada, Distt. Narsinghpur (M.P)
- vii. Gram Mithi Rohar, Taluka Gandhidham, Distt.Bhuj (Gujarat)
- viii. Kannigaiper Village, Uthukottai Taluk, Thiruvallur Distt. (Tamilnadu)
- ix. RIICO Udyog Vihar, Sriganganagar (Rajasthan)
- x. RIICO Industrial Area, Govindpur Bawari, Post Talera Distt. Bundi (Rajasthan)
- xi. Kusmoda, A.B. Road, Guna (M.P)

- xii. Kota Road, Baran (Rajasthan)
- xiii. Rani Piparia, Dist. Hoshangabad (M.P)
- xiv. SIDCO Industrial Estate, Bari Brahma, Jammu (J&K)
- xv. Village Daloda, Dist. Mandsaur (M.P)
- xvi. Survey No. 178, Surkandi Road, Washim (Maharashtra)
- xvii. Bapulapadu Mandal, Ampapuram Village, Krishna District, Vijaywada (A.P)
- xviii. IDA, ADB Road, Peddapuram, East Godawari District (A.P)
- xix. Village Karanpura, Durgawati, Dist. Kaimur (Bihar)
- xx. Survey No. 162 & 163, Bhuvad, Taluka- Anjar, Distt.- Kutch, (Gujrat)
- xxi. Beach Road, Dummalpet, Kakinada (Andhra Pradesh)
- xxii. Village Makhanpur, Post – Bhagwanpur Tehsil Roorkee (Uttranchal)

**r. Credit Ratings:**

During the year ended March 31, 2020, the Company has obtained following credit ratings:

(₹ in Crore)

Facility	Amount	Tenure	Rating	Rating Agency
<b>Fund based</b>				
Cash credit	800.00	Long term	BWR	
Term loans	2400.00		BBB+ /stable	
Short term loan	95.25	Short term	BWR A3+	Brickwork Ratings India Private Limited
<b>Non fund based*</b>				
BG/LC	(350.00)	Short term	BWR A3+	
<b>Total</b>	<b>3295.25</b>			

\* Non-fund based limits are sub-limits of Cash Credit Limits.

**s. Address for Correspondence:**

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

Shri Ramji Lal Gupta  
 Company Secretary & Compliance Officer  
 Ruchi House, Royal Palms, Survey No. 169,  
 Aarey Milk Colony, Near Mayur Nagar,  
 Goregaon (East), Mumbai - 400065  
 Ph: +091 22 61090100  
 Email address: rl\_gupta@ruchisoya.com

The shareholders may also e-mail their queries, suggestions and grievances at [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com).

### OTHER DISCLOSURES:

a. During the year under review, the Company has not entered into any transaction of material nature with a related party that may have any potential conflict with the interest of the Company. The "Policy on materiality of related party transactions and dealing with related party transaction" as approved by the Board may be accessed from the link [http://www.ruchisoya.com/2019/Policy\\_on\\_materiality\\_of\\_related\\_party\\_transactions.pdf](http://www.ruchisoya.com/2019/Policy_on_materiality_of_related_party_transactions.pdf)

b. 1. During the year ended March 31, 2020, (i) penalty of ₹ 11,800/- imposed by BSE and NSE each for not intimating about the meeting of the board of directors under Regulations 29(2) and 29(3) of the Listing Regulations; (ii) penalty of ₹ 1,53,400/- imposed by BSE and NSE each for delay in submission of the unaudited financial results for the quarter ended June 30, 2019 under Regulation 33 of the Listing Regulations; and (iii) penalty of ₹ 73,160/- and ₹ 80,240/- imposed by BSE and NSE respectively for delay in submission of the Annual Report 2018-19 under Regulation 34 of Listing Regulations.

2. During the year ended March 31, 2019, penalty of ₹ 94,400/- imposed by BSE and NSE each for delay in submission of the unaudited financial results for the quarter ended June 30, 2018 under Regulation 33 of the Listing Regulations.

3. During the year ended March 31, 2018, penalty of ₹ 76,550/- imposed by BSE and NSE each for delay in submission of the unaudited financial results for the quarter ended June 30, 2017 under Regulation 33 of the Listing Regulations.

The Company has paid the above penalties to BSE and NSE. Except above, the Company has complied with all the requirements of stock exchanges, SEBI and other statutory authorities on matters related to capital markets during last three years.

c. The SEBI, vide its order dated August 12, 2020, has revoked its earlier directions (ad interim orders dated March 02, 2016 and May 24, 2016 and confirmed vide order dated March 08, 2017) due to which the Company was restrained from buying, selling or dealing in the securities market either directly or indirectly in any manner whatsoever.

d. The Company has adopted a Vigil Mechanism/ Whistle Blower Policy in terms of the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to provide a formal mechanism to the directors and employees of the Company to report their genuine concerns and grievances about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics. The policy provides adequate safeguards against victimization of directors and employees who avail such mechanism and also provides for direct access to the Vigilance Officer and the Chairman of Audit Committee. The Audit Committee of the Board is entrusted with the responsibility to oversee the vigil mechanism. During the year, no personnel was denied access to the Chairman of the Audit Committee. The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company at [http://www.ruchisoya.com/2019/RSIL\\_WhistleBlower.pdf](http://www.ruchisoya.com/2019/RSIL_WhistleBlower.pdf).

e. The Company has complied with all the mandatory requirements as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations, to the extent applicable to the Company. The audit reports on the financial statements of the Company do not contain any modified opinion and internal auditors report to the Audit Committee.

f. Policy for determination of material subsidiary is available on website of the Company: [http://www.ruchisoya.com/2019/RSIL\\_Policy\\_Material\\_Subsiary.pdf](http://www.ruchisoya.com/2019/RSIL_Policy_Material_Subsiary.pdf).

g. The Company has not raised any fund through preferential allotment or qualified institutions placement, hence the disclosure of details of utilization of the fund as specified under Regulation 32(7A) of the Listing Regulations is not applicable.

h. The Company has received certificate from CS Prashant Diwan, practicing Company Secretary certifying that none of the directors on the Board of the Company for the year ended March 31, 2020 have been debarred or disqualified from being appointed or continuing as directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority.

i. During the year under review, the board had accepted all recommendations of the committees, which are mandatorily required.

- j. Total fees for all services paid by the Company to Chaturvedi & Shah LLP, the Statutory Auditor of the Company for the year ended March 31, 2020, is as follows:

	(₹ in Lakh)
Fees for statutory audit and related services paid to Chaturvedi & Shah LLP	53.00
Fees for tax audit and related services paid to Chaturvedi & Shah LLP	11.00
Fees for limited review and certification charges to Chaturvedi & Shah LLP	31.90

- k. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:
- i. number of complaints filed during the financial year: Nil
  - ii. number of complaints disposed of during the financial year: Nil
  - iii. number of complaints pending as on end of the financial year: Nil
- l. The Managing Director (MD) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations, copy of which is attached to this Report.

The CFO and Managing Director also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

#### Disclosure of the compliance with Corporate Governance requirements

Your Company is fully compliant with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, as applicable

and compliance reports on Corporate Governance in the requisite formats, have been submitted to the concerned stock exchanges.

#### Declaration by the Managing Director

The managing director of the Company has given a declaration that the members of board of directors and senior management personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended March 31, 2020.

#### Compliance Certificate of the Statutory Auditor

Certificate from the Company's Statutory Auditor, Chaturvedi & Shah LLP, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

#### Demat suspense account/Unclaimed suspense account

As per the Resolution Plan approved by Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated July 24, 2019 read with order dated September 04, 2019 under Section 31 of the Insolvency and Bankruptcy Code, 2016, the paid up equity share capital of the Company was reduced and consolidated. Every shareholder holding 100 (one hundred) equity shares of ₹ 2/- (Rupees two only) each got 1 (one) equity share of ₹ 2/- (Rupees two only). 15,700 (fifteen thousand seven hundred only) being the aggregate of fractional shares were allotted in favour of SBICAP Trustee Company Limited, acting as Trustee for Ruchi Soya Fractional Shares Settlement Trust.

For and on behalf of Board of Directors of  
**Ruchi Soya Industries Limited**

**Acharya Balkrishna**

Chairman

DIN - 01778007

Place: Haridwar

Date: November 10, 2020

## DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

Pursuant to Regulation 34(3) read with Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Acharya Balkrishna, Chairman and Managing Director of Ruchi Soya Industries Limited (“Company”), hereby declare that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Company’s Code of Conduct for Board of Directors and Senior Management for the year ended March 31, 2020.

**For Ruchi Soya Industries Limited**

**Acharya Balkrishna**

Chairman and Managing Director

DIN: 01778007

Place: Haridwar

Date: June 26, 2020

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Members

**Ruchi Soya Industries Limited**

Ruchi House, Royal Palms, Survey No. 169,  
Aarey Milk Colony, Near Mayur Nagar,  
Goregaon (East) Mumbai - 400065

I have carried out the online verification of the relevant registers, records, forms, returns and disclosures received through digital mode from the Directors of **Ruchi Soya Industries Limited** having CIN: L15140MH1986PLC038536 and having registered office at Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (East) Mumbai - 400065 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to me by the Company, Directors & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31<sup>st</sup> March, 2020** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, RBI or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company	Date of Cessation
1	Ramdev	08086068	18/12/2019	-
2	Acharya Balkrishna	01778007	18/12/2019	-
3	Ram Bharat	01651754	18/12/2019	-
4	Girish Kumar Ahuja	00446339	18/12/2019	-
5	Rajat Sharma	00005373	18/12/2019	02/07/2020
6	Bhavna Samir Shah	00246394	18/12/2019	13/07/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**CS Prashant Diwan**

Practicing Company Secretary  
FCS No.: 1403 / CP No.: 1979

Date: 18.08.2020  
Place: Mumbai

PR: 530/2017  
UDIN: F001403B000588594

To,  
The Board of Directors  
Ruchi Soya Industries Limited  
“ RUCHI HOUSE”, Royal Palms,  
Survey No. 169, Aarey Milk Colony,  
Goregaon (E) , Mumbai - 400065

26.06.2020

Dear Sirs,

We, the undersigned, do hereby certify that:

- a. We have reviewed financial statement and the cash flow statement of Ruchi Soya Industries Limited (“the Company”) for the year ended on 31<sup>st</sup> March, 2020 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluate the effectiveness of internal control system of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting

Thanking You,

Your faithfully

**For Ruchi Soya Industries Limited**

**Anil Singhal**  
Chief Financial Officer

**Acharya Balkrishna**  
Chairman and Managing Director

**Independent Auditor's Certificate on compliance with the condition of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To the Members of  
Ruchi Soya Industries Limited**

1. The Corporate Governance Report prepared by **Ruchi Soya Industries Limited** ("the Company") contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations") ("applicable criteria") with respect to Corporate Governance for year ended 31<sup>st</sup> March, 2020. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

**Management's Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and

Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness and accuracy of any of the financial information or the financial statement of the Company taken as a whole.

**Opinion**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31<sup>st</sup> March, 2020, referred to in paragraph 1 above.

**Other Matter and Restriction on Use**

10. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the Management has conducted the affairs of the Company.
11. This certificate is addressed to and provided to the members of the Company for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration No.101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Membership No. 109859

Date : November 10, 2020

**UDIN: 20109859AAAAFO5693**



# Business Responsibility Report

**About Ruchi Soya Industries Limited (“Ruchi Soya” or “the Company”):** Established in 1986, Ruchi Soya has emerged as an integrated player, from farm to fork with secured access to oil palm plantations in India. Ruchi Soya is one of India’s largest fully integrated edible oil refining and oilseeds processing company with large portfolio of value added products from upstream and down-stream businesses. Featuring among the leading FMCG players in India, Ruchi Soya is one of India’s largest manufacturers and marketers of healthier edible oils, soya foods, vanaspati and bakery fats and a leading Indian consumer goods company. Ruchi Soya is also an exporter of soya meal, lecithin and value added products and food ingredients from India.

Earlier your Company was not covered under regulation (34)(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and hence this is the first year where Ruchi Soya is required to publish a Business Responsibility Report as part of the Annual Report.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L15140MH1986PLC038536
2	Name of the Company	Ruchi Soya Industries Limited
3	Registered address	“Ruchi House”, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (East), Mumbai 400065, Maharashtra, India
4	Website	www.ruchisoya.com
5	E-mail id	ruchisoyasecretarial@ruchisoya.com
6	Financial Year reported	2019-20
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	NIC Code : 10402 Description : Edible Oils
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	On the basis of audited accounts for the financial year ended on March 31, 2020, Edible Oils, Soya Foods , Soya Meal and Vanaspati & Bakery Fats are the key products.  In addition to the above key products, soya foods commonly known as “Nutra Soya Badi, Soya Chunks and Soya Granules” and Nutra oil have a prominent place and significant command over the market. Further, Nutra High Protein Atta and Nutra Honey has been launched recently to meet the nutrition requirements of the consumers. Your Company’s products are gaining wide acceptance with a growing number of consumers. Your Company proposes to focus on expansion in food products range so as to establish your Company as a major FMCG player.
9	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	-
	(b) Number of National Locations	Your Company has manufacturing units at twenty (22) locations across pan India. Address of the aforesaid manufacturing units are given in corporate governance report. Apart from aforesaid manufacturing locations, your Company’s offices are situated at Indore, Noida, Kolkata, Bangalore and Jaipur.
10	Markets served by the Company Local/State/ National/International	- India through domestic operations. Your Company has extensive distribution network of 100 sales depots, 6,000 distributors and 5 Lakh+ retail outlets to serve the domestic market.  - Exports are done to countries such as Australia, Bahrain, Bangladesh, China, Canada, Egypt, Europe, Indonesia, Israel, Japan, Jordan, South Korea, Malaysia, Mauritius, Morocco, New Zealand, Pakistan, Philippines, Singapore, South Africa, Sri Lanka, Taiwan, Thailand, Turkey, UAE, USA, UK and Vietnam.

**SECTION B : FINANCIAL DETAILS OF THE COMPANY**

1	Paid up Capital (INR)	5,916.82 Lakh as on 31 <sup>st</sup> March, 2020
2	Total Income (INR) (including other income)	13,17,536.56 Lakh during the financial year 2019-20
3	Total profit after taxes (INR)	7,67,202.27 Lakh during the financial year 2019-20
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The average net profit of the Company during the previous three financial years was negative and the Company was not under any obligation to spend any amount on CSR during the year 2019-20. But being a responsible corporate citizen, your Company has contributed an amount of ₹10.00 Crore to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) during the COVID-19 pandemic after the closure of the financial year 2019-20.

**SECTION C: OTHER DETAILS**

1	Does the Company have any Subsidiary Company/ Companies?	As a part of the implementation of Resolution Plan approved by the Hon'ble NCLT vide its order dated July 24, 2019 read with order dated September 4, 2019 under section 31 of the Insolvency and Bankruptcy Code, 2016, your Company has disposed off its entire equity investment/ ownership interest held in its subsidiaries during the year under review.
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	N.A.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Ruchi Soya was under Corporate Insolvency Resolution Process ("CIRP") since the financial year 2017-18. The Resolution Plan submitted by consortium led by Patanjali Ayurved Limited was implemented during the financial year 2019-20. The new management is reviewing the operations and processes. Hence suppliers, distributors etc. who are associated with Ruchi Soya have not yet participated in the BR initiatives.

**SECTION D: BR INFORMATION**

**1. Details of Director/Directors responsible for BR**

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

Name	DIN Number	Designation
Shri Ram Bharat	01651754	Whole-time Director Appointed as Managing Director w.e.f. August 19, 2020

(b) Details of the BR head

Name	DIN Number	Designation	Telephone number	e-mail id
Shri Ram Bharat	01651754	Managing Director w.e.f. August 19, 2020	022-61090100	brhead@ruchisoya.com

## 2. Principle-wise (as per NVGs) BR Policy/policies

### (a) Details of compliance (Reply in Y/N)

The Nine principles as per BRR are as given below:-

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect, and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for:					Y				
2	Has the policy being formulated in consultation with the relevant stakeholders?					Y				
3	Does the policy conform to any national / international standards? If yes, specify? <sup>1</sup>					Y				
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?					Y				
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?					Y				
6	Indicate the link for the policy to be viewed online?	The policies, which are required to be disclosed on website of the Company are available at <a href="http://ruchisoya.com/Investors.html">http://ruchisoya.com/Investors.html</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders? <sup>2</sup>					Y				
8	Does the Company have in- house structure to implement the policy/ policies.					Y				
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?					Y				
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? <sup>3</sup>					Y				

Notes:

1. The Business Responsibility policies are based on National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business.
2. The policies are uploaded on our website for communicating it to the internal and external stakeholders. Internal stakeholders are made aware of the policies. External stakeholders are communicated, wherever required.
3. Wherever appropriate.

- b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									Not Applicable
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

### 3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year? Earlier your Company was not covered under regulation (34)(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and this is the first year where Ruchi Soya is required to publish a Business Responsibility Report as part of the Annual Report. Your Company proposes to assess the BR performance at yearly rests aided by regular updates during the year on its implementation.
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? This is the first year where your Company is required to publish a Business Responsibility Report as part of its Annual Report. This report is available at the website of the Company viz. [www.ruchisoya.com](http://www.ruchisoya.com)

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Integrity, Ethics, Transparency & Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others? The Company has defined the Code of Conduct for its Directors, Senior Management and Employees that cover issues related to ethics, workplace responsibilities and conflict of interest. It also covers all dealings with suppliers, customers and other business associates. Further, the Company has adopted a Vigil Mechanism/ Whistle Blower Policy to provide a mechanism for employees and Directors to approach the Vigilance Officer / Chairperson of Audit Committee for reporting unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct. In addition to above, your Company has adopted the separate policies towards its Business Responsibility *inter-alia* consisting a policy relating to ethics, bribery and corruption. This policy is applicable on the Company and its employees as well as it is extended to all the stakeholders including vendors, suppliers, contractors and others.
2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof. The Company has received ninety four (94) complaints from the investors/ shareholders during financial year 2019-20. All complaints except two, were promptly attended and resolved. The two complaints were also resolved during the quarter ended June 30, 2020. The Stakeholders Relationship Committee of the Company specifically looks into various aspects of interest of shareholders and other security holders of the Company. During financial year 2019-2020 no complaints pertaining to sexual harassment were received or pending to be resolved by the Company. Similarly, the Company has not received any 'Protected Disclosure' nor any are pending to be resolved under Whistle Blower Policy/Vigil Mechanism of the Company about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or any other unethical or improper activity. The Company has not received any other complaint from other stakeholders.

## Principle 2: Sustainable and Safe Goods and Services

- |  |  |
|--|--|
| <p>1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.</p>  | <p>Ruchi Gold – The largest-selling refined palm oil brand in the country, is known for its purity &amp; texture. The brand, with its economic price range, mass appeal and wider distribution, works as an entry point for the consumers of loose oil to start using the packaged &amp; hygienic edible oil for better health &amp; taste.</p> <p>Nutrela Soya Foods - Nutrela Soya, a brand synonymous with health &amp; nutrition, is the highest source of protein, provides 52% best quality protein which is far higher than any other known sources of protein like Egg, Milk and Dals. In a country where more than 70% of the population is protein deficient, Nutrela Soya works as the best solution for the health &amp; protein requirements of the masses.</p> <p>Nutrela Honey - Honey has been long associated with medicinal purpose but now especially in the post Covid-19 scenario where immunity has become the biggest concern in the world, launch of pure and natural Nutrela Honey helps boost the immunity in a simpler way by using it across multiple food items.</p>  |
| <p>2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):</p> <p>(a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?</p> <p>(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?</p> | <p>The resource use is not tracked product-wise. The Company has put in place indicators for use of natural resources such as energy and water in its operations. The Company is committed to attainment of environmental and economic benefits from efficient use of energy, water and waste reduction. The Company understands its obligations relating to social and environmental concerns, risks and opportunities. The Company ensures fulfillment of compliance obligations that relate to its products, environmental aspects and occupational health and safety.</p> <p>The Company works towards reduction and optimal utilization of energy, water, raw material, logistics etc. by incorporating new techniques and innovative ideas.</p> <p>The Company's products do not have any broad based impact on energy and water consumption by consumers. Retail and institutional customers primarily use the products of the Company and as such the Company does not measure reduction during usage by consumers. The Company is committed to reduce waste, conservation of resources through various initiatives and technological upgradation.</p> |
| <p>3. Does the Company have procedures in place for sustainable sourcing (including transportation)?</p> <p>If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.</p>  | <p>Yes, the Company, over the years, has worked towards embedding sustainability throughout its inbound supply chain and shall continue to do so. For procuring honey, we work directly with intermediaries connected with small and marginal farmers. This allows us to promote sustainable agricultural practices. The Company promotes sustainable large-scale oil palm cultivation in various states of India and it stands as a willing buyer for their produce thus supplementing the farmer's income. Such interventions not only support sustainable agriculture and enhance productivity, but also contribute to substantial livelihood creation. In the area of ethical sourcing, we discourage the use of forced labour and child labour.</p> <p>The Company adopts efficient channels for transportation of its goods with an aim to reduce fuel consumption in transportation, wherever possible.</p> <p>It is your Company's endeavour to provide consumers and their families with products that are safe and of good quality. All of your Company's products are designed and manufactured to be safe for their intended use.</p>              |

<p>4 Has the Company taken any steps to procure goods and services from local &amp; small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	<p>Agri produce contributes significantly to Company's consumer products such as Edible Oils, Soya Foods, Atta, Honey and oil meals. The input raw material is sourced locally to the extent possible. All crushing plants are located near to the raw material producing centers.</p> <p>The Company has recently started export of rapeseed meal and increased its thrust towards soyameal exports resulting in promotion of local and small agri producers.</p> <p>The requirement of edible oils is supplemented by imports keeping in mind approx. 70% of the India's requirement of edible oils is met by imports. As the Company believes in driving the growth of local economy it has stepped up its efforts to make India move towards self-sufficiency in edible oils and save precious foreign exchange of our country as well as promote local farmers. The Company is working closely with farmers in the areas of oil palm cultivation in India and help them to improve capability through training and availability of inputs like saplings, fertilizer etc. The Company has signed assured off take agreements with more than 10,000 oil palm farmers in India. The numbers will continue to grow keeping in mind the Company's mission to increase the oil palm cultivation in India.</p>
<p>5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as &lt;5%, 5-10%, &gt;10%). Also, provide details thereof, in about 50 words or so.</p>	<p>It is Company's ongoing endeavor to minimize the waste generation from its manufacturing operations.</p> <p>With regard to use of water, the Company continues to focus on an integrated water management approach that includes water conservation and recycling wastewater to the extent possible at its manufacturing units. We continue to follow the 3-R (Reduce, Reuse &amp; Recycle) principle at our manufacturing units.</p> <p>Consumer products contribute a large part of the Company's sales. It is difficult to reach the end consumers to enhance the recycling process of products.</p> <p>At all the manufacturing operations of the Company, waste generated is disposed through appropriate channels in line with the Environment, Health &amp; Safety control measures towards achieving safe operations across all manufacturing units.</p> <p>The Company's manufacturing units are committed to minimum discharge. Your Company has set up downstream manufacturing facilities which consumes most of the by-products in its manufacturing cycle resulting minimal waste. Presently, &lt; 5% of waste is recycled.</p>

**Principle 3: Wellbeing of Employees**

1	Please indicate the Total number of employees.	2,592 employees as on March 31, 2020
2	Please indicate the Total number of employees hired on temporary/ contractual/casual basis.	7,102 as on March 31, 2020
3	Please indicate the number of permanent women employees.	31 as on March 31, 2020
4	Please indicate the Number of permanent employees with disabilities.	Nil as on March 31, 2020
5	Do you have an employee association that is recognized by management.	Yes
6	What percentage of your permanent employees is members of this recognized employee association?	10%
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	
	<b>No. Category</b>	<b>No of complaints filed during the financial year</b>
1	Child labour/forced labour/involuntary labour	Nil
2	Sexual harassment	Nil
3	Discriminatory employment	Nil
		<b>No of complaints pending as on end of the financial year</b>
1	Child labour/forced labour/involuntary labour	Nil
2	Sexual harassment	Nil
3	Discriminatory employment	Nil

8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	The Company organizes several training programs for its employees through functional modules. The training content is based on the roles and responsibilities performed by the employees in different grades and departments. The details of safety trainings conducted during the financial year 2019-20 are as follows:
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Employee Category	% of Employees that were given safety training*
(a) Permanent Employees	100%
(b) Permanent Women Employees	100%
(c) Casual/Temporary/Contractual Employees	100%
(d) Employees with Disabilities	Not Applicable

\*% is for the employees working at the each factory premises of the Company.

#### Principle 4: Respect and Responsiveness to all Stakeholders

1	Has the Company mapped its internal and external stakeholders? Yes/No	Yes. The stakeholders have been mapped and the key stakeholders are as follows: a. Employees. b. Customers/ Suppliers. c. Lenders. d. Government and regulatory authorities. e. Investors/Shareholders. f. Local Communities.  The Stakeholders Relationship Committee of the Company specifically looks into various aspects of interest of shareholders and other security holders of the Company. Also at manufacturing locations the management engages with other stakeholders to understand and resolve any concern of the stakeholders as and when required.
2	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.	The Company is in the process of mapping disadvantaged, vulnerable and marginalised stakeholders viz. communities in and around the areas of its significant operations and it intends to actively work towards their inclusive growth.
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	No.

#### Principle 5: Respect and Promote Human Rights

1.	Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?	The Company's Policy for Prevention of Sexual Harassment of Women at workplace is applicable to all the employees including contractual staff and also covers contractual staff, temporary staff and visitors. The Whistle Blower Policy/Vigil Mechanism of the Company also provides a mechanism for directors and employees of the Company to approach the Chairman of the Audit Committee of the Board to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or any other unethical or improper activity The Company strictly follows highest ethics including protection of human rights while conducting its business activities. The Company's stand on human rights, including non-discrimination, prohibition of child and enforced labour, freedom of association and the right to engage in collective bargaining.
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	<p>The Company has also extended strong support to manpower by providing them personal accident &amp; mediclaim policy. The Company abides by all the rules and regulations related to human rights which are applicable in the area of operations. During outbreak of Covid 19 pandemic, in addition to health insurance, the Company has obtained life Insurance policies for its employees working in its manufacturing plants, depots, sales and other functions. Keeping in mind the risks of working under the Covid 19 environment, your Company extended additional medical support to employees for treatment on need basis.</p> <p>Your Company has adopted separate policies towards its business responsibility <i>inter-alia</i> consisting a policy on promotion of Human Rights. The Company encourage its business partners and third parties with whom it conducts business to abide by this policy.</p>
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	<p>During the financial year 2019-20, the Company did not receive any complaint pertaining to violation of human rights.</p>

**Principle 6: Respect, Protect and Restore the Environment**

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/others.	<p>The policy relating to respecting, protecting and restoring the environment covers the Company only. The Company ensures that it is implemented at all these levels. The Company while dealing with its suppliers/contractors and other concerned parties, always ensures to conduct its dealings in accordance with Policy on Environment Protection. The Company encourages its business partners and third parties with whom it conducts business to abide by this policy.</p>
2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	<p>The Company understands the global issue of climate change and has incorporated possible actions to address it. We have taken following initiatives towards mitigating the environmental impact, wherever feasible:</p> <p>Water conservation programmes: The Company believes that water is a critical resource and hence works towards minimizing its fresh water requirements through initiatives such as rain water harvesting, use of water efficient fixtures and sewage treatment plants.</p> <p>LED lightings: We use LED light fixtures, thereby conserving energy year by year. Further, all the emissions and effluent generated by your Company are monitored on a regular basis and are generally within the permissible limits given by respective state PCB (Pollution Control Board). Your Company continues to actively engage with the State PCB and implement the suggestions, if any from time to time.</p>
3. Does the Company identify and assess potential environmental risks? Y/N	<p>Yes. The Company assesses potential impacts of its operations on the environment and potential environmental risks are being identified. Once risk is identified, steps are taken to measure and mitigate risk by the management.</p>
4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	<p>Yes. In line with the National Clean Development Mechanism, the Company has installed LED light at the plants and offices. The Company submits Form-V (Environmental Statement) to SPCB by respective plants under Environment Protection Act and rules made thereunder.</p>



5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes. The Company has taken various initiatives on clean technology, energy efficiency, renewable energy etc., to reduce its impact on the environment, for details please refer to Annexure VI of the Board's Report.
6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes, the emissions/waste generated by the Company are within the permissible limits given by CPCB/SPCB.
7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Notice was received from Andhra Pradesh Pollution Control Board (APCB) in regards to manufacturing unit at New Port Area, Beach Road, Kakinada, East Godavari District, Andhra Pradesh- 533 008 and from Tamilnadu Pollution Control Board (TPCB) in regard to manufacturing unit at Kannihaipei Village, Uthukottai Taluk, Tiruvallur District 601102, Tamilnadu. Your Company has initiated the steps as suggested by APCB and TPCB.

### Principle 7: Responsible and Transparent Policy Advocacy

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	<p>Your Company is a member of following associations:</p> <ol style="list-style-type: none"> <li>1. The Soybean Processors Association of India (SOPA).</li> <li>2. Solvent Extractors' Association of India (SEA).</li> <li>3. Indian Vegetable Oil Producers' Association (IVOPA).</li> </ol> <p>Your Company engages with industry bodies and associations in a responsible manner and participates in multi-stakeholder debates as needed from time to time. One of the key issues on which your Company engaged with the Government during the year was engaging on the issue of import of refined palm oil which impacts the consumer's, capacity utilization of India's edible oil industries as well put an additional drain on the foreign exchange reserves of the country.</p>
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	<p>Yes. In order to ensure self-sufficiency of edible oils in the country, your Company regularly engages with various industry bodies, stakeholders and jointly works for the promotion of oil palm in India whenever required. Your Company recognizes the importance of farmers and encouraging them to adopt oil palm cultivation. Your Company supports from time to time initiatives of various organizations engaged in the promotion of Oil Palm such as Andhra Pradesh State Oil Palm Farmers Welfare Association, Indian Institute of Oil Palm Research, Pedavegi. Such efforts play a pivotal role in area expansion and development of oil palm, which ultimately contributes towards the benefit of the farmers and edible oil security of the Nation. Your Company regularly distributes brochures, pamphlets, flexi banners and quarterly bulletins amongst the oil palm farmers incorporating research of various Institutes, issues of importance for the farmers, equipments which ensures efficiencies and enhances productivity of oil palm farmers.</p>

### Principle 8 : Promote Inclusive Growth and Equitable Development

1. Does the Company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof.	<p>The Company has adopted a Corporate Social Responsibility (CSR) Policy which governs the CSR activities of the Company. As the average net profit of the Company during the previous three financial years was negative, the Company was not under any obligation to spend any amount on CSR during the year 2019-20. Even then, being a responsible corporate citizen, the Company has contributed an amount of ₹ 10.00 Crore to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) during the COVID-19 pandemic after the closure of the financial year 2019-20.</p>
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2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?	Voluntary social initiatives during COVID-19 pandemic have been undertaken through support of Company's employees and nearby communities.
3. Have you done any impact assessment of your initiative?	No. However, the efforts of the Company in promoting oil palm cultivation in India have shown promising results.
4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	<p>Ruchi Soya's pre-eminent position as one of India's leading corporates is based on strong and enduring relationship with farmers that support rural livelihoods. Your Company's endeavor is to foster a long-term, fair and transparent relationships with farmers.</p> <p>Your Company's palm plantation, soya and mustard business touches the lives of approx. 5-7 Lakh farmers. The farmer count is expected to double with additional area under palm cultivation in a span of next 5 years.</p> <p>In the palm business, your Company has signed off take arrangements for procurement of palm fruits with more than 11,000 farmers for which payments are made electronically to the farmer's bank account. In the palm business, your Company closely works with farmers and provides assistance to farmers to achieve better productivity and income growth with added surety by off take arrangements. During the year 2019-20, your Company has purchased directly from more than 11,000 farmers fresh fruit bunches (FFB) aggregating to approximately 4,05,641 MTs valued at around ₹ 320,32,64,707.</p> <p>Your Company shall take proactive steps to tie up with Farmer Producer Companies (FPCs) in the near future for its procurement keeping in mind the recent reforms in the farm sector.</p> <p>Further, your Company has contributed an amount of ₹ 10.00 Crore to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) during the COVID-19 pandemic after the closure of the financial year 2019-20.</p>
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Yes. Identification and prioritization of community initiatives is done through participatory exercise at village level. The Company regularly engages with villagers to ensure maximum possible benefits of oil palm plantations to the community and to expand oil palm cultivation area on the land allocated to the Company. Your Company conducts periodical visit of expert extension teams to extend necessary advisories to farmers along with monitoring of best management practices in oil palm plantations to ensure high productivity and successful adoption of oil palm cultivation by the farmers. Your Company actively participates and conducts awareness campaigns to popularize oil palm cultivation in India. Your Company also arranges audiovisual vans for creating visual impact on oil palm cultivation practices for the benefit of the farmers. The Company regularly publishes newsletters /quarterly magazine on oil palm cultivation to share the experience of farmers who are following the best management practices which encourages other farmers in adapting the same for better yields.

### Principle 9: Provide Value to Customer Responsibly

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	A well-established system is in place for dealing with customer feedback and complaints in this regard. Customers are provided multiple options to connect with the Company through email, telephone, website, social media, feedback forms, etc. All complaints are appropriately addressed and all efforts are taken to resolve the same.
2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A./ Remarks (additional information)	All products comply with the applicable regulations such as the Legal Metrology Act, Bureau of Indian Standards Specifications, Food Safety and Standards Act, etc. The food products also carry a nutritional information table on the back of pack in compliance with local legislation. The Company also has a website which provides information of its products viz. <a href="http://www.ruchisoya.com">www.ruchisoya.com</a> . Your Company constantly tries to provide value to its customers and engage with its consumers in a responsible way. Your Company tries to provide additional information on the product label wherever possible relating to various active ingredients contained in the product, their benefits, consumer grievance redressal mechanisms, directions for use (including pictorial depiction) etc.
3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	Post-acquisition of the Company under CIRP no case has been filed against your Company. However, before acquisition of the Company, a complaint was filed against the Company before Competition Commission of India (CCI) wherein no adverse order was passed and CCI was of the opinion that no case of contravention of the provisions of Section 3(1) read with Section 3(3)(a) and 3(3)(b) of the Competition Act, 1999 is made out against the Company. An appeal against the aforesaid CCI order is <i>sub-judice</i> before Hon'ble Delhi High Court. After implementation of Resolution Plan, your Company has approached the Hon'ble Delhi High Court to quash the aforesaid pending appeal.
4. Did your Company carry out any consumer survey/consumer satisfaction trends?	Ruchi Soya had always been involved in various type of syndicated research like retail audit, brand health track and small dipstick study to understand the consumer behavior better. Use of the key insights from these researches not only helps to solve a marketing problem but also helps in understanding the consumer satisfaction trends.

# Independent Auditor's Report

To the Members of  
Ruchi Soya Industries Limited

## Report on the Audit of Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of **Ruchi Soya Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the financial position of the Company as at 31<sup>st</sup> March 2020, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31<sup>st</sup> March 2020. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
<p><b>(i) Accounting treatment for the effects of the Resolution Plan</b></p> <p>Refer Note 32 to the standalone Financial Statements for the details regarding the resolution plan implemented in the Company pursuant to a corporate insolvency resolution process concluded during the year ended 31<sup>st</sup> March 2020 under Insolvency and Bankruptcy Code, 2016.</p> <p>Owing to the size of the over-due credit facilities, multiplicity of contractual arrangements and large number of operational and financial creditors, determination of the carrying amount of related liabilities at the date of approval of Resolution Plan was a complex exercise.</p> <p>In respect of de-recognition of operational and financial creditors, difference amounting to ₹ 7,52,560.48 Lakh between the carrying amount of financial liabilities extinguished and consideration paid, is recognised in statement of profit and loss account in accordance with "Ind AS - 109" "Financial Instruments" prescribed under section 133 of the Companies Act, 2013 and accounting policies consistently followed by the Company and disclosed as an "Exceptional items".</p> <p>Accounting for the effects of the resolution plan is considered by us to be a matter of most significance due to its importance to intended users understanding of the Financial Statements as a whole and materiality thereof.</p>	<p>We have performed the following procedures to determine whether the effect of Resolution Plan has been appropriately recognised in the Financial Statements:</p> <ul style="list-style-type: none"> <li>Reviewed management's process for review and implementation of the Resolution Plan.</li> <li>Reviewed the provisions of the Resolution Plan to understand the requirements of the said Plan and evaluated the possible impact of the same on the financial statements.</li> <li>Verified the balances of liabilities as on the date of approval of Resolution Plan from supporting documents and computations on a test check basis.</li> <li>Verified the payment of funds on test check basis as per the Resolution Plan.</li> <li>Tested the implementation of provisions of the Resolution Plan in computation of balances of liabilities owed to financial and operational creditors.</li> <li>Evaluated whether the accounting principles applied by the management fairly present the effects of the Resolution Plan in financial statements in accordance with the principles of Ind AS.</li> <li>Tested the related disclosures made in notes to the financial statements in respect of the implementation of the resolution plan.</li> </ul>

Key Audit Matters	How our audit addressed the key audit matter
<p><b>(ii) Litigations Matters &amp; Contingent liabilities</b></p> <p>Refer Note 33 to the standalone financial statements. Prior to the approval of the Resolution Plan, the Company was a party to certain litigations. Pursuant to the approval of the Resolution Plan, it was determined that no amounts are payable in respect of those litigations as they stand extinguished.</p> <p>The Company had also made certain payments to the relevant authorities in respect of those litigations which were presented as recoverable under “Deposits paid under protest” and “Indirect Tax Refund Receivable” in the standalone financial statements.</p> <p>The estimates related to expect outcome of litigations and recoverability of payments made in respect thereof have high degree of inherent uncertainty due to insufficient judicial precedents in India in respect of disposal of litigations involving companies admitted to Corporate Insolvency Resolution Process.</p>	<p>We have performed the following procedures to test the recoverability of payments made by the Company in relation to litigations instituted against it prior to the approval of the Resolution Plan:</p> <ul style="list-style-type: none"> <li>• Verified the underlying documents related to litigations and other correspondences with the statutory authorities.</li> <li>• Reviewed the provisions of the Resolution Plan to understand the requirements of the said Plan and evaluated the possible impact.</li> <li>• Evaluated whether the accounting principles applied by the management fairly present the amounts recoverable from relevant authorities in financial statements in accordance with the principles of Ind AS.</li> <li>• Discussion with the management on the development in these litigations during the year ended 31st March, 2020.</li> <li>• Obtaining representation letter from the management on the assessment of those matters as per SA 580 (revised) - written representations.</li> </ul>

### Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (but does not include the financial statements and our auditor’s report thereon), which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (‘the Act’) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive

income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (‘Ind AS’) prescribed under Section 133 of the Act read with relevant rules issued there under. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors is also responsible for overseeing the Company’s financial reporting process.

### Auditor’s Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from

material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further to our comment in the Annexure A, as required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with Ind AS prescribed under Section 133 of the Act read with relevant rules there under;
  - e. On the basis of the written representations received from the directors of the Company as on 31<sup>st</sup> March

2020, and taken on record in the meeting of Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2020 from being appointed as a director in terms of Section 164(2) of the Act;

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure B”**;
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197 (16) of the Act;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor’s report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in

our opinion and to the best of our information and according to the explanations given to us:

- i. The Company, as detailed in Note no. 33 to the standalone financial statements has disclosed the impact of pending litigations on its financial position.
- ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Membership Number: 109859

UDIN: 20109859AAAACF5412

Place: Mumbai

Date: 26<sup>th</sup> June, 2020

## “Annexure A” to the Independent Auditors’ Report

(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Ruchi Soya Industries Limited on the Standalone Financial Statements for the year ended 31<sup>st</sup> March 2020)

- (i) In respect of fixed assets:-
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) As explained to us, the fixed assets are physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification as compared with the available records.
- (c) In our opinion and according to information and explanations given to us and on the basis of our examination of available records of the Company, the title deeds of immovable properties are held in the name of the Company except the following :-

Particulars	(₹ In Lakh)		Total
	Leasehold Land	Freehold Land	
No. of cases	1	1	2
Gross Block as on 31 <sup>st</sup> March 2020	71.55	4.73	76.28
Net Block as on 31 <sup>st</sup> March 2020	-	4.73	4.73

- (ii) In respect of its inventories:-
- As explained to us, inventories have been physically verified during the year by the management except goods in transit. In our opinion the frequency of verification is reasonable. Discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company and the same have been properly dealt with.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, during the year, the Company has not made any loan, investment and guarantees to any person specified under section 185 and section 186

of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iv) of the Order are not applicable to the Company.

- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified. During the year, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the records of the Company and information and explanations given to us, the Company has generally been regular, in depositing undisputed statutory dues, including provident fund, employees’ state insurance, income tax, duty of customs, goods and service tax, cess and any other statutory dues, except in few cases, to the appropriate authorities as applicable during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31<sup>st</sup> March, 2020 for a period of more than six months from the date they became payable.

- (b) As mentioned in note 33 to the standalone financial statements, as per approved resolution plan, which interalia resulted in extinguishment of all contingent liabilities and commitments, claims and obligations, which pertains to the period on or before the effective date (i.e. 6<sup>th</sup> September 2019 pursuant to the implementation of the Resolution Plan). There are no dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax and goods and service tax, which have not been deposited on account of any dispute.



- (viii) The National Company Law Tribunal ("NCLT") has approved the terms of the Resolution Plan submitted by Resolution Applicant, pursuant to which loans or borrowings owed by the Company as at that date have been partially paid and balance amount has been extinguished. Accordingly, the Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or government or any dues to debenture-holders during the year.
- (ix) According to the information and explanations given to us, the Company did not raise any moneys by way of initial public offer, further public offer (including debt instruments). Term loans raised by Patanjali Consortium Adhigrahan Private Limited which amalgamated with the Company were applied for the purpose for which the loans were obtained. Therefore, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management. However, we have been informed that Company has received communication dated 10<sup>th</sup> May 2018 from Serious Fraud Investigation Office, Ministry of Corporate Affairs, New Delhi regarding investigation into the affairs of the Company under section 212 (1) of the Companies Act, 2013, the matter is still going on.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V to the Act.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act.
- (xiv) According to information and explanations given to us the company has not made any preferential allotment or private placement of shares or debentures during the year. All allotment of shares during the year were as per the NCLT order dated 24th July, 2019 and 4<sup>th</sup> September 2019 under section 31 of the IBC Code, 2016.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Date: 26<sup>th</sup> June, 2020

Membership Number: 109859

UDIN: 20109859AAAACF5412

## “Annexure B” to the Independent Auditors’ Report

Referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Ruchi Soya Industries Limited on the standalone financial statements for the year ended 31<sup>st</sup> March 2020.

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Ruchi Soya Industries Limited (“the Company”) as of 31<sup>st</sup> March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls

over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management, directors and RP of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes

in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

According to the information and explanations given to us and based on the audit of test of controls, in our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated

in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Membership Number: 109859

UDIN: 20109859AAAACF5412

Place: Mumbai

Date: 26<sup>th</sup> June, 2020

# Standalone Balance Sheet

as at March 31, 2020

Particulars	Notes	₹ in Lakh	
		As at March 31, 2020	As at March 31, 2019
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	355,414.95	370,808.11
(b) Capital work-in-progress	3	2,520.39	2,691.30
(c) Intangible assets	4	151,585.40	151,589.30
(d) Financial Assets			
(i) Investments	5(a)	737.63	1,450.55
(ii) Loans	5(b)	3,554.68	3,529.61
(iii) Others	5(c)	1,565.87	1,413.93
(e) Other non-current assets	6	10,511.56	8,638.82
<b>Total Non-current assets</b>		<b>525,890.48</b>	<b>540,121.62</b>
<b>(2) Current assets</b>			
(a) Inventories	7	135,461.49	126,085.13
(b) Financial Assets			
(i) Investments	8(a)	1,281.03	1,679.35
(ii) Trade receivables	8(b)	27,399.28	26,223.61
(iii) Cash and cash equivalents	8(c)	15,379.99	15,802.32
(iv) Bank balances other than (iii) above	8(d)	30,146.21	27,201.25
(v) Loans	8(e)	120.15	113.13
(vi) Others	8(f)	330.02	339.44
(c) Other Current Assets	9	50,384.92	55,752.91
Assets Classified as held for Sale	10	367.56	367.56
<b>Total Current assets</b>		<b>260,870.65</b>	<b>253,564.70</b>
<b>Total Assets</b>		<b>786,761.13</b>	<b>793,686.32</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	5,915.29	6,529.41
(b) Other Equity	12	331,174.86	(454,349.44)
<b>Total Equity</b>		<b>337,090.15</b>	<b>(447,820.03)</b>
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13(a)	295,383.32	1,607.27
(ii) Other financial liabilities	13(b)	31,101.84	-
(b) Other non-current liabilities	14	51.72	552.69
(c) Provision	15	898.94	681.27
<b>Total Non-Current Liabilities</b>		<b>327,435.82</b>	<b>2,841.23</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16(a)	63,029.93	727,980.20
(ii) Trade Payables			
(a) Total Outstanding due to Micro and small enterprises.	16(b)	403.19	433.96
(b) Total Outstanding due to creditors other than Micro and small enterprises.	16(b)	16,797.34	223,103.74
(iii) Other financial liabilities	16(c)	30,415.29	276,358.71
(b) Other current liabilities	17	11,305.23	10,439.33
(c) Provisions	18	111.18	176.18
Liabilities directly associated with assets classified as held for sale	19	173.00	173.00
<b>Total Current liabilities</b>		<b>122,235.16</b>	<b>1,238,665.12</b>
<b>Total Equity and Liabilities</b>		<b>786,761.13</b>	<b>793,686.32</b>

See accompanying Notes to the financial statements from 1 to 47

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date : 26 June, 2020

For and on Behalf of Board of Directors

**Acharya Balkrishna**  
Chairman and Managing Director

Place: Haridwar

**Anil Singhal**  
Chief Financial Officer

Place: Indore

**Ram Bharat**  
Executive Director

Place: Haridwar

**R. L. Gupta**  
Company Secretary

Place: Indore

# Statement of Standalone Profit and Loss

for the year ended March 31, 2020

		₹ in Lakh		
Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019	
<b>INCOME</b>				
<b>I</b>	Revenue from Operations	20	1,311,778.81	1,272,923.31
<b>II</b>	Other Income	21	5,757.75	10,002.25
<b>III</b>	<b>Total Income (I+II)</b>		<b>1,317,536.56</b>	<b>1,282,925.56</b>
<b>IV EXPENSES</b>				
	Cost of materials consumed	22	1,126,248.85	1,096,789.57
	Purchases of Stock-in-Trade	23	38,683.09	35,535.68
	Changes in inventories of finished goods, work-in-progress and stock in trade	24	(7,601.19)	7,879.88
	Employee Benefits Expense	25	15,270.81	15,118.96
	Finance Costs	26	11,231.48	699.07
	Depreciation & Amortisation Expenses	27	13,577.36	13,824.44
	Provision for Doubtful Debts/ Advances, Expected credit loss, Write off (Net)	28	2,183.31	1,340.25
	Other Expenses	29	96,904.47	104,065.70
	<b>Total Expenses (IV)</b>		<b>1,296,498.18</b>	<b>1,275,253.55</b>
<b>V</b>	<b>Profit before exceptional items and tax expenses (III-IV)</b>		<b>21,038.38</b>	<b>7,672.01</b>
<b>VI</b>	<b>Exceptional Items (Net) [Refer Note No. 30]</b>		744,763.89	-
<b>VII</b>	<b>Profit before tax (V+VI)</b>		<b>765,802.27</b>	<b>7,672.01</b>
<b>VIII Tax expense</b>				
	Current Tax		-	-
	Deferred Tax		-	-
	Income Tax for earlier years written Back		(1,400.00)	-
<b>IX</b>	<b>Profit for the year (VII-VIII)</b>		<b>767,202.27</b>	<b>7,672.01</b>
<b>X</b>	<b>Other Comprehensive Income</b>	31		
	(i) Items that will not be reclassified to statement of profit or loss		(644.50)	(632.57)
	(ii) Tax relating that will not be reclassified to profit or loss		-	-
<b>XI</b>	<b>Total comprehensive income for the year (IX+X)</b>		<b>766,557.77</b>	<b>7,039.44</b>
<b>XII Earnings per equity share of face value of ₹ 2 each</b>				
	Basic and Diluted earnings per share	40		
	a. Basic (in ₹)		871.28	229.63
	b. Diluted (in ₹)		871.28	229.63

See accompanying Notes to the financial statements from 1 to 47

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date : 26 June, 2020

For and on Behalf of Board of Directors

**Acharya Balkrishna**  
Chairman and Managing Director  
Place: Haridwar

**Anil Singhal**  
Chief Financial Officer  
Place: Indore

**Ram Bharat**  
Executive Director  
Place: Haridwar

**R. L. Gupta**  
Company Secretary  
Place: Indore

# Statement of Standalone Changes in Equity (SOCIE)

for the year ended March 31, 2020

## a. Equity share capital

	March 31, 2020		March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	3,204.71	6,529.41	3,341.01	6,682.01
Less : Share Reduction during the year (Including Treasury Equity Shares)	3,231.30	6,462.59	-	-
Add : Share issued during the year	2,925.00	5,850.00	-	-
	<b>2,958.41</b>	<b>5,916.82</b>	<b>3,341.01</b>	<b>6,682.01</b>
Less : 76,301 (Previous year 76,30,115 Treasury Equity Shares)	0.76	1.53	76.30	152.60
Balance at the end of the reporting year	<b>2,957.65</b>	<b>5,915.29</b>	<b>3,264.71</b>	<b>6,529.41</b>

## b. Other Equity

### (i) As at March 31, 2020 [Refer Note 12]

Particulars	Note Reference	Reserves and Surplus					Total
		Capital Redemption Reserve	Securities Premium account	General Reserve	Capital Reserve	Equity Instruments through Other Comprehensive Income	
Balance at the beginning of the reporting year		8,770.98	45,186.45	41,815.51	3,328.75	(9,591.30)	(454,349.44)
Profit for the year		-	-	-	-	-	767,202.27
Other Comprehensive Income for the year	31	-	-	-	-	(362.77)	(281.73)
<b>Total comprehensive income for the year</b>		-	-	-	-	<b>(362.77)</b>	<b>766,920.54</b>
<b>Other changes during the year</b>							
(i) Arising pursuant to amalgamation [Refer Note 32(g)]		-	-	-	12,333.78	-	-
(ii) Reduction in equity and preference share capital [Refer Note 32(d)]		-	-	-	-	-	6,632.75
<b>Balance at the end of the reporting year</b>		<b>8,770.98</b>	<b>45,186.45</b>	<b>41,815.51</b>	<b>15,662.53</b>	<b>(9,954.07)</b>	<b>331,174.86</b>

₹ in Lakh

## (ii) As at March 31, 2019 [Refer Note 12]

Particulars	Note Reference	Reserves and Surplus							Total
		Capital Redemption Reserve	Share Options Outstanding Account	Securities Premium Account	General Reserve	Capital Reserve	Equity Instruments through Other Comprehensive Income	Retained Earnings	
Balance at the beginning of the reporting year		8,770.98	39.53	45,186.45	41,775.98	3,328.75	(9,119.42)	(551,371.16)	(461,388.89)
Profit/(Loss) for the year		-	-	-	-	-	-	7,672.01	7,672.01
Other Comprehensive Income for the year	31	-	-	-	-	-	(471.87)	(160.69)	(632.56)
<b>Total comprehensive income for the year</b>		-	-	-	-	-	<b>(471.87)</b>	<b>7,511.32</b>	<b>7,039.45</b>
<b>Transactions with the owners in their capacity as the owners</b>									
- Employee Stock option expenses	12 B	-	(39.53)	-	-	-	-	-	(39.53)
<b>Other changes during the year</b>									
- Add/Less: Movement during the Year	12 D	-	-	-	39.53	-	-	-	39.53
<b>Balance at the end of the reporting year</b>		<b>8,770.98</b>	<b>-</b>	<b>45,186.45</b>	<b>41,815.51</b>	<b>3,328.75</b>	<b>(9,591.29)</b>	<b>(543,859.84)</b>	<b>(454,349.44)</b>

## As per our report of even date attached

## For Chaturvedi and Shah LLP

Chartered Accountants  
Registration No. 101720W/W100355

## Vijay Napawaliya

Partner  
Membership no. 109859

Place: Mumbai  
Date : 26 June, 2020

## For and on Behalf of Board of Directors

## Aacharya Balkrishna

Chairman and Managing Director

Place: Haridwar

## Ram Bharat

Executive Director

Place: Haridwar

## Anil Singhal

Chief Financial Officer

Place: Indore

## R. L. Gupta

Company Secretary

Place: Indore

# Statement of Standalone Cash flows

for the year ended March 31, 2020

Particulars	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>(A) Cash flow from operating activities</b>		
Profit before tax	765,802.27	7,672.01
Adjustments for:		
Depreciation and Amortisation Expenses	13,577.36	13,824.44
Exceptional Items	(744,763.89)	-
Net Loss on Sale/Discard of Fixed Assets	443.70	414.83
Impairment on investments and Fair value adjustments (net)	492.63	266.87
Interest Income	(3,200.64)	(1,162.13)
Finance costs	11,231.48	699.07
(Gain)/Loss on foreign currency transaction/translation	934.54	1,351.84
Provision for doubtful debt / advances, expected credit loss, write off (Net)	2,183.31	1,340.25
(Gain)/loss on sale of Investment	(6.02)	(359.74)
Income of investment	(102.68)	(89.80)
Excess Provision/Liabilities no longer required written back	(687.80)	(5,130.70)
<b>Operating profit before working capital changes</b>	<b>45,904.26</b>	<b>18,826.94</b>
<b>Working capital adjustments</b>		
(Increase)/ Decrease in inventories	(9,376.36)	(6,978.78)
(Increase)/ Decrease in trade and other receivables	43.11	(2,442.47)
Increase/ (Decrease) in trade and other payables	(42,318.73)	12,649.68
<b>Cash generated from operations</b>	<b>(5,747.72)</b>	<b>22,055.37</b>
Income Tax	(344.82)	1,923.33
<b>Net cash flows from operating activities</b>	<b>(6,092.54)</b>	<b>23,978.70</b>
<b>(B) Cash flow from investing activities</b>		
Payment for Purchase and Construction of CWIP, Property, Plant and Equipment	(1,930.08)	(850.03)
Proceeds from sale of Property, Plant and Equipment	-	136.35
Proceeds on account of Capital reduction	-	1,632.00
(Increase)/ Decrease in Other Balance with Banks	(3,005.44)	(13,259.10)
Interest income	2,358.33	1,162.13
<b>Net cash flows from investing activities</b>	<b>(2,577.19)</b>	<b>(11,178.65)</b>
<b>(C) Cash flow from financing activities</b>		
Proceeds from equity share capital	20,475.00	-
Proceeds from preference share capital	45,000.00	-
Proceeds from debentures	45,000.00	-
Proceeds from long term borrowings	240,000.00	-
Proceeds from short term borrowings (Net)	63,029.93	-
Repayment of long term borrowings pursuant to completion of CIRP	(30,314.70)	-
Repayment of short term borrowings pursuant to completion of CIRP	(367,388.25)	-
Finance Cost	(7,499.44)	(699.07)
Payment of lease liability	(55.13)	-
<b>Net cash flows from financing activities</b>	<b>8,247.41</b>	<b>(699.07)</b>



Particulars	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Net increase / (decrease) in cash and cash equivalents</b>	(422.33)	12,100.98
Cash and cash equivalents at the beginning of the year	15,802.32	3,701.34
<b>Cash and cash equivalents at the end of the year</b>	<b>15,379.99</b>	<b>15,802.32</b>
<b>Reconciliation of Cash and Cash equivalents with the Balance Sheet</b>		
Cash and Bank Balances as per Balance Sheet [Note 8c]		
Cash in hand	39.64	45.30
In Current Accounts	6,008.78	6,678.86
In Deposit Accounts with less than or equal to 3 months maturity	9,331.57	9,078.16
<b>Cash and Cash equivalents as restated as at the year end</b>	<b>15,379.99</b>	<b>15,802.32</b>

**Note:**

- For the purpose of above cash flow, money received by special purpose vehicle (Patanjali Consortium Adhigrahan Private Limited) and paid by the company pursuant to resolution plan has been considered.
- Previous year figure have been regrouped and rearranged wherever necessary.
- The above statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flow".

**As per our report of even date attached****For Chaturvedi and Shah LLP**

Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**

Partner  
Membership no. 109859

Place: Mumbai  
Date: 26 June, 2020

**For and on Behalf of Board of Directors**

**Acharya Balkrishna**  
Chairman and Managing Director  
Place: Haridwar

**Ram Bharat**  
Executive Director  
Place: Haridwar

**Anil Singhal**  
Chief Financial Officer  
Place: Indore

**R. L. Gupta**  
Company Secretary  
Place: Indore

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 1-2

### NOTE 1 : CORPORATE INFORMATION

Ruchi Soya Industries Limited ("the Company") is a Public Limited Company engaged primarily in the business of processing of oil-seeds and refining of crude oil for edible use. The Company also produces oil meal, food products from soya and value added products from downstream and upstream processing. The Company is also engaged in trading in various products and generation of power from wind energy. The Company has manufacturing plants across India and is listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company's registered office is at Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (E), Mumbai – 400065, Maharashtra.

### NOTE 2 : BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### (A) Basis of Preparation

##### a Statement of Compliance

The financial statement of the Company have been prepared to comply with Indian Accounting Standard including the rules notified under the relevant provisions of the Companies Act, 2013.

With effect from 1st April, 2019, Ind AS 116 – "Leases" (Ind AS 116) supersedes Ind AS 17 – "Leases". The Company has adopted Ind AS 116 using modified simplified approach without adjustment of comparatives. The application of Ind AS 116 has resulted into recognition of 'Right-of-Use' asset with a corresponding Lease Liability in the Balance Sheet.

##### b Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All amounts have been rounded to the nearest lakh, unless otherwise indicated.

##### c Basis of Measurement

These financial statements have been prepared on a historical cost convention basis, except for the following:

- (i) Certain financial assets and liabilities that are measured at fair value.
- (ii) Assets held for sale- Measured at the lower of (a) carrying amount and (b) fair value less cost to sell.

- (iii) Net defined benefit plans- Plan assets measured at fair value less present value of defined benefit obligation.

#### Determining the Fair Value

While measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

##### d Critical Accounting Judgements and Key Sources Of Estimation Uncertainty

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented.

These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. The information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as given below:-

## 1 Impairment test of non financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

## 2 Allowance for bad debts / expected credit loss

The Management makes estimates related to the recoverability of receivables, whose book values are adjusted through an allowance for Expected losses/ Provision for Doubtful debts. Management specifically analyses accounts receivable, customers' creditworthiness, current economic trends and changes in customer's collection terms when assessing the adequate allowance for Expected losses/ Provision for Doubtful debts, which are estimated over the lifetime of the debts.

## 3 Recognition and measurement of Provisions and Contingencies

Provisions and liabilities are recognised in the year when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

### Contingencies

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements. When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position.

## 4 Recognition of Deferred Tax Assets

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with business developments.

## 5 Measurements of Defined benefit obligations plan

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## 6 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

## 7 Income Taxes

There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalised on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the year in which such determination is made.

## 8 Depreciation / Amortisation and useful lives of Property Plant and Equipment (PPE) / Intangible Assets

PPE / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods are revised if there are significant changes from previous estimates.

## 9 Global health pandemic on COVID-19

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In assessing the recoverability of Company's assets such as financial asset and non-financial assets, the Company has considered internal and external information. The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial statements and the Company expects to recover the carrying amount of all the assets.

## 10 Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence, should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Such items are material by nature or amount to the year's result and / or require separate disclosure in accordance with Ind AS. The determination as to which items should be disclosed separately requires a degree of judgement. The details of exceptional items are set out in note 30.

## e Current and non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- (a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- (b) Held primarily for the purpose of trading,
- (c) Expected to be realised within twelve months after the reporting year, or
- (d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is classified as current when it is:

- (a) Expected to be settled in normal operating cycle,
- (b) Held primarily for the purpose of trading,
- (c) Due to be settled within twelve months after the reporting year, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

## (B) Significant Accounting Policies

### a Property, Plant and Equipment:

#### (i) Recognition and measurement

Property, Plant and equipment are measured at cost (which includes capitalised borrowing costs) less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and depreciated accordingly.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of profit or loss.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

(ii) On transition to Ind AS as on April 1, 2015 the Company has elected to measure certain items of Property, Plant and Equipment [Freehold Land, Building and Plant and Equipment's] at Fair Value and for other Property, Plant and Equipment these are measure at cost as per Ind AS. The same are considered as deemed cost on the date of transition to Ind AS.

#### (iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### (iv) Depreciation, Estimated useful life and Estimated residual value

Depreciation is calculated using the Straight Line Method, pro rata to the period of use, taking into account useful lives and residual value of the assets. The useful life of assets & the estimated residual value, which are different from those prescribed under Schedule II to the Companies Act, 2013, are based on technical advice as under:

Assets	Estimated useful life's	Estimated Residual Value
Building	3 to 60 years	2 to 5 Percent
Plant & Equipment's	5 to 40 years	3 to 25 percent
Windmills	30 years	19 percent
Furniture and Fixture	5 to 10 years	As per Schedule II
Motor Vehicles	7 to 8 years	As per Schedule II

Depreciation is computed with reference to cost.

The assets residual value and useful life are reviewed and adjusted, if appropriate, at the end of each reporting year. Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are included in the statement of Profit and Loss.

### b Intangible Assets

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Gains or losses arising from derecognition of an intangible asset are measured as the difference

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

## (i) Recognition and measurement

Computer software's have finite useful lives and are measured at cost less accumulated amortisation and any accumulated impairment losses.

Acquired brands / Trademarks have indefinite useful life and as on transition date April 1, 2015 have been Fair valued based on reports of expert valuer, which is considered as deemed cost on transition to Ind AS. The same are tested for impairment, if any, at the end of each accounting year.

## (ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, when incurred is recognised in statement of profit or loss.

## (iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in statement of profit or loss. Computer software are amortised over their estimated useful life or 5 years, whichever is lower.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

## c Impairment of assets

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the statement of profit and loss. The impairment loss recognised in the prior

accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

## d Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one Company and a financial liability or equity instrument of another Company. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options.

### (i) Financial assets

#### Initial recognition and measurement

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

#### Subsequent Measurement

#### Financial Assets measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

#### Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

### In case of investments

#### In Equity instruments

- For subsidiaries, associates and Joint ventures - Investments are measured at cost and tested for impairment periodically. Impairment (if any) is charged to the Statement of Profit and Loss.

- For Other than subsidiaries, associates and Joint venture - Investments are measured at Fair value through Other Comprehensive Income [FVTOCI].

#### In Mutual fund

Measured at Fair value through Profit and Loss (FVTPL).

#### Guarantee Commission

Guarantees extended to subsidiaries, associates and Joint ventures are Fair Valued.

#### Debt instruments

The Company measures the debt instruments at Amortised Cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest [SPPI] are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of the hedging relationship, is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the Effective interest rate method.

#### Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to cash flows from the asset

expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

#### Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure:

a) Financial assets that are debt instruments and are measured at amortised cost e.g, loans, debt securities, deposits, and bank balance.

b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

- For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. Expected Credit Loss Model is used to provide for impairment loss.

## (ii) Financial liabilities

### Classification

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit and loss-[FVTPL]; and

- those measured at amortised cost. [AC]

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### Subsequent measurement

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts are approximate at their fair value due to the short maturity of these instruments.

### Financial liabilities at fair value through profit or loss [FVTPL]

Financial liabilities at fair value through profit or loss [FVTPL] include financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/loss are not subsequently transferred to statement of profit or loss. However, the Company may transfer the cumulative gain or loss within

equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

### Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowings using the effective interest method. Processing/Upfront fee are treated as prepaid asset netted of from borrowings. The same is amortised over the period of the facility to which it relates.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any non cash assets transferred or liability assumed, is recognised in Statement of profit or loss as other gains or (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of liabilities for at least twelve months after the reporting year.

Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the same is classified as current unless the lender agreed, after the reporting year and before the



# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

approval of financial statements for issue, not to demand payment as a consequence of the breach.

## Trade and other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid at the year end. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting year. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts to hedge its foreign currency risks, interest rate risks and commodity price risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

## e Inventories

Inventories are measured at the lower of cost and net realisable value after providing for obsolescence, if any, except for Stock-in-Trade [which are measured at Fair value] and Realisable by-products [which are measured at net realisable value]. The cost of inventories is determined using the weighted average method and includes expenditure incurred in acquiring inventories, production or conversion and other costs incurred in bringing them to their respective present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. The comparison of cost and Net Realisable value is made on an item by item basis.

Net realisable value is estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale. The net realisable value of work in progress is determined with reference to selling prices of finished products.

## f Cash And Cash Equivalent

For the purpose of presentation in the statement of the cash flows, cash and cash equivalent includes the cash on hand, deposits held at call with financial institutions other short term, highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## g Contributed Equity

Equity shares are classified as equity. Incidental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## h Dividends

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

## i Earnings per share

### (i) Basic earnings per share

Basic earnings per shares is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/ after Exceptional Items (net of tax) by Weighted average number of Equity shares, (excluding treasury shares).

### (ii) Diluted earnings per share

Diluted earnings per shares is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/ after Exceptional Items (net of tax) by Weighted average number of Equity shares (excluding treasury shares) considered for basic earning per shares including dilutive potential Equity shares.

## j Foreign Currency

### (i) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currencies of the Company at the exchange rate prevailing at the date of the transactions. Monetary assets (other than investments in companies registered outside India) and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Investments in companies registered outside India are converted at rate prevailing at the date of acquisition. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Difference on account of changes in foreign currency are generally charged to the statement of profit & loss except the following:

The Company has availed the exemption available under Para D13AA of Ind AS - 101 of "First time adoption of Indian Accounting Standards". Accordingly, exchange gains and losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such asset.

## k Revenue recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services. The Company also derives revenue from power generation through wind energy.

In Compliance with Ind AS 20 on Government Grants and consequent to issuance of Education Material by The Institute of Chartered Accounts of India on Ind AS 115, the amount of export incentives have been reclassified from "Other Operating Revenue" to "Other Income".

### (i) Sale of Goods/ Services

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transfer upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and receivable is recognised when it becomes unconditional.

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and claims, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

## Contract balances

### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

## (ii) Other Operating Revenue

Income from sale of wind power is recognised on the basis of units wheeled during the period. Incomes from carbon credits are recognised on credit of Carbon Emission Reduction (CER) by the approving authority in the manner in which it is unconditionally available to the generating Company.

Incentives on exports and other Government incentives related to operations are recognised in the statement of profit or loss after due consideration of certainty of utilisation/receipt of such incentives.

## (iii) Other Income

Other income is comprised primarily of interest income, dividend income, gain/loss on investments and gain/loss on foreign exchange and on translation of other assets and liabilities. Interest income is recognised using the effective interest method. Claims for export incentives/ duty drawbacks, duty refunds and insurance are accounted when the right to receive payment is established.

## 1 Government Grants

- (i) Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.
- (ii) Government grant relating to purchase of Property, Plant and Equipment are included in "Other current/ non-current liabilities" as Government Grant - Deferred Income and are credited to Profit or loss on a straight line basis over the expected life of the related asset and presented within "Other operating Income".

## m Employee Benefits

- (i) **During Employment benefits**
  - (a) **Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

- (ii) **Post Employment benefits**
  - (a) **Defined contribution plans**

A defined contribution plan is a post employment benefit plan under which a Company pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards government administered Provident Fund scheme.

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

the extent that a cash refund or a reduction in future payments is available.

### (b) Defined benefit plans

The Company pays gratuity to the employees who have completed five years of service with the company at the time when employee leaves the Company. The gratuity is paid as per the provisions of Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the periods during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post employment are charged to Other Comprehensive Income.

### (c) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. In case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of reporting year are discounted to the present value.

## n Income Taxes

Income tax expense comprises current and deferred tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in the other comprehensive income or in equity.

### (i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or subsequently enacted at the Balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

### (ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have enacted or substantively enacted by the end of the reporting year. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting year. Deferred tax is recognised to the extent that it is probable that future taxable profit will be available against which they can be used.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable Company.

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## o Borrowing Costs

General and specific Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the year in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation. All other borrowing costs are charged to the statement of profit and loss for the year for which they are incurred.

## p Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

## q Non- Current assets held for sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the Statements of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Balance Sheet.

## r Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## s Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

## t Biological Assets

Biological Assets are measured at fair value less costs to sell, with any changes therein recognised in the Statement of Profit & Loss.

## u Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

## v Business Combination and Goodwill/Capital Reserve:

The Company uses the pooling of interest method of accounting to account for common control business combination and acquisition method of accounting to account for other business combinations.

The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in other equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in other equity as capital reserve, without routing the same through OCI.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

In case of Pooling of interest method of accounting, the assets and liabilities of the combining entities recognises at their carrying amounts. No adjustment is made to reflect the fair value or recognise any new assets and liabilities. The financial information in the financial statements in respect of prior periods restates as if the business combination had occurred

from the beginning of the preceding period. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves.

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

Particulars	Own assets										Total	
	Freehold land	Buildings	Plant & Equipment	Windmills	Furniture & Fixtures	Vehicles	Office Equipments	Right of use of assets				
<b>A. Year ended March 31, 2020</b>												
Gross carrying amount												
Opening gross carrying amount as at April 1, 2019	160,661.55	60,065.86	163,610.04	55,067.75	1,643.08	1,711.33	3,606.36	1,430.81	-	-	447,796.78	
Add : Additions	-	162.09	698.11	-	3.07	7.90	125.48	-	85.14	-	1,081.79	
Less : Disposals	-	2.50	489.30	-	706.85	15.52	853.82	-	-	-	2,067.99	
Closing gross carrying amount	160,661.55	60,225.45	163,818.85	55,067.75	939.30	1,703.71	2,878.02	1,430.81	85.14	85.14	446,810.58	
Accumulated depreciation and impairment												
Opening accumulated depreciation and impairment as at April 1, 2019	-	9,452.50	39,909.11	20,939.59	1,371.78	1,548.47	3,357.02	410.20	-	-	76,988.67	
Add : Depreciation charge during the year	-	2,145.12	9,260.84	1,850.54	72.20	55.76	93.10	28.73	49.67	-	13,555.96	
Add : Impairment	-	661.49	1,807.19	-	-	-	-	-	-	-	2,468.68	
Less : Disposals/ Adjustments	-	0.41	115.70	-	671.87	14.88	814.82	-	-	-	1,617.68	
Closing accumulated depreciation and impairment	-	12,258.70	50,861.44	22,790.13	772.11	1,589.35	2,635.30	438.93	49.67	49.67	91,395.63	
Net carrying amount	160,661.55	47,966.75	112,957.41	32,277.62	167.19	114.36	242.72	991.88	35.47	35.47	355,414.95	
<b>B. Year ended March 31, 2019</b>												
Gross carrying amount												
Opening gross carrying amount as at April 1, 2018	160,661.55	60,061.85	163,371.86	55,067.75	1,646.22	1,946.09	3,615.01	1,430.81	-	-	447,801.14	
Add : Additions	-	4.02	897.50	-	2.68	7.81	51.86	-	-	-	963.87	
Less : Disposals	-	0.01	659.32	-	5.82	242.57	60.51	-	-	-	968.23	
Closing gross carrying amount	160,661.55	60,065.86	163,610.04	55,067.75	1,643.08	1,711.33	3,606.36	1,430.81	-	-	447,796.78	
Accumulated depreciation and impairment												
Opening accumulated depreciation and impairment as at April 1, 2018	-	7,268.36	30,638.75	19,089.05	1,298.33	1,673.27	3,284.42	381.26	-	-	63,633.44	
Add : Depreciation charge during the year	-	2,184.15	9,432.27	1,850.54	77.79	77.00	121.59	28.94	-	-	13,772.28	
Less : Disposals/ Adjustments	-	0.01	161.91	-	4.34	201.80	48.99	-	-	-	417.05	
Closing accumulated depreciation and impairment	-	9,452.50	39,909.11	20,939.59	1,371.78	1,548.47	3,357.02	410.20	-	-	76,988.67	
Net carrying amount	160,661.55	50,613.36	123,700.93	34,128.16	271.30	162.86	249.34	1,020.61	-	-	370,808.11	
Capital work in progress as on March 31, 2019											2,691.30	
Capital work in progress as on March 31, 2020 (Net of impairment of ₹ 1,068.79/- Lakh)											2,520.39	

## Note:

The Company in accordance with the Indian Accounting Standard (Ind AS -36) on "Impairment of Assets" carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of review carried out by the management, the management has provided for impairment amounting to ₹ 3,537.47 Lakh on property, plant and equipment and capital work in progress during the year ended March 31, 2020.



# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 4 : INTANGIBLE ASSETS

Particulars	₹ in Lakh		
	Trade Marks/ Brands (Refer note below)	Computer Software	Total
<b>A. Year ended March 31, 2020</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount as at April 1, 2019	151,584.00	1,403.38	152,987.38
Additions	-	17.41	17.41
<b>Closing gross carrying amount</b>	<b>151,584.00</b>	<b>1,420.79</b>	<b>153,004.79</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	36.00	1,362.08	1,398.08
Amortisation charge during the year	-	21.40	21.40
Less : Disposals/ Adjustments	-	0.09	0.09
<b>Closing accumulated amortisation</b>	<b>36.00</b>	<b>1,383.39</b>	<b>1,419.39</b>
<b>Closing net carrying amount</b>	<b>151,548.00</b>	<b>37.40</b>	<b>151,585.40</b>
<b>B. Year ended March 31, 2019</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount as at April 1, 2018	151,584.00	1,396.27	152,980.27
Additions	-	7.11	7.11
<b>Closing gross carrying amount</b>	<b>151,584.00</b>	<b>1,403.38</b>	<b>152,987.38</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	36.00	1,309.93	1,345.93
Amortisation charge during the year	-	52.15	52.15
<b>Closing accumulated amortisation</b>	<b>36.00</b>	<b>1,362.08</b>	<b>1,398.08</b>
<b>Closing net carrying amount</b>	<b>151,548.00</b>	<b>41.30</b>	<b>151,589.30</b>

**Note:-** All the intellectual property rights, including brands, trademarks, copyrights, registered in the name of Company and/or used by the Company. After the corporate insolvency resolution process all such intellectual property rights continue to be solely and exclusively owned and used by the Company. The Company does not expects any impacts of application/petition filed in relation to ownership and/or usage by the Company of the intellectual property rights, including arbitration petition filed.

## NOTE 5a : FINANCIAL ASSETS

### Non-Current Financial Investments

Investments In Subsidiaries and Joint Ventures (Measured at cost) [Refer Note 5a - D(a) below]

#### A Investment in Equity Instruments: (fully paid up)

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
<b>a) In Subsidiary companies</b>		
<b>- Unquoted</b>		
i) Nil [Previous Year 99,40,700] Equity Shares of ₹ 10/- each fully paid in Ruchi Worldwide Limited	-	-
ii) Nil [Previous Year 60,00,000] Equity Shares of USD 1 each fully paid up in Ruchi Industries Pte Limited	-	-
iii) Nil [Previous Year 28,543 ] Equity Shares of 1,000 United Arab Emirates Dirhams (AED) each fully paid up in Ruchi Ethiopia Holdings Limited	-	-
iv) Nil [Previous Year 10,000] Equity Shares of ₹ 10/- each fully paid up in Mrig Trading Private Limited	-	1.00
v) Nil [Previous Year 60,60,000] Equity Shares of ₹ 10/- each fully paid in RSIL Holdings Private Limited	-	348.10
<b>b) In Joint Venture</b>		
22,060 [Previous Year 22,060] Equity Shares of ₹ 10/- each fully paid in Ruchi J-Oil Private Limited (Refer note No.35)	154.26	154.26
<b>Total</b>	<b>154.26</b>	<b>503.36</b>

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

### B Investment in Equity Instruments - Other than in Subsidiary, Associate and Joint Venture companies (Designated at Fair value through Other Comprehensive Income (FVTOCI) [Refer Note 31 (A) 1 (ii)]

	As at March 31, 2020	As at March 31, 2019
₹ in Lakh		
<b>a) Quoted</b>		
i) 8,83,500 [Previous Year 8,83,500] Equity Shares of ₹ 10/- each fully paid up in National Steel & Agro Industries Limited	12.38	49.39
ii) 4,00,000 [Previous Year 4,00,000] Equity Shares of ₹ 10/- each fully paid up in Anik Industries Limited	25.40	63.20
iii) 2,73,24,239 [Previous Year 2,73,24,239] Equity Shares of ₹ 1/- each fully paid up in Ruchi Infrastructure Limited	508.24	792.40
iv) 17,71,700 [Previous Year 17,71,700] Equity Shares of ₹ 10/- each fully paid up in Ruchi Strips & Alloys Limited	30.12	33.67
v) 1,19,300 [Previous Year 1,19,300] Equity Shares of ₹ 10/- each fully paid up in Sarthak Global Limited	6.19	6.44
vi) 1,80,000 [Previous Year 1,80,000] Equity Shares of ₹ 2/- each fully paid up in Blue Chip India Limited	0.59	0.59
vii) 35,000 [Previous Year 35,000] Equity Shares of ₹ 10/- each fully paid up in Sharadraj Tradelink Limited	-	-
viii) 21,500 [Previous Year 21,500] Equity Shares of ₹ 10/- each fully paid up in Hereld Commerce Limited	0.41	0.41
<b>b) Unquoted</b>		
i) 25,000 [Previous Year 25,000] Equity shares of ₹ 10/- each fully paid-up in Ruchi Infotech Limited	-	-
ii) 6,00,000 [Previous Year 6,00,000] Equity shares of ₹ 10/- each fully paid-up in Ruchi Acroni Industries Limited	-	-
iii) 35,000 [Previous Year 35,000] Equity shares of ₹ 10/- each fully paid-up in E-DP Marketing (P) Limited	-	-
iv) 16,100 [Previous Year 16,100] Equity Shares of ₹ 10/- each fully paid up in National Board of Trade Private Limited	-	-
<b>Total</b>	<b>583.33</b>	<b>946.10</b>

### C Investment in Government or Trust Securities measured at Amortised cost

National Saving Certificates/Kisan Vikas Patra (deposited with Government authorities)	0.04	1.09
<b>Total</b>	<b>0.04</b>	<b>1.09</b>
<b>GRAND TOTAL</b>	<b>737.63</b>	<b>1,450.55</b>
Aggregate amount of quoted investments - Cost	<b>10,774.61</b>	<b>10,774.61</b>
Fair Market Value of quoted investments	<b>583.33</b>	<b>946.10</b>
Aggregate amount of unquoted investments	<b>154.30</b>	<b>512.06</b>
Aggregate amount of Impairment of unquoted investments	<b>(68.66)</b>	<b>(12,449.30)</b>
<b>Category-wise Non-current Investment</b>		
Financial assets carried at AC	<b>0.04</b>	<b>1.09</b>
Financial assets measured at cost	<b>154.26</b>	<b>503.36</b>
Financial assets measured at FVTOCI	<b>583.33</b>	<b>946.10</b>

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

- D (a) For transfer of subsidiaries [Refer Note 32(h)]
- (b) Investment in Other than Subsidiaries, Associates and Joint ventures are measured at FVTOCI and is charged/added to "Other Comprehensive Income". Fair Valuation of unlisted securities is determined based on the valuation reports and in case of listed securities the same is determined based on the prevailing market prices.

## NOTE 5b : LOANS

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
<b>Security &amp; Other Deposits-Unsecured</b>		
Considered good*	3,554.68	3,529.61
Considered having significant increase in Credit Risk	-	750.00
Credit impaired	-	(750.00)
	<b>3,554.68</b>	<b>3,529.61</b>

\*Includes Security and Other Deposits from related parties ₹ NIL. (Previous Year ₹ 1,365.00/- Lakh) [Refer Note 39]

## NOTE 5c : OTHER FINANCIAL ASSETS

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Interest Accrued but not due		
On Investments	0.03	6.67
On Fixed Deposits With Bank	110.60	-
Other Receivables [Refer Note 34]	515.71	528.20
Fixed Deposit with banks more than 12 months maturity		
- Against Margin Money [Under lien]	733.75	817.72
- Others	205.78	61.34
	<b>1,565.87</b>	<b>1,413.93</b>

## NOTE 6 : OTHER NON-CURRENT ASSETS

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good (unless otherwise stated)		
Capital Advances	340.85	282.46
Other loans and Advances		
-Advance Income-Tax including tax deducted at source (Net of Provisions)	5,683.98	3,939.16
-Deposits paid under Protest (Refer Note 33#)	4,291.83	4,183.75
-Prepaid expenses	194.90	233.45
	<b>10,511.56</b>	<b>8,638.82</b>

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

### NOTE 7 : INVENTORIES

(At lower of cost and net realisable value except for stock-in-trade measured at fair value and realisable by-products at net realisable value)

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
(a) Raw Materials (including packing material)		
Goods in transit	8,277.62	8,598.94
others	57,726.27	55,915.98
(b) Work-in-progress	550.46	487.15
(c) Finished goods		
Goods in transit	683.79	541.98
others	57,499.28	50,799.13
(d) Stock- in- Trade [Refer Note (i) below]	53.20	57.43
(e) Realisable by-products	3,157.76	2,457.62
(f) Stores and Spares	4,975.19	4,844.84
(g) Consumables	2,537.92	2,382.06
	<b>135,461.49</b>	<b>126,085.13</b>

Note:

(i) The following inventories are measured at Fair Value

	₹ in Lakh	
Particulars	As at March 31, 2020	As at March 31, 2019
	Fair Value	Fair Value
Stock-in-trade	53.20	57.43

Measurement of Fair Value : Classified as Level 2 [Refer Note 41 B]

Valuation Techniques : Stock-in-Trade are measured at fair value are based on quotations of Commodity Exchange (NCDEX), as well as quotations from Solvent Extractor's Association of India ( Non Government Organisation) recognised by Ministry of Agriculture, Government of India.

### NOTE 8a : CURRENT INVESTMENTS

A Investments in Mutual Funds measured at fair value through Profit and Loss [FVTPL]

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
<b>Quoted</b>		
i) 1,00,000 Units [Previous Year 1,00,000 Units] of SBI Magnum Multicap fund- Growth of ₹ 10/- each.	37.04	48.67
ii) 60,681.871 Units [Previous Year 60,681.871 Units] of SBI Magnum Equity Fund -Regular plan- Growth of ₹ 41.20/- each.	49.34	63.49
iii) 50,000 Units [Previous Year 50,000 Units] of SBI Infrastructure Fund-Regular plan Growth of ₹10/- each.	5.55	7.53
iv) 774.446 Units [Previous Year 774.446 Units] of PNB Principal Emerging Blue Chip Fund - Regular plan Growth of ₹ 10.00/- each.	0.63	0.81

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
<b>B Investment in Preference Shares measured at Amortised cost</b>		
<b>Unquoted</b>		
10,46,435 [Previous Year 10,46,435] 6% Non Cumulative, Non Convertible Redeemable Preference Shares of ₹ 100/- each fully paid up in GHI Energy Private Limited	833.92	731.24
<b>C In Associate company</b>		
Previous Year 4,40,050 Equity Shares of ₹ 10/- each fully paid up in GHI Energy Private Limited	-	819.24
<b>D Investment in Government or Trust securities measured at Amortised Cost [AC]</b>		
<b>Unquoted</b>		
National Saving Certificates/Kisan Vikas Patra (deposited with Government authorities)	-	8.37
<b>E Investments in Unquoted share measured at fair value through Profit and Loss [FVTPL]</b>		
4,40,050 [Previous Year NIL] Equity Shares of ₹ 10/- each fully paid up in GHI Energy Private Limited	354.55	-
<b>TOTAL</b>	<b>1,281.03</b>	<b>1,679.35</b>
Aggregate amount of quoted investments -Cost	41.25	41.25
Market Value of quoted investment	92.56	120.50
Aggregate amount of unquoted investments	2,352.38	2,360.75
Fair value adjustments for Investments	(1,112.59)	(722.65)

## NOTE 8b : TRADE RECEIVABLES

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Considered good- Unsecured*	30,289.79	27,516.05
Considered having significant increase in credit risk	-	-
Credit impaired	130,111.70	654,594.24
	160,401.49	682,110.29
Less: Allowance for credit impaired/Expected credit loss	133,002.21	655,886.68
	<b>27,399.28</b>	<b>26,223.61</b>

### Note:

\*Trade Receivables Considered good include ₹ 13,369.12/- Lakh [Previous Year ₹ 38.60 Lakh] due to related parties.[Refer Note 39]

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 8c : CASH AND CASH EQUIVALENTS

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
i) In Current Accounts	6,008.78	6,678.86
ii) In Deposit Accounts with less than or equal to 3 months maturity	9,331.57	9,078.16
Cash in hand	39.64	45.30
	<b>15,379.99</b>	<b>15,802.32</b>

## NOTE 8d : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS ABOVE

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Earmarked Unclaimed Dividend Accounts	12.40	17.31
In Current Accounts [Refer Note (i) Below]	21,729.62	-
In Deposit Accounts		
Original Maturity less than or equal to 3 months		
- Against Margin Money [Under lien]	2,509.17	718.00
- Earnest Money Deposit [Refer Note (ii) Below]	-	25,050.18
More than 3 months but less than or equal to 12 months maturity		
- Against Margin Money [Under lien]	5,873.15	1,391.43
- Others	21.87	24.33
	<b>30,146.21</b>	<b>27,201.25</b>

### Note:

- (i) Bank balances in current accounts includes amount payable to financial and operational creditors aggregating to ₹ 21,729.62/- Lakh is kept in separate escrow accounts. As per escrow agreement any amount unpaid in this Account is deemed to be utilised and the Company has no right, title and claim on the same.
- (ii) Earnest money deposited in designated bank account from applicants during CIRP process received from potential resolution applicants.

## NOTE 8e : LOANS

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Security and Other Deposits	27.77	6.38
Loans to Related parties [Refer Note (i) below and 39]	5.00	3.32
Loan to employees	87.38	103.43
	<b>120.15</b>	<b>113.13</b>

### Note:

- (i) Loan to related party includes ₹ 5 lacs due by officer of the Company.

## NOTE 8f : OTHER FINANCIAL ASSETS

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Unsecured considered good		
Interest Accrued but not due		
On Fixed Deposits with Banks	275.43	180.29
On Other deposits	54.59	35.12
Derivative Assets		
- Commodity Contracts	-	124.03
	<b>330.02</b>	<b>339.44</b>

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 9 : OTHER CURRENT ASSETS

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
a) Advances recoverable in cash or in kind or for value to be received		
Unsecured- Considered good [Refer Note (i) below]	23,444.74	23,906.06
Unsecured- Credit impaired	203.57	48,970.29
	23,648.31	72,876.35
Less: Allowance for credit impaired	203.57	48,970.29
	23,444.74	23,906.06
b) Gratuity excess of Planned assets over obligations [Refer Note 18]	304.63	695.27
c) Balances with government authorities	12,563.94	12,066.91
d) Indirect Tax Refund Receivable (Refer Note 33 <sup>#</sup> )		
Considered Good	5,217.91	11,293.82
Considered Doubtful	4,259.12	-
	9,477.03	11,293.82
Less: Allowance for credit impaired	4,259.12	-
	5,217.91	11,293.82
e) Other Receivables (includes licence in hand, export incentive receivable and subsidy receivable)	8,169.95	7,233.63
f) Prepaid expenses	683.75	557.22
	<b>50,384.92</b>	<b>55,752.91</b>

### Note:

(i) The above advances includes advance of ₹ 2,872.09/- Lakh (Previous year ₹ 8.59/- Lakh) are with Related Party and this also represents due by private companies in which director of the Company are director. [ Refer Note 39]

## NOTE 10 : ASSETS CLASSIFIED AS HELD FOR SALE

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Property, Plant & Equipment	357.56	357.56
Other Advances	10.00	10.00
	<b>367.56</b>	<b>367.56</b>

### Note:

The Company has entered into an agreement on December 5, 2016 to sale 18.1890 acres land situated at Taluka Alibag, District Raigad for consideration of ₹ 345.77/- Lakh. As per the terms of the agreement, the Company is required to bear the conversion expenses upto ₹ 3.75/- Lakh per acre and also carry out certain improvements over the said land which shall be reimbursed by the purchaser. The Company has received part of the consideration by way of advance payment. The Company has also entered into contract for the purpose of undertaking the improvements agreed upon and paid an advance to the contractor. The land agreed to sold and the advances paid for improvement are classified as Assets Classified as held for sale [Refer Note 10] and the amount of advance received from the buyer has been classified as Liabilities directly associated with assets classified as held for sale [Refer Note 19].

## NOTE 11 : EQUITY SHARE CAPITAL

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
(a) Authorised		
i) Equity Shares		
2,11,20,50,000 (Previous Year 1,01,02,50,000) of face value of ₹2/- each	42,241.00	20,205.00
ii) Cummulative Redeemable Preference Share		
5,30,64,000 (Previous Year 51,00,000) of face value ₹100/- each	53,064.00	5,100.00
	<b>95,305.00</b>	<b>25,305.00</b>

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

<b>(b) Issued, Subscribed and paid-up</b> [Refer Note 32 (d)]		
Equity Shares		
29,58,41,007 (Previous Year 33,41,00,722) of face value of ₹ 2/- each fully paid-up [Refer Note (a) of SOCIE]	5,916.82	6,682.01
Less: 76,301 Treasury Equity Shares [Previous year 76,30,115]	1.53	152.60
	<b>5,915.29</b>	<b>6,529.41</b>

**(c) Details of shares held by shareholders holding more than 5% shares in the Company.**

Particulars	March 31, 2020		March 31, 2019	
	No. of Shares	%	No. of Shares	%
<b>EQUITY SHARES</b>				
Soyumm Marketing Private Limited	-	-	42,535,159	12.73%
Spectra Realities Pvt. Ltd.	-	-	18,400,000	5.51%
Patanjali Ayurved Limited	142,500,000	48.17%		
Divya Yog Mandir Trust	60,000,000	20.28%		
Patanjali Parivahan Private Limited	50,000,000	16.90%		
Patanjali Gramudhyog Nyas	40,000,000	13.52%		

**(d) Rights, Preferences and Restrictions attached to shares**

Equity Shares: The Company has one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(e) For reconciliation of number of shares outstanding at the beginning and at the end of the year - [Refer Note (a) of SOCIE.]**

**(f)** As per the resolution plan approved by Hon'ble National Company Law Tribunal, Mumbai Bench vide its orders dated 24th July, 2019 and 4th September, 2019 under section 31 of the Insolvency and Bankruptcy Code, 2016, the paid up equity share capital of the company was reduced and consolidated. Every shareholder holding 100 equity shares of ₹ 2/- each got 1 equity share of ₹ 2/-. The fractional shares were allotted in favour of SBICAP Trustee Company Limited, acting as Trustee for Ruchi Soya Fractional Shares Settlement Trust. Ruchi Soya Industries Limited Beneficiary Trust ("the Trust") was holding 76,30,115 Shares of ₹ 2/- each (pre reduction and consolidation) and the same were held in the name of Mr. Dinesh Shahra, Trustee of Trust at that time. Out of 76,30,115 shares, 199 Shares were freeze by NSE as per SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2016/116 dated 26th October, 2016. Remaining 76,29,916 shares were shifted in the new demat account of the Trust opened with the PAN of Trust. As per the Scheme of reduction and consolidation, 76,299 Shares (new) were allotted in favour of Mr. Dinesh Shahra (in the capacity of Trustee of the Trust) and 0.16 share being fraction was allotted to SBICAP Trustee Company Limited. Against 199 Shares, 1 share was allotted to Mr. Dinesh Shahra (in the capacity of Trustee of Trust) and 0.99 share, being fraction was allotted to SBICAP Trustee Company Limited. Mr. Kumar Rajesh has been appointed Trustee of the Trust in place of Mr. Dinesh Shahra. However, the relevant change in the demat account of the Trust is pending due to pandemic conditions. Pursuant to Schemes u/s. 391-394 of then applicable. The Companies Act, 1956 approved by the Hon'ble High Court of judicature at Mumbai and Delhi in an earlier year 76,301 Equity shares of the Company are held by a Trust for the benefit of the Company and its successor. The investment Cost of acquisition of these treasury shares have been netted of from the Equity Shares Capital and Securities premium account as per the provisions of Ind AS. The Dividend of earlier period received by the Trust in respect of these shares is included under the head 'Dividend' under 'Other Income'.

**(g)** In respect of authorised share capital Refer Note 32 (c)

**(h)** The Company is following up with the Registrar of Companies, Maharashtra to update the authorised and paid up share capital and other particulars in master data of the Company.

**(i)** Pursuant to amalgamation, the company has issued equity share capital. (Refer note no. 32 g)



# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 12 : OTHER EQUITY

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
<b>A</b> Capital Redemption Reserve	8,770.98	8,770.98
<b>B</b> Share Options Outstanding Account	-	-
<b>C</b> Securities Premium Account	45,186.45	45,186.45
<b>D</b> General Reserve	41,815.51	41,815.51
<b>E</b> Capital Reserve	15,662.53	3,328.75
<b>F</b> Equity Instruments through Other Comprehensive Income [Refer Note 31 (A) I (ii)]	(9,954.07)	(9,591.30)
<b>G</b> Retained Earnings	229,693.46	(543,859.83)
<b>TOTAL</b>	<b>331,174.86</b>	<b>(454,349.44)</b>
<b>A Capital Redemption Reserve</b>		
Balance as at the beginning of the year	8,770.98	8,770.98
Add/Less: Movement during the year	-	-
<b>Balance as at the end of the year</b>	<b>8,770.98</b>	<b>8,770.98</b>
<b>B Share Options Outstanding Account</b>		
Employee stock Option Outstanding	-	39.53
Less: reversal on expiry of option	-	39.53
<b>Options outstanding as at the end of the year</b>	<b>-</b>	<b>-</b>
<b>C Securities Premium Account</b>		
Balance as at the beginning of the year	45,186.45	45,186.45
Add/Less: Movement during the year	-	-
<b>Balance as at the end of the year</b>	<b>45,186.45</b>	<b>45,186.45</b>
<b>D General Reserve</b>		
Balance as at the beginning of the year	41,815.51	41,775.98
Add/Less: Movement during the year	-	39.53
<b>Balance as at the end of the year</b>	<b>41,815.51</b>	<b>41,815.51</b>
<b>E Capital Reserve</b>		
Balance as at the beginning of the year	3,328.75	3,328.75
Add/Less: Arising pursuant to amalgamation of Patanjali Consortium Adhigrahan Praivate Limited [Refer Note 32(g)]	12,333.78	-
<b>Balance as at the end of the year</b>	<b>15,662.53</b>	<b>3,328.75</b>
<b>F Equity Instruments through Other Comprehensive Income</b> [Refer Note 31 (A) I (ii)]		
Balance as at the beginning of the year	(9,591.30)	(9,119.42)
Add/Less: Movement during the year	(362.77)	(471.88)
<b>Balance as at the end of the year</b>	<b>(9,954.07)</b>	<b>(9,591.30)</b>
<b>G Retained Earnings</b>		
<b>Balance as at the beginning of the year</b>	<b>(543,859.83)</b>	<b>(551,371.15)</b>
Add: Net Profit for the year	767,202.27	7,672.01
Add: Reduction in value of Equity and Preference Shares [Refer Note 32 (d)]	6,632.75	-
<b>Less:</b>		
- Remeasurement of the defined benefit plans through other comprehensive income [Refer Note 31 (A) I (i)]	(281.73)	(160.69)
<b>Balance as at the end of the year</b>	<b>229,693.46</b>	<b>(543,859.83)</b>
	<b>331,174.86</b>	<b>(454,349.44)</b>

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## H Nature and Purpose of Reserves

### (i) Capital Redemption Reserve

Capital Redemption Reserve was created out of profits of the Company for the purpose of redemption of shares.

### (ii) Securities Premium Account

Securities Premium account is created on recording of premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

### (iii) General Reserve

The same is Created out of Surplus profits transferred as per the provisions of the Act, it is utilised as per provisions of the Act.

### (iv) Capital Reserve

Capital Reserve amounting to ₹ 15,662.53/- Lakh was created on :

- amalgamation with Palm tech India Ltd by ₹ 1,087.07/- Lakh, and
- On 3,53,25,000 share warrants issued in an earlier year on preferential basis by ₹ 2,241.69/- Lakh. Holders of 64,00,000 warrants exercised the option and were allotted equity shares. Holders of balance 2,89,25,000 warrants did not exercise their option which was lapsed, on expiry on 18 months from the date of issue of warrants. Consequently, the amount of ₹ 2,241.69/- Lakh paid by these warrant holders were forfeited and transferred to capital reserve.
- ₹ 12,333.78 Lakh arising pursuant to amalgamation of Patanjali Consortium Adhigrahan Private Limited, a special purpose vehicle with and into the Company. [Refer Note 32(g)]

### (v) Equity Instruments through Other Comprehensive Income

The company has elected to recognise changes in fair value of certain class of investments in other comprehensive income. These fair value changes are accumulated within this reserve and shall be adjusted on derecognition of investment.

### (vi) Retained Earnings

The same is created out of profits over the years and shall be utilised as per the provisions of the Act.

## NOTE 13a : BORROWINGS

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
<b>At Amortised Cost</b>		
<b>A Term Loans from Banks [Refer Note F below]</b>		
<b>Secured</b>		
- Rupee Loans #	235,642.79	-
<b>B Deferred payment liabilities</b>		
<b>Unsecured</b>		
- Deferred Sales Tax Liability	-	1,444.07
<b>C Cumulative Redeemable Preference Shares</b>		
<b>Unsecured</b>		
2,00,000 of face value of ₹ 100/- each fully paid-up	-	163.20
<b>D 0.0001% Non-Convertible Cumulative Redeemable Preference Shares</b>		
<b>Unsecured</b>		
4,50,00,000 of face value of ₹ 100/- each fully paid-up	14,740.53	-
<b>E 9% Unsecured Non-Convertible Cumulative Debentures</b>		
4,500 of face value of ₹ 10,00,000/- each fully paid-up	45,000.00	-
	<b>295,383.32</b>	<b>1,607.27</b>

# Net off of upfront fees amounting to ₹ 1,357.21/- Lakh

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## F Term loans referred to in (a) above and current maturities of long term borrowings referred in Note 16 (c)

₹ 2,40,000.00/- Lakh (including current maturities of ₹ 3,000.00/- Lakh) carrying interest at the rate of 9.95% are secured by way of first pari passu charge on all immovable and movable non current assets, present and future, of the Company. First pari passu charge over all the rights, titles, interest, benefits, claims and demand whatsoever, present or future. First pari passu charge on intangibles, goodwill, uncalled capital, present and future. Second pari passu charge over all current assets (both present & future). Pledge of 100% of fully paid up equity shares of the Company held by the promoters on a pari passu basis. Letter of comfort backed by board resolution issued by Patanjali Ayurved Limited, Patanjali Parivahan Pvt Ltd, Divya Yog Mandir Trust and Patanjali Gramodyog Nyas, and Personal Guarantees of the Directors of Patanjali Ayurved Limited.

### Maturity Profile of Term Loans from banks is as under

		₹ in Lakh	
Financial Year	Amount	Financial Year	Amount
2021-22	10,800.00	2025-26	33,600.00
2022-23	17,424.00	2026-27	36,048.00
2023-24	23,424.00	2027-28	42,000.00
2024-25	30,000.00	2028-29	43,704.00

Pursuant to the continuing defaults of the Company in repayment of borrowings in previous years, a corporate insolvency resolution process ("CIRP") under the Insolvency and Bankruptcy Code, 2016 was initiated against the Company vide an order of the Mumbai Bench of the National Company Law Tribunal ("NCLT") dated December 15, 2017. On September 4, 2019, the NCLT approved the terms of the Resolution Plan submitted by the Consortium led by Patanjali Ayurved Limited ("PAL"). The accounting for the borrowings was carried out considering the terms of such Resolution Plan. Refer Note 32 for details of effect of resolution plan & its accounting thereof. As all the borrowings were settled on December 18, 2019, the details of security in respect of borrowings (Non-current and Current Borrowing) outstanding as on 31.03.2019 are not given.

The term loans agreement, inter-alia, include an option to convert the outstanding amounts into equity shares of the Company in the event of default under the Facility Agreements or any other finance documents.

**G (i) Preference Shares:** 4,50,00,000 0.0001% Non-Convertible Redeemable Cumulative Preference Shares of ₹ 100/- each were issued to the Patanjali Ayurved Limited in accordance with the Resolution Plan as approved by the Hon'ble NCLT Mumbai. The same are repayable on 16th December 2031.

### (ii) Reconciliation of number of shares:-

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Preference Shares</b>		
Balance at the beginning of the year	200,000	200,000
Less: Shares reduction during the year	200,000	-
Add: Shares issued during the year	45,000,000	-
<b>Balance at the end of the year</b>	<b>45,000,000</b>	<b>200,000</b>

### Details of shares held by shareholders holding more than 5% Preference shares in the Company:

Particulars	As at March 31, 2020	%	As at March 31, 2019	%
<b>Preference Shares</b>				
Ruchi Infrastructure Limited	-	-	200,000	100
Patanjali Ayurved Limited	45,000,000	100	-	-

**H Debentures:** 4500 Nos. 9% Unsecured Non-Convertible Cumulative Debentures of ₹ 10,00,000/- each were issued to the Patanjali Ayurved Limited in accordance with the Resolution Plan as approved by the Hon'ble NCLT Mumbai. The same are repayable on 15th December 2029.

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 13b : OTHER FINANCIAL LIABILITIES

	As at March 31, 2020	₹ in Lakh As at March 31, 2019
Lease Liabilities	2.07	-
Other Liability *	29,926.43	-
Interest accrued	1,173.34	-
	<b>31,101.84</b>	<b>-</b>

\* represents difference between issue price and fair value of preference shares to be amortised over the tenure.

## NOTE 14 : OTHER NON CURRENT LIABILITIES

	For the year ended March 31, 2020	₹ in Lakh As at March 31, 2019
(a) Government Grants - Deferred Income [Refer Note (i) below]	50.14	549.36
(b) Other Liabilities	1.58	3.33
	<b>51.72</b>	<b>552.69</b>
<b>Note:</b>		
<b>(i) Government Grants - Deferred Income</b>		
Opening Balance	600.63	652.08
Less: Released to profit and loss [Refer Note 20(C) (ii)]	51.27	51.45
Closing balance	<b>549.36</b>	<b>600.63</b>
Classified under Non-Current Liabilities [Refer Note 14 (a)]	<b>50.14</b>	<b>549.36</b>
Classified under Current Liabilities [Refer Note 17 (c)]	<b>499.22</b>	<b>51.28</b>

## NOTE 15 : PROVISIONS

	For the year ended March 31, 2020	₹ in Lakh As at March 31, 2019
i) Provision for Compensated absences [Refer Note 18]	898.94	681.27
	<b>898.94</b>	<b>681.27</b>

## NOTE 16a : BORROWINGS

	As at March 31, 2020	₹ in Lakh As at March 31, 2019
<b>At Amortised Cost</b>		
<b>(A) Loans repayable on demand</b>		
<b>Secured</b>		
<b>From Banks</b>		
Working Capital Loans	53,504.93	725,950.20
Short term Loans	9,525.00	-
<b>From Others</b>		
Working Capital Loans	-	2,000.00
<b>(B) Intercorporate Deposit</b>	-	30.00
	<b>63,029.93</b>	<b>727,980.20</b>

(C) (i) Working Capital Loans and Short term loan are secured by first pari passu charge over all current assets (both present & future) of the Company. Second pari passu charge on all immovable and movable non current assets, present and future. Second pari passu charge over all the rights, titles, interest, benefits, claims and demand whatsoever, present or future. Second pari passu charge on intangibles, goodwill, uncalled capital, present and future. Pledge of 100% of fully paid up equity shares of the Company held by the promoters on a pari passu basis. Letter of comfort backed by board resolution

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

issued by Patanjali Ayurved Limited, Patanjali Parivahan Pvt Ltd, Divya Yog Mandir Trust and Patanjali Gramodyog Nyas, and Personal Guarantee of the Directors of Patanjali Ayurved Limited.

- (ii) Working Capital Loans are repayable on demand and Short term loan To be repayable in 12 months. In case, repayable is not completed within 12 months, the promoter has infuse additional resources to liquidate the short term loan.
- (iii) The above short term loans and working capital loan, inter-alia, include an option to convert the outstanding amounts into equity shares of the Company in the event of default under the Facility Agreements or any other finance documents.

### NOTE 16b : TRADE PAYABLES DUE TO

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Micro and Small Enterprises	403.19	433.96
Related parties [Refer Note no. 39]	404.66	56,101.27
Other than Micro and Small Enterprises	16,392.68	167,002.47
	<b>17,200.53</b>	<b>223,537.70</b>

#### Note:

The Company has identified (based on information available) Micro, Small and Medium Enterprises as those registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

Particulars	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Principal amount due and remaining unpaid	615.46	966.13
Interest due on above and the unpaid interest	161.28	310.65
Interest paid	-	-
Payment made beyond the appointed day during the year	8,343.28	8,252.80
Amount of interest due and payable for period of delay in making payment excluding interest specified under MSMED Act	-	-
Interest accrued and remaining unpaid	161.28	310.65
Amount of further interest remaining due and payable in succeeding years	-	-

### NOTE 16c : OTHER FINANCIAL LIABILITIES

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Term Loans from Banks		
Secured		
- Rupee Loans	-	32,109.31
- Foreign Currency Loans	-	25,367.42
Current maturities of long-term debt	3,000.00	-
- From State Government [Refer Note 13a B]	-	4,474.54
Current Maturities of finance lease obligations	-	12.47
Liability against CIRP Payables [Refer note (ii) & (iii) below]	21,729.62	-
Interest accrued	2,129.08	76,684.29
Unclaimed Dividends [Refer note (i) below]	12.40	17.31
Agency & Other Deposits	1,202.53	1,003.08
Customers' Advances	-	94,254.73
Derivative Liability - Commodity Contracts	156.15	-
Financial Guarantee Obligation	-	10,489.64
Earnest Money deposit received for CIR Process	-	25,050.18
Creditors for capital expenditure	107.06	73.33
Other financial liabilities [Refer note (iv) below]	2,040.40	6,822.41
Lease Liabilities	38.05	-
	<b>30,415.29</b>	<b>276,358.71</b>

#### Note:

- (i) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

- (ii) Includes ₹ 10,064.58 Lakh payable to DBS Bank Limited and ₹ 2,918.47 Lakh payable to ICICI Bank Limited pursuant to on-going case at Hon'ble Supreme Court which are mentioned below.

**DBS Bank:** DBS Bank. had filed an application before Hon'ble National Company Law Tribunal, Mumbai ("NCLT") seeking a prayer to set-aside the decision of Committee of Creditors of the Company to the extent of the distribution of proceeds of the Resolution Plan and to restrain the Resolution Applicant from distributing the proceeds of the Resolution Plan. NCLT ordered against DBS Bank by dismissing the application. NCLT order was challenged before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") and NCLAT dismissed the appeal. NCLAT order has now been challenged before Supreme Court by DBS Bank. Since, there was no stay or order against the distribution of proceeds of Resolution Plan, the proceeds have been distributed in terms of Escrow Agreement and the Resolution Plan has been successfully implemented. There is no further liability of the Company or the Resolution Applicant towards DBS Bank.

**ICICI Bank:** The erstwhile Resolution Professional, Mr. Shailendra Ajmera, had filed an application before Hon'ble National Company Law Tribunal, Mumbai ("NCLT") seeking a prayer to reverse the preferential transactions undertaken by ICICI Bank Limited. NCLT vide its order dated 12.03.2019 directed ICICI Bank Limited to reverse the said transactions and deposit in the bank account of the Company, the amount withdrawn in such preferential transactions. ICICI Bank Limited had subsequently challenged the order of NCLT before National Company Law Appellate Tribunal ("NCLAT"). NCLAT passed the order in favour of ICICI Bank Limited by setting aside the order of NCLT. NCLAT order has now been challenged by the erstwhile Resolution Professional before Supreme Court which is still pending. The Company had filed an application before the Supreme Court seeking substitution of Resolution Professional of the Company with Ruchi Soya Industries Limited since the corporate insolvency resolution process has been completed.

Liability against CIRP Payables is amount payable to financial and operational creditors is kept in separate escrow accounts. As per escrow agreement any amount unpaid in this Account is deemed to be utilised and the Company has no right, title and claim on the same.

- (iii) Pursuant to the Resolution Plan, liabilities related to foreign financial and operational creditors are partially/fully extinguished. Accordingly approval application for the same is filed in RBI.
- (iv) Other financial liabilities include ₹ 11.34 Lakh [Previous Year ₹ 33.49/- Lakh] due to Related parties. [Refer Note 39]

### NOTE 17 : OTHER CURRENT LIABILITIES

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
(a) Customers' Advances	6,273.84	2,017.07
(b) Other liabilities (Including Statutory Dues Payable) [Refer Note (i) below]	4,532.17	8,370.98
(c) Government Grant - Deferred Income [Refer Note 14 (a)]	499.22	51.28
	<b>11,305.23</b>	<b>10,439.33</b>

#### Note:

- (i) Other current liabilities include ₹ 45.29/- Lakh [Previous Year ₹ NIL] due to related parties.[Refer Note 39]

### NOTE 18 : PROVISIONS

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
i) Provision for Compensated absences	111.18	176.18
	<b>111.18</b>	<b>176.18</b>

The Company contributes to the following post-employment defined benefit plans in India.

#### A. Defined Contribution Plans:

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the specified rate as per regulations. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Company is limited to the amount contributed and it Company has no further contractual, or any constructive obligation. The Company has recognised ₹ 768.84/- Lakh [Previous Year ₹ 670.39/- Lakh] towards contribution to Provident Fund and ₹ 85.25/- Lakh [Previous Year ₹ 122.03/- Lakh] towards Employee State Insurance in Profit and Loss account.

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## B. Defined Benefit Plan:

### a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination/resignation is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number completed years of service. The gratuity plan is a funded plan and Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

### b) Leave Obligations

The leave obligations cover the Company's liability for casual, sick & earned leave. The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	₹ in Lakh			
	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined benefit obligation	2,775.38	1,010.12	2,389.67	857.45
Fair value of plan assets	3,080.01	-	3,084.94	-
<b>Net defined benefit (obligation)/assets</b>	<b>304.63</b>	<b>(1,010.12)</b>	<b>695.27</b>	<b>(857.45)</b>
Non-current [Refer Note 15]	-	(898.94)	-	(681.27)
Current	304.63	(111.18)	695.27	(176.18)

### Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

	March 31, 2020		March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Defined benefit obligations</b>				
Opening balance	2,389.67	857.44	2,130.02	811.94
Current service cost	189.15	149.71	159.70	142.58
Interest cost (income)	191.83	71.18	167.85	63.98
	2,770.65	1,078.33	2,457.57	1,018.50
<b>Included in OCI</b>				
Demographic assumptions	-	-	11.66	(3.23)
Financial assumptions	496.08	185.33	32.60	11.37
Experience adjustment	(227.10)	(9.15)	126.51	42.96
	3,039.63	1,254.51	2,628.34	1,069.60
<b>Other</b>				
Contributions paid by the employer	-	(244.41)	-	(212.16)
Benefits paid	(264.25)	-	(238.67)	-
<b>Closing balance</b>	<b>2,775.38</b>	<b>1,010.10</b>	<b>2,389.67</b>	<b>857.44</b>

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

₹ in Lakh

	March 31, 2020		March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Fair value of plan asset</b>				
Opening balance	3,084.94	-	2,411.92	56.12
Interest income	219.02	-	190.06	0.64
	3,303.96	-	2,601.98	56.76
<b>Included in OCI</b>				
Experience adjustment	(12.75)	-	10.08	-
	3,291.21	-	2,612.06	56.76
<b>Other</b>				
Contributions paid by the employer	53.05	-	711.56	(56.76)
Benefits paid	(264.25)	-	(238.67)	-
<b>Closing balance</b>	<b>3,080.01</b>	<b>-</b>	<b>3,084.95</b>	<b>-</b>
<b>Represented by</b>				
Net defined benefit asset	304.63	-	695.27	-
Net defined benefit liability	-	1,010.12	-	857.46
	<b>304.63</b>	<b>1,010.12</b>	<b>695.27</b>	<b>857.46</b>
<b>Expense recognised in Statement of Profit and Loss</b>				
Current service cost	189.15	149.71	159.70	142.58
Net Interest cost	(27.19)	71.18	(22.21)	63.34
Actuarial (gain)/loss on obligation for the period	-	176.19	-	51.11
<b>Expense recognised in Statement of Profit and Loss</b>	<b>161.96</b>	<b>397.08</b>	<b>137.49</b>	<b>257.03</b>
<b>Expense recognised in Other Comprehensive Income (OCI)</b>				
Actuarial (gain)/loss on obligation for the period	268.98	-	170.77	-
Return on plan assets excluding interest income	12.75	-	(10.08)	-
<b>Net (Income)/ Expense for the period recognised in OCI [Refer Note 31 A (I) (i)]</b>	<b>281.73</b>	<b>-</b>	<b>160.69</b>	<b>-</b>



# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## C. Plan assets

Plan assets comprise the following

	₹ in Lakh			
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
<b>Investment in LIC India</b>				
Insurer managed fund (100%)	3,080.01	-	3,084.95	-
	<b>3,080.01</b>	<b>-</b>	<b>3,084.95</b>	<b>-</b>

## D. Defined benefit obligations

### i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	March 31, 2020	March 31, 2019
Discount rate	6.87%	7.88%
Salary escalation rate	7.50%	6.00%
Rate of return on plan assets	6.87%	7.88%
Retirement Age	58 Years & 60 Years	58 Years & 60 Years
Attrition Rate	For service 4 years & below 10.31% p.a. & For service 5 years and above 2% p.a.	For service 4 years & below 17.76% p.a. & For service 5 years and above 2% p.a.
Mortality Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

### ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(237.60)	(162.83)	(162.83)	185.99
Future salary growth (1% movement)	260.33	177.87	177.87	(159.13)
Employee Turnover (1% movement)	12.20	(25.73)	23.14	(25.73)
Average Expected Life	12 Years	12 Years	12 Years	12 Years

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

### iii) Expected Contributions in next year

Particulars	March 31, 2020	March 31, 2019
Provident Fund	815.54	620.21

## NOTE 19 : LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Other Current Liabilities (Refer Note 10)	173.00	173.00
	<b>173.00</b>	<b>173.00</b>

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 20 : REVENUE FROM OPERATIONS

	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A Sales of products</b>	1,302,583.46	1,266,027.50
<b>B Sale of Services</b>		
Processing charges received	1,685.58	2,286.40
<b>C Other Operating revenue</b>		
(i) Income from Plant usage	3,125.86	-
(ii) Government grants [Refer Note 14(a)]	51.27	51.45
(iii) Income from Power generation	4,332.64	4,557.96
	<b>1,311,778.81</b>	<b>1,272,923.31</b>

## NOTE 21 : OTHER INCOME

	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A Interest Income (under the effective interest method)</b>		
- On Fixed Deposits	2,231.87	1,034.46
- Others	241.08	127.67
- Redeemable Preference Shares	727.69	-
<b>B Net Gain on sale of Investment</b>	6.02	359.74
<b>C Lease Rental income</b>	62.45	127.99
<b>D Other Non-Operating Income</b>		
- Excess Provision/Liabilities no longer required written back	687.80	5,130.70
- Sales Tax and customs Refund	-	58.56
- Income of investment	102.68	89.80
- Other Receipts	550.33	347.24
<b>E Fair value adjustments for Investments (net)</b>	-	9.92
<b>F Export Incentive</b>	1,147.83	2,716.17
	<b>5,757.75</b>	<b>10,002.25</b>

## NOTE 22 : COST OF MATERIALS CONSUMED

	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>a) Raw Material</b>	1,081,189.95	1,050,923.02
<b>b) Packing Material</b>	45,058.90	45,866.55
	<b>1,126,248.85</b>	<b>1,096,789.57</b>

## NOTE 23 : PURCHASES OF STOCK-IN-TRADE

	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Purchases of Stock-in-Trade</b>	38,683.09	35,535.68

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Finished goods</b>		
Opening Stock	53,798.72	61,486.86
Closing Stock	61,340.83	53,798.73
	<b>(7,542.11)</b>	<b>7,688.13</b>
<b>Work-in-progress</b>		
Opening Stock	487.15	485.58
Closing Stock	550.46	487.15
	<b>(63.31)</b>	<b>(1.57)</b>
<b>Traded goods</b>		
Opening Stock	57.43	250.75
Closing Stock	53.20	57.43
	<b>4.23</b>	<b>193.32</b>
	<b>(7,601.19)</b>	<b>7,879.88</b>

## NOTE 25 : EMPLOYEE BENEFITS EXPENSE

	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Salary, Wages and Bonus	13,433.69	13,533.43
Contribution to Provident and Other Funds	859.35	798.91
Gratuity [Refer Note 18]	161.96	137.49
Leave Compensation Absences [Refer Note 18]	397.08	257.03
Staff Welfare expenses	418.73	392.10
	<b>15,270.81</b>	<b>15,118.96</b>

## NOTE 26 : FINANCE COSTS

	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Expense	10,599.49	481.41
Other borrowing costs	237.34	217.66
Redeemable Preference Shares	394.65	-
	<b>11,231.48</b>	<b>699.07</b>

## NOTE 27 : DEPRECIATION AND AMORTISATION EXPENSES

	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on Plant, property and Equipment	13,555.96	13,772.29
Amortisation on Intangible assets	21.40	52.15
	<b>13,577.36</b>	<b>13,824.44</b>

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

### NOTE 28 : PROVISION FOR DOUBTFUL DEBTS/ ADVANCES, EXPECTED CREDIT LOSS, WRITE OFF (NET)

		₹ in Lakh	
		For the year ended March 31, 2020	For the year ended March 31, 2019
Provision for Expected Credit Loss		1,598.07	-
Provision for Doubtful Debts/Advances		585.24	1,340.25
Bad debts & advances Written off	573,369.88		
Less:Provision for Trade Receivables/Advances Written back	573,369.88	-	-
		<b>2,183.31</b>	<b>1,340.25</b>

#### Note:

- (a) As per Ind AS -109 on Financial Instruments the Company has applied Expected credit loss model for determining the provision for trade receivable based on the weighted average of credit losses with respective risks of defaults occurring as weights.

### NOTE 29 : OTHER EXPENSES

		₹ in Lakh	
		For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Manufacturing Expenses</b>			
Manufacturing expenses		8,736.83	8,480.79
Consumables		7,717.34	8,047.12
Consumption of Stores & Spares parts		4,683.63	4,385.69
Power & Fuel (net of recoveries)		19,543.66	20,042.01
Lease Rental expenses		2,449.03	2,484.88
Repairs and Maintenance			
- Plant & Machinery		2,262.98	1,856.07
- Buildings		253.47	211.28
- Others		595.27	617.28
		<b>46,242.21</b>	<b>46,125.12</b>
<b>Selling and distribution expenses</b>			
Freight & forwarding (net of recoveries)		28,684.23	32,704.71
Export expenses		707.27	1,543.50
Advertisement & sales promotion		5,757.48	4,158.80
		<b>35,148.98</b>	<b>38,407.01</b>
<b>Establishment and Other expenses</b>			
Rates & Taxes		678.01	765.97
Insurance		1,051.99	1,035.57
Payment to Auditors [Refer Note I below]		100.30	93.30
Legal & Professional		2,639.09	1,818.36
Directors Sitting Fee		4.00	-
Net Loss on Sale/Discard of Fixed Assets		443.69	414.83
Net (Gain) on Sale/Loss on foreign currency transaction/translation		934.53	1,351.84
Impairment in value of Investment		464.69	276.79
Net Loss arising on financials assets designated at fair value through profit loss		27.94	-
Travelling & conveyance		979.34	1,040.13
Bank Commission & charges		33.63	42.10
Other expenses (Net of recoveries)		8,156.07	12,694.68
		<b>15,513.28</b>	<b>19,533.57</b>
		<b>96,904.47</b>	<b>104,065.70</b>

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

Note:

(I) Payment to Auditors :-

	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>(i) Remuneration to the Statutory auditors</b>		
(a) As Auditors		
- For Statutory Audit	53.00	53.00
- For Tax Audit	11.00	11.00
- For Limited Review & Certification Charges	31.90	24.90
<b>(ii) Remuneration to Cost Auditors</b>	4.40	4.40

## NOTE 30: EXCEPTIONAL ITEMS

	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Exceptional Items	744,763.89	-

Exceptional items (net) for the year ended 31st March 2020 comprises of:-

- De-recognition of liabilities amounting to ₹ 7,52,560.48 Lakh as described in note no. 32(e).
- Impairment of Capital Work in Progress and Property, Plant and Equipment of ₹ 3,537.47 Lakh.
- Impairment of refund receivable against Commercial Tax / VAT and Central Sales Tax amounting to ₹ 4,259.12 Lakh.

These adjustments, having one-time, non-routine material impact on the financial statements hence, the same has been disclosed as "Exceptional Items" in the Financial Statements.

## NOTE 31 : (A) OTHER COMPREHENSIVE INCOME

	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>I Item that will not be reclassified to profit or loss</b>		
(i) Remeasurement of the defined benefit plans [Refer Note 12 G]	(281.73)	(160.69)
(ii) Equity Instruments through Other Comprehensive Income [Refer Note 12 F]	(362.77)	(471.88)
	<b>(644.50)</b>	<b>(632.57)</b>

## NOTE 32 :

Pursuant to the Resolution Plan submitted by the Consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking, Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas (Collectively referred to as the "Resolution Applicant") and its approval by the Hon'able National Company Law Tribunal, Mumbai bench, vide their orders dated July 24, 2019 and September 4, 2019 for the corporate insolvency of the Company, which is implemented from December 18, 2019 (i.e. closing date as defined under the resolution plan) otherwise as stated in below notes, the following consequential impacts have been given in accordance with approved resolution plan / Accounting Standards :-

- The existing directors of the Company as on the date of order have stand replaced by the new Board of Directors from their office with effect from December 18, 2019. As on date Board consist of Acharya Balkrishna (Chairman and Managing Director), Swami Ramdev (Non-Executive Director), Ram Bharat (Whole Time Director), Rajat Sharma (Independent Director), Girish Ahuja (Independent Director), Bhavna Shah (Independent Director).
- The erstwhile promoter group has been classified as public shareholders under regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

- c) The authorised share capital of the Patanjali Consortium Adhigrahan Private Limited as on closing date i.e. December 18, 2019 is merged with the authorised share capital of the Company. As a result, authorised share capital of the Company is increased from ₹ 25,305.00 Lakh consisting of 1,01,02,50,000 equity shares of ₹ 2 each and 51,00,000 preference shares of ₹ 100 each to ₹ 95,305.00 Lakh consisting of 2,11,20,50,000 equity shares of ₹ 2 each and 5,30,64,000 preference shares of ₹ 100 each.
- d) With effect from December 17, 2019, the existing issued, subscribed and paid up equity share capital of the Company has been reduced from ₹ 6,682.01 Lakh divided into 33,41,00,722 equity shares of ₹ 2 each to ₹ 66.82 Lakh divided into 33,41,007 equity share of ₹ 2 each thereby reducing the value of issued, subscribed and paid up equity share capital of the Company by ₹ 6,615.19 Lakh. Further, with effect from December 17, 2019, the existing issued, subscribed, paid up 2,00,000 cumulative redeemable preference shares of ₹ 100 each stand fully cancelled and extinguished. As prescribed in the Resolution Plan, the reduction in the share capital of the Company amounting to ₹ 6,632.75 Lakh is adjusted against the debit balance as appearing in its profit and loss account (i.e. retained earnings).
- e) In respect of de-recognition of operational and financial creditors, difference amounting to ₹ 7,52,560.48 Lakh between the carrying amount of financial liabilities extinguished and consideration paid, is recognised in statement of profit or loss account in accordance with “Ind AS - 109” on “Financial Instruments” prescribed under section 133 of the Companies Act, 2013 and accounting policies consistently followed by the Company and disclosed as an “Exceptional items”. Further, these write back includes foreign parties of creditors, advances and lenders for which intimations / obtaining approval of Reserve Bank of India (RBI) are under process.
- f) Out of funds received amounting to ₹ 4,35,000 Lakh, ₹ 4,23,500 Lakh was to be utilised towards settlement of claims of creditors and ₹ 11,500 Lakh for improving the operations of the Company. Out of above, as on 31st March 2020, amount of ₹ 4,01,770.38 Lakh has been used to settle existing secured financial creditors, unsecured financial creditors (other than related parties), statutory dues, operational creditors (other than a related party) CIRP costs and pending utilisation ₹ 21,729.62 Lakh is kept in separate escrow accounts. As per escrow agreement any amount unpaid in this account is deemed to be utilised and the Company has no right, title and claim on the same.
- g) Amalgamation of the Patanjali Consortium Adhigrahan Private Limited, a special purpose vehicle with and into the Company:-
- i. On and from the closing date i.e. December 18, 2019, all assets amounting to ₹ 4,40,416.97 Lakh, liabilities amounting to ₹ 3,32,233.19 Lakh stand transferred and vested in the Company with effect from the closing date.
- ii. In consideration for the amalgamation, the Company has issued: -
- 1 (one) equity shares of face value of ₹ 2 for every 1 (one) equity share of face value of ₹ 7 of SPV, aggregating 29,25,00,000 equity shares of ₹ 5,850.00 Lakh are issued.
- 1 (one) 0.0001% cumulative redeemable preference shares of face value of ₹ 100 each for every 1 (one) 0.0001% cumulative redeemable preference shares of face value of ₹ 100 each of the SPV, aggregating 4,50,00,000 preference shares of ₹ 45,000.00 Lakh are issued.
- 1 (one) 9% cumulative non-convertible debenture of face value of ₹ 10,00,000 for every 1 (one) 9% cumulative non-convertible debenture of face value of ₹ 10,00,000 each of SPV, aggregating 4,500 debentures of ₹ 45,000.00 Lakh are issued.
- Consequent to the foregoing, the paid-up equity shares capital and preference share capital of the Company is increased to ₹ 5,916.82 Lakh and ₹ 45,000 Lakh, respectively.

The details of assets and liabilities transferred from SPV Company are as under:

	₹ in Lakh
<b>ASSETS</b>	
<b>Non-Current Assets</b>	
Financial Assets (Loan Given)	435,000.00
	<b>435,000.00</b>
<b>Current Assets</b>	
Cash & Cash Equivalents	5,038.37
Other Financial Assets	378.60
	<b>5,416.97</b>
<b>Total Assets (A)</b>	<b>440,416.97</b>

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

<b>LIABILITIES</b>	
<b>Non-Current Liabilities</b>	
Borrowings	238,599.44
	<b>238,599.44</b>
<b>Current Liabilities</b>	
Borrowings	89,525.00
Trade Payables	7.74
Other Financial Liabilities	4,101.01
	<b>93,633.75</b>
	<b>332,233.19</b>
<b>Total Liabilities (B)</b>	<b>108,183.78</b>
<b>Net Assets transferred from SPV Company</b>	<b>108,183.78</b>
Less: Equity Shares issued to shareholders of SPV Company	5,850.00
Less: Preference Shares issued to shareholders of SPV Company	45,000.00
Less: Debentures issued to shareholders of SPV Company	45,000.00
<b>Net amount transferred to Capital Reserve</b>	<b>12,333.78</b>
<b>Total Reserves arising pursuant to Amalgamation</b>	<b>12,333.78</b>

- h) Transfer of subsidiaries - As a part of the Resolution Plan, the Company has transferred identified entities to the identified buyer its entire equity investment/ownership interest held in the those identified entities, at a fair market value on “as is where is” and “as is whatever is” basis.

## NOTE 33 : CONTINGENT LIABILITIES AND COMMITMENTS

### A Contingent liabilities

	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
a) Claims against the Company not acknowledged as debts (to the extent quantified)	-#	3,095.15
<b>b) Guarantees</b>		
(i) Outstanding bank Guarantees	3,468.70	1,866.72
(ii) Outstanding corporate guarantees given on behalf of -Indian Associate (Sanctioned amount ₹ NIL [Previous Year ₹ 9,600.00/- Lakh ])	-#	3,726.00
<b>c) Other Money for which Company is Contingently liable</b>		
(i) Disputed Demand:		
1. Excise Duty	-#	8,811.87
2. Service Tax	-#	1,542.36
3. Customs Duty	-#	18,429.42
4. Income tax	-#	3,093.16
5. Other Acts	-#	29.37
6. Sales Tax	-#	83,456.94

#As per approved resolution plan, the contingent liabilities and commitments, claims and obligations, stand extinguished and accordingly no outflow of economic benefits is expected in respect thereof. The Resolution plan, among other matters provide that upon the approval of this Resolution Plan by the National Company Law Tribunal (NCLT) and settlement and receipt of the payment towards the IRP Costs and by the creditors in terms of this plan, all the liabilities demands, damages, penalties, loss, claims of any nature whatsoever (whether admitted/verified/submitted/rejected or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future) including any liabilities, losses, penalties or damages arising out of non-compliances, to which the Company is or may be subject to and which pertains to the period on or before the Effective Date (i.e. September 06, 2019) and are remaining as on that date shall stand extinguished, abated and settled in perpetuity without any further act or deed. The Resolution plan further provides that implementation of resolution plan will not affect the rights of the Company to recover any amount due to the Company and there shall be no set off of any such amount recoverable by the Company against any liability discharged or extinguished.

As note given above, the following are also not considered as contingent liabilities as on March 31, 2020 :-

- (ii) During an earlier year, the Company had received claims amounting to US\$ 662,67,857.31 (to the extent quantified) from two overseas entities (claimants) in respect of performance guarantees purportedly given by the Company as a second guarantor on behalf of an overseas entity in respect of contracts entered into between the claimants and the overseas entity. The Company denies giving the guarantees and has disputed the claims and is has taken appropriate legal actions and making suitable representations in the matter. The Company does not expect that any amount will become payable in respect of the claims made. No provision is made in respect of the same in the books of account.

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

- (iii) In relation to trading in Castor seed contracts on National commodity and Derivative Exchange limited (NCDEX), pending investigation by Securities and Exchange Board of India [SEBI], amount of liability, if any, can not be ascertained at this stage.
- (iv) The Competition Commission of India has issued a notice under section 36(2) read with section 41(2) of The Competition Act, 2002 (the Act) into alleged violations of the said Act. The Company has made representation in the matter from time to time. Later a investigation by Director General was initiated under section 26(1) of the Act. The hearing was completed on 28.06.2016 and Competition Commission of India had passed an order clearly stating that there was no contravention of the Provisions of the Act. Aggrieved by the same, the other party filed the writ petition in High Court in Delhi challenging the order of the Competition Commission of India. The final order of the High Court is awaited. Pending receipt of the order, liability, if any, that may arise in this regard cannot be ascertained at this stage.
- (v) The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of “Basic wages” for the purpose of determining contribution to provident fund under the Employees Provident Funds & Miscellaneous Provisions Act, 1952. The Company is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

(vi) EPCG Licences benefit in event of default of Export Obligation -# 20.98

### B Commitments

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	124.70	145.98
(b) Other Commitments		
Export Obligations in relation to EPCG Benefits	-#	716.49

### NOTE 34

On divestment of shares of Gemini Edibles and Oil Pvt. Ltd. in an earlier year, pursuant to the Share Purchase Agreement, the Company paid an amount of ₹ 2,836.52/- Lakh to the said Company by way of deposit which is refundable on receipt of various incentives by the said Company from Government authorities. Of the total amount paid, the Company has received refund of ₹ 2,320.81/- Lakh till March 31, 2020. The Company expects to recover the balance amount of ₹ 515.71/- Lakh fully. Accordingly, no provision for doubtful debts is considered necessary in this regards.

### NOTE 35

Ruchi J-Oil Private Limited (“Ruchi J-Oil”) is under liquidation, financial statements for the year ended March 31, 2020 are not available of “Ruchi J-Oil” and management of the Company expects to recover the carrying amount of investment, therefore in view of the management no consolidated financial statements are required to be prepared and presented.

### NOTE 36

Disclosures pursuant to regulation 34(3) and 53(f) of schedule V of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015

Particulars	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
(a) Loans & Advance in the nature of loans to Subsidiaries	NIL	0.23
(b) Loans & Advance in the nature of loans to Associates	NIL	NIL
(c) Loans and Advances in the nature of loans to Firms/Companies in which directors are interested	NIL	NIL
(d) Investment by the loanee in the shares of the company, when the Company has made a loan or advance in the nature of loan	NIL	NIL



# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 37 : SEGMENT REPORTING

### A. General Information

- (a) Factors used to identify the entity's reportable segments, including the basis of organisation

Based on the criterion as mentioned in Ind-As-108- "Operating Segment", the Company has identified its reportable segments, as follows:

- Segment-1 Seed Extractions
- Segment-2, Vanaspati
- Segment-3, Oils
- Segment-4, Food Products
- Segment-5, Wind Power Generation
- Segment-6, Others

Unallocable - All the segments other than segments identified above are collectively included in this segment.

The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments.

The assets and liabilities that can not be allocated between segments are shown as unallocable assets and liabilities, respectively.

- (b) Following are reportable segments

Reportable segment	Description
Seed Extractions	Various types of seed extractions
Vanaspati	Vanaspati, Bakery fats and Table spread
Oils	Crude oils, Refined oils
Food Products	Textured Soya protein and Soya flour
Wind Power Generation	Electricity Generation from Wind Mills

- (c) Other Segment

Others	Seeds, Coffee, Soap, Fresh Fruit Bunch, Seedling, Plant and Equipment , Toiletry preparations and Castor seed.
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By products related to each segment have been included under the respective segment.

Extraction is considered as the primary product resulting from the solvent extraction process and crude oil as the secondary product. While computing segment results, all costs related to solvent extraction process are charged to the extraction segment and recovery on account of crude oil is credited to the said segment. Credit for recovery of crude oil is taken on the basis of average monthly market price.

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## B.1. Information about reportable segments- Financial Year 2019-2020

Particulars	₹ in Lakh							Total
	Seed Extractions	Vanaspati	Oils	Food Products	Wind Turbine Power Generation	Others	Unallocated	
<b>SEGMENT REVENUE</b>								
External Revenue	267,182.62	69,366.51	1,119,168.53	54,418.45	5,789.59	15,784.37	-	1,531,710.07
Less Intersegment Sales	162,217.43	-	56,256.88	-	1,456.95	-	-	219,931.26
<b>Total Segment Revenue</b>	104,965.19	69,366.51	1,062,911.65	54,418.45	4,332.64	15,784.37	-	1,311,778.81
<b>Segment Profit/ (Loss) before interest and taxes</b>	6,741.65	597.32	20,070.13	1,961.72	3,785.17	(1,416.85)	-	31,739.14
Add: Unallocable Income net of Unallocable Expenses							2,714.03	2,714.03
Less: Finance cost							11,231.48	11,231.48
Less: Provision for Doubtful Debts/ Advances, Expected credit loss, Write off (Net)							2,183.31	2,183.31
<b>Profit before exceptional items and tax expenses</b>								21,038.38
<b>Exceptional Items (Net) [Refer Note 30]</b>							744,763.89	744,763.89
<b>Profit before tax</b>							(1,400.00)	765,802.27
<b>Tax Expenses - Income Tax for earlier years written Back</b>								(1,400.00)
<b>Profit after tax</b>								767,202.27
<b>Other Information</b>								
SEGMENT ASSETS	75,105.77	13,517.07	194,050.54	11,853.29	36,249.43	20,024.90	435,960.13	786,761.13
SEGMENT LIABILITIES	3,119.42	37.45	10,235.53	123.96	53.53	5,905.20	430,195.89	449,670.98
CAPITAL EXPENDITURE	329.88	31.37	421.68	3.09	-	313.18	-	1,099.20
DEPRECIATION / AMORTISATION	3,473.71	1,200.57	5,372.21	616.63	1,866.81	609.73	437.70	13,577.36
NON CASH EXPENSES							2,183.31	6,442.43

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## B.2. Information about reportable segments-Financial Year 2018-2019

Particulars	₹ in Lakh							Total
	Seed Extractions	Vanaspati	Oils	Food Products	Wind Turbine Power Generation	Others	Unallocated	
<b>SEGMENT REVENUE</b>								
External Revenue	286,240.87	77,693.24	1,075,050.90	51,099.14	5,877.59	13,022.09	-	1,508,983.83
Less: Intersegment Sales	166,573.48	-	68,167.41	-	1,319.64	-	-	236,060.52
<b>Total Segment Revenue</b>	119,667.39	77,693.24	1,006,883.49	51,099.14	4,557.95	13,022.09	-	1,272,923.31
<b>Segment Profit / (Loss) before interest and taxes</b>	635.28	228.31	9,933.35	1,710.83	2,726.75	(6,778.18)	-	8,456.34
Add: Unallocable Income net of Unallocable Expenses							1,254.99	1,254.99
Less: Finance cost							699.07	699.07
Less: Provision for Doubtful Debts/ Advances, Expected credit loss, Write off (Net)							1,340.25	1,340.25
<b>Profit before tax</b>								7,672.01
<b>Tax Expenses</b>								-
<b>Profit after tax</b>								7,672.01
<b>Other Information</b>								
Segment Assets	68,454.55	18,376.35	190,146.51	12,368.80	37,801.52	26,204.18	440,334.41	793,686.32
Segment Liabilities	7,388.88	13.24	262,195.85	261.49	138.53	48,896.21	922,612.15	1,241,506.35
Capital Expenditure	446.16	5.36	330.79	79.81	-	108.86	-	970.98
Depreciation / Amortisation	3,523.42	1,119.90	5,709.10	539.99	1,866.71	598.15	467.17	13,824.44
Non Cash Expenses							1,340.25	1,340.25

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
<b>I Revenue</b>		
Domestic	1,287,641.97	1,226,550.67
Foreign	24,136.84	46,372.64
<b>Total Revenue</b>	1,311,778.81	1,272,923.31

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
<b>II Non-Current Assets*</b>		
Within India	514,348.32	529,788.37
Outside India	-	-

\*Non-current assets other than financial assets and income tax

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

### NOTE 38 : DEFERRED TAX

The income tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	765,802.27	7,672.01
Applicable Tax Rate	25.17%	34.94%
Computed Tax Expense	192,737.12	2,680.91
<b>Tax effect of :</b>		
<b>Expenses disallowed</b>	<b>6,428.94</b>	<b>58,456.26</b>
Depreciation	3,417.15	4,830.81
Provision for Doubtful Debts & advances	549.50	-
Interest payable to Banks	-	52,986.32
Others	2,462.29	639.13
<b>Additional allowances</b>	<b>199,166.06</b>	<b>61,137.17</b>
Depreciation as per Income Tax	1,993.67	3,160.75
Term loan principal & interest payable written back	26,198.27	-
Unrecognised interest payable to Banks	-	54,796.71
Write off of Bad debts and advances	144,305.74	-
Others	15.92	1,045.22
Business losses setoff	26,652.46	2,134.49
<b>Current Tax</b>	<b>0.00</b>	<b>0.00</b>
<b>Current Tax Provision (A)</b>	<b>-</b>	<b>-</b>
<b>Deferred tax Provision (B)</b>	<b>-</b>	<b>-</b>
<b>Tax Expenses Charge/(Credit) in Statement of Profit and Loss (A+B)</b>	<b>-</b>	<b>-</b>

Unrecognised deferred tax assets arising on account of deductible temporary differences, unused tax losses:-

Particulars	₹ in Lakh	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Deferred Tax Liabilities</b>	<b>(35,112.59)</b>	<b>(51,224.77)</b>
Property, plant and equipment and intangible assets	(34,771.01)	(51,224.77)
Other timing differences	(341.58)	-
<b>Deferred Tax Assets</b>	<b>61,062.39</b>	<b>318,936.86</b>
Provision for doubtful debts & advances	34,597.17	246,305.22
Brought forward losses	18,675.33	58,249.03
Unabsorbed Depreciation	7,378.12	13,877.71
Other timing differences	411.77	504.90
<b>Net Deferred tax Asset</b>	<b>25,949.80</b>	<b>267,712.09</b>

Unused tax losses for which no deferred tax assets has been recognised:

Assessment Year	Business Loss	Unabsorbed Depreciation	Business Loss Available for utilisation till
2015-2016	-	905.31	
2016-2017	-	14,650.55	
2017-2018	53,282.12	13,759.64	A.Y. 2025-2026
2018-2019	20,920.56	-	A.Y. 2026-2027
<b>Total</b>	<b>74,202.68</b>	<b>29,315.50</b>	

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 39 : RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES

As per Ind AS-24, the disclosure of transactions with related parties are given below :

**(a) List of related parties and relationship:**

**(i) Enterprises exercising control #**

Patanjali Ayurved Limited  
Divya Yog Mandir Trust  
Patanjali Parivahan Private Limited  
Patanjali Gramudhyog Nyas

**(ii) Subsidiaries including Stepdown subsidiaries ##**

Ruchi Worldwide Limited  
Mrig Trading Pvt. Limited  
RSIL Holdings Private Limited  
Ruchi Industries Pte. Limited, Singapore  
Ruchi Ethiopia Holdings Limited, Dubai  
Ruchi Agri Plantation (Cambodia) Pte. Limited  
Ruchi Agri Trading Pte. Limited, Singapore  
Ruchi Agri SARLU (Madagascar)  
Ruchi Agra Private Limited Company  
Palmolein Industries Pte. Ltd. Cambodia  
Ruchi Middle East DMCC (Dubai)

**(iii) Associates**

GHI Energy Private Limited (Upto-12-May-2019)  
Ruchi Hi-rich Seeds Pvt.Ltd. ##

**(iv) Joint Venture**

Ruchi J-Oil Private Limited [under liquidation w.e.f. 21.08.2018]

**(v) Key managerial persons**

Shri Acharya Balkrishna #  
Shri Ram Bharat #  
Shri Rajat Sharma #  
Ms. Bhavna Samir Shah #  
Shri Anil Singhal  
Shri R L. Gupta  
Shri V.K.Jain ###  
Shri Dinesh Shahra ### (Erstwhile promoter director)

**(vi) Relative of key managerial persons**

Shri Kailash Shahra ###  
Shri Sarvesh Shahra ###

**(vii) Relative of key managerial persons & a Director**

Shri Swami Ramdev #

**(viii) Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence**

Patanjali Natural Biscuits Private Limited #  
Patanjali Agro India Private Limited #  
Parakram Security India Private Limited #  
Atri Papers Private Limited #  
Sanskar Info Private Limited #  
Vedic Broadcasting Limited #  
Shahra Brothers Private Limited ###  
Disha Foundation Trust ###  
Suresh Shahra HUF ###  
Santosh Shahra HUF ###  
High Tech Realties Private Limited ###  
Mahakosh Family Trust ###  
Mahadeo Shahra & Sons ###  
Mahakosh Holding Private Limited ###

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

(ix) **Other**

Ruchi Soya Industries Limited Beneficiary Trust  
 Indian Oil Ruchi Biofuels LLP (upto 25.01.2019)  
 # With effect from 18th December 2019  
 ## Upto March 28, 2020  
 ### Upto December 17, 2019

As per Ind AS-24, the disclosure of transactions and Balances with related parties are given below :

S. No	Particulars	₹ in Lakh	
		2019-20	2018-19
1	<b>Revenue from Operations</b>		
	<b>(a) Sales of Product &amp; Services</b>		
	Patanjali Ayurved Limited	5,739.04	-
	Patanjali Natural Biscuits Private Limited	74.05	-
	<b>(b) Other Operating Revenue</b>		
	Patanjali Ayurved Limited	3,125.00	-
2	<b>Service Charges Received/Receivable</b>		
	Ruchi J-Oil Private Limited	1.80	4.83
3	<b>Payment to Key Managerial Personnel /Remuneration</b>		
	Shri Anil Singhal	97.94	92.01
	Shri R L Gupta	59.54	70.18
	Shri V.K.Jain	32.04	58.04
4	<b>Sitting Fees Expenses</b>		
	Shri Rajat Sharma	0.50	-
	Ms. Bhavna Samir Shah	3.50	-
5	<b>Purchase of Goods/Services</b>		
	Patanjali Ayurved Limited	127.41	-
	Patanjali Agro India Private Limited	288.77	-
	Patanjali Parivahan Private Limited	296.35	-
	Vedic Broadcasting Limited	40.09	-
	Sanskar Info Tv Private Limited	30.00	-
	Parakram Security India Private Limited	869.67	-
6	<b>Rent Paid/ Storage Charges Expenses</b>		
	Shri Dinesh Shahra	-	0.08
	Shahra Brothers Private Limited	2.77	3.16
	Disha Foundation	-	20.78
	Suresh Shahra HUF	5.40	9.64
	Santosh Shahra HUF	2.43	4.12
	Mahakosh Family Trust	7.97	-
7	<b>Reimbursement of Expenses</b>		
	Shri Anil Singhal	15.34	-
	Shri R L Gupta	4.12	-
	Shri V.K.Jain	21.16	-
	Shahra brothers Private Limited	-	1.59
8	<b>Purchase of Fixed Assets</b>		
	Patanjali Ayurved Limited	317.70	-
9	<b>Impairment in Value of Investment</b>		
	Indian Oil Ruchi Biofuels LLP	-	1.53
10	<b>Provision for Doubtful Debts &amp; Advances</b>		
	High Tech Realities Private Limited	-	750.00
11	<b>Trade Receivables</b>		
	Patanjali Ayurved Limited	13,369.12	-
	Mahakosh Family Trust	-	38.60
12	<b>Loans and Advances Receivable</b>		
	Shri R L Gupta	5.00	2.47
	Shri Anil Singhal	-	2.90

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

		₹ in Lakh	
S. No	Particulars	2019-20	2018-19
	Patanjali Agro India Private Limited	2,806.32	-
	Parakram Security India Private Limited	65.77	-
	Ruchi Soya Industries Limited Beneficiary Trust	-	0.85
	Mrig Trading Private Limited	-	0.23
	Mahakosh Family Trust	-	5.46
13	<b>Security Deposit Receivable</b>		
	Disha Foundation (Trust)	-	1,350.00
	Mahakosh Family Trust	-	15.00
14	<b>Investment in Subsidiary, Associate and Joint Venture</b>		
	RSIL Holdings Private Limited	-	348.10
	Mrig Trading Private Limited	-	1.00
	Ruchi J-Oil Private Limited	154.26	154.26
	GHI Energy Private Limited	-	819.24
15	<b>Money Received on Capital Reduction</b>		
	Ruchi J-Oil Private Limited	-	1,632.00
16	<b>Trade Payables &amp; Services</b>		
	Patanjali Parivahan Private Limited	362.29	-
	Vedic Broadcasting Limited	23.19	-
	Atri Paper Private Limited	19.18	-
	Disha Foundation (Trust)	-	95.08
	Suresh Shahra HUF	-	4.33
	Ruchi Worldwide Limited	-	37,010.36
	Ruchi Agritrading Pte. Limited	-	18,959.98
	Ruchi J-Oil Private Limited	-	26.30
	Shahra Brothers Private Limited	-	2.31
	Mahadeo Shahra & Sons	-	0.15
	Mahakosh Holdings Private Limited	-	1.61
	Santosh Shahra HUF	-	1.15
17	<b>Other Financial Liabilities</b>		
	Shri Dinesh Shahra	-	13.34
	Shri V.K.Jain	-	10.55
	Shri Kailash Shahra	-	3.50
	Shri Sarvesh Shahra	-	5.08
	Shri Anil Singhal	11.34	-
18	<b>Customer Advance:</b>		
	Patanjali Natural Biscuits Private Limited	45.29	-
19	<b>Sitting Fees Payable</b>		
	Shri Kailash Shahra	-	0.15
20	<b>Guarantees Given</b>		
	Ruchi Worldwide Limited	-	61,065.73
	GHI Energy Private Limited	-	9,600.00

## NOTE 40 : EARNINGS PER SHARE (EPS)

Particulars	March 31, 2020	March 31, 2019
Net Profit after tax	767,202.27	7,672.01
<b>Profit attributable to equity holders for basic earnings</b>	<b>767,202.27</b>	<b>7,672.01</b>
<b>Weighted average number of shares for</b>	<b>88,054,122</b>	<b>3,341,007</b>
<b>Basic EPS and Diluted EPS</b>		
<b>Basic earnings per share (in ₹)</b>	<b>871.28</b>	<b>229.63</b>
<b>Diluted earnings per share (in ₹)</b>	<b>871.28</b>	<b>229.63</b>





# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

₹ in Lakh

(ii) March 31, 2019	Notes	Carrying amount			Fair value				
		FVTPL	FVTOCI	Total Fair Value	Amortised Cost	Level 1	Level 2	Level 3	Total
<b>Non Current assets</b>									
<b>Financial assets</b>									
(i) Investments	5(a)	-	946.10	946.10	504.45	946.10	-	-	946.10
(ii) Loans	5(b)	-	-	-	3,529.61	-	-	-	-
(iii) Others	5(c)	-	-	-	1,413.93	-	-	-	-
<b>Current assets</b>									
<b>Financial assets</b>									
(i) Investments	8(a)	939.74	-	939.74	739.61	120.50	819.24	-	939.74
(ii) Trade receivables	8(b)	-	-	-	26,223.61	-	-	-	-
(iii) Cash and cash equivalents	8(c)	-	-	-	15,802.32	-	-	-	-
(iv) Bank Balance other than above	8(d)	-	-	-	27,201.25	-	-	-	-
(v) Loans	8(e)	-	-	-	113.13	-	-	-	-
(vi) Other	8(f)	124.03	-	124.03	215.41	-	124.03	-	124.03
<b>Total</b>		<b>1,063.77</b>	<b>946.10</b>	<b>2,009.87</b>	<b>75,743.32</b>	<b>1,066.60</b>	<b>943.27</b>	<b>-</b>	<b>2,009.87</b>
<b>Non Current liabilities</b>									
<b>Financial liabilities</b>									
(i) Borrowings	13(a)	-	-	-	1,607.27	-	-	-	-
<b>Current liabilities</b>									
<b>Financial liabilities</b>									
(i) Borrowings	16(a)	-	-	-	727,980.20	-	-	-	-
(ii) Trade payables	16(b)	-	-	-	223,537.70	-	-	-	-
(iii) Other financial liabilities	16(c)	-	-	-	276,358.71	-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>1,229,483.88</b>	<b>1,229,483.88</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## B. Fair Valuation Techniques used to determine Fair Value

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- (i) Fair value of trade receivable, cash and cash equivalents, other bank balances, current borrowings, trade payables, other current financial assets and other current financial liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- (ii) The fair values of non-current borrowings are approximate at their carrying amount due to interest bearing features of these instruments.
- (iii) The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- (iv) Fair values of quoted financial instruments are derived from quoted market prices in active markets.
- (v) Fair value of forward contract are derived on the basis of mark-to-market as provided by the respective bank.
- (vi) Fair value of open purchase and sale contracts is based on commodity prices listed on NCDEX stock exchange and prices available on Solvent Extractor's association (SEA) along with quotations from brokers and adjustments made for grade and location of commodity and in case of Commodity futures it is based on commodity prices listed on MCX/ NCDEX/ ACE stock exchange.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

**Level 1 :** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.

**Level 2 :** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

**Level 3 :** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## NOTE 42 : FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
  - (a) Currency risk;
  - (b) Interest rate risk;
  - (c) Commodity Risk;
  - (d) Equity Risk;
- (ii) Credit risk ; and
- (iii) Liquidity risk ;

### Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management of these policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.

#### (i) Market risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments . The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

#### (a) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar and Euro, against the respective functional currencies (INR) of Ruchi Soya Industries Limited.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported by the management of the Company is as follows:

Particulars	March 31, 2020			March 31, 2019		
	EUR	USD	AUD	EUR	USD	AUD
	Exposure in ₹	Exposure in ₹	Exposure in ₹	Exposure in ₹	Exposure in ₹	Exposure in ₹
<b>Receivable net exposure</b>						
Trade receivables*	591.82	2,483.31	4.44	3,770.12	129,287.50	7.66
<b>Net statement of financial position exposure</b>	<b>591.82</b>	<b>2,483.31</b>	<b>4.44</b>	<b>3,770.12</b>	<b>129,287.50</b>	<b>7.66</b>
Forward exchange contracts against exports	-	-	-	-	-	-
<b>Receivable net exposure</b>	<b>591.82</b>	<b>2,483.31</b>	<b>4.44</b>	<b>3,770.12</b>	<b>129,287.50</b>	<b>7.66</b>
<b>Payable net exposure</b>						
Borrowings	-	-	-	-	27,731.67	-
Trade payables and other financial liabilities	-	3,028.90	-	-	250,929.95	-
<b>Statement of financial position exposure</b>	<b>-</b>	<b>3,028.90</b>	<b>-</b>	<b>-</b>	<b>278,661.62</b>	<b>-</b>
Forward exchange contracts against imports and foreign currency payables	-	-	-	-	-	-
<b>Payable net exposure</b>	<b>-</b>	<b>3,028.90</b>	<b>-</b>	<b>-</b>	<b>278,661.62</b>	<b>-</b>
<b>Total net exposure on Receivables / (Payables)</b>	<b>591.82</b>	<b>(545.59)</b>	<b>4.44</b>	<b>3,770.12</b>	<b>(149,374.12)</b>	<b>7.66</b>

₹ in Lakh

### Sensitivity analysis

A 1% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss as shown in table below. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in Indian Rupees	Profit/(Loss) March 31, 2020		Profit/(Loss) March 31, 2019	
	Strengthening	Weakening	Strengthening	Weakening
	EUR	5.92	(5.92)	37.70
USD	(5.46)	5.46	(1,493.74)	1,493.74
AUD	0.04	(0.04)	0.08	(0.08)

₹ in Lakh

\*Excluding provision for doubtful debts ₹ 1,30,111.70/- Lakh.

### (b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to borrowings from banks and others.

For details of the Company's short-term and long term loans and borrowings, Refer Note 13(a), 13(b), 16 (a) and 16(c) of these financial statements.

### Interest rate sensitivity - fixed rate instruments

The Company's fixed rate borrowings Preference Shares issued to Patanjali Ayurved Limited @ 0.0001% and Debentures issued to Patanjali Ayurved Limited @ 9% in the year 2019-2020 and Investments into Preference Shares of GHI Energy Private Limited @ 6% in the year 2011-2012 are carried at fair value. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

## Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.

### A. March 31, 2020

₹ in Lakh

Particulars	Impact on Profit/(loss) before tax	
	100 bp increase	100 bp decrease
On account of Variable Rate Borrowings from Banks	(3,016.73)	3,016.73
	-	-
<b>Sensitivity</b>	<b>(3,016.73)</b>	<b>3,016.73</b>

### B. March 31, 2019

₹ in Lakh

Particulars	Impact on Profit/(loss) before tax	
	100 bp increase	100 bp decrease
On account of Variable Rate Borrowings from Banks	(7,897.94)	7,897.94
<b>Sensitivity</b>	<b>(7,897.94)</b>	<b>7,897.94</b>

## (c) Commodity risk

The prices of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, government policies, changes in global demand resulting from population growth and changes in standards of living and global production of similar and competitive crops. During its ordinary course of business, the value of the Company's open sales and purchases commitments and inventory of raw material changes continuously in line with movements in the prices of the underlying commodities. To the extent that its open sales and purchases commitments do not match at the end of each business day, the Company is subjected to price fluctuations in the commodities market.

While the Company is exposed to fluctuations in agricultural commodities prices, its policy is to minimise its risks arising from such fluctuations by hedging its sales either through direct purchases of a similar commodity or through futures contracts on the commodity exchanges. The prices on the commodity exchanges are generally quoted up to twelve months forward.

In the course of hedging its sales either through direct purchases or through futures, the Company may also be exposed to the inherent risk associated with trading activities conducted by its personnel. The Company has in place a risk management system to manage such risk exposure.

At the balance sheet date, a 1% increase/decrease of the commodities price indices, with all other variables remaining constant, would result in (decrease)/increase in profit before tax and equity by the amounts as shown below:

₹ in Lakh

Particulars	Profit/(loss)			
	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
<b>Effect of (increase) / decrease in prices</b>	<b>(2.80)</b>	<b>2.80</b>	<b>5.22</b>	<b>(5.22)</b>
<b>Assumptions used for calculation</b>				
Inventory	Commodity price * 1%			
Derivative contract	Rate * 1%			

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

### (d) Equity risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company's investments in Fair value through Other Comprehensive Income securities exposes the Company to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. The fair value of equity securities as of March 31, 2020, was ₹ 583.33/- Lakh [Previous Year 946.10/- Lakh] . A sensex standard deviation of 7% [Previous Year 4%] would result in change in equity prices of securities held as of March 31, 2020 by ₹ 40.83/- Lakh.[Previous Year ₹ 37.60/- Lakh]

### (ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customer. The Company establishes an allowance for doubtful debts, impairment and expected credit loss that represents its estimate on expected credit loss model.

### A. Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
<b>Agewise trade receivables which are not impaired</b>		
0-90 days	26,951.79	24,675.60
91-180 days	268.55	298.50
> 180 days	3,069.45	2,541.95
	<b>30,289.79</b>	<b>27,516.05</b>

### Expected credit loss assessment for customers as at March 31, 2020 and March 31, 2019

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine expected credit losses. Impaired amounts are based on lifetime expected losses based on the best estimate of the management. The impairment loss related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances.

The movement in the allowance for trade receivables having significant increase in credit risk during the year was as follows.

	₹ in Lakh
	March 31, 2020
<b>Balance as at April 1, 2019</b>	<b>655,886.68</b>
Impairment loss recognised as per ECL	1,598.07
Provision for Trade Receivables Written back/Reversal	(524,482.54)
<b>Balance as at March 31, 2020</b>	<b>133,002.21</b>

# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

**The movement in the allowance for trade receivables having significant increase in credit risk during the year was as follows.**

	₹ in Lakh
	March 31, 2020
Balance as at April 1, 2018	656,560.79
Reversal of Expected credit Loss	(674.11)
<b>Balance as at March 31, 2019</b>	<b>655,886.68</b>

## B. Cash and cash equivalents

The Company holds cash and cash equivalents with credit worthy banks of ₹ 15,379.99/- Lakh as at March 31, 2020 [Previous Year ₹ 15,802.32/- Lakh]. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

## C. Derivatives

The derivatives are entered into with credit worthy counterparties. The credit worthiness of such counterparties is evaluated by the management on an ongoing basis and is considered to be good.

## D. Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counter-parties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

### (iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has been taking measures to ensure that the Company's cash flow from business borrowing is sufficient to meet the cash requirements for the Company's operations. The Company managing its liquidity needs by monitoring forecasted cash inflows and outflows in day to day business. Liquidity needs are monitored on various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30 day projections. Net cash requirements are compared to available working capital facilities in order to determine headroom or any short falls. Presently company's objective is to maintain sufficient cash to meet its operational liquidity requirements.

The below table summaries the maturity profile of the Company's financial liability

Particulars	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	> 5 years
<b>A As at March 31, 2020</b>						
Secured term loans and borrowings	301,672.72	303,029.93	66,029.93	10,800.00	70,848.00	155,352.00
Unsecured term loans and borrowings	-	-	-	-	-	-
Redemable preference shares	44,666.96	45,000.00	-	-	-	45,000.00
Non convertible debenture	46,173.34	110,258.22	-	-	-	110,258.22
Trade payables	17,200.53	17,200.53	17,200.53	-	-	-
Other financial liabilities - current and non current	27,417.36	27,417.36	27,415.29	-	2.07	-

## Notes

to the Standalone Financial Statement for the year ended March 31, 2020

Particulars	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	> 5 years
<b>B As at March 31, 2019</b>						
Secured term loans and borrowings	785,469.40	785,469.40	785,469.40	-	-	-
Unsecured term loans and borrowings	5,918.61	5,918.61	4,474.54	236.95	650.80	556.32
Redemable preference shares	163.20	200.00	-	-	200.00	-
Trade payables	223,537.70	223,537.70	223,537.70	-	-	-
Other financial liabilities - current and non current	214,394.97	214,394.97	214,394.97	-	-	-

### Note :

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

### NOTE 43 : CAPITAL MANAGEMENT

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total equity. Net debt are non-current and current debts (including preference shares liabilities) as reduced by cash and cash equivalents. Equity comprises all components including other comprehensive income.

A. Particulars	₹ in Lakh	
	As at March 31, 2020	As at March 31, 2019
Total Debts	391,339.68	791,551.21
Less : Cash and cash equivalent	15,379.99	15,802.32
<b>Net Debts</b>	<b>375,959.69</b>	<b>775,748.89</b>
<b>Total equity (Share Capital Plus Other Equity)</b>	<b>337,090.15</b>	<b>(447,820.03)</b>
Net debt to equity ratio	1.12	(1.73)

### B. Dividends

No dividend is paid by the Company in last three Year

### NOTE 44

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. The Government ordered a nationwide lockdown to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.

Most of the manufacturing units of the Company are in the business of essential commodities like edible oils and soya food products. The capacity utilisation of the plants has been affected due to various factors like unavailability of labour, disrupted supplies of packing material, delays in port clearances for crude edible oil, limited availability of trucks and tankers for movement of raw material and finished goods and subdued availability of soya/mustard seeds for crushing plants. Though the distribution & supply chain network has been impacted but the Company is ensuring the movement of edible oils and soya food products to the end consumers. However, the Company's operations are not much impacted due to COVID – 19 pandemic.



# Notes

to the Standalone Financial Statement for the year ended March 31, 2020

In assessing the recoverability of Company's assets such as trade receivable, inventories etc. the Company has considered internal and external information upto the date of approval of these financial statements. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount, as at 31st March 2020, of the assets. However, the management will continue to closely monitor the evolving situation and assess its impact on the business of the Company.

## NOTE 45

Effective April 1, 2019, the company has adopted Ind AS 116 'Leases' under the modified simplified approach without adjustment of comparatives. The Standard is applied to contracts that remain as at April 1, 2019. The application of the standard did not have any material impact on the profit for the year ended March 31, 2020.

## NOTE 46

- (i) The Company disaggregates revenue from contracts with customers by type of Business and geography.
- (ii) Revenue disaggregation based on Geography and Revenue by business segments have been in Note no. 37 (Segment Reporting)
- (iii) Reconciliation of Revenue from Operation (Sale of Products) with contract price:

Particulars	₹ in Lakh	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Contract Price	1,299,625.80	1,265,830.50
Less : Reduction towards variables considerations components *	2,957.66	197.00
<b>Revenue from Operations</b>	<b>1,302,583.46</b>	<b>1,266,027.50</b>

\* The reduction towards variable consideration comprises of volume discounts, schemes rate difference and quality claim etc.

## NOTE 47

The figures for the previous year have been re-grouped/ re-arranged, wherever necessary, to correspond with the current year's classification/disclosure.

As per our report of even date attached

**For Chaturvedi and Shah LLP**

Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**

Partner  
Membership no. 109859

Place: Mumbai  
Date: 26 June, 2020

For and on Behalf of Board of Directors

**Acharya Balkrishna**  
Chairman and Managing Director

Place: Haridwar

**Anil Singhal**  
Chief Financial Officer

Place: Indore

**Ram Bharat**  
Executive Director

Place: Haridwar

**R. L. Gupta**  
Company Secretary

Place: Indore

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### PART "A": SUBSIDIARIES

The Company has no subsidiary company as on March 31, 2020.

Sr. No.	Particulars	
1.	Name of the subsidiary	
2.	The date since when subsidiary was acquired	
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
5.	Share capital	
6.	Reserves & Surplus	
7.	Total Assets	Not Applicable
8.	Total Liabilities	
9.	Investments	
10.	Turnover	
11.	Profit/(Loss) before taxation	
12.	Provision for taxation	
13.	Profit/(loss) after taxation	
14.	Proposed Dividend	
15.	% of shareholding	

#### Notes:

Names of the subsidiary companies which are yet to commence operations : None

Names of subsidiary companies which have been liquidated or sold during the year :

As a part of the implementation of Resolution Plan approved by the Hon'ble NCLT vide its order dated July 24, 2019 read with order dated September 4, 2019 under section 31 of the Insolvency and Bankruptcy Code, 2016, the Company has disposed off its entire equity investment / ownership interest held in its below subsidiary companies and step-down subsidiary companies during the year under review.

Sl. No	Name of Subsidiary Companies
1.	Ruchi Worldwide Limited
2.	Mrig Trading Private Limited
3.	RSIL Holdings Private Limited
4.	Ruchi Ethiopia Holdings Limited, Dubai
5.	Ruchi Industries Pte. Limited, Singapore

Sl. No	Name of Step-down Subsidiary Companies
1.	Ruchi Agri Plantation (Cambodia) Pte. Limited, Cambodia
2.	Ruchi Agri Trading Pte. Limited, Singapore
3.	Ruchi Agri SARLU, Madagascar
4.	Ruchi Agri PLC, Ethiopia
5.	Palmolien Industries Pte. Limited, Cambodia
6.	Ruchi Middle East DMCC, Dubai

## PART "B": ASSOCIATES AND JOINT VENTURES

The Company has no associate company and joint venture as on March 31, 2020 except Ruchi J-Oil Private Limited which is under voluntary liquidation from August 21, 2018.

Sr. No.	Particulars	
1.	Name of Associates/Joint Ventures	Ruchi J-Oil Private Limited
2.	Latest audited Balance Sheet Date	May 09, 2018
3.	Shares of Associate/Joint Ventures held by the Company on the year end	
	No. of shares	22,060
	Amount of Investment in Associates/Joint Venture	₹ 154.26 Lakh
	Extend of Holding %	51
4.	Description of how there is significant influence	Due to Shareholding
5.	Reason why the associate/joint venture is not consolidated	Not Applicable
6.	Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ 3,576.29 Lakh
7.	Profit / Loss for the year	
	i. Considered in Consolidation	Not Applicable
	ii. Not Considered in Consolidation	

### Notes:

Names of associates or joint ventures which are yet to commence operations : None

Names of associates or joint ventures which have been liquidated or sold during the year :

During the year, Ruchi Hi-Rich Seeds Private Limited ceased to be an associate of the Company.

GHI Energy Private Limited ("GHI") was an associate of the Company with company's holding 49% of the paid up equity share capital. However, GHI issued further equity shares on 13th May, 2019 without consent of the Company as a result of which company's equity shareholding in GHI reduced to 19.34%. On pursuance by the Company, GHI has filed a petition with Hon'ble National Company Law Tribunal, Chennai Bench ("Hon'ble Tribunal") for reduction of capital under section 66 of the Companies Act, 2013. Accordingly, pending confirmation of the Hon'ble Tribunal of the aforesaid reduction of share capital of GHI, the Company continues to hold only 19.34% in GHI. Upon approval of the capital reduction by the Hon'ble Tribunal and such capital reduction, being effective, the paid up share capital of GHI shall stand reduced to the extent of the shares so extinguished and the original shareholding of 49% of the Company shall stand restored.

The investment of the Company in Indian Oil Ruchi Biofuels LLP, a Joint Venture, has been impaired in the books of accounts of the Company in the year 2018-19 as per the provisions of applicable Ind-AS.

For and on behalf of the Board of Directors of  
**Ruchi Soya Industries Limited**

**Acharya Balkrishna**  
Chairman and Managing Director  
DIN: 01778007

**Ram Bharat**  
Executive Director  
DIN: 01651754

**Anil Singhal**  
Chief Financial Officer

**R.L. Gupta**  
Company Secretary

Place: Haridwar

Date : June 26, 2020



**RUCHI SOYA INDUSTRIES LIMITED**

**CIN:** L15140MH1986PLC038536

**Registered Office:** “Ruchi House”, Royal Palms, Survey No. 169, Aarey Milk Colony,  
Near Mayur Nagar, Goregaon (East), Mumbai 400065, Maharashtra, India

**Email:** ruchisoyasecretarial@ruchisoya.com; **Telephone:** (+91-22) 61090100 / 200

**Website:** www.ruchisoya.com

## Notice of 34<sup>th</sup> Annual General Meeting

Notice is hereby given that the Thirty Fourth (34<sup>th</sup>) Annual General Meeting (“**AGM / Meeting**”) of the members of Ruchi Soya Industries Limited will be held on Monday, the December 21, 2020 at 04.30 PM through video conferencing (“**VC**”) / other audio visual means (“**OAVM**”) to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020 and the Reports of the Board of Directors and Auditors thereon.

### **SPECIAL BUSINESS:**

2. **To appoint Shri Ram Bharat (DIN: 01651754), as Director of the Company**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 149, section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, Shri Ram Bharat (DIN: 01651754), who was appointed as an additional director of the Company with effect from December 18, 2019 pursuant to Section 161 of the Act and Article 89 of the Articles of Association of the Company and who holds office upto the date of ensuing annual general meeting and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing

his candidature for the office of Director, be and is hereby appointed as the director of the Company.

**FURTHER RESOLVED THAT** any of the directors of the Company, Shri Sanjeev Asthana, Chief Executive Officer and Shri R.L. Gupta, Company Secretary 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 limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

3. **To appoint Shri Ram Bharat (DIN: 01651754), as Managing Director of the Company and to ratify earlier appointment**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 149, section 152, section 196, section 197, section 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, Shri Ram Bharat (DIN: 01651754), who was appointed as managing director of the Company by the board of directors on August 19, 2020, be and is hereby appointed as managing director of the Company, not liable to retire by rotation, to hold office as such from August 19, 2020, to December 17, 2022, with a remuneration of ₹ 1.00 (Rupee One only) per annum, on the terms and conditions as set

out in the explanatory statement annexed to the Notice, with a liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197, read with Schedule V to the Act and rules made thereunder or any statutory amendment(s), modification(s) or re-enactment(s) thereof.

**FURTHER RESOLVED THAT** the appointment and office of Shri Ram Bharat as whole-time director of the Company, for the period from December 18, 2019 till August 18, 2020, be and is hereby approved and ratified by the members of the Company.

**FURTHER RESOLVED THAT** any of the directors of the Company, Shri Sanjeev Asthana, Chief Executive Officer and Shri R.L. Gupta, Company Secretary 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 limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

**4. To appoint Shri Acharya Balkrishna (DIN: 01778007), as Director of the Company and to ratify earlier appointment**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of section 149, section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, Shri Acharya Balkrishna (DIN: 01778007), who was appointed as an additional director with effect from December 18, 2019 pursuant to section 161 of the Act and Article 89 of the Articles of Association of the Company and who holds office upto the date of ensuing annual general meeting and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as the director of the Company, liable to retire by rotation.

**FURTHER RESOLVED THAT** the appointment and office of Shri Acharya Balkrishna as managing director of the Company, for the period from December 18, 2019 till August 18, 2020, be and is hereby approved and ratified by the members of the Company.

**FURTHER RESOLVED THAT** Shri Ram Bharat, Managing Director, Shri Sanjeev Asthana, Chief Executive Officer and Shri R.L. Gupta, Company Secretary 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 limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

**5. To appoint Shri Swami Ram Dev (DIN: 08086068), as Director of the Company**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of section 149, section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, Shri Swami Ram Dev (DIN: 08086068), who was appointed as an additional director of the Company with effect from December 18, 2019 pursuant to Section 161 of the Act and Article 89 of the Articles of Association of the Company and who holds office upto the date of ensuing annual general meeting and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation.

**FURTHER RESOLVED THAT** Shri Ram Bharat, Managing Director, Shri Sanjeev Asthana, Chief Executive Officer and Shri R.L. Gupta, Company Secretary 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 limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

6. **To appoint Dr. Girish Kumar Ahuja (DIN: 00446339), as the Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 149, section 150, section 152, schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, Dr. Girish Kumar Ahuja (DIN: 00446339), aged 74 years, who was appointed as an additional director (non-executive independent director) of the Company with effect from December 18, 2019 pursuant to section 161 of the Act and Article 89 of the Articles of Association of the Company and who holds office upto the date of ensuing annual general meeting and whose continuation as independent director will require approval of shareholders by way of special resolution, after attaining the age of seventy five (75) years and who has submitted the declaration that he meets the criteria of independence as provided under section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as the Independent Director of the Company, not liable to retire by rotation, to hold office for a term of three (3) consecutive years with effect from December 18, 2019 to December 17, 2022.

**FURTHER RESOLVED THAT** Shri Ram Bharat, Managing Director, Shri Sanjeev Asthana, Chief Executive Officer and Shri R.L. Gupta, Company Secretary 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 limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

7. **To appoint Dr. Tejendra Mohan Bhasin (DIN: 03091429), as the Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 149, section 150, section 152, Schedule IV and all

other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, Dr. Tejendra Mohan Bhasin (DIN: 03091429), who was appointed as an additional director (non-executive independent director) of the Company with effect from August 13, 2020 pursuant to section 161 of the Act and Article 89 of the Articles of Association of the Company and who holds office upto the date of ensuing annual general meeting and who has submitted the declaration that he meets the criteria of independence as provided under section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as the Independent Director of the Company, not liable to retire by rotation, to hold office for a term of three (3) consecutive years with effect from August 13, 2020 to August 12, 2023.

**FURTHER RESOLVED THAT** Shri Ram Bharat, Managing Director, Shri Sanjeev Asthana, Chief Executive Officer and Shri R.L. Gupta, Company Secretary 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 limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

8. **To appoint Smt. Gyan Sudha Misra (DIN: 07577265), as the Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 149, section 150, section 152, schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (“**Listing Regulations**”) {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, Smt. Gyan Sudha Misra (DIN: 07577265), who was appointed as an Additional Director (non-executive independent director) of the Company with effect from August 13, 2020 pursuant to

section 161 of the Act and Article 89 of the Articles of Association of the Company and who holds office upto the date of ensuing annual general meeting and who has submitted the declaration that she meets the criteria of independence as provided under section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as the Independent Director of the Company, not liable to retire by rotation, to hold office for a term of three (3) consecutive years with effect from August 13, 2020 to August 12, 2023.

**FURTHER RESOLVED THAT** Shri Ram Bharat, Managing Director, Shri Sanjeev Asthana, Chief Executive Officer and Shri R.L. Gupta, Company Secretary 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 limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

**9. To approve the terms and conditions of Covid Facility Agreement containing a clause related to conversion of loan into equity**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of section 62(3) and all other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) and the rules made thereunder {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, consent of the members of the Company be and is hereby accorded to the terms and conditions contained in the Covid Facility Agreement, in addition to other Facility Agreements, which, *inter-alia*, includes a clause stating that upon occurrence of an event of default and/or its continuance thereof, the Lenders shall have the absolute right to convert the outstanding amounts and all monies due/payable by the Company to the Lenders in part/or full, in one or more tranches, into fully paid-up equity shares of the Company, in accordance with the provisions of the Act and relevant guidelines issued by the Reserve Bank of India (“RBI”), as amended or modified or replaced from time to time by any rules, regulations, notifications, circulars, press notes or orders issued by the RBI or any other Governmental agency in this regard and the right of the Lenders to appoint a nominee Director on the Board of the Company.

**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end an intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**FURTHER RESOLVED THAT** the Board be and is hereby also authorized to delegate all or any of the powers herein conferred by this resolution on it, to any committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution.”

**10. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2021**

To consider and if thought fit, to pass 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 (“**the Act**”) read with Companies (Audit and Auditors) Rules, 2014 {including any statutory amendments(s), modification(s) or re-enactment(s) 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 Board of Directors of the Company, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021, amounting to ₹ 4,40,000/- (Rupees Four Lacs Forty Thousand Only) plus applicable taxes thereon and re-imbursalment of out-of-pocket expenses, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified, confirmed and approved.

**FURTHER RESOLVED THAT** Shri Ram Bharat, Managing Director, Shri Sanjeev Asthana, Chief Executive Officer and Shri R.L. Gupta, Company Secretary 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 limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

## 11. To issue securities of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of section 23, section 42, section 62 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) {including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force}, listing agreements entered into with the stock exchanges and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities Contracts (Regulation) Act, 1956 (the “SCRA”) and rules made thereunder, subject to other applicable rules, regulations and guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), the Government of India (“GoI”), the stock exchanges and/ or any other competent governmental or regulatory authorities from time to time to the extent applicable, and subject to such approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, RBI, GoI and any other governmental or regulatory authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and/ or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), consent of the members be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and/ or competitive basis, of such part of issue and for such categories of persons as may be permitted), with or without green shoe option, such number of equity shares of the Company of face value of ₹ 2/- (Indian Rupees Two Only) each (“Equity Shares”), preference shares convertible into Equity Shares, and/ or any other financial instruments convertible into Equity Shares (including warrants, or otherwise, in registered or bearer form) and/ or any security convertible into Equity Shares of face value ₹ 2/- (Indian Rupees Two) each, with or without voting/special rights and/ or securities linked to Equity Shares and/ or securities

with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as “Securities”) or any combination of Securities, in one or more tranches, in domestic and/ or international market, by way of one or more public and/ or private offerings, and/ or on rights basis, or on preferential allotment basis including Qualified Institutions Placement (“QIP”) or any combination thereof, through issue of prospectus and /or placement document/ or other permissible/requisite offer document to any eligible person, including Qualified Institutional Buyers (“QIBs”), foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors, Indian and/ or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds and/ or any other categories of investors, including but not limited to American Depository Receipts (ADRs) or Global Depository Receipts (GDRs), whether they be holders of equity shares of the Company or not (collectively called the “Investors”), as may be decided by the Board in its discretion and permitted under applicable laws and regulations, for an aggregate amount not exceeding ₹ 10,000 Crore (Indian Rupees Ten thousand Crore Only) or equivalent thereof, inclusive of such premium as may be fixed on such Securities by offering the Securities through public issue(s) or offer for sale or private placement(s) or any combination(s) thereof at such time or times, at such price or prices, at a discount or premium to market price or prices as permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc. as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/ or underwriter(s) and/ or other advisor(s) appointed and / or to be appointed by the Company (“Issue”).

**FURTHER RESOLVED THAT** in pursuance of the aforesaid resolutions: (a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; (b) the Equity Shares that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects; and (c) Equity Shares to be issued on conversion of Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock



split, consolidation of stock, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate reorganisation or restructuring.

**FURTHER RESOLVED THAT** if any issue of Securities is made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations (hereinafter referred to as “Eligible Securities” within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time.

**FURTHER RESOLVED THAT** any issue of Eligible Securities made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations (the “QIP Floor Price”). The Company may, however, in accordance with applicable law, also offer a discount of not more than 5% (Five Percentage) or such percentage as permitted under applicable law on the QIP Floor Price.

**FURTHER RESOLVED THAT** in the event that Equity Shares are issued to QIBs by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares as Eligible Securities and in case Eligible Securities are eligible convertible securities, then either the date of the meeting in which the Board decides to open the proposed issue or the date on which holder of Eligible Securities become eligible to apply for Equity Shares, as may be determined by the Board.

**FURTHER RESOLVED THAT** for the purpose of giving effect to any offer, issue or allotment of Securities or equity shares on conversion of Securities, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities or equity shares as the case may be, on one or more stock exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and/or GDRs on the stock exchanges.

**FURTHER RESOLVED THAT** the Board be and is hereby authorised to appoint lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors, debenture trustees and all such agencies as are or may be required to be appointed, involved or

concerned in the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all requisite arrangements, agreements, memoranda, documents, etc. with such agencies.

**FURTHER RESOLVED THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue, including the finalization and approval of the draft as well as final offer document(s), determining the form and manner of the Issue, finalization of the dates and timing of the Issue, identification and class of the investors to whom the Securities are to be offered, determining the issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest and all other terms and conditions of the Securities, offer and allotment of Securities, execution of various transaction documents, signing of declarations, creation of mortgage/ charge, utilization of the issue proceeds, and to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and resolve and settle all questions or difficulties that may arise in regard to such Issue without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**FURTHER RESOLVED THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any committee of directors or any director(s) of the Company in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and settle any questions or difficulties that may arise in this regard to the Issue.”

12. **To increase in aggregate investment limits of Non-Resident Indians (NRIs) and Overseas Citizens of India (OCIs) on repatriation basis**  
To consider and if thought it, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999, the Companies Act, 2013, to the extent applicable, the Foreign Exchange Management (non-debt instruments) rules, 2019, as amended

**(“FEMA Regulations”)**, Master Directions issued by Reserve Bank of India from time to time and all other applicable laws, rules, regulations, guidelines and subject to the approvals, consents and permissions of all appropriate authorities, institutions or bodies as may be necessary and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the concerned authorities while granting such approvals, permissions and sanctions and the like, which may be agreed to by the Board of Directors of the Company, consent of members of the Company be and is hereby accorded for all Non-Resident Indians (**“NRIs”**) or Overseas Citizens of India (**“OCIs”**) to hold capital instruments of the Company up to an aggregate limit of 24 (twenty four) percent of the total paid up equity share capital of the Company, on repatriation basis, in terms of the FEMA Regulations.

**FURTHER RESOLVED THAT** Shri Ram Bharat, Managing Director, Shri Sanjeev Asthana, Chief Executive Officer and Shri R.L. Gupta, Company Secretary 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 limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

By Order of the Board of Directors  
**For Ruchi Soya Industries Limited**

Place: Haridwar  
Date: November 10, 2020

**R.L. Gupta**  
Company Secretary

**Registered Office:**  
**“Ruchi House”, Royal Palms,**  
Survey No. 169, Aarey Milk Colony,  
Near Mayur Nagar, Goregaon (East),  
Mumbai 400065, Maharashtra, India

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## NOTES:

1. An Explanatory Statement pursuant to the provisions of section 102 of the Companies Act, 2013 (**“the Act”**), setting out the material facts in respect of the Special Business to be transacted at the Annual General Meeting (**“AGM / Meeting”**) is annexed hereto. Further, details as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**) and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) in respect of the directors seeking appointment at the AGM, given as an annexure to Explanatory Statement and the same shall form part of the Explanatory Statement pursuant to the provisions of section 102 of the Act and Notice.
2. In view of the continuing restrictions on the mobility of people at several places across the Nation due to the massive outbreak of novel Corona Virus (COVID-19) pandemic, the Ministry of Corporate Affairs (**“MCA”**), vide its General Circular No. 20/2020 dated May 05, 2020 read with General Circular Nos. 14/2020 dated April 08, 2020 and 17/2020 dated April 13, 2020 (collectively referred to as **“MCA Circulars”**) and other applicable circulars issued by the Securities and Exchange Board of India (**“SEBI”**), has permitted the Companies to conduct the AGM through video conferencing (**“VC”**) or other audio visual means (**“OAVM”**) during the calendar year 2020, without physical presence of the Members at a common venue.
3. In compliance with applicable provisions of the Act read with the MCA Circulars and Listing Regulations, the 34<sup>th</sup> AGM of the Company is being conducted through VC / OAVM. In accordance with the provisions of Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India (**“ICSI”**) read with Guidance/Clarification dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
4. The Company has appointed Central Depository Services (India) Limited (**“CDSL”**) to provide VC/ OAVM facility for the AGM.
5. Pursuant to the General Circular No. 14/2020 dated April 08, 2020, issued by MCA, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Institutional / Corporate Shareholders are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-Voting. Hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. The Registrar of Companies, Maharashtra, Mumbai vide its Orders dated September 08, 2020 passed under section

96(1) of the Companies Act, 2013, extended the time for holding Annual General Meeting for the financial year ended March 31, 2020 by three months from the due date for holding the AGM.

7. Corporate members/Societies/Trust intending to send their authorized representative to attend the AGM through VC / OAVM facility, 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 AGM.

**8. Electronic dispatch of Annual Report and process for registration of email id for obtaining copy of Annual Report:**

(i) In compliance with the MCA Circulars and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors and Auditor or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). The Notice calling the AGM and the Annual Report 2019-20 has been uploaded on the website of the Company at [www.ruchisoya.com](http://www.ruchisoya.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The same is also available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

(ii) Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com) along with the copy of the signed request letter mentioning the name, folio number, email id, mobile number and address of the Member, self-attested copy of the PAN card and of any document (eg: Driving License, Election Identity Card, Passport) as supporting documents. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.

**9. Instructions to Members for attending the AGM through VC / OAVM:**

(i) Members will be provided with a facility to attend the AGM through VC / OAVM through the CDSL e-voting system. Members may access the

same at <https://www.evotingindia.com> under Shareholders / Members login by using the remote e-voting credentials. The link for VC / OAVM will be available in Shareholder / Members login where the EVSN of Company will be displayed.

(ii) For convenience of the Members and proper conduct of AGM, Members can login and join at least 15 (fifteen) minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of AGM.

(iii) Members are encouraged to join the Meeting through laptops/tablets for better experience.

(iv) Further Members will be required to allow access to camera, if any, and are requested to use Internet with good speed to avoid any disturbance during the meeting.

(v) Please note that participants using mobile devices or tablets or laptops and are accessing the internet via mobile hotspot may experience audio/video loss due to fluctuation in their respective network speed. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

**10. Procedure to raise questions / seek clarifications with respect to annual report:**

(i) Members who wish to express their views / ask questions during the AGM may register themselves as a speaker by sending their request and questions in advance atleast seven (7) days prior to AGM mentioning their name, demat account number / folio number, email id, mobile number at [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com).

(ii) Members who wish to express their views / have queries may send their queries in advance atleast seven (7) days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com). These queries will be replied by the Company suitably by email.

(ii) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

**11. Instructions to Members for Remote e-voting:**

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management

and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide an option to its Members the facility of remote e-voting (“remote e-voting is the facility of casting the votes by the Members using an electronic voting system for a place other than venue of the Meeting on resolutions proposed to be considered at the Meeting and as such all business may be transacted through remote e-voting”). The remote e-voting facility will be provided by CDSL. Members who have cast their votes by remote e-voting prior to the Meeting may also attend the Meeting through VC / OAVM but shall not be entitled to cast their votes again during the AGM.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Friday, December 18, 2020 at 9.00 a.m. and ends on Sunday, December 20, 2020 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. Monday, December 14, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

**PAN** Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant(s) are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field by obtaining from RTA/ Company .
- 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

**Dividend Bank Details** 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.

**OR**  
**Date of Birth (DOB)**

- 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 (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.

- (ix) 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the EVSN for Ruchi Soya Industries Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) 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.
- (xviii) 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. Apple 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.
- (xix) 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](http://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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created 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 mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
  - Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
- (xxi) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.
- 12. Procedure for those Members whose email ids are not registered with the Depositories for procuring user id and password:**
- (i) In case shares are held in physical mode, please provide Folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy) by email to [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com).
- (ii) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), name, client master or copy of consolidated account statement, PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) to [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com).
- 13. Instructions for Members for e-voting during the AGM:**
- (i) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting at point no. 11 of the Notice.

- (ii) Members, attending the AGM through VC / OAVM facility and who have not cast their vote on resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to cast their vote through e-voting system as available during the AGM.
- (iii) If any votes are cast by Members through the e-voting system available during the AGM and if the such Members have not participated in the meeting through VC / OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the Meeting is available only to the Members attending the meeting.
- (iv) Members who have voted through remote e-voting will be eligible to attend the AGM, however, they shall not be allowed to cast their vote again during the AGM.

**14. Procedure for inspection of Documents:**

- (i) All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com).
- (ii) Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act, can send an email at [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com).

**15. General Information:**

- (i) The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut off date, i.e. Monday, December 14, 2020.
- (ii) The Securities and Exchange Board of India (“SEBI”) has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and bank account details to Share Transfer Agent / Secretarial Department of the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque through email at [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com). The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant(s).
- (iii) Sarthak Global Limited, 170/10, Film Colony, R.N.T. Marg, Indore 452001 (M.P) is the Share Transfer Agent of the Company. Sarthak Global Limited is also the depository interface of the Company with both NSDL and CDSL. Members are requested to address all correspondences to the said Share Transfer Agent.
- (iv) The Company has appointed CS Prashant Diwan, Practicing Company Secretary, as Scrutinizer to scrutinize the remote e-voting process and e-voting system at the AGM in a fair and transparent manner.
- (v) Members who wish to claim their dividends that remained unpaid / unclaimed, are requested to correspond with the Company or to the Share Transfer Agent. The amount of dividend remaining unpaid / unclaimed for a period of seven (7) 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 2012-13 to the IEPF within the stipulated time period.
- (vi) Members are requested to note that shares on which dividend remains unpaid / unclaimed for a period of seven (7) consecutive years, will also be transferred to the IEPF in terms of the provisions of Section 124 of the Act and the applicable rules made thereunder.
- (vii) 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 Share Transfer Agent. Members holding shares in electronic form must intimate the changes, if any, to their respective Depository Participant(s).
- (viii) 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 / Share Transfer Agent or from the website of the Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).
- (ix) Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM. In case any Institutional Member, facing issues for participating in AGM can write to [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com).

- (x) The Scrutinizer shall after the conclusion of e-voting at the Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, within forty-eight hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of the voting forthwith.
- (xi) The result shall be declared on or after the date of the Meeting of the Company and shall be deemed to be passed on the date of the Meeting. The result declared, alongwith the Report of the Scrutinizer shall be placed on the website of the Company at [www.ruchisoya.com](http://www.ruchisoya.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing in that behalf. The result shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited.
- (xii) Since the AGM is being conducted through VC / OAVM, the Route Map is not annexed to this Notice.

### EXPLANATORY STATEMENT:

#### Item No. 2 and Item No. 3

The Company was under Corporate Insolvency Resolution Process ("CIRP") with effect from December 15, 2017 under the provisions of Insolvency and Bankruptcy Code, 2016 ("IBC") by an Order passed by Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"). The NCLT vide its order dated July 24, 2019 read with its order dated September 04, 2019 has approved the Resolution Plan submitted by the Consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking, Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas under Section 31 of the IBC, which has been implemented with effect from December 18, 2019 (i.e. closing date as defined under the Resolution Plan). The powers of the Board of Directors of the Company and its Committees remained suspended from the initiation of CIRP till December 18, 2019.

As per the approved Resolution Plan, a Monitoring Committee was constituted for the implementation of the Resolution Plan and all the decisions which could otherwise have been taken by the Company's Board of Directors, were taken by the Monitoring Committee. Shri Shailendra Ajmera (IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568), Resolution Professional was appointed to act as the Monitoring Agent.

Pursuant to the implementation of Resolution Plan, the erstwhile board of directors of the Company were replaced

with the new board of directors with effect from December 18, 2019 and Shri Shailendra Ajmera, Monitoring Agent under the Authority of Monitoring Committee appointed Shri Ram Bharat (DIN: 01651754) as an Additional Director (Whole-time Director) of the Company, subject to liable to retire by rotation, with a remuneration of ₹ 1.00 (Rupee One only) per annum, for a term of three (3) years with effect from December 18, 2019 to December 17, 2022. Subsequently, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 19, 2020 appointed Shri Ram Bharat as managing director of the Company with effect from August 19, 2020 to December 17, 2022 and his designation was changed from whole-time director to managing director of the Company, not liable to retire by rotation, subject to the approval of members of the Company.

The Company has received a notice in writing under section 160 of the Act from a member of the Company, proposing the candidature of Shri Ram Bharat as a Director of the Company. Shri Ram Bharat is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Broad particulars of the terms of appointment and remuneration payable to Shri Ram Bharat are as under:

- a. Salary: ₹ 1.00 (Rupee One only) per annum
- b. Perquisites and Allowances: Nil
- c. Contribution to provident fund, superannuation or annuity fund, gratuity etc.: Nil
- d. Remuneration based on net profits: Nil
- e. Increment / Incentive / ESOP etc.: Nil
- f. Reimbursement of Expenses: Nil
- g. General:
  - i. The managing director shall perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the board of directors from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the board of directors and the functions of managing director will be under the overall authority of the board of directors.
  - ii. The managing director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in section 166 of the Act with regard to duties of directors.
  - iii. The managing director shall adhere to the Code of Conduct and other policies made by the Company.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Shri Ram Bharat as a Managing Director.

Shri Ram Bharat satisfies all the conditions set out in Part – I of the Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for appointment as managing director.

The above may be treated as a written memorandum setting out the terms of appointment of Shri Ram Bharat under Section 190 of the Act.

In compliance with the General Circular number 20/2020 issued by the MCA, this Item is considered unavoidable and forms part of this Notice.

Except Shri Ram Bharat, being an appointee and Shri Swami Ram Dev, elder brother of Shri Ram Bharat and their respective relatives, none of the other directors or key managerial personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 2 and Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 2 and Item No. 3 for the approval of members.

### Item No. 4

The Company was under Corporate Insolvency Resolution Process (“CIRP”) with effect from December 15, 2017 under the provisions of Insolvency and Bankruptcy Code, 2016 (“IBC”) by an Order passed by Hon’ble National Company Law Tribunal, Mumbai Bench (“NCLT”). The NCLT vide its order dated July 24, 2019 read with its order dated September 04, 2019 has approved the Resolution Plan submitted by the Consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking, Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas under Section 31 of the IBC, which has been implemented with effect from December 18, 2019 (i.e. closing date as defined under the Resolution Plan). The powers of the Board of Directors of the Company and its Committees remained suspended from the initiation of CIRP till December 18, 2019.

As per the approved Resolution Plan, a Monitoring Committee was constituted for the implementation of the Resolution Plan and all the decisions which could otherwise have been taken by the Company’s Board of Directors, were taken by the Monitoring Committee. Shri Shailendra Ajmera (IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568), Resolution Professional was appointed to act as the Monitoring Agent.

Pursuant to the implementation of Resolution Plan, the erstwhile board of directors of the Company were replaced

with the new board of directors with effect from December 18, 2019 and Shri Shailendra Ajmera, Monitoring Agent under the Authority of Monitoring Committee appointed Shri Acharya Balkrishna (DIN: 01778007) as an additional director (chairman and managing director) of the Company, not liable to retire by rotation, with a remuneration of ₹ 1.00 (Rupee One only) per annum, for a term of three (3) years with effect from December 18, 2019 to December, 17 2022, subject to the approval of members. Subsequently, Shri Acharya Balkrishna resigned from the office of managing director with effect from August 18, 2020 but agreed to continue as non-executive non-independent director and chairman of the Board.

Therefore, based on the recommendations of Nomination and Remuneration Committee, the board of directors in its meeting held on August 19, 2020 re-designated Shri Acharya Balkrishna as the chairman and non-executive non-independent director of the Company, liable to retire by rotation, with effect from August 19, 2020. Shri Acharya Balkrishna shall hold office upto the date of forthcoming annual general meeting and is eligible to be appointed as director of the Company.

The Company has received a notice in writing under section 160 of the Act from a member of the Company, proposing the candidature of Shri Acharya Balkrishna as a Director of the Company. Shri Acharya Balkrishna is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. In compliance with the General Circular number 20/2020 issued by the MCA, this Item is considered unavoidable and forms part of this Notice.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Shri Acharya Balkrishna as director.

Except Shri Acharya Balkrishna, being an appointee and his relatives, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 for the approval of Members.

### Item No. 5

The Company was under Corporate Insolvency Resolution Process (“CIRP”) with effect from December 15, 2017 under the provisions of Insolvency and Bankruptcy Code, 2016 (“IBC”) by an Order passed by Hon’ble National Company Law Tribunal, Mumbai Bench (“NCLT”). The NCLT vide its order dated July 24, 2019 read with its order dated September 04, 2019 has approved the Resolution Plan submitted by



the Consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking, Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas under Section 31 of the IBC, which has been implemented with effect from December 18, 2019 (i.e. closing date as defined under the Resolution Plan). The powers of the Board of Directors of the Company and its Committees remained suspended from the initiation of CIRP till December 18, 2019.

As per the approved Resolution Plan, a Monitoring Committee was constituted for the implementation of the Resolution Plan and all the decisions which could otherwise have been taken by the Company's Board of Directors, were taken by the Monitoring Committee. Shri Shailendra Ajmera (IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568), Resolution Professional was appointed to act as the Monitoring Agent.

Pursuant to the implementation of Resolution Plan, the erstwhile board of directors of the Company were replaced with the new board of directors with effect from December 18, 2019 and Shri Shailendra Ajmera, Monitoring Agent under the Authority of Monitoring Committee appointed Shri Swami Ram Dev (DIN: 08086068) as an Additional Director in the category of non-executive non-independent director of the Company, subject to liable to retire by rotation, with effect from December 18, 2019. Shri Swami Ram Dev shall hold office upto the date of forthcoming annual general meeting and is eligible to be appointed as a director of the Company.

The Company has received a notice in writing under Section 160 of the Act from a member of the Company, proposing candidature of Shri Swami Ram Dev as a director of the Company. Shri Swami Ram Dev is not disqualified from being appointed as a non-executive non-independent director in terms of section 164 of the Act and has given his consent to act as a director. In compliance with the General Circular number 20/2020 issued by the MCA, this Item is considered unavoidable and forms part of this Notice.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Shri Swami Ram Dev as a non-executive non-independent director.

Except Shri Swami Ram Dev, being an appointee and Shri Ram Bharat, younger brother of Shri Swami Ram Dev and their respective relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 for the approval of Members.

#### Item No. 6

The Company was under Corporate Insolvency Resolution Process ("CIRP") with effect from December 15, 2017 under the provisions of Insolvency and Bankruptcy Code, 2016 ("IBC") by an Order passed by Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"). The NCLT vide its order dated July 24, 2019 read with its order dated September 04, 2019 has approved the Resolution Plan submitted by the Consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking, Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas under Section 31 of the IBC, which has been implemented with effect from December 18, 2019 (i.e. closing date as defined under the Resolution Plan). The powers of the Board of Directors of the Company and its Committees remained suspended from the initiation of CIRP till December 18, 2019.

As per the approved Resolution Plan, a Monitoring Committee was constituted for the implementation of the Resolution Plan and all the decisions which could otherwise have been taken by the Company's Board of Directors, were taken by the Monitoring Committee. Shri Shailendra Ajmera (IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568), Resolution Professional was appointed to act as the Monitoring Agent.

Pursuant to the implementation of Resolution Plan, the existing board of directors of the Company were replaced with the new board of directors with effect from December 18, 2019 and Shri Shailendra Ajmera, Monitoring Agent under the Authority of Monitoring Committee appointed Dr. Girish Kumar Ahuja (DIN: 00446339) as an Additional Director (Independent Director) of the Company for a term of three (3) consecutive years with effect from December 18, 2019 to December 17, 2022, not liable to retire by rotation, subject to the approval of members. Dr. Girish Kumar Ahuja shall hold office upto the date of forthcoming annual general meeting and is eligible to be appointed as the independent director of the Company for a term of three (3) consecutive years.

The Company has received a notice in writing under section 160 of the Act from a member of the Company, proposing candidature of Dr. Girish Kumar Ahuja as a Director of the Company. The Company has also received a declaration of independence under Section 149(6) of the Act and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") from him. Dr. Girish Kumar Ahuja is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. A copy of the Letter of Appointment of Dr. Girish Kumar Ahuja as the Non-

Executive Independent Director of the Company, is available for inspection through electronic mode on the basis of request being sent on [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com).

Dr. Girish Kumar Ahuja is an eminent personality. His professional profile, proven experience in business domain will add value to the Company and deliver good payoffs to shareholders in the form of improved valuations, sound governance practices, good dividend etc. The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Dr. Girish Kumar Ahuja as an Independent Director. In the opinion of the Board of Directors, Dr. Girish Kumar Ahuja fulfils the conditions specified in the Act and the rules made thereunder for his appointment as Independent Director of the Company and that the proposed Director is independent of the management of the Company. In compliance with the General Circular number 20/2020 issued by the MCA, this Item is considered unavoidable and forms part of this Notice.

Further, pursuant to regulation 17 of the Listing Regulations, consent of the Members by way of Special Resolution is required for continuation of a non-executive director beyond the age of seventy five (75) years. Since Dr. Girish Kumar Ahuja is of the age seventy four (74) years (approx.), and during his proposed term of appointment, he will attain the age of seventy five (75) years on May 29, 2021. Therefore, the appointment of Dr. Girish Kumar Ahuja as an independent director for a consecutive period of three years i.e. from December 18, 2019 to December 17, 2022 in item No. 6 is proposed to be passed and approved as special resolution and the same shall be the approval under regulation 17 of the Listing Regulations for continuation of Dr. Girish Kumar Ahuja as independent director beyond the age of seventy five (75) years.

Except Dr. Girish Kumar Ahuja, being an appointee and his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 6 of the Notice.

The Board recommends the Special Resolution set out at Item No. 6 for the approval of Members.

### Item No. 7

The board of directors on August 13, 2020 appointed Dr. Tejendra Mohan Bhasin (DIN: 03091429) as an additional director (independent director) of the Company for a term of three (3) consecutive years with effect from August 13, 2020 to August 12, 2023, subject to the approval of members, under Sections 149, 152, 161, Schedule IV and all other applicable provisions, if any, of the Act read with the Rules made thereunder. Dr. Tejendra Mohan Bhasin shall hold office upto

the date of forthcoming annual general meeting and is eligible to be appointed as the independent director of the Company for a term of three (3) consecutive years.

The Company has received a notice in writing under Section 160 of the Act from a member of the Company, proposing the candidature of Dr. Tejendra Mohan Bhasin as a Director of the Company. The Company has also received a declaration of independence under Section 149(6) of the Act and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) from him. Dr. Tejendra Mohan Bhasin is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. A copy of the Letter of Appointment of Dr. Tejendra Mohan Bhasin as the non-executive independent director of the Company, is available for inspection through electronic mode on the basis of request being sent on [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com).

Dr. Tejendra Mohan Bhasin is an eminent personality. His professional profile, proven experience in business domain will add value to the Company and deliver good payoffs to shareholders in the form of improved valuations, sound governance practices, good dividend, etc. The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Dr. Tejendra Mohan Bhasin as an Independent Director. In the opinion of the Board of Directors, Dr. Tejendra Mohan Bhasin, fulfils the conditions specified in the Act and the rules made thereunder for his appointment as Independent Director of the Company and that the proposed Director is independent of the management of the Company. In compliance with the General Circular number 20/2020 issued by the MCA, this Item is considered unavoidable and forms part of this Notice.

Except Dr. Tejendra Mohan Bhasin, being an appointee and his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 7 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 7 for the approval of Members.

### Item No. 8

The board of directors on August 13, 2020 appointed Smt. Gyan Sudha Misra (DIN: 07577265) as an Additional Director (independent director) of the Company for a term of three (3) consecutive years with effect from August 13, 2020 to August 12, 2023, subject to the approval of members, under Sections 149, 152, 161, Schedule IV and all other applicable provisions, if any, of the Act read with the Rules made thereunder. Smt. Gyan Sudha Misra shall hold office upto the date of forthcoming

annual general meeting and is eligible to be appointed as the independent director of the Company for a term of three (3) consecutive years.

The Company has received a notice in writing under section 160 of the Act from a member of the Company, proposing the candidature of Smt. Gyan Sudha Misra as a Director of the Company. The Company has also received a declaration of independence under Section 149(6) of the Act and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) from her. Smt. Gyan Sudha Misra is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. A copy of the Letter of Appointment of Smt. Gyan Sudha Misra as the non-executive independent director of the Company, is available for inspection through electronic mode on the basis of request being sent on [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com).

Smt. Gyan Sudha Misra is an eminent personality. Her professional profile will add value to the Company and deliver good payoffs to shareholders in the form of improved valuations, sound governance practices, good dividend, etc. The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Smt. Gyan Sudha Misra as an Independent Director. In the opinion of the Board of Directors, Smt. Gyan Sudha Misra, fulfils the conditions specified in the Act and the rules made thereunder for her appointment as Independent Director of the Company and that the proposed Director is independent of the management of the Company. In compliance with the General Circular number 20/2020 issued by the MCA, this Item is considered unavoidable and forms part of this Notice.

Except Smt. Gyan Sudha Misra, being an appointee and her relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 for the approval of Members.

#### Item No. 9

In view of the ongoing outbreak of COVID-19 pandemic across the country, the Board of Directors in its meeting held on June 9, 2020 have decided to avail the Covid-19 Emergency Working Capital Credit Line facility (“**CELC**”) upto an aggregate amount of ₹ 80.00 Crore (Rupees Eighty Crore only) (“**Covid Facility**”) in accordance with the terms of the Working Capital Facility Agreement dated July 21, 2020 for availing the Covid Facility (“**Covid Facility Agreement**”) from its existing consortium of lenders comprising of State

Bank of India, Indian Bank, Punjab National Bank, Canara Bank and Union Bank of India (“**Lenders**”) for the benefit of the Company.

The terms and conditions contained in the Covid Facility Agreement, which, *inter-alia*, includes a clause stating that upon occurrence of an event of default and/or its continuance thereof, the Lenders shall have the absolute right to convert the outstanding amounts and all monies due/payable by the Company to the Lenders in part/or full, in one or more tranches, into fully paid-up equity shares of the Company, in accordance with the provisions of the Companies Act, 2013 and relevant guidelines issued by the Reserve Bank of India (“RBI”), as amended or modified or replaced from time to time by any rules, regulations, notifications, circulars, press notes or orders issued by the RBI or any other Governmental agency in this regard.

Pursuant to Section 62(3) of the Companies Act, 2013 (“the Act”), a Company can increase its subscribed capital caused by the conversion of any outstanding amounts under any facility availed by a Company into shares as a term attached to such facilities, provided a special resolution is passed by the Company approving such terms. Therefore, the proposed resolution is recommended under the provisions of Section 62(3) of the Act and other applicable provisions, if any, of the Act, in view of the fact that the Lenders have an option to convert the outstanding amounts under Covid Facility Agreement into equity shares of the Company in the event of default under the Covid Facility Agreement or any other finance document including the Ratified Documents and the Security Documents.

The Company has already availed the term loan facilities for an aggregate amount of ₹ 2,400 Crore (Rupees Two thousand four hundred Crore only) (“**Term Loan Facility**”), short term loan for an aggregate amount of ₹ 95.25 Crore (Rupees Ninety five crores twenty five lakh only) (“**Short Term Loan**”) in accordance with the terms of the Rupee Loan Facility Agreement dated December 12<sup>th</sup>, 2019 (“**Rupee Term Loan Agreement**”) and working capital facilities for an aggregate amount of ₹ 800 Crore (Rupees Eight hundred crores only) (“**Working Capital Facility**”) in accordance with the terms of the working capital facility agreement dated December 12, 2019 (“**Working Capital Facility Agreement**”) from the Lenders against security over all of the Company’s movable and immovable properties. The Term Loan Facility, the Short Term Loan and the Working Capital Facility are collectively referred to as the “**Facilities**” and the Rupee Term Loan Agreement and the Working Capital Facility Agreement are collectively referred to as the “**Facility Agreements**”, which term shall include their subsequent amendments or restatements.

The members in the Extra-Ordinary General Meeting held on February 20, 2020 have approved the terms and conditions of

the above Facility Agreements containing, *inter-alia*, an option to convert the outstanding amounts under each Facility into equity shares of the Company in the event of default under the Facility Agreements or any other finance document including the Ratified Documents and the Security Documents. In furtherance of availing the Covid Facility, the existing documentation entered into by the Company with the Lenders is also required to be amended.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 9 of the Notice.

The Board recommends the Special Resolution set out at Item No. 9 for the approval of Members.

### Item No. 10

The Board of Directors of the Company, on the recommendation of the Audit Committee in their respective meetings held on 26<sup>th</sup> June, 2020, approved the appointment and remuneration of M/s. K. G. Goyal & Co., Cost Accountants (Firm Registration No. 000017), to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2021 at a remuneration of ₹ 4,40,000/- (Rupees Four Lacs Forty Thousand Only) plus applicable taxes thereon and re-imbursment of out-of-pocket expenses.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be approved by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors. In compliance with the General Circular number 20/2020 issued by the MCA, this Item is considered unavoidable and forms part of this Notice.

None of the Directors or Key Managerial Personnel or their relatives, are concerned or interested, financially or otherwise, in this Resolution as set out at Item No. 10 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 10 for the approval of Members.

### Item No. 11

The Company was under Corporate Insolvency Resolution Process (“CIRP”) with effect from December 15, 2017 pursuant to an order passed by Hon’ble National Company Law Tribunal, Mumbai Bench (‘NCLT’) under the provisions of Insolvency and Bankruptcy Code, 2016 (“IBC”). The NCLT vide its order dated July 24, 2019 read with its order dated September 04, 2019 has approved the Resolution Plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through

its business undertaking, Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas (“Resolution Applicant”) under Section 31 of the IBC, which has been implemented with effect from December 18, 2019 (i.e. closing date as defined under the Resolution Plan). Pursuant to the Resolution Plan as approved by Hon’ble NCLT, the Resolution Applicant became the promoter of the Company.

Members are hereby informed that pursuant to the implementation of Resolution Plan as approved by Hon’ble NCLT, the promoters/ promoters group presently holds 98.90% equity shareholding in the Company and remaining 1.10% equity shares form part of the public shareholdings in the Company. Whereas in terms of the provisions of continuous listing requirement as stipulated under Rule 19A of the Securities Contracts (Regulation) Rules, 1957 (“SCRR”), as amended, where the public shareholding in a listed Company falls below twenty-five per cent, as a result of implementation of the Resolution Plan approved under section 31 of the IBC, such Company shall bring the public shareholding to twenty-five per cent within a maximum period of three years from the date of such fall, in the manner specified by the Securities and Exchange Board of India (“SEBI”) and if the public shareholding falls below ten per cent, the same shall be increased to at least ten per cent, within a maximum period of eighteen months from the date of such fall, in the manner specified by SEBI. Hence, the Company is required to increase its public shareholding so that it can achieve the Minimum Public Shareholding (“MPS”) in compliance with the requirements of rule 19A of SCRR.

Further, pursuant to Circular CIR/CFD/CMD/14/2015 dated November 30, 2015 read with Circular SEBI/HO/CFD/CMD/CIR/P/43/2018 dated February 22, 2018 issued by Securities and Exchange Board of India (“SEBI Circulars”) the SEBI has permitted certain modes/ methods to achieve MPS including but not limited to Follow-on Public Issue, qualified institutions placement (“QIP”), rights issue to public shareholders, offer for sale of shares held by promoters to public through offer documents under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, (“SEBI ICDR Regulations”).

Section 62 of the Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications made thereunder, each as amended (the “Act”) regulates any increase in subscribed capital by issue of further shares by a Company.

In view of the foregoing provisions, approval of the members is being sought for issue of fresh / new equity shares and / or preference shares convertible into equity shares, and/ or any other financial instruments convertible into equity shares (including warrants, or otherwise, in registered or bearer form) and/or any security convertible into equity shares with or

without voting/special rights and/or securities linked to equity shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to equity shares (all of which are hereinafter collectively referred to as “Securities”) or any combination of Securities by the Company for achieving MPS through a combination of one or more public and / or rights or private offerings, through such modes / methods as prescribed under the SEBI Regulations or as permitted under other applicable law(s), including but not limited to Further Public Issue, QIP, rights issue, offer for sale of shares held by promoters to public through Offer Document in accordance with the relevant provisions of the SEBI ICDR Regulations, through issue of prospectus and / or placement document and / or letter of offer and / or any other permissible or requisite offer document at such time or times, at such price or prices, at a discount or premium to the market price or prices, including discounts as permitted under applicable law in such manner and on such terms and conditions as may be decided by the Board of Directors of the Company (the “Board”, including any duly authorised committee thereof) in its discretion and permitted under applicable laws and regulations, for an aggregate amount not exceeding ₹ 10,000 Crore (Indian Rupees Ten thousand Crore Only), in one or more tranches (the “Issue”).

The primary objective of the Issue is to comply with the MPS requirements as stipulated in rule 19A of SCRR in the manner specified by SEBI. Further, proceeds of Issue are to be utilized for the purposes that shall be disclosed in the offer document to be filed with the stock exchange in connection with the Issue, including augmenting the capital base of the Company to meet capital requirements for its future growth and to ensure compliance with regulatory requirements and for general corporate purposes. The members may please note that the detailed terms and conditions for the Issue will be determined by the Board in consultation with the Merchant Banker (s), advisor(s), underwriter(s) and such other authorities and agencies as may be required to be appointed by the Company in due consideration of prevailing market conditions and other relevant factors. As the pricing of the Issue can only be decided at a later stage, it is not possible to state the price of the Securities proposed to be issued. However, the pricing of Securities shall be discovered in accordance with the SEBI ICDR Regulations. As the price of the Securities shall be determined at a later stage, exact number of Securities proposed to be issued in the Issue shall also be determined later. The Securities of the Company that are proposed to be allotted in the Issue would be listed, hence, the Issue would be subject to applicable regulatory approvals.

In case, the equity shares that may be issued in the Issue shall rank *pari passu* with the existing equity shares of the Company in all respects, including in respect of entitlement

to dividend with the existing equity shares, as may be provided under the terms of the Issue. The equity shares to be issued on conversion of Securities convertible into equity shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, consolidation of stock, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate reorganisation or restructuring.

In case the Board or the committee of directors duly authorised in this regard decides to issue and allot Securities by way of a QIP in terms of SEBI ICDR Regulations:

- (a) the “relevant date” for the purpose of pricing of the Securities shall be the date of the meeting in which the Board or the committee of directors duly authorised in this regard decides to open the proposed QIP;
- (b) the issue of Securities made by way of a QIP shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations;
- (c) the Board may at its absolute discretion, issue Securities at a discount of not more than 5% on the price determined for the QIP under the SEBI ICDR Regulations, or such other discount as may be permitted under applicable law; and
- (d) allotment of Securities in the QIP pursuant to the special resolution passed by the shareholders shall be completed within a period of 12 months from the date of passing of such resolution.

In compliance with the General Circular number 20/2020 issued by the MCA, this Item is considered unavoidable and forms part of this Notice.

No contribution is being made by the promoters or directors of the Company either as part of the Issue or separately in furtherance of object of the Issue. None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 11 of the Notice.

In accordance with the Act, the provisions of the SEBI ICDR Regulations and other applicable law(s), approval of shareholders by way of special resolution is required to be obtained for issuance of further shares. The Board of Directors of your Company, subject to the consent of members, have approved the Issue in their meeting held on 10<sup>th</sup> November, 2020 and recommends the special resolution as set out at Item No. 11 in this notice for the approval of members.

## Item No. 12

In terms of the provisions of the Foreign Exchange Management (non-debt Instruments) Rules, 2019, the total holding of any individual Non-Resident Indians (“NRIs”) or Overseas Citizens of India (“OCIs”) shall not exceed 5 (five) percent of the total paid-up equity share capital of the Company on repatriation basis and the aggregate holdings of all NRIs and OCIs put together shall not exceed 10 (ten) percent of the total paid-up equity share capital on repatriation basis.

However, the aggregate ceiling of 10 (ten) percent may be raised to 24 (twenty four) percent, if a special resolution to that effect is passed by the members of the Company.

The existing aggregate holding of NRIs and OCIs in the Company's equity share capital is approximately 0.03%.

In light of the proposed fund raising activity in order to achieve minimum public shareholding, the aggregate shareholding

of all the NRIs and OCIs put together may increase beyond 10 (ten) percent of the Company's total paid up equity share capital. Hence it would be necessary to increase the aggregate investment limits of NRIs and OCIs to 24 (twenty four) percent of the total paid up equity share capital of the Company, as permitted under FEMA Regulations.

In compliance with the General Circular number 20/2020 issued by the MCA, this Item is considered unavoidable and forms part of this Notice.

No director or key managerial personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 12 of the Notice.

The Board recommends the Special Resolution set out at Item No. 12 for the approval of members.

## Details on Directors seeking appointment as required under Regulation 36 of the Listing Regulations and Secretarial Standards on General Meetings:

### Shri Ram Bharat (DIN: 01651754), Managing Director

Shri Ram Bharat took over as the Managing Director of the Company with effect from 19<sup>th</sup> August, 2020 and is driving the Company's agenda for the benefit of all stakeholders with focus on growth, operations and expanding the consumer products portfolio. He possesses strong leadership skills and has a deep understanding of the consumer product segments and experience of managing large scale manufacturing operations. He serves on the Board of Directors of various companies and is involved in philanthropic and CSR activities. Shri Ram Bharat has graduated from SM Jain degree college, Haridwar. He was inducted on the Board of Ruchi Soya Industries Limited with effect from 18<sup>th</sup> December, 2019.

**Age:** 41 years

**Nature of expertise in specific functional areas:** Marketing, Logistics, Import & Exports, Commercial including Strategic Planning, Public Relations and Business Development.

**Disclosure of inter-se relationships between Directors and Key Managerial Personnel:** Shri Ram Bharat is younger brother of Shri Swami Ram Dev, Non-Executive Director of the Company.

**Shareholding in the Company as on March 31, 2020:** Nil

**List of Companies (other than Ruchi Soya Industries Limited) in which Shri Ram Bharat holds Directorships:**

Parakram Security India Private Limited, Patanjali Natural Biscuits Private Limited, Gangotri Ayurveda Limited, Chaitanya Ayurveda Limited, Universal TV Network Private Limited, Mohan Fabtech Private Limited, Patanjali Peya Private Limited, Patanjali Aarogya Private Limited, Patanjali Paridhan Private Limited, Krishna Dal Mill Private Limited, Patanjali Ayurved Limited, Vedic Ayurved Private Limited, Patanjali Biscuits Private Limited, Divya Packmaf Private Limited, Atri Papers Private Limited, Herbo Yog Gram Private Limited

**List of Companies (other than Ruchi Soya Industries Limited) in which Shri Ram Bharat holds Chairmanship/ Membership in Audit Committee and Stakeholders Relationship Committee:** Nil

**Date of first appointment on the Board of Ruchi Soya Industries Limited, last drawn remuneration and number of Board Meetings attended during the year ended 31<sup>st</sup> March, 2020:** Shri Ram Bharat was appointed as Additional Director and further Whole-time Director of the Company, subject to the approval of Members, with effect from 18<sup>th</sup> December, 2019. He attended five (5) Board Meetings held and has not drawn any remuneration during the financial year ended March 31, 2020. Subsequently, based on the recommendation of Nomination and Remuneration Committee, the board of directors of the Company at its meeting held on August 19, 2020 appointed Shri Ram Bharat as managing director of the Company with effect from August 19, 2020 to December 17, 2022 and his designation was changed from whole-time director to managing director of the Company, not liable to retire by rotation, subject to the approval of members of the Company.

**Terms and conditions of appointment:** As per the resolution at Item no. 2 and 3 of this Notice read with the explanatory statement thereto.

**Remuneration proposed to be paid:** As per the resolution at Item no. 3 of this Notice read with the explanatory statement thereto.

**Shri Acharya Balkrishna (DIN: 01778007), Director**

Shri Acharya Balkrishna completed his education under Lt. Acharya Shri Baldevji at gurukul, Kalwa. He believes in ancient healing and lifestyle traditions of India. He is known as the follower of spiritual tradition of yoga and ayurveda in India. Acharya Balkrishna has also supported in the field of indigenous medicines at domestic as well as international level. He is known as the renowned herbal expert. He founded the Divya Yog Mandir Trust in 1995 with Shri Swami Ram Dev.

Shri Acharya Balkrishna has published more than 100 research articles in various national and international journals and more than 100 books are named under him. Magazines like “India Today” and “Outlook” has acknowledged him among the Ten Versatile and Dynamic Young Men of India.

Shri Acharya Balkrishna was honoured with D Litt. (Yoga) (Honoris Causa) by S-VYASA and the faculty of Management by APS University, Rewa. Along with it, he is honored with “UNSDG 10 Most Influential People in Healthcare Award” at the UN headquarters in Geneva, Switzerland. He was decorated with prestigious ‘Ayurveda Expert’, ‘Manav Ratan’, ‘Bharat Gaurav’, ‘Indian of the Year’ ‘Bheeshma Pusakar’, Lokmanya Tilak’ and ‘Transformational Business Leader’ awards. Acharya Balkrishna established free quality education institutes, Ayurvedic College & University at national level.

**Age:** 48 years

**Nature of expertise in specific functional areas:** Leadership and Management Strategy, Marketing, Logistics, Import & Exports, Commercial including Public Relations, Business Development, Innovation and Research & Development.

**Disclosure of inter-se relationships between Directors and Key Managerial Personnel:** None

**Shareholding in the Company as on March 31, 2020:** Nil

**List of Companies (other than Ruchi Soya Industries Limited) in which Shri Acharya Balkrishna holds Directorships:**

Patanjali Food & Herbal Park Nagpur Private Limited, Patanjali Food & Herbal Park Noida Private Limited, Yogakshem Sansthan, Vedic Broadcasting Limited, Patanjali Food & Herbal

Park Bundelkhand Private Limited, Patanjali Food & Herbal Park Andhra Sansthan, Gangotri Ayurveda Limited, Chaitanya Ayurveda Limited, Social Revolution Media & Research Private Limited, Omgreen Agro Private Limited, Patanjali Aromatics Private Limited, Patanjali Ayurved Limited, Herbo Yog Gram Private Limited, Himalick Herbo Healthcare Private Limited, Patanjali Aarogya Private Limited, Patanjali Food & Herbal Park Private Limited.

**List of Companies (other than Ruchi Soya Industries Limited) in which Shri Acharya Balkrishna holds Chairmanship/Membership in Audit Committee and Stakeholders Relationship Committee:** Nil

**Date of first appointment on the Board of Ruchi Soya Industries Limited, last drawn remuneration and number of Board Meetings attended during the year ended 31<sup>st</sup> March, 2020:** Shri Acharya Balkrishna was appointed as Additional Director and further Chairman & Managing Director of the Company, subject to the approval of Members, with effect from 18<sup>th</sup> December, 2019. He attended five (5) Board Meetings held and has not drawn any remuneration during the financial year ended March 31, 2020. Subsequently, Shri Acharya Balkrishna resigned from the office of managing director with effect from August 18, 2020 but agreed to continue as non-executive non-independent director and chairman of the Board.

**Terms and conditions of appointment:** As per the resolution at Item no. 4 of this Notice read with the explanatory statement thereto.

**Remuneration proposed to be paid:** As per the resolution at Item no. 4 of this Notice read with the explanatory statement thereto.

**Shri Swami Ram Dev (DIN: 08086068), Director**

Shri Swami Ram Dev, popularly known as Swami Ram Dev / Baba Ramdev founded the Divya Yog Mandir Trust in 1995.

Shri Swami Ram Dev is known for teaching yoga at domestic as well as international level. He has written several books based on yoga including Yog its Philosophy & Practice, Aushadh Darshan etc. He has also addressed muslim clerics at their seminar in Deoband, Uttar Pradesh. He has also delivered a lecture on poverty alleviation at a United Nations Conference.

Shri Swami Ram Dev was also a part of various campaigns against corruption. He has been awarded with many awards including honorary doctorate by Kalinga Institute of Industrial Technology, Sri Chandrashekharendra Saraswati National Eminence Award by Maharashtra Governor K. Shankaranarayanan and was also considered for Padma Vibushan.

Shri Swami Ram Dev was appointed as brand ambassador of Yoga and Ayurveda by Government of Haryana. American business magazine "Fast Company" ranked him as 27<sup>th</sup> in its Most Creative Business People of 2016 list. Also Magazine India Today ranked him as 5<sup>th</sup> in India's 50 most powerful people of 2017 list.

Shri Swami Ram Dev completed his education under Lt. Acharya Shri Baldevji at gurukul, Kalwa.

**Age:** 49 years

**Nature of expertise in specific functional areas:** Leadership and Management Strategy, Marketing, Logistics, Import & Exports, Commercial including Public Relations, Innovation and Research & Development.

**Disclosure of inter-se relationships between Directors and Key Managerial Personnel:** Shri Swami Ram Dev is the elder brother of Shri Ram Bharat, Managing Director of the Company.

**Shareholding in the Company as on March 31, 2020:** Nil

**List of Companies (other than Ruchi Soya Industries Limited) in which Shri Swami Ram Dev holds Directorships:** Yogakshem Sansthan

**List of Companies (other than Ruchi Soya Industries Limited) in which Shri Swami Ram Dev holds Chairmanship/Membership in Audit Committee and Stakeholders Relationship Committee:** Nil

**Date of first appointment on the Board of Ruchi Soya Industries Limited, last drawn remuneration and number of Board Meetings attended during the year ended 31<sup>st</sup> March, 2020:** Shri Swami Ram Dev was appointed as Additional Director (non-executive) of the Company with effect from 18<sup>th</sup> December, 2019. He attended three (3) Board Meetings held and has not drawn any remuneration during the financial year ended March 31, 2020.

**Terms and conditions of appointment:** As per the resolution at Item no. 5 of this Notice read with the explanatory statement thereto.

**Remuneration proposed to be paid:** As per the resolution at Item no. 5 of this Notice read with the explanatory statement thereto.

### **Shri Girish Kumar Ahuja (DIN: 00446339), Independent Director**

Dr. Girish Kumar Ahuja holds a bachelor's and Master's degree in commerce from Shri Ram College of Commerce, University of Delhi. He did his Ph.D. from University of Delhi.

Dr. Girish Kumar Ahuja is a qualified and practicing Chartered Accountant for the past 49 years, having consultancy experience in international and domestic taxation, joint ventures, etc. He is a member of a committee on direct tax matters constituted by the Government of India. He was a Member of Task Force Constituted by the Government of India for drafting the New Income Tax Law. He is also nominated by the Government of India as a part time non-official Director to the Central Board of Directors of State Bank of India. He is a consultant on tax matters to various industries and non-profit making organizations.

Dr. Girish Kumar Ahuja was also nominated as member of high powered committee formed by Government of India under the Chairmanship of justice A.P. Shah, Chairman Law Commission to look into (i) issue of applicability of MAT provisions in the case of foreign companies and FII's (ii) any other issue relating to applicability of direct tax provisions which may be referred to it by the Government/CBDT from time to time.

Dr. Girish Kumar Ahuja is author of more than 25 books on direct taxation both for students and professionals including a concise commentary on Direct Taxes, Compendium of Issues of Income Tax, Direct Taxes Ready Reckoner, Direct Taxes Law and Practice, Guide to TDS, Taxation on Capital Gains.

**Age:** 74 years

**Nature of expertise in specific functional areas:** Taxation, Financial, Regulatory / Legal and Risk Management.

**Disclosure of inter-se relationships between Directors and Key Managerial Personnel:** None

**Shareholding in the Company as on March 31, 2020:** Nil

**List of Companies (other than Ruchi Soya Industries Limited) in which Dr. Girish Kumar Ahuja holds Directorships:**

Devyani Food Industries Limited, Flair Publications Private Limited, RJ Corp. Limited, Amber Enterprises India Limited, Sidwal Refrigeration Industries Private Limited, Ever Electronics Private Limited, Unitech Limited

**List of Companies (other than Ruchi Soya Industries Limited) in which Dr. Girish Kumar Ahuja holds Chairmanship/Membership in Audit Committee and Stakeholders Relationship Committee:**

Chairman – Audit Committee, Amber Enterprises India Limited  
Chairman – Audit Committee, Unitech Limited

Chairman – Audit Committee – Sidwal Refrigeration Industries Private Limited

Member – Audit Committee – Devyani Food Industries Limited



Member – Audit Committee – RJ Corp. Limited

Member – Audit Committee – Ever Electronics Private Limited

**Date of first appointment on the Board of Ruchi Soya Industries Limited, last drawn remuneration and number of Board Meetings attended during the year ended 31<sup>st</sup> March, 2020:** Dr. Girish Kumar Ahuja was appointed as Additional Director (Independent) of the Company for a term of three (3) consecutive years with effect from 18<sup>th</sup> December, 2019. He attended five (5) Board Meetings held and has not drawn any remuneration during the financial year ended March 31, 2020.

**Terms and conditions of appointment:** As per the resolution at Item no. 6 of this Notice read with the explanatory statement thereto.

**Remuneration proposed to be paid:** Sitting fee as may be approved by the Board of Directors.

**Dr. Tejendra Mohan Bhasin (DIN: 03091429), Independent Director**

Dr. Tejendra Mohan Bhasin holds a Bachelor's degree in Law, Master's degree in Business Administration from the University of Delhi and Doctorate in Philosophy (Ph.D) from University of Madras. He also holds a Master's degree in Science (Double Gold Medalist) from the CCS University, Uttar Pradesh. He is an associate of the Indian Institute of Bankers. He has been conferred with honorary fellowship by Indian Institute of Banking and Finance. He has topped in one year Programme in Criminology and Forensic Science conducted by Delhi University and has Advanced Financial Enterprise Management from JFK School of Government, Harvard University.

Dr. Tejendra Mohan Bhasin was appointed as the vigilance commissioner in Central Vigilance Commission. Presently, he is the Chairman of Advisory Board for Banking Frauds constituted by the Central Vigilance Commission, in consultation with RBI.

He was formerly associated with Oriental Bank of Commerce as the General Manager. He was the Nominee Director on the board of United India Insurance Company Limited, Executive Director on the board of United Bank of India and the Chairman and Managing Director of Indian Bank.

During the year 2014-15, Dr. Tejendra Mohan Bhasin held the Honorary positions as the Chairman of Indian Banks Association, President of Indian Institute of Banking and Finance, Chairperson of SWIFT User Group, India, Director of National Credit Guarantee Trustee Company Limited and Member of National Board for Micro, Small & Medium Enterprises.

He has over 42 years of experience in administration, banking, insurance, management, law and finance industry.

**Age:** 64 years

**Nature of expertise in specific functional areas:** Leadership and Management Strategy, Financial, Investment Banking, Legal, Management

**Disclosure of inter-se relationships between Directors and Key Managerial Personnel:** None

**Shareholding in the Company as on March 31, 2020:** Nil

**List of Companies (other than Ruchi Soya Industries Limited) in which Dr. Tejendra Mohan Bhasin holds Directorships:**

SBI Cards and Payment Services Limited, PNB Gilts Limited, IDBI Intech Limited, PNB Housing Finance Limited and TMB Associates Private Limited

**List of Companies (other than Ruchi Soya Industries Limited) in which Dr. Tejendra Mohan Bhasin holds Chairmanship/Membership in Audit Committee and Stakeholders Relationship Committee:**

Member – Audit Committee, SBI Cards and Payment Services Limited;

Member – Audit Committee, PNB Gilts Limited

Member – Audit Committee, IDBI Intech Limited

**Date of first appointment on the Board of Ruchi Soya Industries Limited, last drawn remuneration and number of Board Meetings attended during the year ended 31<sup>st</sup> March, 2020:** Dr. Tejendra Mohan Bhasin was appointed as Additional Director (Independent) of the Company for a term of three (3) consecutive years with effect from August 13, 2020 to August 12, 2023.

**Terms and conditions of appointment:** As per the resolution at Item no. 7 of this Notice read with the explanatory statement thereto.

**Remuneration proposed to be paid:** Sitting fee as may be approved by the Board of Directors.

**Smt. Gyan Sudha Misra (DIN: 07577265), Independent Director**

Smt. Gyan Sudha Misra is a retired Judge of Supreme Court of India. Before her elevation to Supreme Court of India, she was the Chief Justice of Jharkhand High Court, prior to which she has also served as a Judge of Patna High Court and of Rajasthan High Court.

Prior to elevation as a Judge, Smt. Gyan Sudha Misra practiced in the Supreme Court for 21 years and also in the Delhi High Court and Patna High Court specializing in civil, criminal & constitutional matters.

Smt. Gyan Sudha Misra was also actively associated with the activities of the lawyers and the legal profession and served as a Treasurer, Joint Secretary, and Member Executive Committee of the Supreme Court Bar Association, several times.

Smt. Gyan Sudha Misra holds Graduate Degree in Law and Post Graduate Degree in Political Science from the Patna University.

Smt. Gyan Sudha Misra is currently functioning as Presiding arbitrator, Co-arbitrator in several leading national and international commercial arbitrations in between Corporates and Public Sector Undertakings. She is also engaged in furnishing important legal opinion on legal disputes. Further she is actively engaged in educational and social activities.

**Age:** 71 years

**Nature of expertise in specific functional areas:** Legal.

**Disclosure of inter-se relationships between Directors and Key Managerial Personnel:** None

**Shareholding in the Company as on March 31, 2020:** Nil

**List of Companies (other than Ruchi Soya Industries Limited) in which Smt. Gyan Sudha Misra holds Directorships:**

Indiabulls Real Estate Limited, Indiabulls Housing Finance Limited, Indiabulls Integrated Services Limited, Olectra Greentech Limited, Indiabulls Life Insurance Company Limited

**List of Companies (other than Ruchi Soya Industries Limited) in which Smt. Gyan Sudha Misra holds Chairmanship/Membership in Audit Committee and Stakeholders Relationship Committee:**

Chairperson – Audit Committee, Indiabulls Integrated Services Limited

Member – Stakeholders Relationship Committee, Indiabulls Integrated Services Limited

Member – Audit Committee, Indiabulls Housing Finance Limited

Member – Audit Committee, Indiabulls Real Estate Limited

**Date of first appointment on the Board of Ruchi Soya Industries Limited, last drawn remuneration and number of Board Meetings attended during the year ended 31<sup>st</sup> March, 2020:** Smt. Gyan Sudha Misra was appointed as Additional Director (Independent) of the Company for a term of three (3) consecutive years with effect from August 13, 2020 to August 12, 2023.

**Terms and conditions of appointment:** As per the resolution at Item no. 8 of this Notice read with the explanatory statement thereto.

**Remuneration proposed to be paid:** Sitting fee as may be approved by the Board of Directors.





**Ruchi Soya Industries Limited**

CIN – L15140MH1986PLC038536

**Registered Office:** Ruchi House, Royal Palms, Survey No. 169,

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