RUCHI SOYA INDUSTRIES LIMITED

REGD. OFFICE : 408, TULSIANI CHAMBERS, NARIMAN POINT, MUMBAI - 400 021.
Phone : (91)-22-6656 0600 / 2282 4851 Fax : (91)-22-2204 2865 E-mail : ruchisoya@ruchigroup.com Website : www.ruchisoya.com

To,
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001

National Stock Exchange of India Ltd.,
"Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051

Delhi Stock Exchange Limited
DSE House, 3/1, Asaf Ali Road, New Delhi - 110002 21.10.2010

Dear Sirs,

Results of the Poll conducted at the Court convened meeting of equity shareholders held on 21st October 2010 at 10:30 a.m.

We may mention that a Court convened meeting of the equity shareholders of the Company was held at 10.30 am on 21st October, 2010. The agenda of the Notice of such meeting was duly transacted at the said meeting. Please do find attached herewith copy of Notice as proceedings of the Meeting.

Following was the results of the poll conducted at the meeting :

"RESOLVED THAT the proposed Scheme of Amalgamation and Arrangement of Sunshine Oleochem Limited, the Transferor Company and Ruchi Soya Industries Limited, the Applicant Company and their respective Shareholders ("the Scheme") be and is hereby approved."

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Sr. No.	Particulars	Results
1.	Total Number of Members voting in person/proxy/representation	**103**
2.	Total Number of Valid Votes (a) Number of Members /proxies/representation (b) No. of Shares (a) Aggregate in Value (Rs.)	 **103** **230318908** **460637816**
3.	Total Number of Invalid votes	**Nil**
4.	Total Number of Members voting IN FAVOUR of the Resolution	**103**
5.	Total number of equity shares in favour of the resolution	**230318908**
6.	Total Number of Members voting AGAINST the Resolution	**Nil**
7.	Total number of equity shares against the resolution	**Nil**
8.	% of Members in favour of the Resolution (No. of members voting)	**100%**
9.	% of Members against the Resolution (No. of members voting)	**Nil**
10.	Total nominal value of shares held by members present in person or by Representation or by Proxy – (VALID VOTES) (Rs.)	**460637816**
11.	Total nominal value of shares held by Members voting IN FAVOUR of the Resolution (Rs.)	**460637816**
12.	Total nominal value of shares held by Members voting AGAINST the Resolution (Rs.)	**Nil**
13.	% of votes in favour of the Resolution (Nominal value)	**100%**
14.	% of votes against the Resolution (Nominal value)	**Nil**

As special resolution

1 **"RESOLVED THAT** pursuant to provisions of Section 100 and other applicable provisions, if any, of the Companies Act, 1956 and Article 11 of the Articles of Association of Ruchi Soya Industries Limited and subject to sanction by the Honourable High Court of Judicature at Bombay, of the Scheme of Amalgamation and Arrangement presented to the court under Company Summons for Direction No. 628 of 2010 for Amalgamation and Arrangement between Sunshine Oleochem Limited and Ruchi Soya Industries Limited and their respective shareholders, the Applicant Company be and is hereby authorized to utilize the balance standing in the credit of the Securities Premium Account in the manner as specified in Clause 7.4 of the Scheme."

The result of the Poll in respect of above resolution is as follows:

Ruchi

RUCHI SOYA INDUSTRIES LIMITED

REGD. OFFICE : 408, TULSIANI CHAMBERS, NARIMAN POINT, MUMBAI - 400 021.
Phone : (91)-22-6656 0600 / 2282 4851 Fax : (91)-22-2204 2865 E-mail : ruchisoya@ruchigroup.com Website : www.ruchisoya.com

Sr. No.	Particulars	Results
1.	Total Number of Members voting in person/proxy/representation	**103**
2.	Total Number of Valid Votes (c) Number of Members /proxies/representation (d) No. of Shares (b) Aggregate in Value (Rs.)	 **103** **230318908** **460637816**
3.	Total Number of Invalid votes	**Nil**
4.	Total Number of Members voting IN FAVOUR of the Resolution	**103**
5.	Total number of equity shares in favour of the resolution	**230318908**
6.	Total Number of Members voting AGAINST the Resolution	**Nil**
7.	Total number of equity shares against the resolution	**Nil**
8.	% of Members in favour of the Resolution (No. of members voting)	**100%**
9.	% of Members against the Resolution (No. of members voting)	**Nil**
10.	Total nominal value of shares held by members present in person or by Representation or by Proxy – (VALID VOTES) (Rs.)	**460637816**
11.	Total nominal value of shares held by Members voting IN FAVOUR of the Resolution (Rs.)	**460637816**
12.	Total nominal value of shares held by Members voting AGAINST the Resolution (Rs.)	**Nil**
13.	% of votes in favour of the Resolution (Nominal value)	**100%**
14.	% of votes against the Resolution (Nominal value)	**Nil**

This is for your information and records.

We hope you will find the above in order.

Thanking you,

Yours sincerely,
For Ruchi Soya Industries Limited

Company Secretary

Encl. : a/a.

Ruchi Soya Industries Limited

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

COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS

Day	:	Thursday
Date	:	21st day of October, 2010
Time	:	10.30 a.m.
Venue	:	Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY,
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 628 OF 2010

IN THE MATTER of the Companies Act, 1956;

AND

IN THE MATTER of Sections 391 to 394 of the Companies Act, 1956;

AND

IN THE MATTER of the Scheme of Amalgamation and Arrangement involving Amalgamation of Sunshine Oleochem Limited and Ruchi Soya Industries Limited

Ruchi Soya Industries Limited, a Company incorporated under the Companies Act, 1956, and having its Registered Office at 408, Tulsiani Chambers, Nariman Point, Mumbai - 400 021 …….Applicant

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF RUCHI SOYA INDUSTRIES LIMITED, THE APPLICANT COMPANY

To,

The Equity Shareholders of Ruchi Soya Industries Limited, the Applicant Company.

TAKE NOTICE that by an Order made on the 24th day of September, 2010, in the above Company Summons for Direction, the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the Equity Shareholders of the Applicant Company be convened and held at Sunville Deluxe Pavillion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018 on Thursday, the 21st October, 2010 at 10.30 AM for the purpose of considering and if thought fit, approving with or without modification(s), the Amalgamation and Arrangement embodied in the Scheme of Amalgamation and Arrangement of Sunshine Oleochem Limited, the Transferor Company and Ruchi Soya Industries Limited, the Applicant Company and their respective Shareholders ("the Scheme").

TAKE FURTHER NOTICE that in pursuance of the said order and as directed therein, approval of the equity shareholders of the Applicant Company and their respective shareholders is sought on the following resolution:

1 RESOLVED THAT, the proposed Scheme of Amalgamation and Arrangement of Sunshine Oleochem Limited, the Transferor Company and Ruchi Soya Industries Limited, the Applicant Company and their respective Shareholders ("the Scheme") be and is hereby approved.

As Special Resolution:

2. "RESOLVED THAT pursuant to provisions of Section 100 and other applicable provisions, if any, of the Companies Act, 1956 and Article 11 of the Articles of Association of Ruchi Soya Industries Limited and subject to sanction by the Honourable High Court of Judicature at Bombay, of the Scheme of Amalgamation and Arrangement presented to the court under Company Summons for Direction No. 628 of 2010 for Amalgamation and Arrangement between Sunshine Oleochem Limited and Ruchi Soya Industries Limited and their respective shareholders, the Applicant Company be and is hereby authorized to utilize the balance standing in the credit of the Securities Premium Account in the manner as specified in Clause 7.4 of the Scheme."

TAKE FURTHER NOTICE that in pursuance of the said Order, a meeting of the Equity Shareholders of the Applicant Company will be held at Sunville Deluxe Pavillion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018 on Thursday, the 21st October, 2010 at 10.30 AM at which time and place you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting either in person or by proxy, provided that a proxy in the prescribed form duly signed by you or your authorised representative is deposited at the Registered Office of the Applicant Company at, 408, Tulsiani Chambers, Nariman Point, Mumbai 400 021, not later than 48 hours before the meeting.

The Court has appointed Mr. Dinesh Shahra, Managing Director, of the Applicant Company and failing him Mr. Sajeve Deora, Director of the Applicant Company and failing him, Mr. Prabhu Dayal Dwivedi, Director of the Applicant Company and failing him Mr. N. Murugan, Director of the Applicant Company to be the Chairman of the meeting as aforesaid.

A copy each of the Scheme, the Explanatory Statement under Section173 and Section 393 of the Companies Act, 1956, the Attendance Slip and Form of Proxy are enclosed herewith.

(Dinesh Shahra)

Dated this 25th day of September, 2010 Chairman appointed for the meeting

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

Notes:

1. All alterations made in the Form of Proxy should be initialed.
2. Only registered equity shareholders of the Applicant Company can attend and vote (either in person or by proxy) at the equity shareholders meeting. The authorised representative of a body corporate which is a registered equity shareholder of the Applicant Company may attend and vote at the equity shareholders meeting provided that a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorising such a representative to attend and vote at the equity shareholders' meeting is deposited at the registered office of the Applicant Company, not later than 48 hours before the meeting.

Encl: As above.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY,
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 628 OF 2010

IN THE MATTER of the Companies Act, 1956;
AND
IN THE MATTER of Sections 391 to 394 of the Companies Act, 1956;
AND
IN THE MATTER of the Scheme of Amalgamation and Arrangement involving Amalgamation of Sunshine Oleochem Limited and Ruchi Soya Industries Limited

Ruchi Soya Industries Limited, a Company incorporated under the Companies Act, 1956, and having its Registered Office at 408, Tulsiani Chambers, Nariman Point, Mumbai - 400 021 ……Applicant

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. A Scheme of Amalgamation and Arrangement, under the provisions of the Companies Act, 1956 is proposed in the nature of a merger of Sunshine Oleochem Limited, the Transferor Company, with Ruchi Soya Industries Limited, the Applicant Company. Pursuant to an Order dated 24th September, 2010 passed by the Hon'ble High Court of Judicature at Bombay, Maharashtra in the Company Summons for Direction referred to above, meeting of the Equity Shareholders of the Applicant Company being convened for the purpose of considering and, if thought fit, approving, with or without modification, Amalgamation and Arrangement between Ruchi Soya Industries Limited ("Applicant Company" or "Ruchi Soya" or "the Transferee Company") and Sunshine Oleochem Limited ("Sunshine" or "the Transferor Company") and their respective shareholders ('the Scheme') under Sections 391 to 394 read with Section 78 and Sections 100 to 103 and other applicable provisions of the Companies Act, 1956, which is annexed to this Notice. This statement explaining the terms of the Scheme is being furnished as required under section 393(1)(a) of the Companies Act, 1956.

Ruchi Soya Industries Limited ("the Applicant Company")

2. The Applicant Company was incorporated on 6th day of January, 1986 under the name and style Ruchi Soya Industries Limited thereof a Certificate of incorporation was issued by the Registrar of Companies at Mumbai.
3. The Registered Office of the Applicant Company is situated at 408, Tulsiani Chambers, Nariman Point, Mumbai 400 021.
4. The Authorised share capital of the Applicant Company as on the date of the notice is Rs. 1,30,05,00,000/- comprising of 55,02,50,000 Equity Shares of Rs.2/- each and 20,00,000 Cumulative Redeemable Preference Shares of 100/- each . The present Issued, Subscribed and Paid-up share capital is Rs. 58,13,18,220/- comprising of 29,06,59,110 Equity Shares of Rs.2/- each.
5. The objects for which the Applicant Company has been established are set out in its Memorandum of Association. The main objects are, inter alia, briefly set out hereunder;
    1. *To acquire, promote, establish and carry on business of manufacturers, importers, exporters, traders dealers and processing of high protein soyabeen meal, high protein foods, soyaflour, soyamil, textured proteins, protein concentrates, protein isolates, lectithing, glycerine, emulsifires, oils, deoiled cakes, refined oil, hydrogenated oils (Vanaspati), margarine, peanut butter, peanut milk, refined oil from or out of cotton seeds, castor, linseeds, sunflower, soyabean, ricebran, ground nut and other types of edible and non-edible essential and non-essential , oil seeds and vegetable seeds of all kinds by any type of processing viz, ordinary crushing, solvent extraction, chemical or any other process and to utilize the oils & cakes and proteins to be produced therefrom*
    2. *To carry on the business of manufacture and processing of nutrition foods, cattle feeds, manure, fatty acids, soaps perfumes, chemicals and other products in which such oil seeds, oil cakes and proteins are utilized and of making, preparing and processing of formulations and by products of oil seeds, oils, proteins, from the products aforesaid.*
    3. *To act as dealers, whole-sellers, retailers, stockists, commission agents, representatives, selling agents, purchasing agents, distributors and brokers, exporters, importers manufactures, cultivator farmers, processors, refiners of soyabean, ground nut, seasame seeds, all other oil seeds edible and non-edible, oils, vanaspati, oil cakes, proteins and protein foods.*

6. The Applicant Company currently engaged inter-alia in the business of Processing, refining and marketing of edible oils, in India, including palm oil.

7. The summary of the stand alone audited financial statements of the Applicant Company for the year ended 31st March 2010 is shown below:

SUMMARY OF AUDITED BALANCE SHEET OF THE APPLICANT COMPANY FOR THE YEAR ENDED 31ST MARCH, 2010

(Rs. in lakhs)

Particulars	31st March, 2010
Sources of Funds	
Shareholders' Funds	
Share Capital	8.248.13
Employee Stock Option	181.32
Reserves and Surplus	1,84,049.02
Loan Funds	
Secured	68,533.67
Unsecured	1,66,101.96
Deferred Tax Liabilities	16,865.00
Total	**4,43,979.10**
Application of Funds	
Net Fixed Assets and Capital Work in Progress	2,02,492.47
Investments	19,672.73
Net Current Assets	2,21,799.02
Miscellaneous Expenditure	14.88
Total	**4,43,979.10**

SUMMARY OF AUDITED PROFIT & LOSS ACCOUNT OF THE APPLICANT COMPANY FOR THE YEAR ENDED 31ST MARCH, 2010

(Rs. in lakhs)

Particulars	31st March, 2010
INCOME	
Sales and Other Income	13,53,148.94
Increase/ (Decrease) in Stock	3,798.16
Total	**13,56,947.10**
EXPENDITURE	
Purchases	4,74,322.06
Materials Consumed	7,53,576.38
Expenses	85,371.84
Interest (Net)	6,743.93
Depreciation	10,037.17
Total	**13,30,051.38**
Profit Before Tax & exceptional items	**26,895.72**
Exceptional Items	**352.43**
Profit Before taxation	**27,248.15**
Less : Provision for Taxation	
- Current	6,040.00
- Deferred	3,500.00
- Fringe Benefit Tax	-
Provision for Tax for Earlier Years	461.42
Profit after Tax	**17,246.73**
Add: Balance Brought Forward from Previous Year	34,454.91
Balance brought forward from previous year relating to transferor companies	154.38
Amount Available for Appropriation	**51,856.02**
Less: Appropriations	
General Reserve	2,500.00
Capital Redemption Reserve	4,524.29
Interim Dividend – Preference	41.15
– Equity	1,554.94
Dividend distribution tax	271.26
Balance carried to Balance Sheet	**42,964.38**

As on the date of this Scheme being approved by the Board of Directors of the Applicant Company, the authorised, issued, subscribed and paid-up share capital is as under:

Particulars	Amount in Rs.
Authorised Capital	
50,00,00,000 Equity Shares of Rs 2/- each	100,00,00,000
20,00,000 Cumulative Redeemable Preference Shares of Rs 100/- each	20,00,00,000
Total	120,00,00,000
Issued, Subscribed and Paid-up	
26,28,88,860 Equity Shares of Rs.2 each	52,57,77,720

Sunshine Oleochem Limited ("Sunshine")

8. SUNSHINE OLEOCHEM LIMITED, (hereinafter referred to as "Transferor Company" or "Sunshine") was originally incorporated on 12th day of May, 2003 under the name of Sunrich Trading Private Limited. Subsequently the name of the company was changed to Sunshine Oleochem Private Limited on 14 July, 2005. Further the Company was converted into a Public Limited Company and the name was changed to Sunshine Oleochem Limited on 26th day of March 2008. The Registered Office of Sunshine Oleochem Limited is situated at 706, Tulsiani Chambers, Nariman Point, Mumbai – 400021.

9. The Authorised share capital of the Sunshine as on 31st March, 2009 is Rs. 20,00,00,000/- comprising of 80,00,000 Equity Shares of Rs.10/- each and 12,00,000 Cumulative Redeemable Preference Shares of 100/- each . The present Issued, Subscribed and Paid-up share capital is Rs. 26,70,20,000/- comprising of 27,70,10,000 Equity Shares of Rs.2/- each (Rs. 2/- per share called and paid on 3,90,10,000 shares and Re.0.50 called and paid on balance 23,80,00,000 shares) and 7,00,000 Cumulative Redeemable Preference Shares of 100/- each

10. The objects for which 'Sunshine' has been established are set out in its Memorandum of Association. The main objects are, inter alia, briefly set out hereunder;

    a. *To carry on the business of manufacturers, buyers, sellers, dealers, commission – agents, importers, exporters and distributors of chemicals of any nature, chemical components, chemical products and intermediates, organic and inorganic chemicals, textile chemicals, dyes, pigment, colours, intermediates for synthetic organic and inorganic dye stuff, organic and mineral intermediates, chemical compounds and elements (solid, liquid and gaseous), paints, varnish heavy and fine chemicals rubber, chemicals, sanitary chemicals, industrial organic and inorganic chemicals, agricultural chemicals, photographic chemicals, laboratory chemicals, chemicals for moulding material, surface active agents, adhesives and surface coating agents, soaps, detergent wetting out agents, dispersing agents, natural and synthetic resigns and polymers, thermosetting and thermoplastic resins and plastics, moulding material, industrial and decorative laminates, chemicals auxiliaries for foods, oil ceramics, potteries, natural and synthetic fibres, papers and perfumes.*

    b. *To manufacture, process, import, export, buy, sell, distribute and or otherwise deal in petro-chemicals, reagent chemicals, pharmaceutical chemicals, acids, alkalies, antibiotical disinfectants, insecticides, fungicides, deodorants biochemicals, medicinal chemicals and drugs, pharmaceutical intermediates and medicines and all by-products thereof and to act as druggist, analytical chemists, dry smelters.*

11. Sunshine Oleochem Limited is currently engaged in the business of toilet soap, soap noodles, fatty acid, glycerine and related products in India.

SUMMARY OF UN-AUDITED BALANCE SHEET OF SUNSHINE OLEOCHEM LIMITED FOR THE YEAR ENDED 31ST MARCH, 2010

(Rs. in lakhs)

Particulars	31st March, 2010
Sources of Funds	
Shareholders' Funds	
Share Capital	1,926.94
Share Application Money	350.00
Reserves and Surplus	2,179.95
Loan Funds	
Secured	5,049.05
Unsecured	6,453.68
Deferred Tax assets/(liabilities)	610.62
Total	**16,570.24**
Application of Funds	
Net Fixed Assets	10,274.98
Investments	800.00
Net Current Assets	5,495.26
Miscellaneous Expenditure	-
Total	**16,570.24**

SUMMARY OF UN- AUDITED PROFIT & LOSS ACCOUNT OF SUNSHINE OLEOCHEM LIMITED FOR THE YEAR ENDED 31ST MARCH, 2010

(Rs. in lakhs)

Particulars	31st March, 2010
INCOME	
Sales and Other Income	25,457.33
Increase/(Decrease) in Stock	465.37
Total	**25,922.70**
EXPENDITURE	
Materials Consumed	19,513.30
Other Expenses	4,032.39
Financial Charges	849.81
Depreciation	480.00
Total	**24,875.50**
Profit Before Tax	**1,047.20**
Less: Provision for Taxation	
- Current	177.97
- Deferred	214.77
- Fringe Benefit Tax	-
Profit after Tax in Profit and Loss Account transferred to Reserve and Surplus Account	**654.46**

Scheme of Amalgamation and Arrangement

12. Rational of the Scheme :

1. The Transferee Company is inter alia engaged in the business of processing, refining and marketing of edible oils, vanaspati, bakery fats, soya foods and soaps. The products and by-products of the production process are currently used as raw materials for manufacturing soaps and related products.

2. Transferor Company is inter alia engaged in the business of toilet soap, soap noodles, fatty acid, glycerine and related products and utilizes products/by-products of the Transferee Company in its manufacturing processes.

3. In order to rationalize the production cycle process of the Transferee Company, value enhancement of the by-products of the Transferee Company, improve its market visibility and brand visibility by attracting larger public audience, de-risking the business from an operational perspective and improving its presence in the Fast Moving Consumer Goods business, the Transferee Company proposes to acquire the business of the Transferor Company, pursuant to this Scheme. In lieu thereof, the Transferee Company would discharge the consideration to the shareholders of the Transferor Company as per the terms stated herein.

13. The Board of Directors of the Applicant Company, and Sunshine Oleochem Limited have, at their respective board meetings held on 3rd July, 2010, approved the Scheme of Amalgamation and Arrangement of Sunshine Oleochem Limited into Applicant Company

14. Salient features of the Scheme are:

1.2 "Appointed Date" For the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means 1 July 2010.

1.6 "Sunshine" or "Transferor Company" means Sunshine Oleochem Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 706,Tulsiani Chamber, Nariman Point, Mumbai 400 021 and includes: -

1.6.1 any and all immovable property, including land, buildings, movable assets including plant, machinery and equipments, whether leased or otherwise, any and all rights, title, interest, covenant, undertakings, liabilities including continuing rights, title and interest in connection with the immovable properties whether leasehold or otherwise comprised in its business together with all present and future liability including contingent liabilities and debts appertaining to its business, as per the records of Sunshine;

1.6.2 any other property or assets, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent, owned, held, used or otherwise enjoyed by Sunshine;

1.6.3 any and all permits, quotas, rights, approvals, consents, entitlements, licences, tenancies, trademarks, patents, copyrights, privileges and benefits of all contracts, agreements and all other rights, whether available as on date or vested in future, including, lease rights, licences, exemptions, tax benefits, concessions, subsidies and other beneficial interests, powers and facilities of every kind and description of whatsoever nature, appertaining to its business, as per the records of Sunshine;

1.6.4. any and all debts, borrowings and liabilities, present or future, whether secured or unsecured, pertaining to the business, as per the records of Sunshine;

1.6.5. any and all permanent, temporary daily rated casual, and contractual employees of Sunshine engaged in or in relation to its business at their respective offices, branches, factories, depots or otherwise at their current terms and conditions as per the records of Sunshine;

1.6.6. any and all earnest monies and / or security deposits, or other entitlements in connection with or relating to its business, as per the records of Sunshine; and

1.6.7. any and all investments, including warrants in the Transferee Company, current assets, funds, and loans and advances including accrued interest, in connection with or relating to its business, as per the records of Sunshine.

1.6.8. All records, files, papers, documents, process information, computer programs, manuals, data, catalogues, quotations, internal control information / material, technical know how, present and prospective list of customers and suppliers, customer credit information, customer pricing information, books of accounts and other supporting data, documents, invoices etc. and all other records whether in physical or electronic form, pertaining to the business of Sunshine.

1.8. "Ruchi Soya" or "Transferee Company" means Ruchi Soya Industries Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 408, Tulsiani Chambers, Nariman Point, Mumbai 400 021.

5. TRANSFER AND VESTING OF THE TRANSFEROR COMPANY

5.1. With effect from the Appointed Date, the entire business and whole of the undertakings of the Transferor Company including all its properties and assets, whether moveable or immoveable, tangible or intangible, balance in bank, cash, investments in instruments such as shares, bonds, warrants etc and other assets of whatsoever nature such as licenses, permits, approvals, lease, tenancy rights, letter of intents, permissions, income tax and/or any other statues, incentives if any and all other rights, title, interest, contracts, consent, approvals or powers of every kind nature and descriptions whatsoever shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and / or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

5.2. All the movable assets of the Transferor Company or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.

5.3. In respect of movable assets, other than those specified in sub-clause 5.2 above, the same shall, without further act, instrument or deed, be transferred and/ or deemed to be transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and the Transferor Company shall give notice in such form as it deems fit to such persons, that pursuant to the Order of the High Court, the said asset would be paid or made good to or held on account of, the Transferee Company, and the rights of the Transferor Company will vest with the Transferee Company upon this Scheme becoming effective.

5.4. With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of the Transferor Company, as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Company, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or upto the Effective Date, shall, pursuant to the Orders of the High Court or such other competent authority as may be applicable under Section 394 and other applicable provisions of the Act and without any further act or deed, be transferred or deemed to be transferred to and vest in and be assumed by the Transferee Company, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company. The Transferee Company, may, anytime after this Scheme coming into effect, if required under law or otherwise, execute deeds of confirmation in favor of secured creditors of the Transferor Company, or in favor of any other party with which the Transferor Company has a contract or arrangement, or give any such writings, as may be necessary, to give effect to the above.

5.5. It is hereby clarified that all assets and liabilities of the Transferor Company shall be transferred at values appearing in the books of account of the Transferor Company as on the Appointed Date which are set forth in the closing balance sheet of the Transferor Company as of the close of business hours on the date immediately preceding the Appointed Date. 5.6. Part II of the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme is/ are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modifications will however not affect the other parts of the Scheme.

5.7. The Transferor Company and the transfer and vesting of the assets comprised in the Transferor Company to and in the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.

5.8. The existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances") or those, if any created by the Transferor Company after the Appointed Date, in terms of this Scheme, over the assets comprised in the Transferor Company or any part thereof transferred to the Transferee Company by virtue of this Scheme, shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they relate or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets, of the Transferee Company.

5.9. Subject to the other provisions of the Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, or the benefit to which the Transferor Company may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings, endorsements or confirmation or enter into any tripartite agreement, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings, endorsements or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on part of the Transferor Company to give effect to the provisions of this Scheme.

5.10. The entitlement to various benefits under incentive schemes and policies in relation to the Transferor Company shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Transferee Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include (but shall not limited to) income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs and other and incentives in relation to the Transferor Company to be claimed by the Transferee Company with effect from the Appointed Date as if the Transferee Company was originally entitled to all such benefits under such incentive scheme and/or policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Transferor Company. The Transferee Company shall be entitled to such benefits in its name, without any additional liabilities or expenses whatsoever.

5.11. Any tax liability under the Income-tax Act, 1961, Customs Act 1962, Central Excise Act, 1944, State Value Added Tax laws, Central Sales Tax Act, 1956 or other applicable laws/ regulations dealing with taxes/ duties/ levies (herein referred to as 'Tax Laws') allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company. Any surplus in the provision for taxation/ duties / levies account including advance income tax and Tax Deducted at Source ('TDS') as on the Appointed Date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

5.12. Any refund/ credit under Tax Laws due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

5.13. All taxes (including income tax, sales tax, excise duty, service tax, VAT etc.) paid or payable by the Transferor Company in respect of the operations and/ or the profits of the business before the Appointed Date shall be on account of the Transferor Company and in so far as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, value added tax etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operations of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.

5.14. Without prejudice to the generality of the forgoing,

5.14.1. On and from the Appointed Date, if any certificate for Tax Deducted at Source or any other tax credit certificate relating to the Transferor Company is received in the name of the Transferor Company, it shall be deemed to have been received by the Transferee Company, which alone shall be entitled to claim credit for such tax deducted or paid.

5.14.2. On and from the Appointed Date, benefit of all balances relating to CENVAT or Service Tax or Value Added Tax being balances pertaining to the Transferor Company, if any, shall stand transferred to and vested in the Transferee Company as if the transaction giving rise to the said balance or credit was a transaction carried out by the Transferee Company. The liabilities of the Transferor Company as on the Appointed Date shall stand transferred to and vested in the Transferee Company save otherwise in respect of the liabilities which were met by the Transferor Company during the period between Appointed Date and Effective Date, which shall be construed to have been met by the Transferee Company as if the transaction giving rise to the said liability was a transaction carried out by the Transferee Company.

5.15. Upon the Scheme being finally effective, the Authorised Capital of Transferor Company will get merged with that of the Transferee Company without payment of additional fees and duties as the said fees have already been paid and the Authorised Capital of the Transferee Company will be increased to that effect by just filing requisite forms. The resolution approving the Scheme shall be deemed to be the approval of increase and reclassification in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:

V. The Authorised Share Capital of the Company is Rs. 253,05,00,000/- (Rupees Two Hundred and Fifty Three Crores and Five Lakhs Only) divided into 101,02,50,000 (One Hundred and One Crore Two Lakh Fifty Thousand) Equity Shares of Rs.2/- each and 51,00,000 (Fifty One Lakh) Cumulative Redeemable Preference Shares of Rs 100/- each.

It is hereby clarified that the above stated Authorised Share Capital includes the alteration as per the Scheme of Amalgamation and Arrangement between the Transferee Company and Mac Oil Palm Limited and the Scheme of Amalgamation between the Transferee Company and Palm Tech India Limited and their respective shareholders filed in the respective jurisdictional High Courts.

6. CONSIDERATION

6.1 Upon receipt of the certified / authenticated copy of the High Court order sanctioning this Scheme under Section 391-394 of the Companies Act and before filing the same with the Registrar of Companies, Maharashtra at Mumbai, the Transferor Company, as part of the Scheme, shall exercise any balance warrants it holds in the Transferee Company and the Transferee Company shall accordingly issue equal number of equity shares to the Transferor Company. The equity shares to be issued pursuant to the exercise of warrants, pursuant to this Scheme, shall be an integral part of this Scheme. These shares to be issued alongwith the shares already held by the Transferor Company, if any will be dealt with in the merger process in the manner as specified in clause 6.2 below.

6.2 Upon the Scheme becoming effective, preference shares held by the Transferee Company in the Transferor Company and equity shares held by the Transferor Company in the Transferee Company (including shares to be issued pursuant to clause 6.1 above) shall stand cancelled and simultaneously with the cancellation of the said shares and in consideration for the transfer of and vesting of the entire undertaking of the Transferor Company, the Transferee Company without any further application, act, instrument or deed issue and allot, to the members of the Transferor Company, whose names appear in the Register of Members as on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title, as may be recognized by the Board of Directors, in the following manner:

6.2.1 One (1) fully paid equity share of Rs 2/- of the Transferee Company for every Thirteen (13) fully paid equity shares of Rs 2/- each held by the shareholders of the Transferor Company and

6.2.2 One fully paid preference share of Rs 100/- of the Transferee Company for each fully paid preference share of Rs 100/- held by the shareholders of the Transferor Company. It is hereby clarified that the preference shares held by the Transferee Company in the Transferor Company shall stand cancelled and preference shares shall be issued by the Transferee Company only to the remaining preference shareholders of the Transferor Company on the same terms and conditions.

6.3 The Board of the Transferee Company shall consolidate all fractional entitlements(s), if any, arising due to the merger of the Transferor Company and allot equity shares of the Transferee Company in lieu thereof to

a director or an officer of the Transferee Company or such other person as the Board of the Transferee Company shall appoint in this behalf who shall hold the equity shares in trust on behalf of the members of the Transferor Company entitled to fractional entitlements(s) with the express understanding that such director(s) or officer(s) or person(s) shall sell the same at such time or times and at such price or prices and to such person or persons, as it/he/they may deem fit, and pay to the Transferee Company, the net sale proceeds thereof, whereupon the Transferee Company shall distribute such net sale proceeds subject to taxes, if any, to these members in proportion to their respective fractional entitlements.

6.4 In so far as the issue of equity shares pursuant to 6.2 above is concerned, each of the members holding equity shares in physical (certificate) form shall have the option, exercisable by notice in writing by them to the Transferee Company on or before such date as may be determined by the Board of the Transferee Company or a committee of such Board, to receive, either in physical form or in dematerialized form, the shares of the Transferee Company in lieu thereof in accordance with the terms hereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members, the shares of the Transferee Company shall be issued to such members in physical form. Those of the members exercising the option to receive the shares in dematerialized form shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations and documentation as may be required. It is only thereupon that the Transferee Company shall issue and directly credit the dematerialized securities account of such member with the shares of the Transferee Company. It is clarified that each of the members holding shares in dematerialized form shall be issued the shares of the Transferee Company by the National Securities Depository Limited and / or Central Depository Services Limited on the Record Date.

6.5 The equity shares and the preference shares in the Transferee Company to be issued to the members of the Transferor Company pursuant to Clause 6.2 above shall be subject to the Memorandum and Articles of Association of the Transferee Company. The equity shares so issued shall rank pari passu in all respects with the existing shares and equity shares to be issued upon exercise of pending warrants and options in the Transferee Company. The preference shares so issued by the Transferee Company shall be on same terms and conditions, on which the existing preference shares in the Transferor Company have been issued.

6.6 The Transferee Company shall apply to the relevant stock exchange(s) for listing of the equity shares that would be issued as Consideration under Clause 6.2.1 above.

6.7 The issue and allotment of equity shares and preference shares in the Transferee Company, by the Transferee Company to the shareholders of the Transferor Company as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out without any further act or deed by the Transferee Company as if the procedure laid down under Section 81(1A) of the Act and any other applicable provisions of the Act were duly complied with.

7. ACCOUNTING TREATMENT

7.1 The Transferee Company shall account for the amalgamation of Transferor Company as per the Accounting Standard 14 – Accounting for Amalgamations (AS14) as stated in the Companies (Accounting Standards) Rules, 2006 and any amendments thereto. On the Scheme becoming effective, the accounting for merger will be done in accordance with the Pooling of Interest method referred to in Accounting Standard 14 – Accounting for Amalgamation (AS-14).

7.2. All assets, liabilities and reserves of the Transferor Company would be transferred to the Transferee Company under this Scheme and shall be recorded in the books of account of the Transferee Company at the values as appearing in the Books of Account of the Transferor Company.

7.3. Inter company deposits, loans, share application money and other balances, if any, shall be cancelled and there shall be no further obligation outstanding in that respect.

7.4. Equity shares held by the Transferor Company in the Transferee Company as on the Effective Date, including such equity shares acquired pursuant to this Scheme under Clause 6.1, shall be cancelled and the difference arising being the excess or shortfall between the Investment value of equity shares held by the Transferor Company and Book Value of such equity shares in the books of the Transferee Company shall be adjusted against the Securities Premium Account of the Transferee Company. The cancellation of such equity shares shall be considered as an integral part of the Scheme.

7.5. The application and reduction of Securities Premium Account effected under Clause 7.4 above, shall be effected as an integral part of the Scheme in accordance with the provisions of section 100-103 of the Act, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholders of paid-up share capital and the Order of the High Courts sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act for confirming the reduction and no separate procedure shall be followed under the Act. The Transferee Company shall not be required to add the word "and reduced" as a suffix to its name and that the Transferee Company shall continue in its existing name.

7.6. The difference, being the excess or shortfall between the assets, liabilities and reserves of the Transferor Company as transferred to the Transferee Company accounted as per clause 7.2 above, (after making adjustments for clause 7.3 and 7.4 above), and the consideration discharged as per clause 6.2 above, shall be adjusted against / transferred to General Reserves of the Transferee Company.

7.7. In case of any difference in accounting policy between the Transferee Company and the Transferor Company, the impact of the same till the Appointed Date will be quantified and adjusted in the General Reserves of the Transferee Company to ensure that the Financial Statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy, with effect from the Appointed Date.

Members are requested to read entire text of the Scheme to get better acquainted with the provisions thereof as aforesaid are only salient features of the Scheme.

15. The Scheme, interalia, envisages issuance of equity shares of the Applicant Company, as per clause 6 of the Scheme, without the need to pass a separate resolution under section 81(1)(A) of the Act. The resolution which approves the Scheme shall be deemed to approve, inter alia, the above action without the need to pass separate resolution.

16. There is no likelihood that any creditor of the Applicant Company would loose or would be prejudiced as a result of the Scheme being passed, since no sacrifice or waiver is at all being called for, from any creditor.

17. Pursuant to the terms of the Listing Agreement, the Applicant Company has received no objection letters from the National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Delhi Stock Exchange Limited on 2 September, 2010, 9 September, 2010 and 9 September, 2010, respectively for filing of the Scheme with the Honorable High Court of Bombay.

18. The share exchange ratio for determining the consideration was obtained by M/s SSPA & Co., Chartered Accountants. The "fairness opinion" on the valuation, pursuant to the terms of the Listing Agreement, was obtained from Fortress Capital Management Services Private Limited, a Category – I registered Merchant Banker.

19. No investigation proceedings have been instituted or are pending under Sections 235 and 250 A of the Companies Act, 1956 in respect of the Applicant Company, and Sunshine Oleochem Limited.

20. (a) The Directors of the Applicant Company may be deemed to be concerned and /or interested in the Scheme only to the extent of their shareholding, or to the extent that the said Directors are Common Directors in the companies or to the extent the said Directors are the partners, directors, members of the companies, firms, association of persons, bodies corporate, and /or beneficiary of trust that hold shares in any of the companies. The shareholding of the Directors of the Applicant Company is shown below.

Name	No. of Shares held in Applicant Company	No. of shares held in Sunshine
Mr. Kailash Shahra	1,98,500	Nil
Mr. Dinesh Shahra	Nil	65,00,000
Mr. Sajeve Deora	14,000	Nil
Mr. Prabhu Dayal Dwivedi	Nil	Nil
Mr. N. Murugan	Nil	Nil
Mr. A.B. Rao	10,700	Nil
Mr. V. K. Jain	8,450	Nil
Mr. Sanjeev Asthana	13,000	Nil

(b) The Directors of Sunshine Oleochem Limited may be deemed to be concerned and/ or interested in the Scheme only to the extent of their shareholding in Sunshine Oleochem Limited or to the extent the said Directors are Common Directors in the companies or to the extent the said Directors are the partners, directors, members of the companies, firms, association of persons, bodies corporate, and /or beneficiary of trust that hold shares in any of the companies.

Name	No. of Shares held in Sunshine	No. of shares held in Applicant Company
Mr. Dinesh Shahra	65,00,000	Nil
Mr. R.S. Agrawal	Nil	Nil
Mr. A.B. Rao	Nil	10,700

(c) The Scheme will have no effect on the interest of the Directors except in their capacity as shareholders.

21. Post sanction of the Scheme, the entire shareholding of the Transferor Company shall stand cancelled and the Transferor Company shall stand dissolved.

22. The shareholding pattern of the Applicant Company Pre-Amalgamation and Post Amalgamation, pursuant to the sanction of the Scheme of Amalgamation and Arrangement is as follows:

	Name of the shareholder	Pre-Amalgamation		Post-Amalgamation	
		No. of Shares held	%	No. of Shares held	%
(A)	**Shareholding of Promoter**				
	and Promoter Group				
1	**Indian**				
a	Individuals/ Hindu Undivided Family	84031242	25.72	104996627	31.39
b	Central Government/ State Government(s)	-	-	-	-
c	Bodies Corporate	80318813	24.58	66718813	19.95
d	Financial Institutions/Banks	-	-	-	-
e	Any Other (specify)	-	-	-	-
	Sub Total (A)(1)	**164350055**	**50.30**	**171715440**	**51.34**
2	**Foreign**	**-**	**-**	**-**	**-**
	Sub Total (A)(2)	**-**	**-**	**-**	**-**
	Total Promoter shareholding (A)	**164350055**	**50.30**	**171715440**	**51.34**
(B)	**Public shareholding**				
1	**Institutions**				
a	Mutual Funds/ UTI	4964095	1.52	4964095	1.49
b	Financial Institutions/Banks	1675296	0.51	1675296	0.50
c	Central Government/ State Government(s)	-	-	-	-
d	Venture Capital Funds	-	-	-	-
e	Insurance Companies	-	-	-	-
f	Foreign Institutional Investors	43548576	13.33	43891653	13.12
g	Foreign Venture Capital Investors	-	-	-	-
h	Any Other (specify)	-	-	-	-
	Sub-total (B)(1)	**50187967**	**15.36**	**50531044**	**15.11**
2	**Non-institutions**				
a	Bodies Corporate	93377535	28.57	93377535	27.92
b	-- Individuals				
	- Individual shareholder holding nominal share capital up to Rs. 1 lakh	16040214	4.91	16040214	4.79
	- Individual shareholder holding nominal share capital in excess of Rs. 1 lakh	2443122	0.75	2443122	0.73
c	Any Other (Specify)				
	Trusts				
	Clearing Members	370167	0.11	370167	0.11
	Sub-total (B)(2)	**112231038**	**34.34**	**112231038**	**33.55**
	Total Public shareholding (B)	**162419005**	**49.70**	**162762082**	**48.66**
	Total (A) + (B)	**326769060**	**100.00**	**334477522**	**100.00**
(C)	**Shares held by Custodians and**				
	against which Depository Receipts				
	have been issued	**-**	**-**	**-**	**-**
	GRAND TOTAL (A) + (B) + (C)	**326769060**	**100**	**334477522**	**100**

Note: Above pre-amalgamation and post-amalgation Nos. of shares include the dilutive effect of warrants/employee stock options outstanding as on date and the effect of equity shares to be issued pursuant to the Scheme of Amalgamation of Palm Tech India Limited and the Applicant Company.

The Directors of the Applicant Company recommend the Scheme for the approval of the Equity Shareholders of the Applicant Company.

23. The following documents will be open for inspection at the Registered Office of the Applicant Company upto one day prior to the date of the meeting between 11.00 a.m. and 2.00 p.m. on all working days:

    a) The Memorandum and Articles of Association of the Applicant Company and Sunshine.

    b) The audited Balance Sheet and Profit & Loss Account of the Applicant Company for the year ended 31st March, 2010.

    c) Unaudited accounts of the Applicant Company for the three months ended 30th June, 2010.

    d) Copy of valuation report of M/s. SSPA & Co., Chartered Accountants dated 3rd July, 2010 in relation to share exchange ratio.

    e) Copy of the fairness opinion dated 3rd July, 2010 issued by Fortress Capital Management Services Private Limited.

    f) No-Objection letters dated 2 September, 2010, 9 September, 2010 and 9 September, 2010 received by the Applicant Company from the National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Delhi Stock Exchange Limited respectively.

    g) Copies of orders dated 24th September, 2010 passed by the High Court of Judicature at Mumbai in Company Summons for Direction No. 628 of 2010.

    h) Register of Director's shareholding of the Applicant Company.

    i) Scheme of Amalgamation and Arrangement .

This statement may be treated as an Explanatory Statement under Section 173 and Section 393 of the Companies Act, 1956. A copy of the Scheme and Explanatory Statement may also be obtained from the office of Hemant Sethi & Co., Advocates for the applicant company, at 302, Satnam Building, 3A Sion West, Mumbai 400 022 or at the registered office of the Applicant Company.

Dated this 25th September, 2010

(Dinesh Shahra)

Chairman appointed for the meeting

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

SCHEME OF AMALGAMATION AND ARRANGEMENT
UNDER SECTIONS 391-394 OF THE COMPANIES ACT 1956
BETWEEN
SUNSHINE OLEOCHEM LIMITED
WITH
RUCHI SOYA INDUSTRIES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS

PREAMBLE

This Scheme of Amalgamation and Arrangement is presented under Sections 391 to 394 read with Section 78 and 100 to 103 and other applicable provisions of the Companies Act, 1956, for the transfer and merger of Sunshine Oleochem Limited with Ruchi Soya Industries Limited.

This Scheme of Amalgamation and Arrangement is divided into the following parts:-

Part I deals with the definitions of the terms used in this Scheme, Objects and the Share Capital of Ruchi Soya Industries Limited and Sunshine Oleochem Limited

Part II deals with the Amalgamation of Sunshine Oleochem Limited into Ruchi Soya Industries Limited

Part III deals with the General Terms and Conditions

PART I - DEFINITIONS AND INTERPRETATION

1. DEFINITIONS

In this Scheme, unless repugnant to the context, the following expressions shall have the following meaning:

1.1. **"Act"** means the Companies Act, 1956 and shall include any statutory modification, re-enactment or amendment thereof for the time being in force.

1.2. **"Appointed Date"** For the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means 1 July 2010.

1.3. **"Board"** means the Board of Directors of the Transferor Company / Transferee Company or any committee thereof duly constituted or appointed by the Board for this purpose

1.4. "Effective Date" means the date on which the authenticated/certified copies of the Order of the High Court of Judicature at Bombay sanctioning the Scheme are filed with the Registrar of Companies at Mumbai, Maharashtra.

1.5. **"High Court"** means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable;

1.6. **"Sunshine"** or **"Transferor Company"** means Sunshine Oleochem Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 706,Tulsiani Chamber, Nariman Point, Mumbai 400 021 and includes: -

1.6.1. any and all immovable property, including land, buildings, movable assets including plant, machinery and equipments, whether leased or otherwise, any and all rights, title, interest, covenant, undertakings, liabilities including continuing rights, title and interest in connection with the immovable properties whether leasehold or otherwise comprised in its business together with all present and future liability including contingent liabilities and debts appertaining to its business, as per the records of Sunshine;

1.6.2. any other property or assets, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent, owned, held, used or otherwise enjoyed by Sunshine;

1.6.3. any and all permits, quotas, rights, approvals, consents, entitlements, licences, tenancies, trademarks, patents, copyrights, privileges and benefits of all contracts, agreements and all other rights, whether available as on date or vested in future, including, lease rights, licences, exemptions, tax benefits, concessions, subsidies and other beneficial interests, powers and facilities of every kind and description of whatsoever nature, appertaining to its business, as per the records of Sunshine;

1.6.4. any and all debts, borrowings and liabilities, present or future, whether secured or unsecured, pertaining to the business, as per the records of Sunshine;

1.6.5. any and all permanent, temporary daily rated casual, and contractual employees of Sunshine engaged in or in relation to its business at their respective offices, branches, factories, depots or otherwise at their current terms and conditions as per the records of Sunshine;

1.6.6. any and all earnest monies and / or security deposits, or other entitlements in connection with or relating to its business, as per the records of Sunshine; and

1.6.7. any and all investments, including warrants in the Transferee Company, current assets, funds, and loans and advances including accrued interest, in connection with or relating to its business, as per the records of Sunshine.

1.6.8. All records, files, papers, documents, process information, computer programs, manuals, data, catalogues, quotations, internal control information / material, technical know how, present and prospective list of customers and suppliers, customer credit information, customer pricing information, books of accounts and other supporting data, documents, invoices etc. and all other records whether in physical or electronic form, pertaining to the business of Sunshine

1.7. **"Record Date"** means the date to be fixed by the Board of Directors of the Transferor Company for the purpose of reckoning names of the equity and preference shareholders of the Transferor Company, who shall be entitled to receive shares of the Transferee Company upon coming into effect of this Scheme as specified in Clause 1.4 of this Scheme;

1.8. **"Ruchi Soya" or "Transferee Company"** means Ruchi Soya Industries Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 408, Tulsiani Chambers, Nariman Point, Mumbai 400 021

1.9. **"Scheme"** or **"the Scheme"** means this Scheme of Amalgamation and Arrangement in its present form submitted to the High Court or any other appropriate authority;

2. SHARE CAPITAL

2.1. The Share Capital of Ruchi Soya as per the latest audited financial statements as on 31st March, 2009 was as under:

Particulars	Amount in Rs.
Authorised Capital	
27,50,00,000 Equity Shares of Rs 2/- each	55,00,00,000
65,00,000 Cumulative Redeemable Preference Shares of Rs 100/- each	65,00,00,000
Total	120,00,00,000
Issued, Subscribed and Paid-up Capital	
18,87,90,060 Equity Shares of Rs 2/- each fully paid-up	37,75,80,120
45,24,285 4% Cumulative Redeemable Preference Shares of Rs 100/- each fully paid up	45,24,28,500
Total	83,00,08,620

As on the date of this Scheme being approved by the Board of Directors of the Transferee Company, the authorised, issued, subscribed and paid-up share capital is as under:

Particulars	Amount in Rs.
Authorised Capital	
27,50,00,000 Equity Shares of Rs 2/- each	55,00,00,000
65,00,000 Cumulative Redeemable Preference Shares of Rs 100/- each	65,00,00,000
Total	120,00,00,000
Issued, Subscribed and Paid-up Capital	
26,28,88,860 Equity Shares of Rs.2 each	52,57,77,720

The Transferee Company had issued 7,00,00,000 warrants on a Preferential basis pursuant to special resolution passed by the members of the Company at their Extra-Ordinary General Meeting held in June 2009 which are convertible into equivalent number of equity shares of the Transferee Company.Out of the same, 4,39,00,000 warrants have been exercised and the balance 2,61,00,000 warrants are pending conversion. Currently, the Transferor Company holds 1,36,00,000 warrants in the Transferee Company which are pending conversion.

2.2. The Share Capital of Sunshine as per the latest audited financial statements as on 31 March 2009 is as under:

Particulars	Amount in Rs.
Authorised Capital	
80,00,000 Equity Shares of Rs 10/- each	80,00,00000
12,00,000 Cumulative Redeemable Preference Shares of Rs. 100/- each	12,00,00,000
Total	**20,00,00,000**
Issued, Subscribed and Paid-up	
78,02,000 Equity Shares of Rs 10/- each fully paid-up	7,80,20,000
11,46,740 6% Redeemable Cumulative Preference Share of Rs. 100/- each	11,46,74,000
Total	**19,26,94,000**

As on the date of the Scheme being approved by the Board of the Transferor Company, the authorised, issued, subscribed and paid-up equity share capital is as under.

Particulars	Amount in Rs.
Authorised Capital	
43,00,00000 Equity Shares of Rs 2/- each	86,00,00,000
1,200,000 Cumulative Redeemable Preference Shares of Rs. 100 each	12,00,00,000
Total	**98,00,00,000**
Issued and Subscribed	
27,70,10,000 Equity Shares of Rs 2/- each fully paid-up	55,40,20,000
11,46,740 6% Redeemable Cumulative Preference Shares of Rs. 100/- each	11,46,74,000
Total	**66,86,94,000**
Called up and Paid up Capital	
27,70,10,000 Equity Shares o Rs 2/- each fully paid up (Rs 2/- per share called and paid on 3,90,10,000 shares and Re. 0.50 called and paid on balance 23,80,00,000 shares)	19,70,20,000
7,00,000 6% Redeemable Cumulative Preference Shares of Rs. 100/- each	
Total	**26,70,20,000**

The Transferor Company shall prior to the Scheme coming into effect, call for the balance unpaid amounts on all shares subscribed. Further, cnvertible warrants held by the Transferor Company in the Transferee Company, shall be converted into equivalent number of equity shares on exercise of such warrants (exercise price being Rs. 35 per warrant). 25% of the exercise price of the warrants has already been paid and the balance 75% of the exercise price is payable on exercise of conversion of such warrants.

Of the current 7,00,000 6% Redeemable Cumulative Preference Shares of Rs. 100 each outstanding in the Transferor Company, 5,00,000 6% Redeemable Cumulative Preference Shares of Rs. 100 each are held by the Transferee Company.

3. OBJECT AND RATIONALE OF THIS SCHEME

3.1. The Transferee Company is inter alia engaged in the business of processing, refining and marketing of edible oils, vanaspati, bakery fats, soya foods and soaps. The products and byproduct of the production process are currently used as raw materials for manufacturing soaps and related products.

3.2. The Transferor Company is inter alia engaged in the business of toilet soap, soap noodles, fatty acid, glycerine and related product and utilizes products/by-products of the Transferee Company in its manufacturing processes.

3.3. In order to rationalize the production cycle process of the Transferee Company, value enhancement of the by-products of the Transferee Company, improve its market visibility and brand visibility by attracting larger public audience, de-risking the business from an operational perspective and improving its presence in the Fast Moving Consumer Goods business, the Transferee Company proposes to acquire the business of the Transferor Company, pursuant to this Scheme. In lieu thereof, the Transferee Company would discharge the consideration to the shareholders of the transferor Company as per the terms stated herein.

4. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or in terms of this Scheme, shall be effective from the Appointed Date, but shall be operative from the Effective Date.

PART II - AMALGAMATION OF SUNSHINE INTO RUCHI SOYA

5. TRANSFER AND VESTING OF THE TRANSFEROR COMPANY

5.1. With effect from the Appointed Date, the entire business and whole of the undertakings of the Transferor Company including all its properties and assets, whether moveable or immoveable, tangible or intangible, balance in bank, cash, investments in instruments such as shares, bonds, warrants etc and other assets of whatsoever nature such as licenses, permits, approvals, lease, tenancy rights, letter of intents, permissions, income tax and/or any other statues, incentives if any and all other rights, title, interest, contracts, consent, approvals or powers of every kind nature and descriptions whatsoever shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and / or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

5.2. All the movable assets of the Transferor Company or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.

5.3. In respect of movable assets, other than those specified in sub-clause 5.2 above, the same shall, without further act, instrument or deed, be transferred and/ or deemed to be transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and the Transferor Company shall give notice in such form as it deems fit to such persons, that pursuant to the Order of the High Court, the said asset would be paid or made good to or held on account of, the Transferee Company, and the rights of the Transferor Company will vest with the Transferee Company upon this Scheme becoming effective.

5.4. With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of the Transferor Company, as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Company, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or upto the Effective Date, shall, pursuant to the Orders of the High Court or such other competent authority as may be applicable under Section 394 and other applicable provisions of the Act and without any further act or deed, be transferred or deemed to be transferred to and vest in and be assumed by the Transferee Company, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

The Transferee Company, may, anytime after this Scheme coming into effect, if required under law or otherwise, execute deeds of confirmation in favor of secured creditors of the Transferor Company, or in favor of any other party with which the Transferor Company has a contract or arrangement, or give any such writings, as may be necessary, to give effect to the above.

5.5. It is hereby clarified that all assets and liabilities of the Transferor Company shall be transferred at values appearing in the books of account of the Transferor Company as on the Appointed Date which are set forth in the closing balance sheet of the Transferor Company as of the close of business hours on the date immediately preceding the Appointed Date.

5.6. Part II of the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme is/ are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modifications will however not affect the other parts of the Scheme.

5.7. The Transferor Company and the transfer and vesting of the assets comprised in the Transferor Company to and in the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.

5.8. The existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances") or those, if any created by the Transferor Company after the Appointed Date, in terms of this Scheme, over the assets comprised in the Transferor Company or any part thereof transferred to the Transferee Company by virtue of this Scheme, shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they relate or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets, of the Transferee Company.

5.9. Subject to the other provisions of the Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, or the benefit to which the Transferor Company may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings, endorsements or confirmation or enter into any tripartite agreement, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings, endorsements or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on part of the Transferor Company to give effect to the provisions of this Scheme.

5.10. The entitlement to various benefits under incentive schemes and policies in relation to the Transferor Company shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Transferee Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include (but shall not limited to) income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs and other and incentives in relation to the Transferor Company to be claimed by the Transferee Company with effect from the Appointed Date as if the Transferee Company was originally entitled to all such benefits under such incentive scheme and/or policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Transferor Company. The Transferee Company shall be entitled to such benefits in its name, without any additional liabilities or expenses whatsoever.

5.11. Any tax liability under the Income-tax Act, 1961, Customs Act 1962, Central Excise Act, 1944, State Value Added Tax laws, Central Sales Tax Act, 1956 or other applicable laws/ regulations dealing with taxes/ duties/ levies (herein referred to as 'Tax Laws') allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company. Any surplus in the provision for taxation/ duties / levies account including advance income tax and Tax Deducted at Source ('TDS') as on the Appointed Date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

5.12. Any refund/ credit under Tax Laws due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

5.13. All taxes (including income tax, sales tax, excise duty, service tax, VAT etc.) paid or payable by the Transferor Company in respect of the operations and/ or the profits of the business before the Appointed Date shall be on account of the Transferor Company and in so far as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, value added tax etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operations of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.

5.14. Without prejudice to the generality of the forgoing,

5.1.14.1. On and from the Appointed Date, if any certificate for Tax Deducted at Source or any other tax credit certificate relating to the Transferor Company is received in the name of the Transferor Company, it shall be deemed to have been received by the Transferee Company, which alone shall be entitled to claim credit for such tax deducted or paid.

5.1.14.2. On and from the Appointed Date, benefit of all balances relating to CENVAT or Service Tax or Value Added Tax being balances pertaining to the Transferor Company, if any, shall stand transferred to and vested in the Transferee Company as if the transaction giving rise to the said balance or credit was a transaction carried out by the Transferee Company. The liabilities of the Transferor Company as on the Appointed Date shall stand transferred to and vested in the Transferee Company save otherwise in respect of the liabilities which were met by the Transferor Company during the period between Appointed Date and Effective Date, which shall be construed to have been met by the Transferee Company as if the transaction giving rise to the said liability was a transaction carried out by the Transferee Company.

5.15. Upon the Scheme being finally effective, the Authorised Capital of Transferor Company will get merged with that of the Transferee Company without payment of additional fees and duties as the said fees have already been paid and the Authorised Capital of the Transferee Company will be increased to that effect by just filing requisite forms. The resolution approving the Scheme shall be deemed to be the approval of increase and re-classification in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:

V "The Authorised Share Capital of the Company is Rs. 253,05,00,000/- (Rupees Two Hundred and Fifty Three Crores and Five Lakhs Only) divided into 101,02,50,000 (One Hundred and One Crore Two Lakh Fifty Thousand) Equity Shares of Rs.2/- each and 51,00,000 (Fifty One Lakh) Cumulative Redeemable Preference Shares of Rs 100/- each.

It is hereby clarified that the above stated Authorised Share Capital includes the alteration as per the Scheme of Amalgamation and Arrangement between the Transferee Company and Mac Oil Palm Limited and the Scheme of Amalgamation between the Transferee Company and Palm Tech India Limited and their respective shareholders filed in the respective jurisdictional High Courts.

6. CONSIDERATION

6.1 Upon receipt of the certified / authenticated copy of the High Court order sanctioning this Scheme under Section 391-394 of the Companies Act and before filing the same with the Registrar of Companies, Maharashtra at Mumbai, the Transferor Company, as part of the Scheme, shall exercise any balance warrants it holds in the Transferee Company and the Transferee Company shall accordingly issue equal number of equity shares to the Transferor Company. The equity shares to be issued pursuant to the exercise of warrants, pursuant to this Scheme, shall be an integral part of this Scheme. These shares to be issued alongwith the shares already held by the Transferor Company, if any will be dealt with in the merger process in the manner as specified in clause 6.2 below.

6.2 Upon the Scheme becoming effective, preference shares held by the Transferee Company in the Transferor Company and equity shares held by the Transferor Company in the Transferee Company (including shares to be issued pursuant to clause 6.1 above) shall stand cancelled and simultaneously with the cancellation of the said shares and in consideration for the transfer of and vesting of the entire undertaking of the Transferor Company, the Transferee Company without any further application, act, instrument or deed issue and allot, to the members of the Transferor Company, whose names appear in the Register of Members as on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title, as may be recognized by the Board of Directors, in the following manner:

6.2.1 One (1) fully paid equity share of Rs 2/- of the Transferee Company for every Thirteen (13) fully paid equity shares of Rs 2/- each held by the shareholders of the Transferor Company and

6.2.2 One fully paid preference share of Rs 100/- of the Transferee Company for each fully paid preference share of Rs 100/- held by the shareholders of the Transferor Company. It is hereby clarified that the preference shares held by the Transferee Company in the Transferor Company shall stand cancelled and preference shares shall be issued by the Transferee Company only to the remaining preference shareholders of the Transferor Company on the same terms and conditions.

6.3 The Board of the Transferee Company shall consolidate all fractional entitlements(s), if any, arising due to the merger of the Transferor Company and allot equity shares of the Transferee Company in lieu thereof to a director or an officer of the Transferee Company or such other person as the Board of the Transferee Company shall appoint in this behalf who shall hold the equity shares in trust on behalf of the members of the Transferor Company entitled to fractional entitlements(s) with the express understanding that such director(s) or officer(s) or person(s) shall sell the same at such time or times and at such price or prices and to such person or persons, as it/he/they may deem fit, and pay to the Transferee Company, the net sale proceeds thereof, whereupon the Transferee Company shall distribute such net sale proceeds subject to taxes, if any, to these members in proportion to their respective fractional entitlements.

6.4 In so far as the issue of equity shares pursuant to 6.2 above is concerned, each of the members holding equity shares in physical (certificate) form shall have the option, exercisable by notice in writing by them to the Transferee Company on or before such date as may be determined by the Board of the Transferee Company or a committee of such Board, to receive, either in physical form or in dematerialized form, the shares of the Transferee Company in lieu thereof in accordance with the terms hereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members, the shares of the Transferee Company shall be issued to such members in physical form. Those of the members exercising the option to receive the

shares in dematerialized form shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations and documentation as may be required. It is only thereupon that the Transferee Company shall issue and directly credit the dematerialized securities account of such member with the shares of the Transferee Company. It is clarified that each of the members holding shares in dematerialized form shall be issued the shares of the Transferee Company by the National Securities Depository Limited and / or Central Depository Services Limited on the Record Date.

6.5 The equity shares and the preference shares in the Transferee Company to be issued to the members of the Transferor Company pursuant to Clause 6.2 above shall be subject to the Memorandum and Articles of Association of the Transferee Company. The equity shares so issued shall rank pari passu in all respects with the existing shares and equity shares to be issued upon exercise of pending warrants and options in the Transferee Company. The preference shares so issued by the Transferee Company shall be on same terms and conditions, on which the existing preference shares in the Transferor Company have been issued.

6.6 The Transferee Company shall apply to the relevant stock exchange(s) for listing of the equity shares that would be issued as Consideration under Clause 6.2.1 above.

6.7 The issue and allotment of equity shares and preference shares in the Transferee Company, by the Transferee Company to the shareholders of the Transferor Company as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out without any further act or deed by the Transferee Company as if the procedure laid down under Section 81(1A) of the Act and any other applicable provisions of the Act were duly complied with.

7. ACCOUNTING TREATMENT

7.1. The Transferee Company shall account for the amalgamation of Transferor Company as per the Accounting Standard 14 – Accounting for Amalgamations (AS14) as stated in the Companies (Accounting Standards) Rules, 2006 and any amendments thereto. On the Scheme becoming effective, the accounting for merger will be done in accordance with the Pooling of Interest method referred to in Accounting Standard 14 – Accounting for Amalgamation (AS-14).

7.2. All assets, liabilities and reserves of the Transferor Company would be transferred to the Transferee Company under this Scheme and shall be recorded in the books of account of the Transferee Company at the values as appearing in the Books of Account of the Transferor Company.

7.3. Inter company deposits, loans, share application money and other balances, if any, shall be cancelled and there shall be no further obligation outstanding in that respect.

7.4. Equity shares held by the Transferor Company in the Transferee Company as on the Effective Date, including such equity shares acquired pursuant to this Scheme under Clause 6.1, shall be cancelled and the difference arising being the excess or shortfall between the Investment value of equity shares held by the Transferor Company and Book Value of such equity shares in the books of the Transferee Company shall be adjusted against the Securities Premium Account of the Transferee Company.

The cancellation of such equity shares shall be considered as an integral part of the Scheme.

7.5. The application and reduction of Securities Premium Account effected under Clause 7.4 above, shall be effected as an integral part of the Scheme in accordance with the provisions of section 100-103 of the Act, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholders of paid-up share capital and the Order of the High Courts sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act for confirming the reduction and no separate procedure shall be followed under the Act. The Transferee Company shall not be required to add the word "and reduced" as a suffix to its name and that the Transferee Company shall continue in its existing name.

7.6. The difference, being the excess or shortfall between the assets, liabilities and reserves of the Transferor Company as transferred to the Transferee Company accounted as per clause 7.2 above, (after making adjustments for clause 7.3 and 7.4 above), and the consideration discharged as per clause 6.2 above, shall be adjusted against / transferred to General Reserves of the Transferee Company.

7.7. In case of any difference in accounting policy between the Transferee Company and the Transferor Company, the impact of the same till the Appointed Date will be quantified and adjusted in the General Reserves of the Transferee Company to ensure that the Financial Statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy, with effect from the Appointed Date.

8. STAFF, WORKMEN & EMPLOYEES

8.1. On the scheme becoming operative, all staff, workmen and employees of the Transferor Company in service on the effective date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Transferee Company shall not be less favorable than those applicable to them in the Transferor Company on the effective date.

8.2. The equitable interest in accounts/funds of the employees, staff and workmen whose services are transferred to the Transferee Company, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective trusts/funds of Transferee Company and such employees shall be deemed to have become members of such trusts/funds of Transferee Company. Until such time, the Transferee Company may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Transferor Company to the relevant funds of Transferor Company.

8.3. The Transferee Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Transferor Company to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Company.

9. LEGAL PROCEEDINGS

9.1. If any suit, appeal or other legal proceedings of whatsoever nature by or against Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation and by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

9.2. On and from the Effective Date, Transferee Company shall and may, if required, initiate any legal proceedings in relation to the business of the Transferor Company.

10. BUSINESS AND PROPERTY IN TRUST FOR THE TRANSFEREE COMPANY

With effect from the Appointed Date and up to and including the Effective Date:

10.1. The Transferor Company shall carry on and be deemed to have carried on all their business and activities and shall stand possessed of all the assets, rights, title and interest for and on account of and in trust for, the Transferee Company;

10.2. All profits and cash accruing to the Transferor Company, or expenditure or losses arising or incurred by it (including the effect of taxes if any thereon), shall for all purposes, be treated as the profits/ cash, taxes or losses, as the case may be, of the Transferee Company;

10.3. All accretions and depletions to the Transferor Company shall be for and on account of the Transferee Company.

10.4. The Transferor Company shall not utilise the profits or income, if any, for the purpose of declaring or paying any dividend or for any other purpose, without the prior written consent of the Transferee Company.

11. CONDUCT OF BUSINESS

11.1. The Transferor Company will, from the Appointed Date upto and including the Effective Date, preserve and carry on the business with reasonable diligence and prudence and agrees that it will not, without the prior written consent of Transferee Company, alienate, charge or otherwise deal with or dispose of the business or any part thereof or recruit new employees or vary or alter the terms and conditions of employment of any of its employees (in each case except in the ordinary course of business), without the prior written consent of the Transferee Company.

11.2. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to own and carry on the business of the Transferor Company.

11.3. With effect from the Effective Date, Transferee Company shall commence and carry on and shall be authorised to carry on the business carried on by the Transferor Company.

12. SAVING OF CONCLUDED TRANSACTION

The transfer of the entire business and undertakings of the Transferor Company to the Transferee Company and the continuance of all contracts or proceedings by or against the Transferor Company shall not affect any contracts or proceedings already concluded by the Transferor Company on or after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things done and/or executed by the Transferor Company in regard thereto as having been done or executed on behalf of the Transferee Company.

13. WINDING UP

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and without further acts by parties.

PART III - GENERAL TERMS AND CONDITIONS

14. APPLICATION TO HIGH COURT

The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make necessary applications/petitions, under Sections 391 and 394 read with Section 78 and 100 to 103 and other applicable provisions of the Act to the High Court for seeking sanction of this Scheme.

15. MODIFICATION OR AMENDMENTS TO THE SCHEME

15.1. The Transferor Company and the Transferee Company by their respective Board may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the High Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board). The Transferor Company and the Transferee Company by their respective Board be and are hereby authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

15.2. In the event of any of the conditions that may be imposed by the High Court or other authorities which the Transferor Company and/or the Transferee Company may find unacceptable for any reason, in whole or in part of the Scheme, then Transferor Company and/or the Transferee Company are at liberty to withdraw the Scheme in whole or such part thereof and such withdrawal of a part of the Scheme will however no affect the other parts of the Scheme.

16. SCHEME CONDITIONAL ON CERTAIN EVENTS/APPROVALS/ SANCTIONS

16.1. The approval by the respective requisite majorities of the members and/or creditors (where applicable) of the Transferor Company and the Transferee Company as required under the Act and the requisite orders of the High Court referred to in Clause 14 hereof being obtained;

16.2. The certified copy of the High Court order sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai; and such other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

17. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of this Scheme failing to take effect finally by 31 March 2011 or by such later date as may be agreed by the respective Boards of the Transferor Company and the Transferee Company, and which the Board of the Transferor Company and the Transferee Company are hereby empowered and authorized to agree and extend the Scheme from time to time, without any limitation, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or being incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each company shall bear its own costs or shall bear costs as may be mutually agreed.

18. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Transferee Company and all concerned parties without any further act, deed, matter or thing.

19. COSTS

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

Ruchi Soya Industries Limited

Registered office : 408, Tulsiani Chambers, Nariman Point, Mumbai – 400 021

FORM OF PROXY

I/We, the undersigned, being an Equity Shareholder of the above Applicant Company hereby appoint _____ of _____ and failing him/her _____ of _____ as my/our proxy, to act for me/us at court convened meeting of the Equity Shareholders of the Applicant Company to be held at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018, on Thursday,the 21st October at 2010 at 10.30 a.m. for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Amalgamation and Arrangement of Sunshine Oleochem Limited and Ruchi Soya Industries Limited and their respective shareholders, at such meeting and at any adjournment(s) thereof, to vote, for me/us and in my/our name(s) _____ **(here, if 'for', insert 'for', if 'against', insert 'against', and in the latter case, strike out the words below after 'the Scheme of Amalgamation and Arrangements')** the Scheme of Amalgamation with or without modifications as my/our proxy may approve.

(Strike out what is not necessary)

Affix Re.1 revenue stamp

Dated this ____ day of _____ 2010.

Signature : .....

Name: _____

Address: _____

_____

_____

Folio No. / DPID: _____

Client ID No: _____

No. of Shares: _____

Notes:
1. Proxy to be deposited at the Registered Office of the Applicant Company, not later than FORTY-EIGHT hours before the meeting.
2. In case of multiple proxies, proxy later in time shall be accepted.
3. All alterations made in the Form of Proxy should be initialed.

Ruchi Soya Industries Limited

Registered office : 408, Tulsiani Chambers, Nariman Point, Mumbai – 400 021

EQUITY SHAREHOLDERS
ATTENDANCE SLIP
COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS ON
21st DAY OF OCTOBER, 2010 AT 10.30 AM

Regd. Folio No./DP Client ID												
No. of shares held												

I certify that I am a Registered Shareholder/proxy for the Registered Shareholder of the Company.

I hereby record my presence at the Court Convened Meeting of the shareholders of Ruchi Soya Industries Limited at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018, on Thursday, the 21st October at 2010 at 10.30 a.m.

....

Name of the Shareholder/proxy's name in BLOCK letters

Signature of Shareholder/proxy

Notes:

1. Please fill up this attendance slip and hand it over at the entrance of the meeting hall.
2. Any person signing on behalf of a company as an Authorised Signatory will have to produce the necessary Board Resolution on demand.

Book-Post

If undelivered please return to :
SARTHAK GLOBAL LIMITED
Unit : **Ruchi Soya Industries Limited**
170/10, R.N.T. Marg, Indore - 452 001 (M.P.)
Phone : 0731-2523545, 2526388