Ruchi SOYA INDUSTRIES LIMITED

MAKERS OF HIGH PROTEIN SOYA FOOD **Nutrela**

Ruchi
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301, Mahakosh House,
7/5, South Tukoganj,
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INDORE - 1 (M.P.) India
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RSIL/2010

3rd July, 2010

Bombay Stock Exchange Ltd.
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 Ltd.
DSE House, 3/1, Asaf Ali Road,
New Delhi – 110 002

Dear Sirs,

Sub: Outcome of Board Meeting held on 3 July 2010

We may inform you that a meeting of Board of Directors of Ruchi Soya Industries Limited ('Ruchi Soya' or 'the Company') was held today i.e. 3rd July, 2010. Inter alia, following is the outcome of the meeting -

A. Merger of Mac Oil Palm Limited

The Board of Directors of the Company had on 16th November, 2009 approved the Scheme of Amalgamation and Arrangement of Mac Oil Palm Limited with the Company. Pursuant to the same, the necessary stock exchange approvals were sought and the shareholders of the Company, in a court convened meeting held on 11th March, 2010, approved the said Scheme of Amalgamation and Arrangement. The Hon'ble High Court of Judicature of Bombay vide its order dated 7th May, 2010, approved the said Scheme of Amalgamation and Arrangement of Mac Oil Palm Limited with the Company.

The Board of Directors in its meeting held today have taken the order of the Hon'ble High Court on record. Further, the certified copy of the High Court order has been filed with the Registrar of Companies on 3rd July, 2010, thereby making the Scheme effective. Pursuant to the same, the Board has authorized the company representatives to issue 20 equity shares of Rs. 2 each of Ruchi Soya for every 67 equity shares of Rs. 2 each held by the shareholders of Mac Oil.

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B. Review of FMCG activities and addition of production facilities

1 The Board of Directors have reviewed their operations in the FMCG segment and have decided to increase its focus on manufacture of soaps as an attempt to promote its brand "Ruchi" to the masses.

2 In light of the same, the Board of Directors of the Company has approved the Scheme of Amalgamation ('Scheme') of Sunshine Oleochem Limited ('Sunshine' or 'SOL'), a company belonging to the Promoter's group, with Ruchi Soya Industries Limited. Sunshine is engaged, inter alia in the business of manufacture of toilet soap, soap noodles, fatty acid, glycerine and related products. Sunshine has a 225 TPD capacity for Splitting and Distillation, capacity of 96 TPD for manufacture of Soap Noodles and Toilet Soap, Glycerine production capacity of 55.5 TPD and a 64 TPD Hydrogenation production unit.

3 The Scheme will be subject to requisite approvals as may be required. The salient features of the Scheme are as under:

a. Merger Appointed Date: 1st July, 2010.

b. All assets and liabilities of SOL would be transferred to Ruchi Soya.

c. As consideration for merger 1 (one) equity shares of Rs. 2 each would be issued for every 13 (Thirteen) equity shares of Rs. 2 each held by shareholders of SOL. Thus, it is proposed to issue 21,308,462 equity shares of Ruchi Soya to the shareholders of SOL. Out of the above, 13,600,000 shares will be issued in lieu of exercise of pending warrants of the Company in SOL, upon payment of balance consideration. Further, 1 (one) preference share of Rs. 100 each of Ruchi Soya will be issued for every 1 (one) preference share of Rs 100 each held by the shareholders of SOL. The share exchange ratio has been arrived at on the Valuation Report provided by SSPA & Co, Chartered Accountants and the Fairness Opinion Report has been provided by Fortress Capital Management Services Pvt. Ltd, a Registered Category / Merchant Banker.

d. The fully diluted equity capital of the Company is 326,759,060 equity shares of Rs. 2/- each (including the current warrant outstanding and the pending ESOP), will increase on account of this merger to 334,467,522 equity shares of Rs. 2/- each. The promoters' holding on fully diluted basis (including conversion warrants and ESOPs) will increase from 50.30% to 51.44%.

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KPMG was appointed as tax advisors for the Scheme.

Thanking you,

Yours faithfully,
For Ruchi Soya Industries Limited

H.L. Gupta
Company Secretary