



RUCHI SOYA INDUSTRIES LIMITED

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RSIL/2017

13th April, 2017

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Dalal Street,
Mumbai – 400 001

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

Dear Sirs,

Reg: Press Release

We attach herewith a copy of captioned Press Release, being issued by the Company for your information and records.

Thanking you,

Yours faithfully,
For RUCHI SOYA INDUSTRIES LTD.


COMPANY SECRETARY

Encl. : As above.

Ruchi Soya's views on Union Cabinet approving measures to increase Oil Palm area and Production in India

- ***“Visionary move puts India on the path to self-reliance in Edible Oils and ensuring Food Security.” - Dinesh Shahra***
- ***“To encourage Farmers to take up Oil Palm Cultivation on a larger scale.” – Dinesh Shahra***

Mumbai, April 13, 2017: In light of the latest round of measures announced by the Government to promote and encourage oil palm cultivation, Mr. Dinesh Shahra, Managing Director, Ruchi Soya Industries Ltd., India's largest agri-foods company, welcomed this historic and path-breaking initiative of the Government led by the Hon'ble Prime Minister Narendra Modi ji.

Commenting on the new policy, Mr. Dinesh Shahra, Managing Director, Ruchi Soya stated, "We applaud and welcome this visionary move by the Modi Government to put India on the path to self-reliance in Edible Oils and ensuring Food Security. These far-sighted steps will have benefits across the board that will unfold in the coming years. The Government's drive to make India a self-reliant agri producer and a zero net importer of oil is now on course. Ruchi Soya is leading the palm oil sector cultivation in the country and faces immense pressure from importers of cheap oil. We intrinsically believe in 'Make in India' and this shot in the arm for Indian oil companies demonstrates the Government's belief and confidence in Indian agri-food companies. It is now for the Indian agri-companies to rise up to the occasion and boost oil palm cultivation on a war footing to fight the demand-supply gap that is leading to net imports. The move will also encourage farmers to take up oil palm cultivation on a larger scale."

The multiple measures announced include relaxation of land ceiling limits, revision of norms of assistance in order to increase area under oil palm cultivation and production of palm oil, and are aimed at attracting corporate bodies to this sector to boost domestic output and cut import. The total production of edible oil in the country is about 9 million tonnes while domestic demand is around 25 million tonnes. The gap between demand and supply is being met through imports, which amounted to Rs 68,000 crore in 2015-16. Palm oil contributes 70 per cent of vegetable oil import and is one of the cheapest oil due to high yield per hectare.

The Union Cabinet also announced relaxation of land ceiling for oil palm cultivation under the National Mission on Oilseeds and Oil Palm (NMOOP). This will attract corporate investment in oil palm plantations as they will be able to access the NMOOP support even with plantations over 25 hectares.

The Cabinet also revised norms for assistance under Mini Mission-II of NMOOP. It has approved revision in the norms of assistance mainly for planting materials, maintenance cost, inter-cropping cost and bore-well to make oil palm plantations attractive.

With NMOOP presently implemented in 12 states across the country, there is immense potential to extend oil palm plantation to the other states. “I can assure you that Ruchi Soya will be at the forefront of this drive and NMOOP’s aims to bring an additional area of 1.25 lakh hectare under oil palm cultivation in the near future,” added Dinesh Shahra.

About Ruchi Soya’s Oil Palm Business :

Ruchi Soya ventured into Oil Palm business through contract farming on a large scale following a strategy of backward integration. The company acquired and developed Oil Palm Plantations in Andhra Pradesh, Telangana, Karnataka, Mizoram, Odisha, Gujarat, Tamilnadu, Chhattisgarh and Arunachal Pradesh. Across these 9 states, the plantations cover a potential command area of around 200,000 hectares.

Oil Palm plantation operations encompass Nursery management, Plantation development, Crop Management and Purchase of Fresh Fruit Bunches (Raw material), Processing and Manufacturing of Crude Palm Oil and Crude Palm Kernel Oil and sale of finished goods.

Over the 11 years of its existence, the oil palm business has built an excellent reputation by establishing co-operative relationships across target groups and stakeholders. This enabled the plantation business to progress rapidly while making a strong imprint on the Indian Palm Oil industry.

About RUCHI SOYA INDUSTRIES LIMITED

Ruchi Soya is India’s leading Agri and Food FMCG company with a turnover of USD 4 billion. It enjoys Number 1 position in cooking oil and soy foods categories of the country. Its leading brands include Nutrela, Mahakosh, Sunrich, Ruchi Star and Ruchi Gold. An integrated player from farm to fork; Ruchi Soya is also among the pioneers of oil palm plantations in India. It is one of the highest exporters of value added soybean products like soy meal, textured soy protein and soy lecithin. Ruchi Soya has also diversified into renewable energy and is committed to environmental protection.

PRESS RELEASE



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