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RUCHI SOYA INDUSTRIES LIMITED

Our Company was incorporated as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated January 6, 1986, issued by the Registrar of Companies, Maharashtra at Mumbai ("RoC"). Our Company commenced operations pursuant to a certificate for commencement of business dated January 14, 1986, issued by RoC. Pursuant to completion of the CIRP initiated before the National Company Law Tribunal at Mumbai in terms of the Insolvency and Bankruptcy Code, 2016, as amended and upon implementation of the Patanjali Resolution Plan, our Company was acquired by its Promoters. For further details, including details relating to changes in the registered office, see "History and Certain Corporate Matters" on page 259 of the Red Herring Prospectus dated March 11, 2022 ("RHP").

Registered Office: Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (East), Mumbai 400 065, Maharashtra; **Tel:** +91 22 6109 0100 / 200. **Corporate Office:** Office No. 601, Part B-2, Metro Tower, 6th Floor, Vijay Nagar, AB Road, Indore 452 010 Madhya Pradesh; **Tel:** + 91 731 476 7009 / 109; **Website:** www.ruchisoia.com. **Contact Person:** Ramji Lal Gupta, Company Secretary and Compliance Officer; **Tel:** +91 731 476 7009 / 109; **E-mail:** ruchisoiasecretarial@ruchisoia.com; **Corporate Identity Number:** L15140MH1986PLC038536

PROMOTERS OF OUR COMPANY: ACHARYA BALKRISHNA, RAM BHARAT, SNEHLATA BHARAT, PATANJALI AYURVED LIMITED, PATANJALI PARIVAHAN PRIVATE LIMITED, DIVYA YOG MANDIR TRUST, PATANJALI GRAMUDYOG NAYAS, YOGAKSHEM SANSTHAN, RUCHI SOYA INDUSTRIES LIMITED BENEFICIARY TRUST, VEDIC BROADCASTING LIMITED, PATANJALI PEYA PRIVATE LIMITED, PATANJALI NATURAL BISCUITS PRIVATE LIMITED, DIVYA PACKMAF PRIVATE LIMITED, VEDIC AYURVED PRIVATE LIMITED, SANSKAR INFO TV PRIVATE LIMITED, PATANJALI AGRO INDIA PRIVATE LIMITED, SS VITRAN HEALTHCARE PRIVATE LIMITED, PATANJALI PARIDHAN PRIVATE LIMITED, GANGOTRI AYURVEDA PRIVATE LIMITED, SWASTHA AHAAR PRIVATE LIMITED AND PATANJALI RENEWABLE ENERGY PRIVATE LIMITED

FURTHER PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF RUCHI SOYA INDUSTRIES LIMITED ("OUR COMPANY" OR "THE COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) (THE "ISSUE PRICE") AGGREGATING UP TO ₹ 4,30,000 LAKHS (THE "ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UP TO 10,000 EQUITY SHARES AGGREGATING UP TO ₹ [•] LAKHS, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREINAFTER) (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE", AGGREGATING UP TO [•] EQUITY SHARES. THE ISSUE AND THE NET ISSUE SHALL CONSTITUTE [•] % AND [•] % OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.

QIB Category: Not more than 50% of the Net Issue | **Retail Category:** Not less than 35% of the Net Issue

Non-Institutional Category: Not less than 15% of the Net Issue

Employee Reservation Portion: 10,000 Equity Shares Aggregating up to [•] Lakh

PRICE BAND: ₹ 615.00 TO ₹ 650.00 PER EQUITY SHARE OF FACE VALUE OF ₹ 2 EACH

THE FLOOR PRICE IS 307.50 TIMES THE FACE VALUE OF THE EQUITY SHARES AND

THE CAP PRICE IS 325.00 TIMES THE FACE VALUE OF THE EQUITY SHARES

BIDS CAN BE MADE FOR A MINIMUM OF 21 EQUITY SHARES AND IN MULTIPLES OF 21 EQUITY SHARES THEREAFTER

Risks to Investors:

- Our Company was incorporated in the year 1986 and went into insolvency from insolvency commencement date December 15, 2017, and subsequently was acquired by our current Promoters pursuant to culmination of Corporate Insolvency Resolution Process and implementation of the Patanjali Resolution Plan on the Implementation Date, being December 18, 2019.
- As of December 31, 2021, our Promoters hold 98.90% shareholding in the Company and remaining 1.10% Equity Shares form part of the public shareholding in the Company. Thus, the free-float of our Company was restricted to 1.10%. Further, the Equity Shares of our Company relisted on BSE and NSE in accordance with the Patanjali Resolution Plan on January 27, 2020 at share price of ₹ 16.10 and ₹ 16.20 respectively. The price of the Equity Shares of our Company increased over next few months to touch high of ₹ 1,535.00 on June 29, 2020 on BSE and high of ₹ 1,519.65 on NSE on June 26, 2020 - a jump of 9,534% on BSE and 9,380% on NSE. Accordingly, the Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.
- Our Company is required to increase its public shareholding from 1.10% (as on December 31, 2021) so that it can achieve the minimum public shareholding in compliance with the requirements of Rule 19A of SCRR. Our Company cannot assure that it will be able to achieve the minimum public shareholding requirements under Rule 19A of SCRR after completion of the Issue and any failure to comply with the minimum public shareholding requirements may result in certain adverse consequences.
- The three BRLMs associated with the Issue have handled 66 public issues in the past three years, out of which 23 issues closed below the issue price on listing date.
- The Price/Earnings ratio based on diluted EPS for Fiscal 2021 for our Company is 34.70 as compared to the average industry peer group Price/ Earnings ratio of 51.81.
- Weighted Average Return on Net Worth for Fiscals 2021, 2020 and 2019 is 2,027.40%.
- Average cost of acquisition of Equity Shares for the Promoters ranges from ₹ 7.00* per Equity Share to ₹ 1,228.02* per Equity Share and Issue Price at upper end of the Price Band is ₹ 650.00 per Equity Share.

*For further details, see "Summary of the Offer Document" beginning on page 22 of the RHP.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 2 each and the Issue Price is 307.50 times the face value at the lower end of the Price Band and 325.00 times the face value at the higher end of the Price Band.

Bidders should read the below mentioned information along with "Our Business", "Risk Factors", "Restated Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 183, 33, 321 and 413 of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors which form the basis for computing the Issue Price are as follows:

- Strong Promoter pedigree of Patanjali group, a leading FMCG and wellness-oriented brand; • Experienced leadership and management team; • Upstream and downstream integration and one of the key players in Oil Palm Plantation; • Our effective strategy to procure the key raw materials required for our business and a track record of managing volatility in the commodity prices and foreign exchange markets; • Our products enjoy strong brand recognition in the Indian market; • We benefit from a strong, established and extensive distribution network; • Foray into health and wellness space with launch of Nutraceuticals; • Pioneer and market leader in branded TSP space; • Presence across mass, value and premium segment.

For further details, see "Our Business" on page 183 of the RHP.

Quantitative Factors

Certain information presented below, relating to our Company, is based on the Restated Financial Statements. For details, see "Restated Financial Statements" on page 321 of the RHP.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

I. Basic and diluted earnings per share ("EPS")

Period ended	Basic EPS (in ₹) ⁽ⁱ⁾	Diluted EPS (in ₹) ⁽ⁱⁱ⁾	Weight
March 31, 2021 ⁽ⁱⁱⁱ⁾	23.02	23.02	3
March 31, 2020 ^(iv)	876.88	876.88	2
March 31, 2019 ^(v)	104.54	104.54	1
Weighted Average	321.23	321.23	
September 30, 2021 ^(vi)	11.42	11.42	

⁽ⁱ⁾ Basic EPS (₹) = Net Profit as restated attributable to the owners of the Company divided by the weighted average number of equity shares outstanding during the year.

⁽ⁱⁱ⁾ Diluted EPS (₹) = Net profit as restated attributable to the owners of the Company divided by the weighted average number of diluted Equity Shares outstanding during the year.

⁽ⁱⁱⁱ⁾ The Basic and Diluted EPS for Fiscals 2019, 2020, 2021 and for the period ended September 30, 2021 is computed based on amounts derived from Restated Financial Statements.

^(iv) Exceptional items (net) amounting to ₹ 7,49,023.01 Lakhs and ₹ (4,259.12) Lakhs is included in Net Profit after Tax of the F.Y. March 31, 2020 and March 31, 2019 respectively.

^(v) The basic and diluted EPS for the six months ended September 30, 2021 has not been annualized.

Notes: 1. Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended). 2. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during the period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Restated Financial Statements.

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹ 615.00 to ₹ 650.00 per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for Fiscal 2021	26.72	28.24
Based on diluted EPS for Fiscal 2021	26.72	28.24

Industry Peer Group P/E Ratio

Particulars	P/E ⁽ⁱ⁾	Name of Company	Face Value
Highest	77.96	Nestle India Limited	10
Lowest	21.02	ITC Limited	1
Average	51.76		
Median	52.94		

⁽ⁱ⁾ P/E Ratio has been computed based on the closing market price of equity shares on NSE on March 7, 2022 divided by the basic EPS.

III. Return on Net Worth ("RoNW")

Derived from Restated Financial Statements:

Period ended	RoNW (%) ⁽ⁱ⁾	Weight
March 31, 2021 ⁽ⁱⁱⁱ⁾	78.60%	3
March 31, 2020 ^(iv)	4,950.60%	2
March 31, 2019 ^(v)	NA	1
Weighted Average	2,027.40%	
September 30, 2021 ^(vi)	27.72%	

⁽ⁱ⁾ Return on net worth (%) = Restated profit for the period / year as divided by net worth as at the end of the period / year. ⁽ⁱⁱ⁾ Net Worth = Paid up Share Capital + Capital Redemption Reserve + General Reserve + Security Premium Account-Accumulated Losses + Retained Earnings (not considering the impact of Fair Valuation of assets as per IND AS, as on 01.04.2015, Accumulated depreciation on fair valued depreciable assets and OCI Remeasurement of defined benefit plans as on Date), as per the restated statement of assets and liabilities of the Company in the Restated Financial Statements. ⁽ⁱⁱⁱ⁾ The RoNW for Fiscals 2019, 2020, 2021, and for the six month period ended September 30, 2021 is computed based on amounts derived from Restated Financial Statements. ^(iv) The RoNW for Fiscal 2019 is NA since the net worth of the company had been fully eroded and the company was under Corporate Insolvency Resolution process. Hence the weight for the same is also not considered. ^(v) Exceptional items (net) amounting to ₹ 7,49,023.01 Lakhs and ₹ (4,259.12) Lakhs is included in Net Profit after Tax of the F.Y. March 31, 2020 and March 31, 2019 respectively. ^(vi) The RoNW for the six months ended September 30, 2021 has not been annualized.

IV. Net asset value per Equity Share (face value of ₹ 2 each)

Fiscal year ended/ Period ended	NAV per Equity Share (₹) ⁽ⁱ⁾
As on September 30, 2021 ⁽ⁱⁱ⁾	148.82
As on March 31, 2021 ⁽ⁱⁱⁱ⁾	137.35
After the completion of the Issue:	
(i) At Floor Price ^(iv)	237.95
(ii) At Cap Price ^(v)	240.43
Issue Price	[•]

⁽ⁱ⁾ Net asset value per equity share is calculated by dividing total equity of the company by weighted average number of equity shares. The equity shares outstanding are considered net of treasury shares (in number - 76,301 equity shares). ⁽ⁱⁱ⁾ Net asset value per Equity Share is computed based on amounts derived from Restated Financial Statements. ⁽ⁱⁱⁱ⁾ The number of equity shares outstanding changed in accordance with approved resolution plan. ^(iv) Net asset value per equity share is calculated by dividing (total equity as on September 30, 2021 + 4,30,000 lakhs issue proceeds) by (weighted average number of equity shares as on September 2021 + Issue proceeds divided by Floor price). ^(v) Net asset value per equity share is calculated by dividing (total equity as on September 30, 2021 + 4,30,000 lakhs issue proceeds) by (weighted average number of equity shares as on September 2021 + Issue proceeds divided by Cap Price).

V. Comparison with listed industry peers

Although there no exact listed peers of our Company owing to the wide range of products, we have included the peers on the basis of different business verticals. Following is the comparison with our peer companies listed in India:

Name of the company ⁽ⁱ⁾	Revenue including other Income FY21 (in ₹ Lacs)	Face value per Equity Share (in ₹)	Closing price on March 7, 2022 (in ₹)	EPS (Basic) (in ₹) ⁽ⁱⁱ⁾	EPS (Diluted) (in ₹) ⁽ⁱⁱⁱ⁾	P/E ^(iv)	RoNW (%) ^(v)	NAV per Equity Share (in ₹) ^(vi)
Ruchi Soya Industries Limited ^(vii)	16,38,297.71	2	798.70	23.02	23.02	34.70	78.60% ^(viii)	137.35
Peer Group								
Dabur Limited	9,88,694.00	1	505.95	9.58	9.55	52.81	22.12%	43.36
Britannia Industries Limited	13,44,901.00	1	3,153.45	77.43	77.40	40.73	52.16%	147.38
Nestle India Limited ^(ix)	14,82,952.00	10	17,342.05	222.46	222.46	77.96	102.90%	216.20
Agro Tech Foods Limited ^(x)	89,342.00	10	837.25	13.21	13.17	63.38	7.26%	182.00
Zydus Wellness Limited ^(xi)	1,87,561.00	10	1,489.35	19.55	19.55	76.18	2.60%	752.01
Godrej Agrovet Limited	6,30,627.00	10	472.30	16.34	16.33	28.90	16.95%	106.79
Marico Limited	8,14,200.00	1	481.85	9.08	9.08	53.07	37.01%	25.11
ITC Limited	55,78,768.00	1	224.95	10.70	10.70	21.02	22.18%	49.06

⁽ⁱ⁾ Basic EPS refers to the basic EPS sourced from the annual reports of the respective company for the year ended March 31, 2021. ⁽ⁱⁱ⁾ Diluted EPS refers to the diluted EPS sourced from the annual reports of the respective company for the year ended March 31, 2021. ⁽ⁱⁱⁱ⁾ NAV is computed as total equity divided by the weighted average number of equity shares.

^(iv) P/E Ratio has been computed based on the closing market price of equity shares on NSE on March 7, 2022 divided by the basic EPS provided under Note 1 above. ^(v) Return on Net Worth (RoNW), except for Ruchi Soya Industries Limited, is computed as net profit after tax divided by equity attributable to shareholders of the holding company. ^(vi) Return on Net Worth (RoNW) for Ruchi Soya Industries Limited = Restated profit for the period / year as divided by net worth as at the end of the period / year. ^(vii) Net Worth = Paid up Share Capital + Capital Redemption Reserve + General Reserve + Security Premium Account-Accumulated Losses + Retained Earnings (not considering the impact of Fair Valuation of assets as per IND AS as on 01.04.2015, Accumulated depreciation on fair valued depreciable assets and OCI Remeasurement of defined benefit plans as on Date), as per the restated statement of assets and liabilities of the Company in the Restated Financial Statements. ^(viii) All financial information for listed industry peers is on a consolidated basis (unless otherwise available on a standalone basis only) and is sourced from financial results or annual report of the company for the year ended March 31, 2021 except for Nestle India Limited whose standalone annual report as on December 31, 2021 is considered and submitted to stock exchanges. ^(ix) Based on Standalone Restated Financial information as and for the period ended March 31, 2021. ^(x) Financial statements as reported by the company as of year ended December 31, 2021. ^(xi) RoNW and NAV per share has been calculated by including NCI as annual report does not show bifurcation between parent and NCI.

The Issue Price of ₹ [•] has been determined by our Company in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Position and Results of Operations" and "Financial Information" on pages 33, 183, 413 and 320 of the RHP, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" on page 33 of RHP and you may lose all or part of your investments.

For further details, please see the chapter titled "BASIS FOR ISSUE PRICE" beginning on page 120 of the RHP.

BID/ ISSUE PROGRAMME*

BID/ ISSUE OPENS ON: THURSDAY, MARCH 24, 2022
BID/ ISSUE CLOSES ON: MONDAY, MARCH 28, 2022[#]

*The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date. [#]UPI mandate end time and date shall be at 12:00 pm on Tuesday, March 29, 2022

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