

The background of the entire page is a large, semi-transparent silhouette of a person in a business suit, seen from behind. Inside this silhouette, there is a smaller image of a person in a dark suit walking away from the viewer towards a city skyline at sunset or sunrise. The sun is low on the horizon, creating a warm, orange glow that reflects on the water in the foreground. The city skyline consists of various skyscrapers and buildings.

# NEW ERA NEW PERSPECTIVE



Gokul Refoils & Solvent Ltd.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS:

### Mr. Balvantsinh C Rajput

Mr. Dharmendrasinh Rajput  
Mr. Bipinkumar Thakkar  
Mr. Piyushchandra R Vyas  
Prof. (Dr.) Dipoooba Devada  
Mr. Karansinh Mahida

### Chairman & Managing Director

Executive Director  
Whole time Director-Legal  
Independent Director  
Independent Director  
Independent Director

## BANKERS :

State Bank of India  
Punjab National Bank  
Central Bank of India  
Union Bank of India  
Bank of India  
The Jammu and Kashmir Bank

## COMMITTEES OF BOARD

### Audit Committee:

Mr. Piyushchandra R Vyas	Chairman
Mr. Karansinh Mahida	Member
Prof. (Dr.) Dipoooba Devada	Member
Mr. Bipinkumar Thakkar	Member

### Nomination and Remuneration Committee:

Prof. (Dr.) Dipoooba Devada	Chairperson
Mr. Karansinh Mahida	Member
Mr. Piyushchandra Vyas	Member

### Stakeholders Relationship Committee:

Prof. (Dr.) Dipoooba Devada	Chairperson
Mr. Balvantsinh Rajput	Member
Mr. Bipinkumar Thakkar	Member

### Corporate Social Responsibility Committee:

Mr. Balvantsinh Rajput	Chairman
Mr. Piyushchandra Vyas	Member
Prof. (Dr.) Dipoooba Devada	Member

## AUDITORS:

M. M. Thakkar & Co.  
Chartered Accountants  
Rajkot, Gujarat

## MANAGEMENT TEAM:

Mr. Praveen Khandelwal	Chief Executive Officer
Mr. Shaunak Mandalia	Chief Financial Officer
Mr. Anil Mundra	Internal Auditor
Mr. Vinod A. Rajput	CEO (Mustard Desk) – Gokul Group
Mr. Joseph Chettiar	VP Exports – Gokul Group

## COMPANY SECRETARY & COMPLIANCE OFFICER:

Mr. Abhinav Mathur (w.e.f. 07.08.2019)

## REGISTERED OFFICE:

State Highway No. 41, Nr. Sujanpur Patia,  
Sidhpur-384 151, Gujarat.  
Tel: +91 2767 222075  
Fax: +91 2767 223475  
E-mail: mail@gokulgroup.com

## CORPORATE OFFICE:

"Gokul House" 43, Shreemali Co. Op Hou. Soc. Ltd.,  
Opp. Shikhar Building, Navrangpura,  
Ahmedabad-380 009, Gujarat.  
Tel:+91 79 61905500, 66615253/54/55  
Fax: +91 79 66304543  
E-mail: mail@gokulgroup.com

## CORPORATE IDENTIFICATION NUMBER (CIN)

L15142GJ1992PLC018745

## REGISTRAR & TRANSFER AGENTS:

Link Intime India Pvt. Ltd.  
(Formerly Intime Spectrum Registry Limited)  
Ahmedabad Branch:  
506 to 508, Amarnath Business Center - I (ABC-I),  
Nr. St. Xavier's College Corner,  
Off C G Road, Ellisbridge, Ahmedabad.

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## FINANCIAL HIGHLIGHTS (CONSOLIDATED)

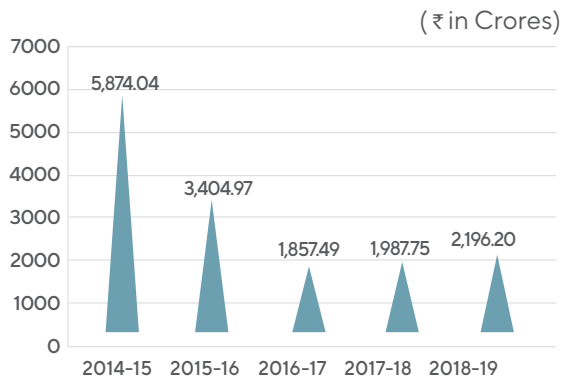
(₹ in Crores)

PARTICULARS	2014-15	2015-16	2016-17	2017-18	2018-19
Sales	5,874.04	3,404.97	1,857.49	1,987.75	2,196.20
Profit/(Loss) Before Tax	12.09	16.98	9.90	-16.39	18.49
Profit/(Loss) After Tax	9.17	11.15	4.71	9.05	11.83
Depreciation	32.63	19.89	0.12	4.56	5.03
Cash Accruals	44.72	36.87	10.01	-11.83	23.51
Share Capital	26.38	26.38	26.38	26.38	26.38
Reserve and Surplus	351.63	250.63	254.07	246.76	259.07
Total Net Worth	378.00	277.01	280.45	273.14	285.44
Total Liabilities	1,650.71	806.11	784.20	366.00	321.23
Total Capital Employed	430.16	303.97	308.82	274.16	286.20
Fixed Assets	354.73	253.99	234.04	73.25	70.55
Net Current Assets	66.56	45.15	48.13	168.46	183.48

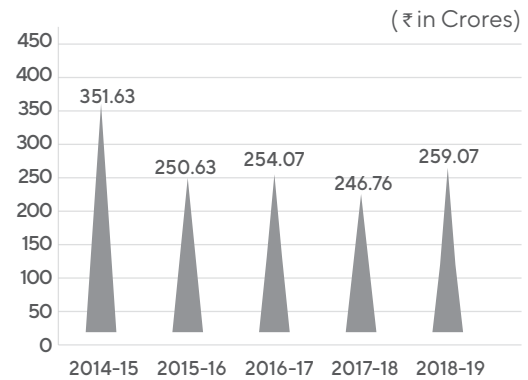


## FINANCIAL HIGHLIGHTS

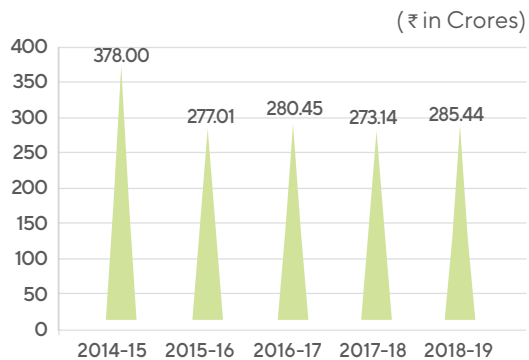
### SALES



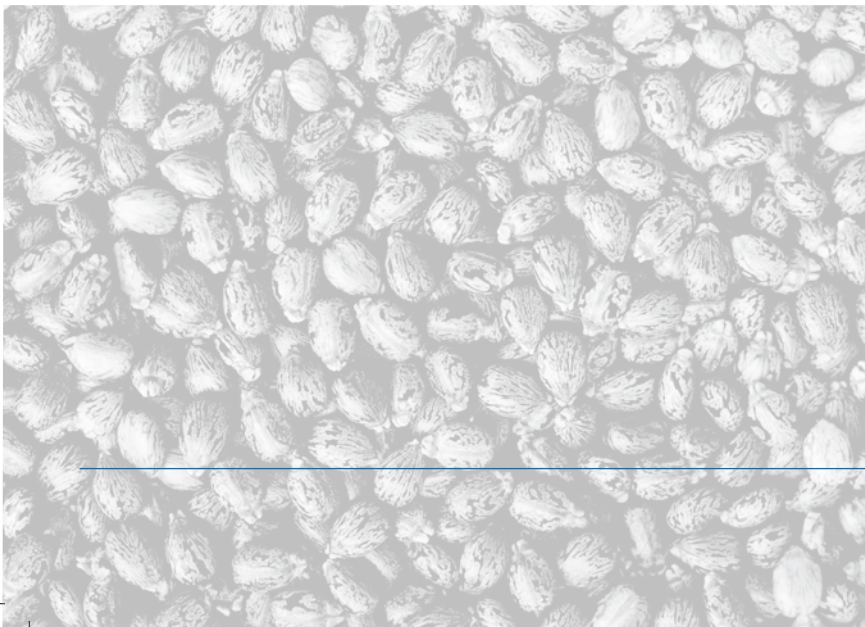
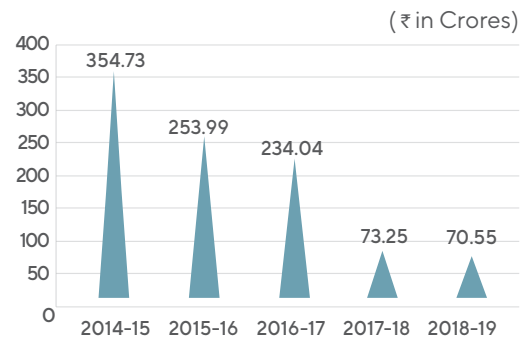
### RESERVES & SURPLUS



### NETWORTH



### FIXED ASSETS





# CHAIRMAN'S MESSAGE

## BALVANTSINH RAJPUT

Dear Stakeholders,

It gives me immense pleasure to present the 26th Annual Report and Performance of your Company.

The year 2018-19 was filled with challenges and at the same time gave new opportunities for our Group. The primary concern was the volatility in the price of raw material due to constant increase in import duty on crude palmolein oil, refined palmolein oil and crude soya bean oil by the Government of India in the fiscal year 2018-19. Main challenge was the inverse duty structure in exporting countries, which made import of refined oil cheaper and resulted into under utilization of capacity of domestic refineries.

In the emerging and competitive world your company faced the challenging environment in front of its competitors and nonetheless your company has stood amongst the top in the market. The people have become health conscious and believe in pure and healthy food. Our Company provides one of the best healthy and nutritious oil to the society, and contributes to the health and nutritious value of the consumers.

During the year the Group's total income from business operations for the year ended 31.03.2019 was Rs. 219619.70 lakhs against Rs. 198775.07 lakhs in previous year, which shows increase of 10.48% as compared to the previous year. Export Sales during year was Rs.79379.55 lakhs against Rs. 70762.60 lakhs in previous year which shows 12.17 % increase. Group's Net Profit after tax for the year ended 31.03.2019 was Rs. 1183.23 lakhs against Net Profit after tax of Rs. 904.80 lakhs in previous year which shows increase of 30.77% as compared to the previous year. Group's total Comprehensive Income amounted to Rs. 1197.80 Lakhs for the year ended 31.03.2019 against Rs. 896.12 Lakhs in the previous year.

Global Economy and GDP outlook for 2019-20

The world economy is slowing down with anti-globalisation sentiment, protectionism, nativism and trade wars. India continues to take giant strides forward and has also managed to become the sixth largest economy by sustaining growth rates higher than China, and also one of the fastest growing economy in the world.

The Economic Survey 2018-19, imbued with the 'blue sky thinking' approach, forecasts a positive GDP growth rate of 7 per cent for FY19-20 while expecting general fiscal deficit to be at 5.8 per cent. The Survey also opined that India should accelerate and sustain a real GDP growth rate of 8 per cent to become a USD 5 trillion economy by 2024-25.

The Indian market presents a significant growth for oil players owing to growing population, income growth and low current per capita consumption. Your company is positioned strongly to tap the opportunities. Despite the positive signs, we remain cautious and vigilant as we are exposed to volatility in commodity as well as



currency fronts. We are guided by our stake holders, the industry and the nation promoting inclusive growth.

As far as the year 2018-19 is concerned, we recognize the upcoming challenges this year and are geared to face them confidently. Our mission is to constantly improvise our methodology and systems so as to achieve efficiency in our operations through optimum utilisation of resources. As mentioned earlier, the Group is now focusing more on branding activities, strengthen distribution network and to start various packing sections across India to connect the customers in a better way and to tap the increasing demand.

Over the years our products have ruled a number of kitchens in the country, but our efforts (beyond our business) have nourished lives of many more. We continue to go head-strong in our actions towards healthcare, education and empowerment of women, which embrace our social values and principles. Where we stand today are the perseverance and efforts undertaken by your Directors and the entire family of Gokul Group. I would like to express my gratitude to the entire family of Gokul Group and their efforts and hard work that has made "Gokul" the prominent and renowned brand. I am confident and excited that the Gokul family will excel great heights in the years to come. I would like to take this opportunity to thank our dedicated and motivated employees who are the greatest asset of the Company and with their passion, hard work and commitment taken us to this level and also appreciate the guidance from the members of Board from time to time.

We also thank our stakeholders, clients, vendors, bankers, investors, Governments, Government Agencies and partners in growth for reposing their confidence and faith in the Company. It is your trust and commitment that inspires us to set high standards of growth and performance and continue to deliver high returns to our stakeholders. We look forward to continue our journey on the path of excellence and profitable growth in the coming years.

Sincerely  
Yours

**Balvantsinh Rajput**  
Chairman

NOTICE is hereby given that the **Twenty Sixth Annual General Meeting** of the members of Gokul Refoils and Solvent Limited will be held on **Friday, the 27<sup>th</sup> September, 2019, at 11.00 A.M.** at the Registered Office of the Company at State Highway No 41, Nr. Sujanpur Patia, Sidhpur – 384151, North Gujarat, to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt :
  - (a) the Audited Financial Statement of the Company for the financial year ended March 31, 2019, and the reports of the Board of Directors and Auditors thereon; and
  - (b) the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2019, and the reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Bipinkumar Thakkar (DIN: 06782371), who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:

##### 3. Re-appointment of Mr. Piyushchandra Vyas (DIN: 01260934) as an Independent Director:-

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of SEBI (LODR) Regulations, 2015 as amended, and pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Piyushchandra Vyas (DIN: 01260934), who holds office of Independent Director up to the 10<sup>th</sup> September, 2019 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Piyushchandra Vyas (DIN: 01260934) candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 11<sup>th</sup> September, 2019 up to 10<sup>th</sup> September, 2024."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

##### 4. Re-appointment of Mr. Karansinh Mahida (DIN: 02237323) as an Independent Director:-

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of SEBI (LODR) Regulations, 2015 as amended, and pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Karansinh Mahida (DIN: 02237323), who holds office of Independent Director up to the 10<sup>th</sup> September, 2019 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Karansinh Mahida (DIN: 02237323) candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 11<sup>th</sup> September, 2019 upto 10<sup>th</sup> September, 2024."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

##### 5. Re-appointment of Prof.(Dr) Dipoooba Devada (DIN: 01849583) as an Independent Director:-

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of SEBI (LODR) Regulations, 2015 as amended, and pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Prof.(Dr) Dipoooba Devada(DIN: 01849583), who holds office of Independent Director up to the 10<sup>th</sup> September, 2019 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Prof.(Dr) Dipoooba Devada (DIN: 01849583) candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 11<sup>th</sup> September, 2019 up to 10<sup>th</sup> September, 2024."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

**6. Alteration of the Object Clause of Memorandum of Association of the Company:-**

To consider, and if thought fit, to pass, with or without modification(s), the following as a **SPECIAL RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under approval of the members of the Company be and is hereby accorded to append the following sub clause (5) after sub clause (4) of clause III (A) (The Main Object) of the Memorandum of Association of Company as follows:

- (5) To carry on the business / profession of consultants / suppliers/ providers of all types of man power such as contractual, skilled, semi skilled, unskilled, trained workers/labour / staff / managerial personnel/ technical personnel

**By Order of the Board**

**Abhinav Mathur**

Company Secretary

ACS No. 22613

Ahmedabad

07<sup>th</sup> August, 2019

Registered office

State Highway No. 41,

Nr. Sujanpur Patia,

Sidhpur -384 151

**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting (the "meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolution / authority, as applicable, issued on behalf of the nominating organization.
3. The explanatory statements pursuant to Section 102 of Companies Act, 2013 relating to special business are annexed.
4. The information required under Regulation 36 of SEBI (LODR) Regulations, 2015 on Directors' reappointment/ appointment are given below and form part of the Notice.
5. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days during business hours up to the date of the Meeting.
7. Members can avail the nomination facility by filing Form No. SH-13, as prescribed under Section 72 of the Companies Act, 2013 and rule 19 (1) of the Companies (Share Capital and debentures) Rules 2014 with the Company. Blank forms will be supplied on request.
8. Pursuant to the provisions of Section 108 of the Act and other applicable provisions, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from place other than the venue of the Meeting ('remote e-voting'). In addition, the facility of voting through Ballot Paper shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on September 23, 2019 @ 09.00 a.m and ends on September 26, 2019@ 05.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website **www.evotingindia.com**
- (iii) Click on Shareholders / Members



## NOTICE

- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Electronic Voting Sequence Number (EVSN) 190817003 for Gokul Refoils and Solvent Limited .
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com**

Members can call on toll free no.: 18002005533 or contact Mr. Rakesh Dalvi, Manager, Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013, Email – [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) for grievances connected with e-Voting.

**Other Instructions:**

- I. The remote e-voting period commences on September 23-, 2019, @ 9.00 a.m. and ends on September 26, 2019 @ 5.00 p.m. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on September 20, 2019, may cast their vote through remote e-voting. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- II. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on September 20, 2019.
- III. Mr. Yash H Mehta, Practicing Company Secretary (Membership No.: 45267; CP No:16535), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IV. The Scrutinizer shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days from the conclusion of the meeting consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- V. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.gokulgroup.com](http://www.gokulgroup.com) and on the website of CDSL [www.evoting.cdsl.com](http://www.evoting.cdsl.com) within two days of the passing of the resolutions at the 26<sup>th</sup> AGM of the Company held on September 27, 2019, and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the brief profile of Director eligible for appointment and re-appointment is as follows:

Name of Director	Mr. Bipinkumar Thakkar	Mr. Piyushchandra Vyas
Date of Birth	20 <sup>th</sup> April, 1969	22 <sup>nd</sup> June, 1942
Date of Appointment	16 <sup>th</sup> January, 2014	6 <sup>th</sup> September, 2007
Qualification	M.Sc (Agriculture), MBA Finance, L.L.B, DIM, PGDIM, DCP	B.COM(Hons), LL.B
Expertise in specific Functional Areas	Legal and Statutory compliances under applicable laws.	Banking and Finance
Names of listed entities in which the person also holds the directorship	NIL	NIL
Membership/Chairmanship of Committees of listed entities	NIL	NIL
Number of Shares held in the Company	NIL	NIL
Relationship with any Director(s) of the Company	Nil	Nil

Name of Director	Mr. Karansinh Mahida	Prof.(Dr.) Dipoooba Devada
Date of Birth	31 <sup>st</sup> August, 1948	14 <sup>th</sup> October, 1960
Date of Appointment	13 <sup>th</sup> September, 2008	6 <sup>th</sup> September, 2007
Qualification	B.A LL.B (SPECIAL)	M.Sc.(Statistics) M.Ed. & Ph.D
Expertise in specific Functional Areas	Secretariat and other related functional expertise in government and government companies.	Education Sector
Names of listed entities in which the person also holds the directorship	NIL	NIL
Membership/Chairmanship of Committees of listed entities	NIL	NIL
Number of Shares held in the Company	NIL	NIL
Relationship with any Director(s) of the Company	Nil	Nil

**Annexure to Notice**  
**EXPLANATORY STATEMENT**  
**(Pursuant to Section 102(1) of the Companies Act, 2013)**

**Item No.3 to 5**

Mr. Piyushchandra Vyas, Mr. Karansinh Mahida, Prof.(Dr)Dipooba Devada, were appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Annual General Meeting held on 11<sup>th</sup> September, 2014 to hold office up to conclusion of the 26<sup>th</sup> AGM in the calendar year 2019 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act.) Accordingly they hold office up to 10<sup>th</sup> September, 2019. The Nomination & Remuneration Committee at its Meeting held on 27<sup>th</sup> May, 2019 after taking into account the performance evaluation of these Independent Directors during their first term of five years and considering the knowledge, acumen, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as an Independent Director since their appointment, has recommended to the Board that continued association of these Directors as an Independent Directors would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years commencing from 11<sup>th</sup> September, 2019 upto 10<sup>th</sup> September, 2024 and not liable to retire by rotation.

The Company has received a notices in writing pursuant to Section 160 of the Companies Act, 2013 from a Members proposing the candidatures of Mr. Piyushchandra Vyas, Mr. Karansinh Mahida, and Prof.(Dr)Dipooba Devada, for their appointment to the office of Independent Directors.

In accordance with the SEBI LODR Regulations 2015 as amended, the above approval of the Member of the company is also sought by way of passing special resolution for the re - appointment of Mr.Piyushcnadra Vyas who has attained the age of 75 years.

Brief profile of the above Independent Directors are as under:

**Mr. Piyushchandra Vyas:-**

- Age 76 yrs
- He is Graduate in Commerce with Honours and L.L.B. He has worked with SBI for 6 years as a Grade I Officer, with Gujarat Industrial Investment Corporations Ltd as Financial Controller for 17 years, Executive Director (Finance) with Gujarat State Police Housing & Corporation Limited for 5 years. He has also been associated with the Gujarat Chamber of Commerce as Dy. Secretary General and Indo American Chamber of Commerce as Secretary.

**Mr. Karansinh Mahida**

- Age 70 yrs
- He is Graduate in B.A. and LLB (special). He has rich experience of more than 32 years in Government & Government Companies in various capacities. He has retired as an additional secretary to the Government of Gujarat.

**Prof. (Dr.) Dipooba Devada**

- Age 58 yrs
- She is Post graduate in Science& Education and a Ph.D. She was Pro-Vice-Chancellor in Hem chandracharya North Gujarat University. She was also holding the position of Vice-Chancellor in the said university. Presently, She is Professor in Gujarat Vidhyapith. She is life member of All India Association of Educational Research, Gujarat Ganit Mandal & Gujarat Statistical Association.

The other details including the shareholding of these Directors, whose appointment is proposed at item nos. 3 to 5 of the accompanying Notice, have been given in the attached annexure.

The Board recommend the Resolutions for re-appointment of the Independent Directors at item no. 3 to 5 as Special Resolutions of this notice for your approval.

Mr. Piyushchandra Vyas, Mr. Karansinh Mahida, Prof.(Dr)Dipooba Devada, respectively, are concerned or interested in the resolutions of the accompanying notice relating to their own appointment.

None of the other Directors, Key Managerial Personnel and relatives thereof are concerned or interested in financial or otherwise the Resolutions at item nos. 3 to 5.

**Item No. 6**

Your company proposes to carry out the business / profession of consultants / suppliers/ providers of all types of man power such as contractual, skilled, semi skilled ,unskilled, trained workers/labour / staff / managerial personnel/ technical personnel.

The Main Objects Clause of the Memorandum of Association of the Company is accordingly proposed to be altered by passing a Special Resolution, pursuant to Sections 13 of the Companies Act, 2013 as set this Notice.

A copy of the altered Memorandum of Association of the Company will be available for inspection by the Members at the Registered Office of the Company on any working day during business hours.

The Board re-recommends the Special Resolution set out at Item No.6 of the Notice for approval by the shareholders.

None of Directors, Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company is directly/ indirectly interested in the above resolution.

Ahmedabad

07<sup>th</sup> August, 2019

**By Order of the Board**

**Abhinav Mathur**

Company Secretary

ACS No. 22613

Registered office

State Highway No. 41,

Nr. Sujapur Patia,

Sidhpur -384 151

## DIRECTORS' REPORT

To,

The members,

Your Directors are pleased to present the 26<sup>th</sup> Annual Report of the Company along with the Audited Financial Statements for year ended 31<sup>st</sup> March, 2019.

### 1. FINANCIAL HIGHLIGHTS

The summarized standalone and consolidated results of your Company and its subsidiaries are given in the table below:

(Amount ₹ in Lakhs)

Sr. No.	Particulars	Standalone		Consolidated	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018
1	Revenue from operations	802.39	18627.08	219619.70	198775.07
2	Other Income	1184.69	1948.77	2010.47	2904.84
3	Total Revenue	1987.08	20575.85	221630.16	201679.92
4	Profit / (Loss) before interest, Depreciation , Exceptional items and Taxes (PBIDTA)	529.77	(1.33)	5609.13	4576.77
5	Interest and Financial Cost	64.21	292.22	3225.41	3281.85
6	Depreciation and Amortisation	17.86	15.96	502.61	456.03
4	Profit / (Loss) before Exceptional items and Taxes	447.70	(309.51)	1881.13	838.90
7	Exceptional Items	(32.35)	(2798.83)	(32.35)	(2478.27)
8	Profit/(Loss) before Taxation (PBT)	415.35	(3108.34)	1848.77	(1639.37)
9	Provision of Taxation including Deferred Tax liability/(Assets)	142.31	(127.53)	665.55	330.48
10	Profit/ (Loss) from ordinary activities after tax	273.04	(2980.81)	1183.23	(1969.85)
11	Net Profit/(Loss) from discontinued operations after tax	---	2809.03	----	2874.64
12	Net Profit/(Loss)	273.04	(171.78)	1183.23	904.80
13	Total Comprehensive Income/(Loss)	269.00	(167.81)	1197.80	896.12

### 2. DIVIDEND

In order to conserve the resources and to strengthen the financial position of the company and to meet long term fund requirement and future contingencies, your Directors do not recommend any dividend for the year under review.

### 3. BUSINESS PERFORMANCE

#### Standalone Basis

During the year under review, total revenue from operation was Rs 802.39 Lakhs against Rs. 18,627.08 Lakhs in the previous year. There has been decrease by 95.69 % in total income. After divestment of Haldia undertaking the management is looking for sustainable business opportunity. Hence there is decline in the total income.

Net Profit after tax is Rs.273.04 Lakhs for year ended 31.03.2019 as against Net loss of Rs. (171.78) lakhs in previous year.

#### Consolidated Basis

During the year under review total revenue from operation was Rs. 219619.70 lakh against Rs.198775.07 lakhs in the previous year. This show an increase in total revenue by 10.49 % as compared with previous year.

Net profit after tax is Rs. 1183.23 Lakhs for year ended 31.03.2019 as against Net profit of Rs. 904.80 lakhs in previous year. Hence the net profit after increased by 30.77 % in FY 2018-19 as compared with previous year.

There has been no change in the nature of business of the Company during the financial year under review.

### 4. Business performance of Subsidiaries:

#### (i) Domestic Subsidiary

Gokul Agri International Limited, wholly-owned subsidiary of the Company has its production facility at Sidhpur, District- Patan, Gujarat, India and is engaged in the business of seed processing, solvent extraction, refining of edible oils and non-edible industrial



oil such as castor oil. The Sidhpur Plant currently processes various types of oils including Kachi Ghani oil, Mustard oil, Refined Cottonseed oil, Soyaben Refined oil, Palmolein and Castor oil. It is also trading in agro commodities including spices in domestic and international market.

During the year under review, total revenue from operation was Rs.218862.64 Lakhs against Rs. 1,86,916.82 Lakhs in the previous year. This shows an increase of 17.09% over the previous year.

Net profit after tax is Rs.917.46 Lakhs for year ended 31.03.2019 against Rs. 788.72 lakhs in previous year. This shows an increase of 16.32 % in over previous year.

**(ii) Overseas Subsidiary**

Gokul Refoils Pte Ltd, wholly-owned subsidiary of the Company incorporated in Singapore which has not yet started any significant activity. Net loss of the Company is Rs. (5.60) Lakhs for year ended 31.03.2019 against Net loss of Rs. (1.55) Lakhs in previous year. This Subsidiary was formed with an object to carry on business of palmolen in overseas market.

Due to divestment of Haldia Undertaking the Company is no more involved in import of Palm Oil, and Soya Bean Oil, hence there is no need of hedging tools /activities on international exchanges such as BURSA Malaysia & CBOT which has been carried out through Gokul Refoils Pte Ltd. In view of this and considering the business restructuring and future plan of the company, Gokul Refoils Pte Ltd had no role and management has consented to dissolve the subsidiary.

**5. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT**

There have been no material changes and commitments affecting financial position between end of the financial year and the date of the report.

**6. SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2019 was Rs. 2637.90 Lakhs. There has been no change in capital structure of the Company during the year under review.

**7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES**

Pursuant to Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014 the report on performance and financial position of subsidiaries, associates and joint venture companies is attached as an annexure in Form AOC-1 prepared under section 129(3) of the Companies Act, 2013 to the consolidated Financial Statements of the Company which forms part of this report.

The Company has kept the separate audited financial statements in respect of each of subsidiaries at the Registered Office of the Company and available upon the request by any shareholder of Company. The said financial statements are also available on the website of your Company at [www.gokulgroup.com](http://www.gokulgroup.com). The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link: <http://www.gokulgroup.com/investor.php>.

**8. CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements form part of this Annual Report. The Consolidated Financial Statements are prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

**9. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**Retire by Rotation**

Mr. Bipinkumar Thakkar is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment. The Directors recommend for his re-appointment.

As required under regulation 36(3) of the Listing Regulations, particulars of Director seeking re-appointment at the ensuing AGM are annexed to the notice convening Twenty Sixth AGM

**Appointment / Resignation**

Mr. Piyushchandra Vyas, Mr. Karansinh Mahida, Prof.(Dr)Dipooba Devada were appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 for the first term of 5 years and will hold office upto conclusion of the 26<sup>th</sup> AGM in the calendar year 2019. Considering their knowledge, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as an Independent Director since their appointment, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for second term of five consecutive years commencing from 11<sup>th</sup> September, 2019 upto 10<sup>th</sup> September, 2024 and not liable to retire by rotation. The Company has received declaration from all these Directors that they continue to fulfill the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16 of the Listing Regulations (including statutory re-enactment thereof for the time being in force).

In terms of the provisions of Section 160(1) of the Companies Act, 2013, the Company has received a Notice from a Member signifying his intention to propose the candidature for the reappointment of Mr. Piyushchandra Vyas, Mr. Karansinh Mahida, Prof.(Dr)Dipooba Devada for the office of Independent Directors not liable to retire by rotation.

During the year under review, there is no change in the constitution of Board of Directors.

#### **Criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013**

The Independent Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013. The details of familiarization programme for Independent Directors, conducted during the year, have been provided under the Corporate Governance Report.

#### **Evaluation of Board Performance**

In compliance with the Companies Act, 2013 and SEBI (LODR), Regulations, 2015, the performance evaluation of the Board and its Committees was carried out during the year under review. More details on the same are given in the Corporate Governance Report.

#### **Nomination and Remuneration Policy**

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for Key Managerial Personnel and other employees can be viewed at the Company's website at weblink <http://www.gokulgroup.com/investor.php>

#### **10. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules and no complaint has been received on sexual harassment during the financial year 2018-19.

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013]

#### **11. WHISTLE BLOWER POLICY**

The Company has a vigil mechanism named Whistle Blower Policy for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The details of the said Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

#### **12. AUDIT COMMITTEE**

The Audit Committee comprises Directors namely Mr. Piyushchandra Vyas (Chairman), Mr. Karansinh Mahida, Prof. (Dr). Dipooaba Devada and Mr. Bipinkumar Thakkar.

All the recommendations made by the Audit Committee were accepted by the Board and implemented accordingly. The details of term of reference of the Audit Committee member, dates of meeting held and attendance of the Directors are given separately in the Corporate Governance Report.

#### **13. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY**

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

Further, the Company identifies risks with its degree and control systems are instituted to ensure that the risks in business process are mitigated. The Board provides oversight and reviews the Risk Management Policy periodically. In the opinion of the Board there has been no identification of elements of risk that may threaten the existence of the Company.

#### **14. MEETINGS OF BOARD**

The Board of Director met five times during the year 2018-19. The Details of the Board Meetings and the attendance of the Directors are given in the Corporate Governance Report.

#### **15. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions Section 134(3)(c) of Companies Act, 2013, the Directors state that:-

- a) In the preparation of the Annual Accounts for the year ended March 31, 2019, the applicable accounting standards have been followed and that there are no material departures;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and the profit and loss of the Company for the year ended on that date;
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors have prepared the annual accounts on a going concern basis;
- e) That proper internal financial controls are in place and that the financial control are adequate and are operating effectively; and
- f) The directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such a systems are adequate and operating effectively.

**16. AUDITORS**
**i) STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules framed there under, M/s. M. M. Thakkar & Co. Chartered Accountants, Rajkot having Firm Registration No. 110905W were appointed as Statutory Auditors of the Company from conclusion of the 24<sup>th</sup> Annual General Meeting (AGM) till the conclusion of the 29<sup>th</sup> AGM to be held in the year 2022.

M M Thakkar & Co, Chartered Accountants have furnished a declaration confirming their independence as well as their arm's length relationship with the Company and that they have not taken up any prohibited non-audit assignments for the company.

The Auditor's Report to the shareholders for the year under review does not contain any qualification.

**Details in respect of frauds reported by auditors under sub-section (12) of Section 143 other than those which are reported to the central government:**

During the year under consideration, there were no such instances.

**ii) SECRETARIAL AUDITOR**

Yash Mehta & Associates, Practicing Company Secretaries were appointed to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report is annexed herewith as **ANNEXURE-I** to this Report.

**iii) COST AUDITORS**

The Company doesn't fall under the purview and requirement to get the cost audit done for FY 2019-20 pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, hence the Company has not appointed Cost Auditors for FY 2019-20.

**17. CORPORATE SOCIAL RESPONSIBILITY**

Corporate Social Responsibility Committee comprises Mr. Balvantsinh Rajput as the Chairman, Mr. Piyushchandra Vyas and Prof.(Dr.) Dipooaba Devada as the members.

Pursuant to the provisions of section 135 of Companies Act 2013, company is not required to spend any amount in CSR activities for the financial year 2018-19 as company's average profit during the three immediately preceding financial years does not exceed Rs.5 Crores

However the company has spent an unspent amount of Rs.16.11 Lakhs of the F.Y 2017-18 during the F.Y 2018- 19 towards its CSR obligation.

The Report on CSR activities is given in **ANNEXURE-II** forming part of this Report.

**18. MANAGEMENT DISCUSSION AND ANALYSIS**

As stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms part of this Annual Report.

**19. CORPORATE GOVERNANCE REPORT**

Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015 a separate section on Corporate Governance forms part of this report and Certificate from a Company's Auditor regarding compliance of conditions of Corporate Governance is as **ANNEXURE-III**.

**20. PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is attached as **ANNEXURE-IV** which forms part of this report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **ANNEXURE-V** which forms part of this report.

**21. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO**

The rules regarding conservation of Energy and Technology Absorption are not applicable to the Company as company does not have any production unit at present. However, the information pertaining to Foreign Exchange Earnings and Outgo are as follows:

(Amount ₹ in Lakhs)

Particulars	Year ended 2018-19	Year ended 2017-18
1) Total foreign exchange used	Nil	13.08
2) Total foreign exchange earned	53.12	89.57

**22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### 23. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the company had not entered into any contract or arrangement or transactions with related parties which could be considered 'material' (i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements entered into individually or taken together with previous transactions during the financial year) according to the policy of the Company on materiality of Related Party Transactions. Accordingly, there are no transactions that are required to be reported in form AOC-2.

However, you may refer to Related Party transactions, as per the Ind AS, in Note No.37.of the Standalone Financial Statements.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link:- <http://www.gokulgroup.com/investor.php>

### 24. ANNUAL RETURN

Pursuant to Section 92(3) of the Act read with the applicable Rules, the extract of Annual Return in Form MGT 9 is attached as **ANNEXURE VI** to this Report. Further, the extract to the Annual Return of the Company can also be accessed on the Company's website at the link <http://www.gokulgroup.com/investor.php>

### 25. INTERNAL FINANCIAL CONTROLS

The Company has designed and implemented a process driven framework for Internal Financial Controls (IFC) within the meaning of the explanation to section 134(5)(e) of the Act. For the year ended on March 31, 2019, the Board is of the opinion that the Company has sound IFC commensurate with the size, scale and complexity of its business operations. The IFC operates effectively and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved internal controls whenever the effect of such gaps would have a material effect on the Company's operations, Managing the Risks of fraud, corruption.

### 26. MAINTENANCE OF COST RECORDS UNDER SUB SECTION (1) OF SECTION 148 COMPANIES ACT, 2013:

The Company doesn't fall under the purview and requirement of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

### 27. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

### 28. GENERAL

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

- 1) Details relating to deposits covered under Chapter V of the Act.
- 2) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- 3) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- 4) Neither the Managing Director nor the Whole-time Directors of the Company receive any commission from the Company and not disqualified from receiving any remuneration or commission from any of subsidiaries of the Company.
- 5) No significant and material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's future operations.

### 29. APPRECIATIONS

Your Directors wish to place on record their appreciation for the continuous support received from the Members, customers, suppliers, bankers, various statutory bodies of the Government of India and the Company's employees at all levels.

For, Gokul Refoils and Solvent Limited

Date: 27<sup>th</sup> May, 2019

Place: Ahmedabad

Sd/-

**Balvantsinh Rajput**

Chairman & Managing Director

(DIN:00315565)

## ANNEXURES TO DIRECTORS' REPORT

## ANNEXURE-I

Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the  
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

**GOKUL REFOILS AND SOLVENT LIMITED****CIN: L15142GJ1992PLC018745**

STATE HIGHWAY NO 41 NR. SUJANPURA PATIA,  
SIDHPUR, GUJARAT - 384151 INDIA.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GOKUL REFOILS AND SOLVENT LIMITED. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2018;
  - (f) Rules, Regulations, Circulars, Orders, Notifications and Directives issued under the above statute to the extent applicable.

The following other laws applicable to the Company:

- (a) Laws specifically applicable to the company:
  - (1) The Food Safety Standards Act, 2006 and the rules and regulations made thereunder;
  - (2) The Legal Metrology Act, 2009 and the rules and regulations made thereunder;
- (b) Other laws applicable to the company:
  - i. The Factories Act, 1948;
  - ii. The Industrial Disputes Act, 1947;
  - iii. The Payment of Wages Act, 1936;
  - iv. The Minimum Wages Act, 1948;
  - v. The Employees' Provident Fund and Miscellaneous Provision Act, 1952;
  - vi. The Maternity Benefit Act, 1961;
  - vii. The Industrial Employment (Standing Order) Act, 1946;
  - viii. The Employees' Compensation Act, 1923;



## DIRECTORS' REPORT

- ix. The Apprentices Act, 1961;
- x. The Equal Remuneration Act, 1976;
- xi. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956;
- xii. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
- xiii. The Water (Prevention & Control of Pollution) Act, 1974;
- xiv. The Air (Prevention & Control of Pollution) Act, 1981;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the year under review, the Company has COMPLIED with all the material aspects of the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

### We further report that:

The Board of Directors of the Company is duly constituted. Adequate notice is given to all the Directors to schedule the Board Meetings at least seven days in advance in due compliances of law. Agenda and detailed notes on agenda were also sent in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors / Committees of the Company were carried through on the basis of majority. We were informed that there were no dissenting views by any members of Board / Committee in the meetings held during the year under review that were required to be captured and recorded as part of minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were following instances of:

The Company has altered main object clause of the Memorandum of Association of the Company by members approval at their Annual General Meeting held on 29th September, 2018 so as to append the following sub clause (2), (3) and (4) after sub clause (1) of clause III (A) (The Main Object) of the Memorandum of Association of Company as follows:

To carry on the business as manufacturers, processors, importers, exporters, dealers, sellers, buyers, consignors, consignees, agents stockists, suppliers of all classes, kinds, types and nature of spices, rice, wheat, pulses, sugar, flours, salt, food grains, vegetables, fruits, snack foods, cookies, waffers, frozen vegetables and foods, dehydrate vegetables and fruits, dry fruits, pet foods, agricultural commodities or any other food items etc. and to extract, refine all its by-products, derivatives of all kinds or descriptions.

To carry on the business as manufacturers, processors, importers, exporters, dealers, sellers, buyers, consignors, consignees, agents stockists, suppliers, job works of all classes, kinds, types of iron, metals, steel (including alloy steel) and rollers and re-rollers of steel shifting, bars, rods, etc., in different shapes and sizes, varieties, models, billets, ingots including wire, nails, screws, metal hinges, plates, sheets, strips, hoops, rounds, circles, angles moulds, jigs, nuts, bolts, fixtures and tools, metallic or otherwise in different shapes and sizes including its scraps, by products and any other products from steel, brass, copper, lead, zinc, nickel and any other ferrous and nonferrous metals of all sizes, specification and description including ingot castings.

To carry on the business of construction and to act as builders, developers, contractors and to develop, maintain and operate any infrastructure facilities like road including toll road, bridge, rail-siding or rail system, highway projects including or other activities being an integral part of the Highway projects, Power plants, port, airport, inland waterway, inland port, commercial center and any other structural or architectural work or any kind whatsoever and to act as promoters, organizers, developers and agents of lands, estate, industrial estate, buildings, housing scheme, shopping/office complexes, township, warehouses, farm houses, resorts and buildings for hotel, motel, school, colleges, factories and to deal with purchase, sell, such properties as owner, developers, contractors, agents, sub-agents, etc.

There were no other instances of:

- a) Public issue / Right issue of Shares / Debentures / Sweat Equity etc.
- b) Redemption / Buy – Back of Securities.
- c) Merger / amalgamation / Reconstruction etc.
- d) Foreign Technical Collaboration.

FOR YASH MEHTA& ASSOCIATES  
COMPANY SECRETARIES  
YASH MEHTA  
PROPRIETOR  
ACS: 45267  
COP:16535

Date: 27.05.2019

Place: Ahmedabad

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

**"ANNEXURE A"**

To,

The Members,

**GOKUL REFOILS AND SOLVENT LIMITED**

**CIN: L15142GJ1992PLC018745**

STATE HIGHWAY NO 41 NR. SUJANPURA PATIA,

SIDHPUR, GUJARAT - 384151 INDIA.

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

FOR YASH MEHTA& ASSOCIATES

COMPANY SECRETARIES

**YASH MEHTA**

PROPRIETOR

ACS: 45267

COP:16535

Date: 27.05.2019

Place: Ahmedabad

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

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	The Company has framed the CSR Policy in compliance with the provisions of the Companies Act, 2013. The details of the CSR Policy enumerating the activities / programs proposed to be undertaken by the Company can be viewed at <a href="http://www.gokulgroup.com/Portals/0/Users/Corporate%20Social%20Responsibility%20Policy.pdf">http://www.gokulgroup.com/Portals/0/Users/Corporate%20Social%20Responsibility%20Policy.pdf</a> .
2	Composition of the CSR Committee	1. Mr. Balvantsinh Rajput - Chairman 2. Mr. Piyushchandra Vyas - Member 3. Dr. Dipoooba Devada - Member
3	Average net Profit/(Loss) for last 3 financial years	Rs. (2390.05)Lakhs
4	Prescribed CSR expenditure (two percent of the amount as in item 3 above)	Nil
5	Details of CSR spent during the financial year	
	A) Total amount to be spent for the financial year;	Nil
	B) Amount unspent, if any*;	N.A
	C) Manner in which the amount spent during the financial year	N.A

\*The company has spent the unspent amount of Rs.16.11 Lakhs of the F.Y 2017-18, during the F.Y 2018-19 towards its CSR Obligation as follows:

Sr No.	CSR Project or activity identified	Sector in which the project is covered.	Project or programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay(budget) project or programs wise	Amount spent on the projects or Programs Subheads ; (1) Direct expenditure on project or programs (2) Overheads:	Cumulative expenditure up to the reporting period.	Amount spend: Direct or through or implementing agency
1.	Contribution to the Trust engaged in Education Sector	Promoting Education	Sidhpur, Patan, Gujarat	Rs. 16.11 Lakhs	Rs. 16.11 Lakhs	Rs. 16.11 Lakhs	Direct: NIL Implementing Agency: Gokul Foundation Trust-Rs. 16.11 Lakhs

Note:

- The Company has contributed Rs. 16.11 Lakhs to Gokul Foundation Trust for CSR activity as per General Circular No. 21/2014 of MCA dated 18 June, 2014.

**Balvantsinh Rajput**  
Chairman CSR Committee

**Piyushchandra Vyas**  
Independent Director

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,

**The Members****Gokul Refoils and Solvent Ltd.**

We have examined the compliance of conditions of Corporate Governance by Gokul Refoils and Solvent Ltd ("the Company") for the year ended on March 31, 2019 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (LODR) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR , M. M. THAKKAR & CO.  
CHARTERED ACCOUNTANTS

Date: Ahmedabad

Place: 27.05.2019

D. M. Thakkar  
Partner  
Membership No.103762

Statement of particulars of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31<sup>st</sup> March, 2019.

A. **Top 10 employees in terms of remuneration drawn during the year:**

Name & Qualification	Age in Years	Designation	Date of Employment	Gross Remuneration p.a. (Rs. in Lakhs)	Total Experience (No. of years)	Last Employment	% age of equity shares held by employee
Praveen Khandelwal - CA, CS	40	Chief Executive Officer	01.04.2010	60.00	17	K S Oils Ltd.	NIL
*Dharmendrasinh Rajput - BE. (Mechanical)	29	Executive Director	11.09.2012	24.00	07	-	0.70%
Shaunak Mandalia - CA	45	Chief Financial Officer	22.04.2016	20.23	17	-	NIL
Vijay Kalyani-CS	60	Company Secretary	01.06.2016	12.20	36	Sadbhav Engineering Ltd	NIL
Bipinkumar Jayantilal Thakkar-M.sc (Agriculture), MBA (Finance), LLB, DCP	50	Whole time Director-Legal	03-01-2014	11.35	24	Disha Ltd	NIL
Anil Mohanlalji Mundra	41	GM-Audit	25-11-2015	9.15	19	Adani Wilmar Ltd	NIL
Sureshkumar Gamanbhai Rathod	38	HR-Manager	01-06-2013	8.38	13	DB Group	NIL
Amit Prajapati	35	Manager-MIS Costing	19.10.2016	8.24	13	Cadila Pharmaceutical Ltd	NIL
Ranjitsinh Laxmansinh Rajput	38	Purchase Manager	01-06-2004	7.88	16	Surat Electricity	NIL
Babubhai Joitaram Patel	65	Manager - Land & Revenue	17-01-2011	7.13	39	Government Employee	0.002%

**Notes:**

1. Remuneration includes Salary, Contribution to Provident and other funds and perquisites (including medical, leave travel and leave encashment on payment basis and monetary value of taxable perquisites) etc.
2. \*Mr. Balvantsinh Rajput-Chairman and Managing Director and Mr. Dharmendrasinh Rajput-Executive Director are relative each other.
3. The nature of employment in all cases is Permanent basis.
- B. Employees who are employed throughout the year and in receipt of remuneration aggregating Rs. 1.02 Crore ( one crore and two lakh rupees)/- or more per annum: NIL
- C. Employees who are employed part of the year and in receipt of remuneration aggregating Rs. 8.50 Lakhs (Eight lakh and fifty thousand rupees per month)or more per month: NIL



Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-19;**

Name of the Directors	Designation	Remuneration of the directors (Rs. in Lakhs)	Median remuneration of the employees (Rs. in Lakhs)	Ratio of remuneration of the directors to the median remuneration of the employees
Mr. Balvantsinh Rajput	Managing Director	----	----	---
Mr. Bipinkumar Thakkar	Whole Time Director -legal	11.35	8.38	1:1
Mr.Dharmendrasinh Rajput	Executive Director	24.00	8.38	3:1

- (ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; need to be check**

Name of the Directors, Chief Financial Officer, Chief Executive Office, Company Secretary, Manager	Designation	Percentage increase in remuneration	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company
Mr. Balvantsinh Rajput	Managing Director	NIL	Profit/(Loss) after tax was Rs.273.04 Lakhs in F.Y 2018-19 against Rs. (171.78) Lakhs in the F.Y. 2017-18.
Mr. Bipinkumar Thakkar	Whole Time Director	8%	
Mr.Dharmendrasinh Rajput	Executive Director	NIL	
Mr. Praveen Khandelwal	CEO	NIL	
Mr. Shaunak Mandalia	CFO	NIL	
Mr. Vijay Kalyani	CS	NIL	

- (iii) **The percentage increase in the median remuneration of employees in the financial year 2018-2019;**

The median remuneration of employee in the financial year 2018-19 was Rs. 8.38 Lakhs (Rs. 1.20 Lakhs in financial year 2017-18). There was Increase of 598% in median remuneration of employee.

- (iv) **There were 15 numbers of employees on the rolls of company as on March 31, 2019.**

- (v) **Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 8% whereas the increase in the managerial remuneration for the same financial year was 8 %.**

- (vi) **It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.**

**FORM NO. MGT-9**

Extract of Annual Return as on financial year ended on 31.03.2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.]

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L15142GJ1992PLC018745
2	Registration Date	29/12/1992
3	Name of the Company	Gokul Refoils and Solvent Limited
4	Category/Sub-category of the Company	Public Company / Limited by Share
5	Address of the Registered office & contact details	State highway no.41, near Sujapur patia, Sidhpur, Gujarat-384151 Phone: 2767-222075
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. (Formerly Intime Spectrum Registry Limited) Ahmedabad Branch: 506 to 508, Amarnath Business Center - I (ABC-I), Nr. St. Xavier's College Corner, Off C G Road, Ellisebridge, Ahmedabad.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated):-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Edible Oils/Non Edible Oils& By Product, Vanaspati, De Oiled Cake/Oil Cake	10401, 10402, 10406	100 %

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY**

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary or Associate	% of shares held	Applicable Section
1	Professional Commodity Services Private Limited 2nd Floor, Gokul House, 43, Shreemali Co. Op.- Soc, Opp. Shikhar Building, Navrangpura- 380009, Ahmedabad	U51100GJ2004PTC044916	Step-down Subsidiary	100	2(87)
2	Gokul Agri International Ltd. State Highway No. 41, Nr. Sujapur Patia, Sidhpur-384151.	U15143GJ2014PLC079574	Subsidiary	100	2(87)
3	Gokul Refoils Pte Ltd Singapore	Company incorporated in Singapore	Subsidiary	100	2(87)
4	Gujarat Gokul Power Ltd. 3rd Floor, Gokul House, 43, Shreemali Co. Op.Ho. Soc, Opp. Shikhar Building, Navrangpura - 380009, Ahmedabad	U40104GJ2007PLC050262	Associate Company	48.36	2(6)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**(A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters and promoter group									
(1) Indian									
a) Individual/ HUF	81162272	00	81162272	61.53	81162272	00	81162272	61.53	00
b) Central Govt	00	00	00	00	00	00	00	00	00
c) State Govt(s)	00	00	00	00	00	00	00	00	00
d) Bodies Corp.	17062500	00	17062500	12.94	17062500	00	17062500	12.94	00
e) Banks / FI	00	00	00	00	00	00	00	00	00
f) Any other	00	00	00	00	00	00	00	00	00
Total shareholding of Promoter & promoter group (A)	98224772	00	98224772	74.47	98224772	00	98224772	74.47	00
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	00	00	00	00	00	00	00	00	00
b) Banks / FI	1000000	00	1000000	0.76	1000000	00	1000000	0.76	00
c) Central Govt	00	00	00	00	00	00	00	00	00
d) State Govt(s)	00	00	00	00	00	00	00	00	00
e) Venture Capital Funds	00	00	00	00	00	00	00	00	00
f) Insurance Companies	00	00	00	00	00	00	00	00	00
g) FIIs	00	00	00	00	00	00	00	00	00
h) Foreign Venture Capital Funds	00	00	00	00	00	00	00	00	00
i) Others (specify)	00	00	00	00	00	00	00	00	00
Sub-total (B)(1):-	1000000	00	1000000	0.76	1000000	00	1000000	0.76	00
(2) Central Government/ State Government(s)/ President of India	00	00	00	00	00	00	00	00	00
(3) Non-Institutions									
a) Bodies Corp.	19230406	00	19230406	14.58	24723384	00	24723384	18.74	4.16
i) Indian	00	00	00	00	00	00	00	00	00
ii) Overseas	00	00	00	00	00	00	00	00	00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	3188723	5415	3194138	2.42	3457469	5415	3462884	2.63	0.21
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	3188723	5415	3194138	2.42	3457469	5415	3462884	2.63	0.21

## DIRECTORS' REPORT

ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	8566893	00	8566893	6.49	2911155	00	2911155	2.20	4.29
Any other (specify)									
Hindu Undivided Family	185227	00	185227	0.14	148691	00	148691	0.11	(0.03)
Non Resident Indians (Non Repat)	10572	00	10572	0.008	804294	00	804294	0.61	0.60
Non Resident Indians (Repat)	118903	00	118903	0.09	90592	00	90592	0.0687	(0.02)
Directors/Relatives	0	0	0	0	00	00	0	0	0
Office Bearers	0	00	0	0	0	00	0	0.00	0
Clearing Member	1364089	00	1364089	1.03	524632	00	524632	0.39	(0.64)
Sub Total (B)(3)	32664813	5415	32670228	24.77	32664813	5415	32670228	24.77	00
Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	33664813	5415	33670228	25.53	33664813	5415	33670228	25.53	00
C. Shares held by custodian and against which depository receipts have been issued	00	00	00	00	00	00	00	00	00
Grand Total(A+B+C)	131889585	5415	131895000	100	131889585	5415	131895000	100	00

### (B) Share holding of promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Balvantsinh Chandansinh Rajput	27574515	20.91	54.40	34344515	26.04	0.00	5.13
2	Kanubhai Jivatram Thakkar	14358788	10.89	-	7858788	5.96	-	4.93
3	Bhikhiben Balvantsinh Rajput	18952500	14.37	-	18952500	14.37	-	-
4	Manjulaben Kanubhai Thakker	18465000	14.00	-	18465000	14.00	-	-
5	Dharmendrasinh Balvantsinh Rajput	917704	0.70	-	917704	0.70	-	-
6	Jayeshkumar K Thakkar	623765	0.47	-	623765	0.47	-	-
7	Hansaben Chandansinh Rajput	270000	0.20	-	00	00	-	(0.20)
8	Profitline Securities Private Limited	9187500	6.97	-	9187500	6.97	-	-
9	Jashodaben Commodities LLP	7875000	5.97	-	7875000	5.97	-	-
	Total	98224772	74.47	15.27	98224772	74.47	-	-

**(C) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Name of the Promoters / Promoters Group	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)			Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	Increase during the year	Date wise increase	Reason for increase / decrease	No. of shares	% of total shares of the company
1	Balvantsinh Chandansinh Rajput	27574515	20.91	270000	29.10.2018	By way of Transmission	27844515	21.11
2	Balvantsinh Chandansinh Rajput	27844515	21.11	6500000	05.02.2019	Interse Transfer	34344515	26.04
	At the End of the year						34344515	26.04
3	Kanubhai Jivatram Thakkar	14358788	10.88	(6500000)	05.02.2019	Interse Transfer	7858788	5.96
	At the End of the year						7858788	5.96

**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Cumulative Shareholding end of the Year	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of shares	% of total shares of the company
1.	ANAND RATHI GLOBAL FINANCE LIMITED	10182167	7.72	3101664	-	1059944	8.04
2.	MENTOR CAPITAL LIMITED	786951	0.5966	3874788	-	4661739	3.53
3.	RIDHIKRIPA TRADING PRIVATE LIMITED	2500000	1.89	500000	-	2600000	1.97
4.	SIDDHNATH EXPORTS PRIVATE LIMITED	500000	0.38	500000	-	2600000	1.97
5.	JITAJI GANESHAJI RAJPUT	2500000	1.89	1500000	-	2588041	1.96
6.	DEVPANTH TRADING PRIVATE LIMITED	2423247	1.84	198273	-	2578999	1.95
7.	GENERAL INSURANCE CORPORATION OF INDIA	1000000	0.76	-	-	1000000	0.76
8.	SANGITA PARESHKUMAR VEDAWALA	1350235	1.02	-	-	798140	0.60
9.	NIRMAL BANG SECURITIES PVT. LTD.	375161	0.2844			582763	0.44
10.	TIRTHANKAR SHARES AND SERVICES PRIVATE LIMITED	472280	0.3581			472280	0.35

**E) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Balvantsinh Chandansinh Rajput, Chairman and Managing Director	27574515	20.91	34344515	26.04
2.	Dharmendrasinh Rajput	917704	0.70	917704	0.70



## DIRECTORS' REPORT

### V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount ₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition				
* Reduction	---	--		--
Net Change	---	---		---
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

### VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount ₹ in Lakhs)

SN.	Particulars of Remuneration	Name of MD/WT/ Manager			Total Amount
		BALVANTSINH RAJPUT	DHARMENDRASINH RAJPUT	BIPINKUMAR THAKKAR	
	Gross salary	-	24.00	11.35	35.35
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option	-		-	-
3	Sweat Equity	-		-	-
4	Commission - as % of profit - others, specify...	-		-	-
5	Others, please specify				
	Total (A)	-	24.00	11.35	35.35
	Ceiling as per the Act	5 % of the Net Profit of the Company			

**B. Remuneration to other directors**
**(Amount ₹ in Lakhs)**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Piyushchandra vyas	Karansinh Mahida	Dipooba Devda	
1	Independent Directors				
	Fee for attending board committee meetings	0.45	--	0.55	1.00
	Commission	--	--	--	--
	Others, please specify	--	--	--	--
	Total (1)	0.45	--	0.55	1.00
2	Other Non-Executive Directors	--	--	--	--
	Fee for attending board committee meetings	--	--	--	--
	Commission	--	--	--	--
	Others, please specify	--	--	--	--
	Total (2)	--	--	--	--
	Total (B)=(1+2)	0.45	--	0.55	1.00
	Total Managerial Remuneration	--	--	--	36.35*
	Overall Ceiling as per the Act	Not applicable			

**\* Total Remuneration of Managing Directors, Whole-time Directors and other Directors (Total of A+B)**
**C. Remuneration to Key Managerial Personnel other than MD/Manager/WT.D.**
**(Amount ₹ in Lakhs)**

SN	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Praveen Khandelwal(CEO)	Mr. Shaunak Mandalia(CFO)	Mr. Vijay Kalyani(CS)	
1	Gross salary	60.00	20.23	12.20	92.43
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission	-	-	-	
	- as % of profit	-	-	-	
	others, specify.	-	-	-	
5	Others, please specify	-	-	-	
	Total	60.00	20.23	12.20	92.43

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:-**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

-----NIL-----

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS:-**
**Industry Structure and Development:**
**Edible Oil Scenario**
**Importance of Edible Oils in the Country's Economy**

Oilseeds and edible oils are two of the most sensitive essential commodities. India is one of the largest producers of oilseeds in the world and this sector occupies an important position in the agricultural economy, accounting for the estimated production of 31.50 million tones of oilseeds for the agriculture year 2018-19 as per 2nd Advance Estimates released by the Ministry of Agriculture on 28.02.2019.

**Consumption Pattern of Edible Oils in India**

India is a vast country and inhabitants of several of its regions have developed specific preference for certain oils largely depending upon the oils available in the region. For example, people in the West prefer groundnut oil and cotton oil while those in the East and North use mustard/rapeseed oil. Likewise several pockets in the South have a preference for coconut and sesame oil. Inhabitants of northern plain are basically consumers of fats and therefore prefer Vanaspati, a term used to denote a partially hydrogenated edible oil mixture of oils like soyabean, sunflower, rice bran and cottonseed and oils. Many new oils from oilseeds of tree and forest origin have found their way to the edible pool largely through vanaspati route. Of late, things have changed. Through modern technological means such as physical refining, bleaching and de-odorization, all oils have been rendered practically colour less, odour less and tasteless and, therefore, have become easily interchangeable in the kitchen. Oils such as soyabean cottonseed, sunflower, ricebran, palm oil and its liquid fraction- palmolein which were earlier not known have now entered the kitchen.

**Major Features of Edible Oil Economy**

There are two major features, which have significantly contributed to the development of this sector. One was the setting up of the Technology Mission on Oilseeds in 1986 which has been converted into a National Mission on Oilseeds and Oil Palm (NMOOP) in 2014. This gave a thrust to Government's efforts for augmenting the production of oilseeds. This is evident by the very impressive increase in the production of oilseeds from about 11.3 million tons in 1986-87 to 31.42 million tons in 2018-19. Most of the oilseeds are cultivated on marginal land and are dependent on rainfall and other climatic conditions. The other dominant feature which has had significant impact on the present status of edible oilseeds/oil industry has been the program of liberalization under which the Government's economic policy allowing greater freedom to the open market and encourages healthy competition and self regulation rather than protection and control. Controls and regulations have been relaxed resulting in a highly competitive market dominated by both domestic and multinational players

**Export Import Policy on Edible Oils**

Import duty structure on edible oils is reviewed from time to time. W.E. F. 14.06.2018, the import duty on all crude and refined edible oils was raised to 35% and 45% respectively while the import duty on Olive oil was increased to 40%. The import duty on Crude and Refined Palm Oil was revised to 40% and 50% respectively for imports from ASEAN countries and 40% and 45% respectively for imports from Malaysia.

In order to ensure availability of edible oil in the country, export of edible oil has been banned w.e.f. 17.03.2008, which was extended from time to time. With effect from 06.02.2015, export of ricebran oil in bulk has been permitted. With effect from 27.03.2017, export of groundnut oil, sesame oil, soyabean oil and maize (corn) oil has been permitted. With effect from 06.04.2018, export of all edible oils except mustard oil was made free without quantitative ceiling; pack size etc, till further orders. Export of mustard oil is permitted in packs of up to 5 Kg with a Minimum Export Price (MEP) of USD 900 per MT

(Source : Department of Food & Public Distribution – Ministry of Consumer Affairs, Food & Public Distribution Government of India)

**Focus on Brands and packed goods**

The Indian housewife, both in the urban and rural sector is becoming increasingly conscious about quality and purity, thus demanding branded edible oil products. This has resulted in a shift of the Indian consumer from loose and adulterated edible oils to branded offerings. With increasing quality consciousness, rising incomes and consolidation, branded sales are likely to grow at 25-30% over the next few years.

The Group have launched new brand "Vivaan" in Kachi Ghani Mustard oil to extend its reach in premium segment of oils. As per feedback and response, Company believe that consumers relate our brands with purity, smell and taste. Gokul Group flagship brands Vivaan, Gokul and Rozana, performed exceptionally well in the current year. Today, Gokul is well positioned as the premium brand for the loyal housewife while Rozana is affordable brand and Vivaan is also emerging as premium brand in premium oils category.

**Marketing & Distribution Strategy**

The Company is following a threefold strategy for increasing sales, penetrating newer markets and strengthening the market share and brands in its current markets.

The Group is now focusing more on branding activities, strengthen distribution network and to start various packing sections across India to connect with customers in better manner to cater the increasing demand. As start of initiative, the Group has started packing and storage facilities at West Bangal.

With a well spread and intricately connected distribution network the Company has a well established presence in the states of North East states, West Bengal, Bihar, Jharkhand, Orissa, Maharashtra, Uttar Pradesh, Utrakhnad, Himachal Pradesh, and Gujarat.

**Consolidated Financial Highlights**
**Total revenues**

During the year under review total revenue from operation was Rs. 219619.70 lakhs as against Rs.198775.07 lakhs in the previous year. This shows an increase in total revenue by 10.49% as compared with previous year. Out of this about 99.65% revenue is from wholly owned subsidiary viz. Gokul Agri International Ltd. Gokul Agri International Limited has its production facility at Sidhpur, Distinct - Patan, Gujarat, India and is engaged in the business of seed processing, solvent extraction, refining of edible oils and non edibles industrial oil such as castor oil. The Sidhpur Plant currently processes various types of oils including Kachi Ghani Oil, Mustered oil, Refined Cottonseed oil Soyabean Refined Oil, Palmolein and Castor oil.

**Profits and margins**

The EBITDA (Earnings before Interest, Depreciation, Taxation and Amortisation and exceptional items) increased by 22.55% to Rs. 5609.13 lakhs from Rs. 4576.77 lakhs in previous year.

**Exceptional Item**

Impairment in the value of Investments in foreign wholly owned subsidiary amounting Rs. 32.35 Lakhs shown as "Exceptional Items" in statement of Profit and Loss.

**Net profit after tax**

Net profit after tax stood at Rs. 1183.23 lakhs as against Rs. 904.80 lakhs in previous year.

**Equity**

Consolidated equity attributable to equity holders of the parent Company increased to Rs 285444.46 lakhs, at the end of March 2019, from Rs. 27314.31 as at the end of March 2018. Out of this, other equity, which comprises reserves and retained earnings amounted to Rs.25906.56 lakhs, at the end of FY19 as against Rs. 24,676.41 lakhs last year. The book value per share increases to Rs. 21.64 as on March 31, 2019 from Rs.20.71 as on March 31, 2018.

**Debt**

The consolidated net debt (adjusted for cash and bank balances and liquid investments) of the Group as on March 31, 2019 stood at Rs. 24,929.12 lakhs, as against Rs. 28,946 lakhs last year. Net debt-equity ratio was 0.87 as on March 31, 2019, against 1.06 as on March 31, 2018.

**Fixed Assets and Capital Expenditure**

The consolidated Net block (including capital work in progress) at the end of the year was Rs.7055.20 down by about Rs 269.57 lakhs from Rs. 7324.77 lakhs last year. The net capital expenditure including capital work in progress during the year was Rs.231.25 lakhs. The capex during the year was incurred mainly for up gradation and expansion of existing ancillary facilities.

**Capital employed and operating efficiency**

The total Capital Employed (CE), at the end of the year was Rs.54833.04 lakhs decreased from Rs.58197.32 lakhs at the end of the previous year. Return on Capital Employed (ROCE = Adjusted earnings before interest net of tax / Average CE) stood at 9.25% for the year.

**"Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:**

Financial Ratio	Consolidated		Changes %	Reason for change
	FY 2018-2019	FY 2017-18		
Debtors Turnover	22.74	15.02	51.40%	Due to reduction in Avg. outstanding Debtors
Inventory Turnover	12.33	7.61	62.02%	Due to reduction in Inventory
Interest Coverage Ratio	1.57	0.50	214%	Due to provision for investment in subsidiary
Current Ratio	1.57	1.46	7.53%	NA
Debt Equity Ratio	0.87	1.06	(17.92%)	NA
Operating Profit Margin (%)	2.33%	2.07%	12.16%	NA
Net Profit Margin (%)	0.55%	0.45%	22.22%	NA

**Green Initiative- Wind Energy**

The world is seriously concerned with the matter of global warming and the consequential impact on the global economy and the environment. It would be, therefore necessary for your Company to undertake initiatives to support the global movement combating the adverse impact. As corporate citizens, we ensure that we conduct our business in a responsible and sustainable way. Energy savings, green power generation,

waste recycle and pollution reduction are some of the key areas where we ensure strict internal control. We are carbon neutral and sensitive to sustainable development for the next generation. We strive to facilitate an environment policy framework that enables sustainable development. Today Group has 3 Wind Turbine Generators (WTGs) with a total power generation capacity of 3.75 MW in the states of Gujarat. The investment in green power is with a single aim to create a cleaner and pollution free environment.

As a step ahead towards Green business, we are also using castor de-oiled cake as a fuel to generate steam for our Sidhpur plant operations.

### **Risk and Concern**

The main areas of concerns are:

1. The overall scenario is also impacted by volatility in commodity and currency prices. Your Company makes use of forward cover/ hedge mechanism to manage these risks. The Company's raw materials as well as finished products are traded in futures market which gives opportunity to hedge the price risks related to raw material and finished goods.
2. Government policies play an important role in the businesses of your Company. The policies announced by the Government have been progressive and are expected to remain likewise in future, and have generally taken an equitable view towards various stake holders, including domestic farmers, industry, consumers etc.
3. Ocean freight, port congestions, storage infrastructure could contribute to challenges faced by your Company, as substantial part of the international operations of your Company is within the Asian region, and given the growing import and export activities of your Company, the element of freight is not likely to cause any adverse effect on the operational performance. Your Company has a pro-active information and management system to address the issues arising out of port congestions to the maximum extent possible and has also made sufficient arrangements for storage infrastructure at the ports.
4. Domestic availability of oil seeds also depends upon weather and monsoon conditions Your Company has two processing facilities one at port location and another at Sidhpur which is near seed producing belt and therefore, the business model of your Company is designed to carry-on a majority of its production operations in situations of extreme changes in weather conditions.
5. Your Company is exposed to risks arising out of changes in rates of foreign currencies, the exposures on this account extends to products imported for sale in domestic markets, exported to other territories. Your Company utilizes the hedging instruments available in the markets on an ongoing basis and manages the currency exposures pro-actively.
6. Fuel prices continue to be an area of concern as fuel is widely used in manufacturing and distribution operations and has a direct impact on total costs.

### **Risk Management**

The Company has set in place the policy for corporate risk assessment and mitigation Business Risk Assessment procedures and for self-assessment of business risks, operating controls and compliance with Corporate Policies. There is an ongoing process to track the evolution of the risks and delivery of mitigating action plans.

Gokul, like any other enterprise having national as well global business interests, is exposed to business risks which may be internal as well as external. In the broadest sense, we define risk as the eventuality of not achieving our financial, operative, or strategic goals as planned. To ensure our long-term corporate success, it is therefore essential that risks be effectively identified, analyzed and then mitigated by means of appropriate control measures. We have a comprehensive risk management system in place, which enables us to recognize and analyze risks early and to take the appropriate action. This system is implemented as an integral part of our business processes across the entire Gokul operations and includes recording, monitoring, and controlling internal enterprise business risks and addressing them through informed and objective strategies.

### **Internal Control System and their adequacy**

In view of the management, the Company has adequate internal control system for the business processes followed by the Company. External and internal Auditors carry out periodical review of the functioning and suggest changes if required. The Company has also a sound budgetary control system with frequent reviews of actual performance as against those budgeted.

The Audit Committee of the Board meets periodically to review various aspects of performance of the Company and also reviews the adequacy and effectiveness of the internal control system and suggests improvement for strengthening them from time to time. External Auditor also attends this Meeting and conveys their views on the business process and also of the policies of financial disclosures. When found necessary, the Committee also gives suggestions on this matter.

### **Human Assets**

At Gokul, people are our most important asset and a source of competitive advantage. Gokul is committed to creating an open and transparent organization that is focused on people and their capability, and fostering an environment that enables them to deliver superior performance. The Human Resources strategy is aimed at talent acquisition, development, motivation and retention. The HR function acts as an effective lever for driving the company's strategic initiatives and helps in integrating and aligning all people practices to Gokul's business priorities. The company has an unrelenting focus on talent development. Total Number of Employees of the group as on 31<sup>st</sup> March, 2019 was 309.

### **Sustainability in Challenging Times**

Successful businesses are sustainable businesses –in good times and even more so, in periods of uncertainty. In good times, such companies thrive and set new performance benchmarks. In times of challenge, they possess the inner resilience and the robust systems that help them



navigate through cross currents and pull through to the future. Tough times pose searching questions about the caliber of an organization's people, policies and practices.

Gokul's success in addressing and overcoming challenges is a 'live' and continuing demonstration of the quality of its systems and the caliber of its people and processes.

**Opportunities**

There is potential to expand capacity of high earning segments. Promoters of the Company have a long experience in the industry and also the product have a good brand name and standing. There is vast geographical reach of the products and there are continued efforts to expand it. The Company has been taking measures to keep its brands relevant to the customers and also ensuring that they remain competitively priced. It is also exploring all possible avenues to reduce costs of inputs and raw materials without compromising on the quality of the product.

**Risks, Threats and Concerns**

For the edible oils industry, the biggest challenges being faced are now are policy related. As a result of which margins of edible oil manufacturers and refiners are quite low. Your company is taking necessary steps to address this issue. Also there are issues of strategies of major strong nations. This has maximum impact on emerging market.

**A Way Forward**

We have seen the volatile business environment many times since inception. In the backdrop of the trade in which the Company is dealing, the place from where it operates, the destinations where it does business, the Company needs to and is vigilant and informed on changing scenario and do its best to adapt to changing business situation. We are positive on monsoon and economic growth thereby contributing to both raw material supply and demand and thus should be good for Company operations in current financial year.

To meet the challenges amidst growing industry size and the need to consolidate, Group has initiated several measures on proactive basis, which will allow group to build-on its current presence and market share in the edible oil and Industrial products like castor oil and meals. Group will continue to strengthen itself in areas of sourcing raw materials from points of origin, reducing inefficiencies in supply chain and logistics, capabilities to process at multiple locations, improvements in product quality and increased sales of branded products in retail segment.

**Cautionary Statement**

Statements on the Management Discussion and Analysis and current year's outlook are Management's perception at the time of drawing this report. Actual results may be materially different from those expressed in the statement. Important factors that could influence the Company's operations includes demand and supply conditions, availability of inputs and their prices both domestic and global, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

## REPORT ON CORPORATE GOVERNANCE

### Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance envisages attainment of highest level of transparency, integrity, equity, openness, fairness and accountability in all faces of its functioning and its interactions with shareholders, employees, suppliers, government, regulatory bodies and community at large. The Company recognized good corporate governance practices as a key driver to sustainable growth and long-term value creation and thus encourages timely and accurate dissemination of information to all their stakeholders.

The Company is committed to achieve the good standards of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate cultures, which aim at a true Corporate Governance. In so far as, compliance with the requirement of Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amendment from time to time with the Stock Exchanges, Company has complied with all the mandatory norms and disclosures that have to be made on Corporate Governance front.

### 1. Board of Directors

The Board of Directors comprises 6 (Six) directors as on March 31, 2019 its composition and category are as under:

#### Composition

Name of Directors	Designation	Category	No of Directorship in other Indian Public Limited Companies	No of Chairmanship of Committees of other companies	No of Membership of Committees of other companies
Mr. Balvantsinh Rajput	Chairman & Managing Director	Non-Independent and Executive	2	Nil	Nil
Mr. Dharmendrasinh Rajput	Executive Director	Non-Independent and Executive	1	Nil	Nil
Mr. Bipinkumar Thakkar	Whole Time Director-Legal	Non-Independent and Executive	1	Nil	1
Mr. Piyushchandra Vyas	Independent Director	Independent Director	1	Nil	1
Prof.(Dr.) Dipoooba Devada	Independent Director	Independent Director	1	Nil	1
Mr. Karansinh Mahida	Independent Director	Independent Director	1	1	Nil

#### Notes:

- As required under Regulation 26(b) of SEBI (LODR), 2015 ("Listing Regulations") the Chairmanship and Memberships in Audit Committee and Stakeholders' Relationship Committee are only considered. Other directorships do not include directorships held in private limited companies. The Company is in compliance with the composition of Board of Directors in terms of the Listing Regulations.
- Relationship between directors inter se: Mr. Dharmendrasinh Rajput is the son of Mr. Balvantsinh Rajput. Except that, none of the directors are related to any other Board Member in terms of definition of 'relative' as per Companies Act, 2013.
- None of the non executive directors held shares in the Company.
- No Directors of company hold Directorship in other listed company

### Board Meeting and Attendance

The Board meets at least once in a quarter and the maximum time gap between any two meetings is not more than one hundred twenty (120) days. The information as required under Regulation 17 (7) of SEBI (Listing Obligation and Disclosure Requirements) is made available to the Board.

During the Financial Year 2018-19 Five Board Meetings were held on the following dates:

May 21, 2018, August 13, 2018, August 27, 2018, November 14, 2018 and February 14, 2019.

Attendance at Board meetings and Annual General Meeting (AGM):

Name of Directors	No of Board Meeting attended	Attendance at last AGM
Mr. Balvantsinh Rajput	5	Y
Mr. Dharmendrasinh Rajput	5	Y
Mr. Bipinkumar Thakkar	5	Y
Mr. Piyushchandra Vyas	5	Y

Prof. (Dr.) Dipooaba Devada	5	Y
Mr. Karansinh Mahida	5	Y

### Evaluation of Board Performance

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

### Skills/expertise/competencies of the Board of Director

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates
- Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- Financial and Management skills
- Technical / Professional skills and specialized knowledge in relation to Company's business

### Separate Meeting of Independent Directors:-

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a separate meeting of the Independent Directors of the Company was held on March 30, 2019 to review:

- Evaluation of the performance of Non- Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

### Familiarization Programmes for Independent Directors:-

Your Company has conducted the familiarization programme for Independent Directors of the Company. The programme was designed to familiar the directors with their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year.

The details of Familiarization Programme for Independent Directors are available on the Company's website at web link :- <http://www.gokulgroup.com/investor.php>

## 2. Committees of the Board:

### Audit Committee

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The Company has complied with the requirements of Regulation 18 of the Listing Regulations with regard to the composition of the Audit Committee.

All the Members of the Audit Committee have the requisite qualifications for appointment of the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Statutory Auditors are inviting in meeting as when required, for interacting with members of committee regarding the accounts of company. Audit Committee Meeting is attended by the Chief Financial Officer, Chief Executive Officer and the Internal Auditor of the Company. The Internal Auditor reports directly to the Audit Committee.

The terms of reference stipulated by the Board to the Audit Committee are as contained in Section 177 of the Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, as amendment from time to time are as under:

#### **Powers of Audit Committee**

The Audit Committee shall have powers, which should include the following:

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

#### **Role of Audit Committee**

The role of the Audit Committee shall include the following:

- 1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modification of transactions of the company with related parties;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) Discussion with internal auditors of any significant findings and follow up there on;
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
- 18) To review the functioning of the Whistle Blower mechanism;
- 19) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

- 20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- 21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

- 1) Management discussion and analysis of financial condition and results of operations;
- 2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- 3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) Internal audit reports relating to internal control weaknesses; and
- 5) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

During the Financial Year 2018-19, Four Audit Committee Meetings were held on the following Dates:

May 21, 2018, August 13, 2018, November 14, 2018, and February 14, 2019.

**The Composition of this Committee and the attendance details are as under:**

Name of Member	Category	No of Meeting Attendance
Mr Piyushchandra R Vyas - Chairman	Independent	4
Mr. Bipinkumar Thakkar – Member	Non-Independent and Executive	4
Mr. Karansinh Mahida – Member	Independent	4
Prof. (Dr.) Dipooa Devada – Member	Independent	4

#### Nomination and Remuneration Committee

The terms of reference stipulated by the Board to the Nomination and Remuneration Committee are as contained in Section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amendment from time to time are as under:

- 1) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down
- 2) Recommend to the Board their appointment and removal,
- 3) Carry out evaluation of every director's performance.
- 4) Formulate the criteria for determining qualifications, positive attributes and independence of a director and Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 5) Devising a policy on diversity of board of directors;
- 6) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- 7) Recommend to the board, all remuneration, in whatever form, payable to senior management.

During the Financial Year 2018-19, one meeting of Nomination and Remuneration Committee was held on February 14, 2019.

The composition of this Committee and the attendance details of the Members are given below:

Name of Member	Category	No. of meeting Attended
Prof. (Dr.) Dipooa Devada – Chairperson	Independent and Non-Executive	01
Mr. Karansinh Mahida – Member	Independent and Non-Executive	01
Mr. Piyushchandra R Vyas – Member	Independent and Non-Executive	01

#### Criteria for evaluation of Independent Directors:

Performance of evaluation of Independent Director shall be done by the entire Board of Directors, excluding the director being evaluated.

Independent Director being evaluated shall be evaluated on the basis of Role and Functions performed and duties discharged by him during the year. Their role, functions and duties are evaluated on the basis of criteria such as attendance and contribution in the meeting, exercise of Independent Judgment, Managing Relationship with fellow Board Members, their knowledge and skill, assist the Company in implementing best corporate governance practice and its monitor, level of confidentiality and ethical standards of integrity and probity.

#### Remuneration Policy

The Company has in place the policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. The detailed remuneration policy of the Company forms part of the Board's Report.

Details of Remuneration Paid to the Directors for the Financial Year ended March 31, 2019 and other terms of appointment of Directors-

Name of Directors	Salary (Rs. in akhs)	Sitting fees (Rs. in Lakhs)	Terms of Appointment	No. of equity shares held as on 31 <sup>st</sup> March, 2019
Mr. Balvantsinh Rajput	00	-	5 years	34344515
Mr. Bipinkumar Thakkar	11.35	-	3 years	-
Mr. Dharmendrasinh Rajput	24.00	-	5 years	917704
Mr. Piyushchandra Vyas	-	0.45		
Prof. (Dr.) Dipooaba Devada	-	0.55		
Mr. Karansinh Mahida	-	-		

Apart from the above remuneration, no Director is entitled for any other benefit, Bonus, Severance fees or Performance Linked Incentives for the financial year 2018-19.

The Company has not issued any stock option to its Employees or Directors.

There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

#### Stakeholder Relationship Committee

The terms of reference stipulated by the Board to the Stakeholders Relationship Committee are as contained in Section 178 of the Companies Act, 2013 and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 .

During the Financial Year 2018-19 four Stakeholders' Relationship Committee Meetings were held on the following dates:

May 21, 2018, August 13, 2018, November 14, 2018, February 14, 2019

The composition of the Committee and the attendance details of the Members are given below:

Name of Member	Category	No. of Meeting Attended
Prof. (Dr.) Dipooaba Devada – Chairperson	Independent and Non-Executive	04
Mr. Bipinkumar Thakkar – Member	Non-Independent and Executive	04
Mr. Balvantsinh Rajput- Member	Non-Independent and Executive	04

The total number of complaints received and resolved to the satisfaction of the shareholders during the year under review was Nil (0).

No complaints were pending as on March 31, 2019.

Company Secretary of the company is appointed as Compliance Officer.

#### Corporate Social Responsibility (CSR) Committee:

In terms of the requirement of Section 135(1) of the Companies Act, 2013, the Board has constituted Corporate Social Responsibility ("CSR") Committee comprising of 3 (three) Directors of which 2 (two) are non-executives.

The terms of reference and scope of work is same as prescribed in Section 135 of the Act and the Rules framed thereunder.

The Committee has met one time during the year on August 13, 2018.

The composition of the Corporate Social Responsibility Committee as on March 31, 2019:-

Name of Member	Category	No. of Meeting Attended
Mr. Balvantsinh Rajput – Chairman	Non Independent	01
Prof. (Dr.) Dipooaba Devada – Member	Independent	01
Mr. Piyushchandra Vyas – Member	Independent	01

### 3. General Body Meetings:

Details of last three Annual General Meetings held are as under;

AGM	Venue	Date	Time
23 <sup>rd</sup> AGM	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India	September 24, 2016	11.00 a.m
24 <sup>th</sup> AGM	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India	September 27, 2017	11.00 a.m
25 <sup>th</sup> AGM	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India	September 29, 2018	11.00 a.m

The details of Special Resolutions passed by Company in last three Annual General Meetings are as under:

Date of AGM	Special Resolution Passed
-------------	---------------------------



September 24, 2016	Adoption of new set of Articles of Association
September 27, 2017	NIL
September 29, 2018	1. To re-approve the appointment of Mr. Piyushchandra Vyas, as an Independent Director of the Company 2. Alteration of the Object Clause of Memorandum of Association of the Company

Extra Ordinary General Meeting (EGM) : No EGM was held during the year 2018-19.

No resolution was passed through postal ballot during 2018-19 and there is no any proposal to pass resolution through postal ballot.

#### 4. Means of Communication:

- Quarterly Results: The quarterly, half yearly and annual results are published in widely circulating national and local dailies such as "Financial Express" in English and Gujarati. These results are not sent individually to the shareholders but are displayed on the Company's Website [www.gokulgroup.com](http://www.gokulgroup.com).
- News Releases, Presentations, etc: Official news releases, detailed presentations made to media, institutional investors, etc are displayed on the Company's website [www.gokulgroup.com](http://www.gokulgroup.com) Official media releases are sent to the Stock Exchanges.
- Website: The Company's website [www.gokulgroup.com](http://www.gokulgroup.com) contains a separate section for "Investor Relations" where shareholders information is available. The Annual report of the Company is also available on the website in a user-friendly and downloadable form.
- Annual Report: Annual Report containing, interalia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors Report and other important information is circulated to members and other entitled thereto.
- No presentations were made to the institutional investors or to the analysts.

#### 5. General Shareholders Information

##### a) Date, time and venue of the 26<sup>th</sup> Annual General Meeting:

Day & Date	Time	Venue
September 27, 2019	11.00 a.m	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India

##### b) Financial year: 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019.

##### c) Dividend Payment Date: N.A.

##### d) Listing on Stock Exchanges:

The Company's shares are listed on the following Stock Exchanges with effect from 4<sup>th</sup> June, 2008.

BSE Limited

25th Floor, P. J. Towers, Dalal Street,

Fort, Mumbai – 400 001

Stock code: 532980

National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot No. C-1, G Block,

Bandra-Kurla Complex, Bandra East,

Mumbai – 400 051.

Stock code: GOKULEQ

ISIN No. of Equity Shares: INE020J01029

Note: Annual Listing Fees for the year 2018-2019 have been paid by the Company to BSE and NSE.

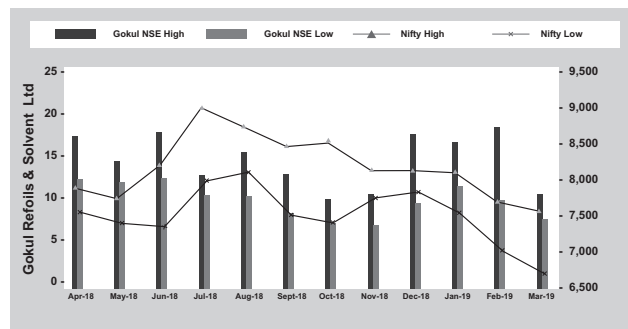
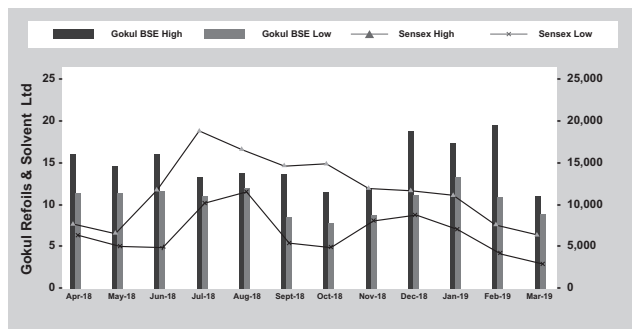
##### e) Market Price Data: (Face Value of Rs.2)

The details of Monthly High and Low price(s) on the Stock Exchange, Mumbai, during the Financial Year 2018- 2019 are as under:

Month	NSE High (Rs.)	NSE Low(Rs.)	BSE High (Rs.)	BSE Low (Rs.)
April, 2018	16.70	12.00	16.50	12.40
May, 2018	14.70	12.10	14.80	12.00
June, 2018	16.80	12.30	16.85	12.05
July, 2018	13.45	10.55	13.48	10.40
August, 2018	15.00	11.10	14.89	11.00

September, 2018	13.20	8.80	13.20	8.60
October, 2018	10.55	7.20	10.90	7.66
November, 2018	10.85	7.90	10.94	7.85
December, 2018	18.20	10.10	18.41	10.45
January, 2019	17.45	13.05	17.75	13.10
February, 2019	18.70	10.10	19.25	10.35
March, 2019	10.75	8.15	10.74	8.50

**f) Performance of the Share Price of the Company in Comparison to BSE Sensex and NSE Nifty:**



**g) Registrar and Share Transfer Agents:**

Name : Link Intime India Pvt. Ltd. (Formerly known as Intime Spectrum Registry Limited)

R&T Address: Link Intime India Private Limited

5th Floor, 506 to 508, Amarnath Business Center - I (ABC-I),

Nr. St. Xavier's College Corner Off C G Road, Ellisebridge, Ahmedabad 380006

Tel : +91 79 26465179 /86 / 87

E-mail : [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

Website : [www.linkintime.co.in](http://www.linkintime.co.in)

**h) Share Transfer System:**

In order to expedite the process of share transfers, the Board has delegated the power to approve share transfers to senior executives, who attend to share transfer formalities fortnightly. The Company has appointed Link Intime India Pvt. Ltd. as Registrar and Share Transfer Agents for physical transfer of securities as well as dematerialization/ rematerialization of securities.

**i) Distribution of Shareholding as on March 31, 2019:**

Sr. No.	Shares Range			Number of Shareholders	% of Total Shareholders	Total Shares for the Range	% of Issued Capital
1	1	to	500	4092	78.6016	671909	0.5094
2	501	to	1000	516	9.9116	445359	0.3377
3	1001	to	2000	259	4.9750	404553	0.3067
4	2001	to	3000	83	1.5943	217120	0.1646
5	3001	to	4000	59	1.1333	212459	0.1611
6	4001	to	5000	50	0.9604	241174	0.1829
7	5001	to	10000	66	1.2678	489714	0.3713
8	10001 to above			81	1.5559	129212712	97.9663

**j) Categories of shareholders as on March 31, 2019:**

Category	Demat Securities	Physical Securities	Total Securities	%-Issued Capital
Corporate Bodies (Promoter Co)	17062500	0	17062500	12.9364
Clearing Members	524632	0	524632	0.3978
Other Bodies Corporate	24723384	0	24723384	18.7447

Financial Institutions	1000000	0	1000000	0.7582
Hindu Undivided Family	148691	0	148691	0.1127
Non Resident Indians	90592	0	90592	0.0687
Non Resident (Non Repatriable)	804294	0	804294	0.6098
Office Bearers	10	0	10	0.0000
Public	6368614	5415	6374029	4.8327
Promoters	81162272	0	81162272	61.5355
NBFCs registered with RBI	4596	0	4596	0.0035
<b>TOTAL :</b>	<b>131889585</b>	<b>5415</b>	<b>131895000</b>	<b>100</b>

**k) Dematerialization of shares:**

The Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to handle dematerialization of shares. As on March 31, 2019, a total of 131889585 equity shares which form 99.99% of the share capital stand dematerialized.

**l) Outstanding GDRs/ ADRs/ Warrants/ Convertible instruments:**

The Company has not issued Global Depository Receipts or American Depository Receipt or Warrants or any Convertible instruments.

**m) Commodity Price Risk/ Foreign Exchange Risk and Hedging:**

Information with respect to 'Commodity Price Risk or Foreign Exchange Risk and Hedging Activities' is provided in the Management Discussion and Analysis' in the Report.

Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:	Nil
Total exposure of the listed entity to commodities in INR	Nil
Exposure of the listed entity to various commodities	Nil
Commodity risks faced by the listed entity during the year and how they have been managed.	NA

**n) Address for Correspondence :**

Any query on Annual Report :

Company Secretary & Compliance Officer

Gokul Refoils and Solvent Limited (Secretarial Department)

Gokul House, 43, Shreemali Co. Op.- Soc Ltd,

Opp. Shikhar Building, Navrangpura – 380009.

Ahmedabad.

Exclusive e-mail ID of the grievance redressal division : [investor\\_relations@gokulgroup.com](mailto:investor_relations@gokulgroup.com)

Corporate website: [www.gokulgroup.com](http://www.gokulgroup.com)

- o)** "list of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad." -NIL

**6. Disclosures:**

- a) There are no Materially Significant related party transactions made by the Company with its promoters, directors or management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of Company at large.
- b) During the last three years, there were no strikes or penalties imposed by SEBI or Stock Exchanges or any statutory authority, for non-compliance of any matter related to the capital markets.

**c) Whistle Blower Policy**

The Company has established a vigil mechanism called 'Whistle Blower Policy', for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

Accordingly, the Company has established a mechanism for employees vide 'Whistle Blower Policy' which seeks (i) to ensure greater transparency in all aspects of the Company's functioning by formulating a procedure to bring to the attention of Company incidents of improper-activities or violation of the company's Code of Conduct & Ethics for Board Members and Senior Management, and (ii) to provide for adequate safeguards against victimization of employees who avail of the mechanism.

All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

d) **Subsidiary Companies**

All the subsidiary companies of the Company (including step down subsidiaries) are managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. As a majority of shareholders, the Company nominates its representative on the Boards of subsidiary companies and monitors the performance of such companies, inter alia, by the following means –

- Financial Statements, in particular the investment made by the subsidiary companies are reviewed quarterly by the Audit Committee of the Company.
- All the minutes of the meeting of subsidiary companies are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered in to by the subsidiary companies is placed before the Company's Board.
- In terms of Regulation 34(3) read with Schedule V of the SEBI (LODR), 2015, The policy on Material Subsidiaries as approved by the Board is uploaded on the Company's website at the web link (<http://www.gokulgroup.com/investor.php>).

e) **Disclosure of Related Party Transactions:**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Listing Regulation during the financial year were in the ordinary course of business and on an arms' length pricing basis. The transactions with related parties are disclosed in Notes to the accounts. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the web link (<http://www.gokulgroup.com/investor.php>)

f) **Management Discussion and Analysis**

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

g) **Disclosure of Accounting Treatment**

In preparation of financial statements, the Company has followed the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

h) **Code of Conduct**

The Board has formulated a code of conduct for the Board Members and Senior Management of Company which has also been posted on the website of Company. All Board members and senior management personnel have affirmed their compliance with code. A declaration to this effect signed by the Chief Executive Officer of Company is given elsewhere in the Annual Report.

i) **Legal Compliances**

The Company has formalised a system for legal compliances applicable to the Company. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company. Status of legal compliances and steps taken to rectify non-compliances, if any, are placed before the Board of Directors at its meetings.

There were no instances of material non-compliances during the year under review. No strictures or penalties were imposed on the Company by SEBI, Stock Exchanges or any statutory authority on any matter related to capital markets during the last three years.

j) **CEO- CFO certification**

The CEO and CFO of the Company have certified to the Board of Directors inter-alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended 31st March, 2019. They also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33 of the Listing Regulations.

k) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). - NIL**

l) **Certificate from Company Secretary in Practice regarding appointment and continuation of directors.**

The Company has obtained the Certificate from the Practicing Company Secretary certifying that none of the directors of the Company are debarred or disqualified from being appointed or continuing as directors of Company by SEBI / MCA or any such authority.

m) **During the financial year 2018-19, the Board has accepted all the recommendations of its Committees.**

n) **Total fees for all services paid by the company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:**

(Amount ₹ in Lakhs)

Payment to Statutory Auditors	FY 2018-19
Audit Fees	16.46
Tax Audit Fees	1.00
Other Services	1.50
Reimbursement of expenses	---
<b>Total</b>	<b>18.96</b>

- o) "disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

number of complaints filed during the financial year	Nil
number of complaints disposed of during the financial year	Nil
number of complaints pending as on end of the financial year"	Nil

7. **The Company has complied with the mandatory requirements of the Listing Regulation. The Company has adopted various non-mandatory requirements as well, as discussed under relevant headings.**

Adoption of Non-Mandatory Requirements

#### I. The Board

Since the Company does not have a Non-Executive Chairman, it does not maintain such office.

#### II. Shareholder Rights

Half yearly financial results are forwarded to the Stock Exchanges and uploaded on the website of the Company like quarterly results.

#### III. Audit Qualifications

During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial Statements.

#### IV. Separate posts of Chairman and CEO

The post of the Chairman of the Company and the CEO are held by different persons.

#### V. Reporting of Internal Auditor

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

8. **There has been no instance of non-compliance of any requirement of Corporate Governance Report.**
9. **The Company has fully complied with the applicable requirement specified in Reg. 17 to 27 and clause (b) to (i) of sub regulation (2) of regulation 46.**
10. **Unclaimed Shares lying in Demat Suspense Account:**

In terms of Regulation 34(3) read with Schedule V of the SEBI (LODR), 2015:

Sr. No.	Particulars	Number of shareholders	Number of Equity Shares
i	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	9	2215
ii	Number of shareholders who approached issuer for transfer of shares from suspense account during the year.	Nil	Nil
iii	Number of shareholders to whom shares were transferred from suspense account during the year.	Nil	Nil
iv	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	9	2215
v	The voting rights on these shares shall remain frozen till the rightful owner of such share claim the shares.		

#### Annual Compliance with the Code of Conduct for the Financial Year 2018-2019

Pursuant to the Schedule V (Part D) of SEBI (LODR) Regulation, 2015, I hereby confirm that the Company has received affirmations on compliance with the Code of Conduct for the financial year ended March 31, 2019 from all the Board Members and Senior Management Personnel.

For, Gokul Refoils and Solvent Limited

Praveen Khandelwal

CEO

Date:- 31<sup>st</sup> March, 2019

Place:- Ahmedabad

## INDEPENDENT AUDITORS' REPORT

To

The Members,

Gokul Refoils & Solvent Limited

Report on the Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Gokul Refoils & Solvent Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in equity, the Cashflow Statement for the year then ended, and notes to the financial statements, including a summary of Significant Accounting policies and other explanatory information. (hereinafter referred to as the standalone financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, the changes in equity and cash flows for the year ended on that date.

### Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### The Key Audit Matter :

##### Uncertain indirect tax positions:

Company has material uncertain indirect tax positions which are under dispute which involves significant judgments to determine possible outcome of these disputes. Refer note no 35 to the standalone financial statements.

##### How the matter was addressed in our audit:

Reviewed the outstanding disputed demands against the company for consistency with the previous years. Discussed the status of these litigations with Company's in house legal team and assessing their responses. On sample basis examined Company's legal expenses and read the minutes of Board meetings to ensure that all cases are identified. Evaluated the legal opinion in evaluating management's position on these uncertain tax positions.

### Information other than the Standalone financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance report and shareholder's information but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Financial Statements

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS)



prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2 As required by section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

- (b) in our opinion, the Company has kept proper books of account as required by law, so far as appears from our examination of the books.
- (c) the balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account.
- (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act read Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) on the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us :-
  - (a) The Company has disclosed the impact of pending litigations on the financial position in its financial statements as referred to in note 35 to the Financial Statements.
  - (b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, **M. M. Thakkar & Co.**

**Chartered Accountants**

Firm Registration No.110905W

**Darshak M Thakkar**

**Partner**

Membership No.103762

Place : Ahmedabad

Date : 27<sup>th</sup> May, 2019

## ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that.

- (i) a. The Company has maintained proper records showing full particulars including quantitative details and location of the fixed assets.
- b. As explained to us, the management during the year has physically verified all the fixed assets. According to the information and explanations given to us, there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. The company did not hold/own any immovable properties as on 31<sup>st</sup> March, 2019. Therefore provisions of clause 3 (i) (c) of the order are not applicable to the company and hence not commented upon.
- (ii) As explained to us, inventories were physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on physical verification of inventories as compared to the book records
- (iii) In respect of the loans, secured or unsecured, granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
  - a. In our opinion and according to the information and explanations given to us, the terms and conditions of grant of such loans are prima facie not prejudicial to the interest of the company.
  - b. As per the information and explanations given to us, in respect of loan granted, repayment of principal amount and payment of interest have been regular as per stipulations.
  - c. There are no overdue amounts as at the year-end in respect of both principal and interest.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of loans and investment and guarantee made/granted. The Company has not given any guarantee or provided any security in connection with such loan.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder to the extent notified.
- (vi) According to information and explanations provided by the management, the provisions of maintenance of cost records specified by the Central Government under section 148(1) of the Companies Act, 2013 are not applicable to the company during the year under reference.
- (vii) a. According to the information and explanations given to us and on the basis of our examination of the records of the Company apart from certain instances of delays in depositing undisputed statutory dues including Provident Fund, Employees' state insurance, Income Tax, Sales Tax, service tax, duty of customs, duty of excise, Value Added Tax, Cess, Goods and Service Tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- b. According to information and explanation given to us and the records of the company examined by us, the particulars of dues of Income tax, VAT/CST/GST, Entry tax, duty of customs / drawback, service tax and Municipal Tax as at 31<sup>st</sup> March, 2019 which have not been deposited on account of dispute are as follows.

Sr. No.	Name of Statute	Nature of Dues	Amt (Rs.in Lakhs)	Period to which the amount relates	Forum Where dispute is pending
1	West Bengal Tax on Entry of Goods in to Local Areas Act 2012	Entry Tax	5,547.00	2013-14, 2014-15, 2015-16, 2016-17 & 2017-18(Q1)	Kolkata High court
		Interest	4,569.00		
2	Service tax under Finance Act, 1994	Service Tax	14.06	2011-12	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
3	West Bengal Value Added Tax Act 2003	VAT	55.35	2009-10	WBCT Appellate & Revisional Board, Kolkata
			59.07	2011-12	
4	Central Sales Tax Act 1956	CST	115.28	2012-13	Joint Commissioner of Sales Tax, Mumbai
5	Income Tax Act, 1961	Income Tax	15.34	2015-16 to 2017-18	Assistant Commissioners office
6	ESIC ACT WB	Esic	5.25	2017-18	Deputy Director Ins-V

- (viii) The Company has not taken any loans or borrowings from Financial Institutions, banks or Government or has not issued any debentures. Hence reporting under clause 3(viii) of the Order is not applicable to the Company.

- (ix) In our opinion and according to information provided to us, the Company has not raised any money by way of initial public offer or further public offer (Including Debt Instruments) and term loans during the year hence reporting under clause 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of books and records of the Company carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees have been noticed or reported during the year, nor have we been informed of such case by the Management.
- (xi) In our opinion and according to information provided to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to information and explanations provided by the management, transactions with related parties are in compliance with section 177 and 188 of the companies act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv) In our opinion and according to information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore the provisions of clause 3(xiv) of the Order are not applicable to the Company and not commented upon.
- (xv) According to information and explanations provided by the management, the company has not entered into any non-cash transactions with directors or persons connected with him as specified under Section 192 of the companies Act, 2013. Therefore the provisions of clause 3(xv) of the Order are not applicable to the Company and not commented upon.
- (xvi) According to information and explanation provided by the management, the provisions of Section 45-1A of the Reserve Bank of India Act, 1934 are not applicable to the Company and not commented upon.

For, **M. M. Thakkar & Co.**

**Chartered Accountants**

Firm Registration No.110905W

**Darshak M Thakkar**

**Partner**

Membership No.103762

Place : Ahmedabad

Date : 27<sup>th</sup> May, 2019

## **ANNEXURE B: TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GOKUL REFOILS & SOLVENT LIMITED**

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

We have audited the Internal Financial Controls over financial reporting of Gokul Refoils & Solvent Limited as of 31st March, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing

and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles. A company's Internal Financial Control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over financial reporting to future periods are subject to the risk that the Internal Financial Control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **M. M. Thakkar & Co.**

**Chartered Accountants**

Firm Registration No.110905W

**Darshak M Thakkar**

**Partner**

Membership No.103762

Place : Ahmedabad

Date : 27<sup>th</sup> May, 2019

**Standalone Balance Sheet as on 31<sup>st</sup> March, 2019**

(Amount ₹ in Lakhs)

	Particulars	Note No.	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
1	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	(a) Property, plant and equipment	2	83.68	98.17
	(b) Capital work-in-progress	2	55.54	47.00
	(c) Intangibles	2	6.76	10.14
	(d) Financial Assets			
	(i) Investments			
	a) Investments in Subsidiaries and Associates	3	8,616.54	8,648.89
	b) Other Investments	3.1	0.95	0.95
	(ii) Loan	4	2,978.62	2,662.52
	(iii) Other Financial Assets	5	6.62	6.62
	(e) Deferred tax assets (Net)	6	740.52	798.57
	(f) Other Non-Current Assets	7	118.10	85.05
			<b>12,607.34</b>	<b>12,357.92</b>
	<b>Current assets</b>			
	(a) Inventories	8	0.23	-
	(b) Financial assets			
	(i) Investments	9	3,703.62	3,092.73
	(ii) Trade receivables	10	2.71	629.59
	(iii) Cash and Cash Equivalents	11	12.40	312.90
	(iv) Other Bank balance	12	5.48	1,311.99
	(v) Loans	13	1,210.30	1,237.43
	(vi) Others Financial Assets	14	69.87	71.49
	(c) Other current assets	15	9,068.09	8,588.23
			<b>14,072.71</b>	<b>15,244.36</b>
	<b>Total Assets</b>		<b>26,680.05</b>	<b>27,602.28</b>
2	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
	(a) Equity share capital	16	2,637.90	2,637.90
	(b) Other equity	17	22,391.35	22,122.34
	<b>Total equity</b>		<b>25,029.25</b>	<b>24,760.24</b>
	<b>LIABILITIES</b>			
	<b>Non-current liabilities</b>			
	(a) Financial liabilities		-	-
	(b) Provisions	18	24.46	34.15
	(c) Deferred tax liabilities (Net)	6	-	-
			<b>24.46</b>	<b>34.15</b>
	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Trade payables	19	293.41	1,204.49
	(ii) Other Financial liabilities	20	0.95	1.09
	(b) Other current liabilities	21	1,265.35	1,178.77

(c) Provisions	22	28.23	24.76
(d) Current Tax Liabilities (Net)	23	38.39	398.78
		<b>1,626.34</b>	<b>2,807.89</b>
<b>Total Liabilities</b>		<b>1,650.80</b>	<b>2,842.04</b>
<b>Total Equity and Liabilities</b>		<b>26,680.05</b>	<b>27,602.28</b>
Significant accounting policies	1		
Notes forming part of Financial Statements	2 to 43		

As per our report of even date attached

**For M. M. THAKKAR & CO.**

**Chartered Accountants**

(Registration No: 110905W)

**Darshak M Thakkar**

Partner

Membership No:103762

27<sup>th</sup> May, 2019, Ahmedabad

For and On Behalf of the Board

**Balvantsinh C Rajput** - Chairman and Managing Director

**Bipinkumar Thakkar** - Whole Time Director

**Praveen Khandelwal** - Chief Executive Officer

**Shaunak Mandalia** - Chief Financial Officer

**Vijay Kalyani** - Company Secretary

27<sup>th</sup> May, 2019, Ahmedabad



**Standalone Profit & Loss for the year ended 31<sup>st</sup> March, 2019**

(Amount ₹ in Lakhs)

	Particulars	Note No.	For the year ended on 31 <sup>st</sup> March, 2019	For the year ended on 31 <sup>st</sup> March, 2018
	INCOME			
	Revenue from operations	24	802.39	18,627.08
	Other income	25	1,184.69	1,948.77
	<b>Total Income</b>		<b>1,987.09</b>	<b>20,575.85</b>
	EXPENSES			
	Cost Of Materials Consumed		-	-
	Purchase of Stock in Trade	26	790.96	15,927.21
	Changes In Inventories Of Finished Goods, Work-In-Progress And Stock-In-Trade	27	-	2,213.95
	Employee benefits expense	28	208.47	483.77
	Finance costs	29	64.21	292.22
	Depreciation and amortization expense	2	17.87	15.96
	Other expenses	30	457.88	1,952.27
	<b>Total Expenses</b>		<b>1,539.38</b>	<b>20,885.37</b>
	Profit/(loss) before exceptional items and tax		447.70	(309.51)
	Exceptional items	31	32.35	2,798.83
	<b>Profit/(loss) before tax</b>		<b>415.35</b>	<b>(3,108.34)</b>
	<b>Tax expense:</b>			
	Current tax		110.80	-
	Deferred tax Liability / (Assets)	6	60.22	(17.05)
	Adjustment of Tax for earlier years		(16.31)	(110.48)
	Less: MAT credit entitlement		(12.40)	
	<b>Income tax expense</b>		<b>142.31</b>	<b>(127.53)</b>
	<b>Net Profit/(Loss) from ordinary activities after tax</b>		<b>273.04</b>	<b>(2,980.81)</b>
	Net Profit/(Loss) from discontinued operations before tax		-	2,866.12
	Current tax		-	570.86
	Deferred tax Liability / (Assets)	6	-	(513.77)
	<b>Income tax expense discontinued operations</b>		<b>-</b>	<b>57.09</b>
	<b>Net Profit/(Loss) from discontinued operations after tax</b>		<b>-</b>	<b>2,809.03</b>
	<b>Net Profit/(Loss) for the period after tax</b>		<b>273.04</b>	<b>(171.78)</b>
	<b>Other comprehensive income / (Expenses)</b>			
A)	Items that will not be reclassified to profit or loss			
	(i) Remeasurement gains (losses) on defined benefit plans (Gratuity)	32	(6.21)	6.06
	Income Tax related to items that will not be reclassified to Profit or Loss	6	(2.17)	2.10
B)	Items that will be reclassified to profit or loss			
	<b>Other comprehensive income for the year</b>		<b>(4.04)</b>	<b>3.96</b>
	<b>Total comprehensive income for the year</b>		<b>269.00</b>	<b>(167.81)</b>
	<b>Earning per equity share:</b>	39		
	Earning per equity share (for continuing operation)			
	(1) Basic In Rupees		0.21	(2.26)
	(2) Diluted In Rupees		0.21	(2.26)

	Earning per equity share (for discontinuing operation)			
	(1) Basic In Rupees		-	2.13
	(2) Diluted In Rupees		-	2.13
	Earning per equity share (for continuing & discontinuing operation)			
	(1) Basic In Rupees		0.21	(0.13)
	(2) Diluted In Rupees		0.21	(0.13)
	Significant accounting policies	1		
	Notes forming part of Financial Statements	2 to 43		

As per our report of even date attached

**For M. M. THAKKAR & CO.**

**Chartered Accountants**

(Registration No: 110905W)

**Darshak M Thakkar**

Partner

Membership No:103762

27<sup>th</sup> May, 2019, Ahmedabad

For and On Behalf of the Board

**Balvantsinh C Rajput** - Chairman and Managing Director

**Bipinkumar Thakkar** - Whole Time Director

**Praveen Khandelwal** - Chief Executive Officer

**Shaunak Mandalia** - Chief Financial Officer

**Vijay Kalyani** - Company Secretary

27<sup>th</sup> May, 2019, Ahmedabad

**Standalone Cash Flow Statement for the year ended on 31<sup>st</sup> March, 2019**

(Amount ₹ in Lakhs)

	Particulars	For the year ended on 31 <sup>st</sup> March, 2019	For the year ended on 31 <sup>st</sup> March, 2018
A.	Cash Flow From Operating Activities		
	Net Profit after Taxation (Total Comprehensive Income) for the year	269.00	(167.81)
	<b>Adjustment For :-</b>	-	-
	Income Tax Expenses (continuing, discontinuing operations and OCI)	140.14	(68.35)
	Other comprehensive Income	6.21	-
	Depreciation and amortization expenses (continuing & discontinuing operations)	17.87	243.21
	<b>Loss/(Profit) On slump Sale Of Fixed Assets-Net</b>	-	<b>(7,829.54)</b>
	<b>Loss/(Profit) On Impairment/extinguishment of Investment</b>	<b>32.35</b>	<b>2,798.83</b>
	Interest Income	(635.65)	(755.76)
	Interest Expenses-Other (Including Prepaid expense out)	62.40	858.70
	Provision for Bad Debts/Bad debts written off	39.70	-
	(Profit)/Loss From Partnership Firm	(62.73)	(65.67)
	Gain On Sale Of Mutual Fund	-	(147.52)
	Provision For Retirement Benefits	(4.66)	66.10
	<b>Total</b>	<b>(404.37)</b>	<b>(4,900.00)</b>
	<b>Operating Profit ( Loss) Before Working Capital Changes</b>	<b>(135.36)</b>	<b>(5,067.82)</b>
	<b>Adjustment For :-</b>	-	-
	( Increase)/ Decrease In Non Current Other Financial Assets	-	32.70
	( Increase)/ Decrease In Other Non Current Assets	(33.05)	0.77
	( Increase)/ Decrease In Inventories	(0.23)	11,740.90
	( Increase)/ Decrease In Trade Receivables	587.17	2,371.84
	( Increase)/ Decrease In Other Bank balance	1,306.51	3,790.44
	( Increase)/ Decrease In Current Others Financial Assets	1.62	298.89
	( Increase)/ Decrease In Others Current Assets	(484.35)	(2,128.22)
	<b>Adjustment For :-</b>	-	-
	Increase / (Decrease) In Non Current Financial Liabilities - Other	-	(37.28)
	Increase / (Decrease) In Current Financial Liabilities - Trade Payables	(911.08)	(4,179.56)
	Increase / (Decrease) In Current Financial Liabilities - Other Liabilities	(0.14)	(1,030.98)
	Increase / (Decrease) In Other Current Liabilities	86.58	(553.47)
	Direct Tax (Paid) /Received	(538.50)	(556.06)
	Retirement Benefits paid	(7.76)	(95.11)
	Interest Paid	-	-
	<b>Cash Flow Before Extraordinary Items</b>	<b>(128.60)</b>	<b>4,587.04</b>
	Extraordinary Items (Deffered Tax Liab Diff)	-	-
	<b>Net Cash From Operating Activities Total</b>	<b>(128.60)</b>	<b>4,587.04</b>

B	<b>Net Cash Flow From Investment Activities</b>		-
	Sales Proceeds from Disposal of Haldia Undertaking	-	25,355.55
	Sales Proceeds from Disposal of Other Fixed Assets	-	1.16
	Purchase Of Fixed Assets	(8.54)	(90.28)
	(Increase)/Decrease Of Current Investment	(202.14)	3,542.49
	( Increase)/ Decrease In Current Financial Loan	27.13	-
	Interest Received	90.74	796.20
	(Purchase)/Disposal Of Non Current Investment - Capital repatriation	-	17.60
	Loan To Subsidiary /Associates	(79.10)	(2,268.43)
	<b>Net Cash From Investment Activities</b>	<b>(171.90)</b>	<b>27,354.29</b>
C.	<b>Cash Flows From Financing Activities</b>		-
	Interest Paid	-	(790.02)
	(Repayment)/Acquisition of Long term Loans (Net)	-	(1,730.67)
	(Repayment)/Acquisition of Short term borrowings	-	(30,807.55)
	<b>Net Cash From Financial Activities</b>	<b>-</b>	<b>(33,328.24)</b>
	<b>Net Increase /(-) Decrease In Cash And Cash Equivalents</b>	<b>(300.50)</b>	<b>(1,386.91)</b>
	Opening Balance In Cash And Cash Equivalents	312.90	1,699.81
	<b>Closing Balance In Cash And Cash Equivalents</b>	<b>12.40</b>	<b>312.90</b>
	<b>Reconciliation of cash and cash equivalent with Balance sheet</b>		-
	cash and cash equivalent as per Balance sheet	<b>12.40</b>	<b>312.90</b>
	Less: Fixed Deposits Having Maturity of More than Three Months not considered as cash and cash equivalent	-	-
	Add: Current investment in Mutual Funds considered as part of cash and cash equivalent	-	-
	<b>Closing Balance In Cash And Cash Equivalents as per Balance sheet</b>	<b>12.40</b>	<b>312.90</b>

As per our report of even date attached

**For M. M. THAKKAR & CO.**

**Chartered Accountants**

(Registration No: 110905W)

**Darshak M Thakkar**

Partner

Membership No:103762

27<sup>th</sup> May, 2019, Ahmedabad

For and On Behalf of the Board

**Balvantsinh C Rajput** - Chairman and Managing Director

**Bipinkumar Thakkar** - Whole Time Director

**Praveen Khandelwal** - Chief Executive Officer

**Shaunak Mandalia** - Chief Financial Officer

**Vijay Kalyani** - Company Secretary

27<sup>th</sup> May, 2019, Ahmedabad

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
**(Amount ₹ in Lakhs)**

(a) Equity Share Capital	As at 31 <sup>st</sup> March, 2019		As at 31 <sup>st</sup> March, 2018	
	Number	Amount	Number	Amount
Balance at the beginning of the reporting period	1,318.95	2,637.90	1,318.95	2,637.90
Changes in Equity Share capital during the year	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>1,318.95</b>	<b>2,637.90</b>	<b>1,318.95</b>	<b>2,637.90</b>

**(b) Other Equity**
**(Amount ₹ in Lakhs)**

Particulars	Capital Reserve Account	Securities Premium Account	General Reserve	Retained Earning	Total
<b>Balance at 1<sup>st</sup> April, 2017</b>	<b>5,720.26</b>	<b>379.05</b>	<b>2,104.22</b>	<b>15,672.27</b>	<b>23,875.79</b>
Depreciation on Revalued Assets	(100.85)		100.85		-
Income Tax Liability Attributable to Remaining Capital Reserve transfer to General Reserve	(1,585.64)				(1,585.64)
Transfer from Capital Reserve to General Reserve Due to Slump Sale of Haldia U/T	(4,033.77)		4,033.77		-
Profit for the year	-	-	-	(171.78)	(171.78)
Other Comprehensive Income for the year	-	-	-	3.96	3.96
Total Comprehensive Income for the year	-	-	-	(167.82)	(167.82)
<b>Balance at 31<sup>st</sup> March, 2018</b>	<b>-</b>	<b>379.00</b>	<b>6,239.00</b>	<b>15,504.00</b>	<b>22,122.00</b>
Depreciation on Revalued Assets	-		-		-
Profit for the year	-	-	-	273.04	273.04
Other Comprehensive Income for the year	-	-	-	(4.04)	(4.04)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>269.01</b>	<b>269.01</b>
<b>Balance at 31<sup>st</sup> March, 2019</b>	<b>-</b>	<b>379.00</b>	<b>6,239.00</b>	<b>15,773.00</b>	<b>22,391.00</b>

As per our report of even date attached

**For M. M. THAKKAR & CO.**
**Chartered Accountants**

(Registration No: 110905W)

**Darshak M Thakkar**

Partner

Membership No:103762

27<sup>th</sup> May, 2019, Ahmedabad

For and On Behalf of the Board

**Balvantsinh C Rajput** - Chairman and Managing Director

**Bipinkumar Thakkar** - Whole Time Director

**Praveen Khandelwal** - Chief Executive Officer

**Shaunak Mandalia** - Chief Financial Officer

**Vijay Kalyani** - Company Secretary

27<sup>th</sup> May, 2019, Ahmedabad

## STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

### BACKGROUND

Gokul Refoils and Solvent Limited ('the Company') is a Public Limited Company engaged in the business of trading in oil seeds and edible/non-edible oils and agro commodities. The Company is listed on the BSE Limited and National Stock Exchange of India Limited (NSE). The Company's registered office is at State Highway No.41, Near Sujapur Patia, Sidhpur, 384 151, Dist.Patan, Gujarat.

### 1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION OF ACCOUNTS

##### a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financials.

##### b) Functional and presentation currency

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

##### c) Basis of Measurement

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

- (i) Certain financial assets and liabilities that are measured at fair value.
- (ii) Assets held for sale- Measured at the lower of (a) carrying amount and (b) Fair Value less cost to sell.
- (iii) Net defined benefit plans- Plan assets measured at Fair Value less present value of defined benefit obligation.
- (iv) Determining the Fair Value

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

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

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

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

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

##### d) Use of Estimates and Judgement

The preparation of financial statements in accordance with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are known or materialised. The most significant estimates and assumptions are described below:

##### (i) Judgements

Information about judgments made in applying accounting policies that have the significant effect on amounts recognised in the financial statement are as below:

- Leases identification- Whether an agreement contains a lease.
- Classification of lease - Whether Operating or Finance

##### (ii) Assumptions and Estimations

Information about assumption and estimation uncertainties that have significant risk of resulting in a material adjustment are as below:

#### 1. Impairment test of non-financial assets

For the purpose of assessing recoverability of non-financial assets, assets are grouped at the lower levels for which there are individually identifiable cash flows (Cash Generating Units).

#### 2. Allowance for bad debts

The Management makes estimates related to the recoverability of receivables, whose book values are adjusted through an allowance for Expected losses. Management specifically analyzes accounts receivable, customers 'creditworthiness, current economic trends

and changes in customer's collection terms when assessing the adequate allowance for expected losses, which are estimated over the lifetime of the debts.

### **3. Recognition and measurement of Provisions and Contingencies**

The Company's Management estimates key assumptions about the likelihood and magnitude of an outflow of resources based on available information and the assumptions and methods deemed appropriate. Wherever required, these estimates are prepared with the assistance of legal counsel. As and when additional information becomes available to the Company, estimates are revised and adjusted periodically.

### **4. Recognition of Deferred Tax Assets**

The Management makes estimates as regards to availability of future taxable profits against which unabsorbed depreciation/ tax losses carried forward can be used.

### **5. Measurements of Defined benefit obligations**

The measurements are based on key actuarial assumptions.

### **e) Application of New Accounting Pronouncements**

The company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effect is described below:

1. The Company has adopted Ind AS 115, Revenue from Contract with Customers with effect from 1<sup>st</sup> April 2018 and it is detailed in note 1.2(j)
2. The Company has elected to recognize cumulative effect of initially applying Ind AS 115 retrospectively as an adjustment to opening balance sheet as at 1<sup>st</sup> April 2018 on the contracts that are not completed contract as at that date. There was no impact of above on the opening balance sheet as at 1<sup>st</sup> April 2018 and on the Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019.
3. The Company has adopted Appendix B to Ind AS 21, foreign currency transactions and advance consideration with effect from 1<sup>st</sup> April 2018 prospectively to all assets, expenses and income initially recognized on or after 1<sup>st</sup> April 2018 and the impact on implementation of the Appendix is immaterial.

### **f) Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act

### **g) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

## **1.2 SIGNIFICANT ACCOUNTING POLICIES**

### **a) Property, Plant and Equipment**

#### **(i) Recognition and measurement**

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1<sup>st</sup> April, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Free hold land is carried at cost. All other items of Property, Plant and Equipment are measured at cost (which includes capitalised borrowing costs) less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of Property, Plant and Equipment comprises:

- a) its purchase price, including import duties and nonrefundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted for as separate items (major components) of Property, Plant and Equipment and depreciated accordingly. Any gain or loss on disposal of an item of Property, Plant and Equipment is recognised in Statement of profit or loss.

#### **(ii) Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### **(iii) Depreciation, Estimated useful life and estimated residual value**

Depreciation is calculated using the Straight Line Method, pro rata to the period of use, taking into account useful lives and residual value of the assets. The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in



Schedule II to the Act and management believe that useful life of assets are same as those prescribed in Schedule II to the Act. Depreciation is computed with reference to cost or revalued value as per previous GAPP as the case may be. The assets residual value and useful life are reviewed and adjusted, if appropriate, at the end of each reporting period. Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are included in the statement of Profit and Loss.

#### **b) Intangible Assets**

- A Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.
- B Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.
- C Trade Marks, Technical Know-how Fees and other similar rights are amortised over their estimated useful life.
- D Capitalised cost incurred towards purchase/ development of software is amortised using straight line method over its useful life of five years as estimated by the management at the time of capitalisation.
- E Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.
- F An item of intangible asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the Statement of Profit and Loss when the asset is derecognised.

#### **c) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options.

##### **(i) Financial Assets**

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##### **a) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at Fair Value Through Other Comprehensive Income-[FVTOCI], or Fair Value Through Profit and Loss-[FVTPL] and - those measured at Amortised Cost.[AC]. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

##### **b) Measurement**

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

#### **In case of investments**

##### **i) In Equity instruments**

For subsidiaries, associates and Joint ventures - Investments are measured at cost and tested for impairment periodically. Impairment (if any) is charged to the Statement of Profit and Loss.

For Other than subsidiaries, associates and Joint venture - Investments are measured at FVTOCI.

##### **ii) In Mutual fund**

Measured at FVTPL.

##### **iii) In Debt instruments**

The Company measures the debts instruments at Amortised Cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest [SPPI] are measured at amortised cost. Gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of the hedging relationship, is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the Effective interest rate method.

##### **d) Derecognition of financial assets**

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from financial asset, or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset and has transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised.

Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained the control of the financial asset. Where the Company retains the control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### **e) Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) Model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. ECL is used to provide for impairment loss.

### **(ii) Financial Liabilities**

#### **a) Classification**

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at FVTPL and
- those measured at Amortised Cost (AC)

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

#### **b) Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or AC.

All financial liabilities are recognised initially at Fair Value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments. For trade and other payables maturing within one year from the balance sheet date, the carrying amount approximate to fair value due to the short maturity of these instruments.

#### **c) Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities designated upon initial recognition as at Fair Value Through Profit or Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, Fair Value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to statement of profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

#### **d) Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. AC is calculated by taking into account any discount or premium on acquisition and fees or costs that

are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to interest-bearing loans and borrowings.

#### **e) Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying mounts is recognised in the statement of profit or loss.

#### **f) Off setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### **g) Derivative financial instruments**

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts to hedge its foreign currency risks, interest rate risks and commodity price risks respectively. Such derivative financial instruments are initially recognised at Fair Value on the date on which a derivative contract is entered into and are subsequently re-measured at Fair Value. Derivatives are carried as financial assets when the Fair Value is positive and as financial liabilities when the Fair Value is negative.

#### **c) Inventories**

Inventories are measured at the lower of cost and net realisable value after providing for obsolesce, if any, except for realisable by-products which are measured at net realisable value. The cost (Net of Input Tax Credit availed ) of inventories is determined using the first-in first out (FIFO) method and includes expenditure incurred in acquiring inventories, production or conversion and other costs incurred in bringing them to their respective present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. The comparison of cost and Net Realisable value is made on an item by item basis. Net realisable value is estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale. The net realisable value of work in progress is determined with reference to selling prices of finished products.

#### **d) Trade Receivable**

Trade receivable are recognised initially at Fair Value and subsequently measured at AC using the effective interest method less provision for impairment. As per Ind AS 109 the Company has applied ECL for recognising the allowance for doubtful debts. Where Company has offered extended credit period [ECP] to the debtors, the said amount is recorded at present value, with corresponding credit in the statement of profit and loss over the tenure of the extended credit period.

#### **e) Cash and Cash Equivalent**

For the purpose of presentation in the statement of the cash flows, cash and cash equivalent includes the cash and cheques in hand, deposits held at call with financial institutions other short term, highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **f) Contributed Equity**

Equity shares are classified as equity. Incidental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### **I) Dividends**

Provision is made for the amount of any dividend declared, in the year in which it is approved by shareholders.

### **II) Earnings per share**

#### **(i) Basic earnings per share**

Basic earnings per shares is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/after Exceptional Items (net of tax) by Weighted average number of Equity shares, (excluding treasury shares).

#### **(ii) Diluted earnings per share**

Diluted earnings per shares is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/after Exceptional Items (net of tax) by Weighted average number of Equity shares (excluding treasury shares) considered for basic earning per shares including dilutive potential Equity shares.

#### **g) Borrowing**

Borrowings are initially recognised at Fair Value, net of transaction costs incurred. Borrowings are subsequently measured at AC. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the

period of borrowings using the effective interest method. Processing/Upfront fee are treated as prepaid asset and netted off from borrowings. The same is amortised over the period of the facility to which it relates. Preference shares are classified as liabilities. The dividends on these preference shares, if approved, by shareholders in the forthcoming Annual General Meeting, are recognised in profit or loss as finance costs, in the year when approved. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liability assumed, is recognised in Statement of profit or loss as other gains or (losses). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of liabilities for at least twelve months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the same is classified as current unless the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as a consequence of the breach.

#### **h) Trade and Other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid at the period end. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their Fair Value and subsequently measured at amortised cost using the effective interest method.

#### **i) Foreign Currency Transactions**

Transactions in foreign currencies are translated into the functional currencies of the Company at the exchange rate prevailing at the date of the transactions. Monetary assets (other than investments in companies registered outside India) and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Investments in companies registered outside India are converted at rate prevailing at the date of acquisition. Non-monetary assets and liabilities that are measured at Fair Value in a foreign currency are translated into the functional currency at the exchange rate when the Fair Value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are not translated. Difference on account of changes in foreign currency are generally charged to the statement of profit & loss.

#### **j) Revenue Recognition**

Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- 1 The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Group performs; or
- 2 The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- 3 The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

#### **(i) Sale of goods**

Revenue is recognised on the basis of customer contracts and the performance obligation contained therein. Revenues is recognised at a point in time when the control to the buyer of goods or services is transferred to a customer. Control lies with the customer if the customer can independently determine the use of and consume the benefit derived from a product or service Revenue from product deliveries are recognised at a point in time based on an overall assessment of the existence of a right to payment, the allocation of ownership rights, the transfer of risks and rewards, and acceptance by the customer. The goods are often sold with volume discounts/ pricing incentives and customers have a right to return damaged products.

Revenue from sales is based on the price in the sales contracts, net of discounts. Historical experience, specific contractual terms and future expectations of sales are used to estimate and provide for damage claims. No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Company and normal credit terms.

#### **(ii) Sale of Services**

Revenue from services is recognised when agreed contractual task has been completed.

**(iii) Other Income**

- a) Dividend income is recognised when right to receive dividend is established which is generally when share holders approve the dividend.
- b) Interest and other income are recognised on accrual basis on time proportion basis and measured at effective interest rate.
- c) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

**(iv) Export Incentives**

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same and is included in revenue in the statement of profit and loss due to its operating nature.

**(v) Insurance Claims**

Claims receivable on account of insurance are accounted for to the extent the Company is virtually certain of their ultimate collection

**k) Government Grants**

- (i) Grants from the Government are recognised at their Fair Value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.
- (ii) Government grant relating to purchase of Property, Plant and Equipment are included in "Other current/ non-current liabilities" as Government Grant - Deferred Income and are credited to Profit or loss on a straight line basis over the expected life of the related asset and presented within "Other Operating revenue".

**l) employee Benefits****(i) During Employment benefits****(a) Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(ii) Post-Employment benefits****(a) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which Company pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay future amounts. The Company makes specified monthly contributions towards government administered Provident Fund scheme. Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

**(b) Defined benefit plans**

The Company pays gratuity to the employees who have completed five years of service with the company at the time when employee leaves the Company. The gratuity is paid as per the provisions of Payment of Gratuity Act, 1972. The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the periods during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment are charged to Other Comprehensive Income.

**(c) Termination Benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. In case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of reporting period are discounted to the present value.

**m) Income Tax**

Income tax expense comprises current and deferred tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In such cases, the tax is also recognised in the other comprehensive income or in equity.

**(a) Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or subsequently enacted at the Balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(b) Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have enacted or subsequently enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax is recognised to the extent that it is probable that future taxable profit will be available against which they can be used.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable Company.

**n) Borrowing Costs**

General and specific Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation. All other borrowing costs are charged to the statement of profit and loss for the period for which they are incurred.

**o) Leases**
**(i) Determining whether an arrangement contains a lease**

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

As a lessee

Leases of Property, Plant and Equipment where the Company, as lessee, has substantially transferred all the risks and rewards of the ownership are classified as finance leases.

Finance lease payments are capitalised at the lower of leases inception at the Fair Value of the lease property and the present value of minimum lease payments. The corresponding rental obligations, if any, net of finance charges are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of Interest on the remaining balance of liability for each period.

Leases in which a significant portion of risk and rewards of ownership are not transferred to the Company as a lessee are classified as operating lease. Payments made under operating leases are charged to Profit and Loss on a straight line basis over the period of lease except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

As a lessor

Lease Income from operating leases where the Company is a lessor is recognised as income on a straight line basis over the lease term unless the receipts are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increases.

**p) Non- Current assets held for sale**

Non-Current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their (a.) carrying amount and (b.) Fair Value less cost to sell. Non-current assets are not depreciated or amortised when they are classified as held for sale.

**q) Provisions and contingent liabilities**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.



### r) Exceptional Items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

## 1.3 RECENT ACCOUNTING PRONOUNCEMENTS

### a) Recent accounting pronouncements Ind AS 116 :

On 30<sup>th</sup> March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1<sup>st</sup> April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities. The Company is currently evaluating the impact on account of implementation of Ind AS 116.

### b) Appendix C, Uncertainty over Income Tax Treatment to Ind AS 12, Income Taxes:

The Appendix clarifies how to apply the recognition and measurement principles while recognizing current tax, deferred tax, taxable profits (losses), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over tax treatments under Ind AS 12. As per the Appendix, the Company needs to assess whether it is probable that a tax authority will accept an uncertain tax treatment used or a treatment which is being proposed to be used in its income tax filings. The Appendix will be applied retrospectively with the cumulative effect of its initial application on the opening balance sheet as on 1<sup>st</sup> April 2019. The Company is currently evaluating the impact on account of implementation of Ind AS 116.

### c) Amendment to Ind AS 12, Income Taxes:

The amendment clarifies that an entity shall recognize income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company will apply these amendments for annual reporting periods beginning on or after 1<sup>st</sup> April 2019. The impact on the Financial Statements will be insignificant.

## Note - 2 - Property Plant and Equipment as on 31<sup>st</sup> March, 2019

(Amount ₹ in Lakhs)

Particulars	Gross Block				Depreciation Fund				Net Block	
	1 <sup>st</sup> April, 2018	Addition / Adjustment (+ or -)	(Sales) / (Retirement)	31 <sup>st</sup> March, 2019	1 <sup>st</sup> April, 2018	Depreciation for the year	(Sales) / (Retirement)	31 <sup>st</sup> March, 2019	1 <sup>st</sup> April, 2018	31 <sup>st</sup> March, 2019
Free Hold Land										
Lease Hold Land										
Buildings										
Plant & Machinery										
Furniture & Fixtures										
Office Equipments	4.36			4.36	2.10	0.59		2.70	2.25	1.66
Computers	7.20			7.20	4.27	1.57		5.84	2.92	1.35
Vehicles	104.42			104.42	11.43	12.33		23.76	93.00	80.67
Total	115.98			115.98	17.81	14.49		32.30	98.17	83.68
Capital work-in-progress										
Tangible Assets	47.00	8.54		55.54					47.00	55.54
Intangible Assets										
Software Licences	20.04			20.04	9.91	3.37		13.28	10.14	6.76
Total	183.02	8.54		191.57	27.71	17.87		45.58	155.31	145.99



**Note - 2 - Property Plant and Equipment as on 31<sup>st</sup> March, 2018**
**(Amount ₹ in Lakhs)**

Particulars	Gross Block					Depreciation Fund					Net Block	
	1 <sup>st</sup> April, 2017	Addition / Adjustment (+ or -)	(Sales) / (Retirement)	Disposal of Discontinued U/T	31 <sup>st</sup> March, 2018	1 <sup>st</sup> April, 2017	Depreciation for the year	(Sales) / (Retirement)	Disposal of Discontinued U/T	31 <sup>st</sup> March, 2018	1 <sup>st</sup> April, 2017	31 <sup>st</sup> March, 2018
Tangible Assets												
Free Hold Land	-	-	-	-	-	-	-	-	-	-	-	-
Lease Hold Land	3,424.85	-	-	(3,424.85)	-	41.76	6.96	-	(48.72)	-	3,383.09	-
Buildings	2,541.03	-	-	(2,541.03)	-	104.32	17.16	-	(121.48)	-	2,436.71	-
Plant & Machinery	11,487.11	(0.17)	-	(11,486.94)	-	1,216.59	198.96	-	(1,415.55)	-	10,270.52	-
Furniture & Fixtures	30.54	-	-	(30.54)	-	7.77	1.16	-	(8.93)	-	22.77	-
Office Equipments	21.60	-	-	(17.24)	4.36	10.15	1.38	-	(9.42)	2.10	11.45	2.25
Computers	21.38	0.97	-	(15.16)	7.20	6.28	2.90	-	(4.90)	4.27	15.10	2.92
Vehicles	37.02	89.33	(1.57)	(20.36)	104.42	7.67	10.82	(1.29)	(5.77)	11.43	29.36	93.00
Total	17,563.55	90.13	(1.57)	(17,536.13)	115.98	1,394.54	239.34	(1.29)	(1,614.78)	17.81	16,169.00	98.17
Capital work-in-progress												
Tangible Assets	46.85	0.15	-	-	47.00	-	-	-	-	-	46.85	47.00
Intangible Assets												
Software Licences	20.47	-	-	(0.43)	20.04	6.46	3.87	-	(0.43)	9.91	14.01	10.14
Total	20.47	-	-	(0.43)	20.04	6.46	3.87	-	(0.43)	9.91	14.01	10.14

**Note - 3 - Non Current Financial Assets - Investment**
**(Amount ₹ in Lakhs)**

Particulars		As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
	Investment in Equity Shares and Convertible Preference Shares at ammortised cost (fully paid) - Unquoted :		
	Investment in Associates		
(i)	24,180 (Previous Year 24,180) Equity Shares of Gujarat Gokul Power Limited of Rs. 10 each	2.42	2.42
(ii)	Fixed Capital Investment in 7.5% (Previous Year 7.5%) profit sharing Partnership Firm named Gokul Overseas	400.00	400.00
	Investment in Wholly Owned Subsidiaries		
(i)	0 (Previous Year 1,00,000) Equity Shares of Maurigo International Limited of USD 1 each - Refer Note	-	-
(iii)	1,00,001 (Previous Year 1,00,001) Equity Shares of Gokul Refoils Pte. Ltd. of SGD 1 each	46.47	46.47
	Less: Impairment in Value of Investment During the Year	(32.35)	-
		14.12	46.47
(iv)	50,000 (Previous Year 50,000) Equity Shares of Gokul Agri International Limited of Rs. 10 each	5.00	5.00
(v)	8,19,50,000 (Previous Year 8,19,50,000) 2% Non-Cumulative Compulsory Convertible Preference Shares of Rs. 10 each	8,195.00	8,195.00
	Total Investment in Subsidiary / Associate - Non Current	8,616.54	8,648.89

**Note -- 3.1 - Non Current Financial Assets - Investment - Others**

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Investments in Government Or Trust Securities	0.95	0.95
Total Investment Others - Non Current	0.95	0.95

**Details of quoted investment and unquoted investments**

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Aggregate Amount Of Quoted Investments (Market Value Of Rs. 0/- (Previous Year Rs.0/-))		-
Aggregate Amount Of Unquoted Investments	8,617.49	8,649.84

Notes :

- i) (a) Investments in Subsidiaries and Associates are measured at cost and tested for impairment. Impairment (if any) denotes permanent diminution and charged to Statement of Profit and loss. Impairment in cases of unlisted securities is determined based on the valuation reports and in case of listed securities the same is determined based on the prevailing market prices.  
 (b) Investments in other than Subsidiaries, Associates and Joint ventures are measured at FVTOCI. and is charged/ added to "Other Comprehensive Income". Fair Valuation of unlisted securities is determined based on the valuation reports and in case of listed securities the same is determined based on the prevailing market prices.
- ii) Pursuant to the Scheme of arrangement approved by the Hon'ble High court of Gujarat in 2015, The Company was allotted 8,19,50,000 2% Non-cumulative Redeemable preference shares having face value of Rs. 10 each fully paid up by its wholly owned subsidiary company Gokul Agri International Limited (GAIL) in consideration for transfer by way of slump sale of its "Sidhpur Undertakings". With the consent of the Board of Directors, these shares have been reclassified as "2% Non-Cumulative Compulsory Convertible Preference shares.
- iii) Investments in wholly own subsidiary viz. Gokul Refoils Pte Ltd., Singapore has been impaired by Rs. 32.35 Lakhs during year ended 31.03.2019 based on prudence and due to absence of business activity since last many years. The impairment in value of investment is shown as a "Exceptional Items". [Refer Note 31].

**Note -- 4 - Non Current Financial Loans**

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>Loans to subsidiary &amp; Associate:</b>		
Unsecured, Considered Good	2,978.62	2,662.52
Secured, Considered Good	-	-
Unsecured, Credit Impaired	-	-
Loan to Associates	1,883.75	1,649.69
Loan to Wholly Owned Subsidiary at Fair Value	1,094.88	1,012.84
Loans to others	-	-
<b>Total</b>	<b>2,978.62</b>	<b>2,662.52</b>

Disclosures as per schedule V of SEBI (LODR) Regulation, 2015:

- a) Loans and advance in the nature of loans given to subsidiary and associate

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
A) Gujarat Gokul Power Limited (Associate)	1,883.75	1,649.69
B) Gokul Agri international Limited (Subsidiary)	1,094.88	1,012.84
<b>Total</b>	<b>2,978.62</b>	<b>2,662.52</b>

- b) Company has given loans and advances including interest there on of Rs.2978.62 Lakhs (Previous Year Rs. 2662.52 Lakhs ) to its associates, firm/companies in which directors are interested.
- c) None of the loanees have made investment in share of the company.

**Note -- 5 - Non Current Other Financial Assets**

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Security Deposits		
Unsecured, Considered Good	6.62	6.62
<b>Total</b>	<b>6.62</b>	<b>6.62</b>

**Note -- 6 - Movement in Deferred Tax (Liability)/Assets**
**(Amount ₹ in Lakhs)**

Particulars	Net Balance 1 <sup>st</sup> April, 2018	Recognised Retained Earning	Recognised Profit or Loss	Recognised in OCI	Net Balance on 31 <sup>st</sup> March 2019
<b>(A) Deferred Tax Liabilities</b>					
1. Depreciation	(4.11)		0.78		(3.34)
2. Depreciation on Revaluation reserve transfer to Genral Reserve	-		-		-
3. Equity component of Loan from Promotors (Fair Valuation of Interest free Loan)	-		-		-
3. Gain / (Loss) Hedging of Derivatives - Currency & Commodity	-		-		-
<b>(B) Deffered Tax Assets</b>			-		-
1. Notional Interest Expense on Promoters Loan	-		-		-
2. Lease-Hold Land re-measurement	-		-		-
1. Retirement Benefits	13.09		(2.70)	2.17	12.56
2. Disallowances under Income Tax Act.	327.02		3.17		330.20
3. Business Loss & Unabsorbed Depreciation	462.58		(74.20)		388.38
4. Provision for Bad & Doubtful Debts	-		12.73		12.73
<b>Net Deferred Tax (Liabilities) / Assets</b>	<b>798.57</b>	<b>-</b>	<b>(60.22)</b>	<b>2.17</b>	<b>740.52</b>

**(Amount ₹ in Lakhs)**

Particulars	Net Balance 1 <sup>st</sup> April, 2017	Recognised Profit or Loss	Recognised Profit or Loss of Discontinued operations	Recognised in OCI	Net Balance 31 <sup>st</sup> March, 2018
<b>(A) Deferred Tax Liabilities</b>	-	-	-	-	-
1. Depreciation	(1,298.60)	(1.04)	1,295.53	-	(4.11)
2. Depreciation on Revaluation reserve transfer to Genral Reserve	209.11	-	(209.11)	-	-
3. Equity component of Loan from Promotors (Fair Valuation of Interest free Loan)	-	-	-	-	-
3. Gain / (Loss) Hedging of Derivatives - Currency & Commodity	(19.39)	19.39	-	-	-
<b>(B) Deffered Tax Assets</b>	-	-	-	-	-
1. Notional Interest Expense on Promoters Loan	-	-	-	-	-
2. Lease-Hold Land re-measurement	4.91	-	(4.91)	-	-
3. Retirement Benefits	31.49	(16.30)	-	(2.10)	13.09
4. Disallowances under Income Tax Act.	312.02	15.00	-	-	327.02
5. Business Loss & Unabsorbed Depreciation	808.00	-	(345.42)	-	462.58
6. Provision for Bad & Doubtful Debts	222.31	-	(222.31)	-	-
<b>Net Deferred Tax (Liabilities) / Assets</b>	<b>269.84</b>	<b>17.05</b>	<b>513.77</b>	<b>(2.10)</b>	<b>798.57</b>

**Tax Expense**

a) Amount recognised in Statement of Profit and Loss

(Amount ₹ in Lakhs)

Particulars	For the year ended on 31 <sup>st</sup> March, 2019	For the year ended on 31 <sup>st</sup> March, 2018
<b>Continued Operation</b>		
Current Income Tax	110.80	-
Deferred tax Liability / (Assets)	60.21	(612.74)
Excess/(Short) Provision Of Earlier Years	(16.31)	(110.48)
MAT Credit Utilised	(12.40)	-
<b>Discontinued Operation</b>		
Current Income Tax on Short term Capital Gain on Sale of Haldia U/T	-	3,741.32
Effect of Income Tax on Loss in Business Operations	-	(1,326.30)
Effect of Income Tax on Carried forward Unabsorbed Depreciation Set off	-	(258.53)
Income Tax - Transfer to Revaluation Reserve	-	(1,585.64)
Deferred tax Liability / (Assets)	-	81.92
Recognition of Other comprehensive income	(2.17)	2.10
<b>Tax Expenses for the year</b>	<b>140.12</b>	<b>(68.35)</b>

b) Reconciliation of Effective Tax Rate

Particulars	For the year ended on 31 <sup>st</sup> March, 2019	For the year ended on 31 <sup>st</sup> March, 2018
Profit Before Tax - Continued Business Operation	415.35	(3,108.34)
Profit Before Tax - Discontinued Business Operation		2,866.12
Profit Before Tax - Total	415.35	(242.23)
Tax using the Company's domestic tax rate (Current year 34.944% and Previous Year 34.608%)	145.14	(83.83)
<b>Non-Deductible Tax Expenses</b>		
Excess Depreciation Disallowed	6.24	77.60
Disallowance U/S - 43B	9.95	19.43
Interest on Late Payment of TDS/ Income Tax	21.81	0.53
Donation	7.38	10.61
Loss on Sale of Investment	11.30	968.62
<b>Allowable Tax Expenses</b>		
Disallowed Previously U/S - 43B	-	(256.52)
Income exempt from Income taxes U/S 10(A)	(21.92)	(22.73)
Profit on Sale of Slum Sales	-	(2,717.62)
<b>Effect of Income Tax due to</b>		
Recognising Derivatives Hedging		19.39
Remeasurment of Lease hold land		(4.93)
<b>Items subject to differential tax rate</b>		
Profit on Sale of Slum Sales		3,741.32
Effect of Set-Off of Current Year Business Loss with STCG		663.15
Set-Off Carried Forward Unabsorbed Depreciation		(258.53)
Set-Off Carried Forward Business Loss	(78.69)	-
<b>Others</b>		
Donation	(2.81)	
Income Tax Liability Attributable to Remaining Revaluation Reserve	-	(1,585.64)
Excess/(Short) Provision of Income Tax of Earlier Years	(16.31)	(110.48)

<b>Deferred Tax Liability / (Assets) :-</b>		
Recognition of Other comprehensive income	(2.17)	2.10
Discontinued Business Operations	-	(513.77)
Continues Business Operations	60.21	(17.05)
<b>Total Tax</b>	<b>140.12</b>	<b>(68.35)</b>
	<b>33.74%</b>	<b>28.22%</b>

**Note :- 7 - Other Non Current Assets** (Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Unsecured, Considered Good		
Balance with Government Authorities	118.10	85.05
<b>Total</b>	<b>118.10</b>	<b>85.05</b>

**Note :- 8 - Inventories** (Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
A. Raw Materials		-
B. Work-In-Progress		-
C. Finished Goods		-
D. Stock In Trade	-	-
E. Stores And Spares (Including Chemical, Fuel & Packing )	0.23	-
<b>Total</b>	<b>0.23</b>	<b>-</b>

i For method of valuation of inventories refer Note No. 1 (1.2) (c)

**Note :- 9 - Current Financial Assets - Investment** (Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Investment measured at amoritised cost		
(A) Investments In Partnership Firm	3,703.62	3,092.73
<b>Total</b>	<b>3,703.62</b>	<b>3,092.73</b>

**A. Details of quoted investment and unquoted investments** (Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Aggregate Amount Of quoted Investments	-	-
Aggregate Amount Of Unquoted Investments	3,703.62	3,092.73
<b>Total</b>	<b>3,703.62</b>	<b>3,092.73</b>

**B. Details of Current Investments** (Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
(A) Investments In Partnership Firm		
Gokul Overseas (Current Capital) - 7.5% (Previous Year 7.5%) profit sharing	3,703.62	3,092.73
<b>Total</b>	<b>3,703.62</b>	<b>3,092.73</b>

**C. Constitution of Gokul Overseas (Partnership Firm)** (Amount Rs.in Lakh)

Name of Partner	% of Share in Profit/Loss	As on 31.03.2019		As on 31.03.2018	
		Fixed Capital (Amount)	Current Capital (Amount)	Fixed Capital (Amount)	Current Capital (Amount)
1. Shri Balvantsinh C. Rajput	37.5%	200.00	250.39	200.00	91.78
2. Smt. Bhikhiben B. Rajput	30%	200.00	102.65	200.00	153.81
3. Dharmendra B Rajput	25%	11.00	398.06	11.00	166.59
4. Gokul Refoils & Solvent Ltd.	7.5%	400.00	3,703.62	400.00	3,092.73
<b>Total</b>	<b>100%</b>	<b>811.00</b>	<b>4,454.72</b>	<b>811.00</b>	<b>3,504.91</b>

## Note -- 10 - Current Financial Assets Trade Receivables

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Trade receivables		
Secured, Considered Good	-	-
Unsecured, Considered Good	2.71	629.59
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	36.42	-
	39.13	629.59
Less: Impairment allowance (allowance for bad and doubtful debts)	36.42	-
<b>Total</b>	<b>2.71</b>	<b>629.59</b>

## Trade Receivable stated above include debts due by:

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Related Parties	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Refer Note No. 42 for information about Credit Risk and Market Risk of trade receivable.

## Note -- 11 - Current Financial Assets Cash and Cash Equivalents

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Cash And Cash Equivalent		
Balances With Banks In Current Accounts	4.14	12.44
Fixed Deposit (Having Maturity Less Than Three Months)*	-	292.00
Cash On Hand	8.26	8.46
<b>Total</b>	<b>12.40</b>	<b>312.90</b>

## Note -- 12 - Current Financial Assets Other Bank Balance

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Other Bank Balances		
Fixed Deposit (Having Maturity More Than Three Months)*	5.48	1,311.84
Balances For Unpaid Dividend**	-	0.14
<b>Total</b>	<b>5.48</b>	<b>1,311.99</b>

\* The Fixed Deposits have been pledged with banks as security for bank guarantee provided by Bank.

\*\* Unpaid dividend is Rs.NIL as at 31st March, 2019 (Previous Year Rs. 0.14 Lakhs as at 31st March, 2018 ) which have been kept in separate Earmarked accounts and no transactions except for the stated purpose are done through such accounts.

## Note -- 13 - Current Financial Loans

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>A. Loans And Advances To Related Parties</b>		
Unsecured, Considered Good (Due From Subsidiaries )	-	27.13
<b>B. Loans to others</b>		
Unsecured, Considered Good	1,210.30	1,210.30
Unsecured, Credit Impaired	-	-
<b>Total</b>	<b>1,210.30</b>	<b>1,237.43</b>

**Disclosures as per schedule V of SEBI (LODR) Regulation, 2015:**
**(Amount ₹ in Lakhs)**

- a) Loans and advance in the nature of loans given to subsidiaries and associates

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
(A) Gokul Refoils Pte Limited (Maximum Balance O/S During The Year Rs. 27.76 Lakhs) (P.Y 27.13 Lakhs)	-	27.13
<b>Total</b>	<b>-</b>	<b>27.13</b>

Note :

- b) Company has not given any loans and advances to any associates, firm/companies in which directors are interested during the current financial year.
- c) None of the loanees have made investment in share of the company.

**Note -- 14 - Current Other Financial Assets**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>A. Security Deposits</b>		
Unsecured, Considered Good	38.01	38.48
<b>B. Loans And Advances to Staff</b>		
Unsecured, Considered Good	31.86	30.95
<b>C. Export Incentive receivables</b>		
Unsecured, Considered Good	-	2.06
<b>Total</b>	<b>69.87</b>	<b>71.49</b>

**Note -- 15 - Other Current Assets**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Balance with Govt. Authorities.	3,704.52	3,681.79
Advances to Suppliers	5,361.36	4,903.92
Other Receivables	0.78	-
Prepaid Expenses	1.43	2.53
<b>Total</b>	<b>9,068.09</b>	<b>8,588.23</b>

**Note -- 16 - Equity Share Capital**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019		As on 31 <sup>st</sup> March, 2018	
	Number	Amount	Number	Amount
<b>Authorised</b>				
Equity Shares of Rs 2 each	1,750.00	3,500.00	1,750.00	3,500.00
Issued	-	-	-	-
Equity Shares of Rs 2 each	1,318.95	2,637.90	1,318.95	2,637.90
Subscribed & Paid up	-	-	-	-
Equity Shares of Rs 2 each fully paid	1,318.95	2,637.90	1,318.95	2,637.90
<b>Total</b>	<b>1,318.95</b>	<b>2,637.90</b>	<b>1,318.95</b>	<b>2,637.90</b>

Company has issued only one class of equity shares having a face value of Rs. 2/- per share. Each holder of such equity share is entitled to one vote per share. In the event of liquidation of the company the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the share holders.

**(a) Reconciliation of Number of shares outstanding and the amount of share capital**
**(Amount ₹ in Lakhs)**

Particulars	Equity Shares (2018-19)		Equity Shares (2017-18)	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,318.95	2,637.90	1,318.95	2,637.90
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,318.95	2,637.90	1,318.95	2,637.90



## (b) Shareholders holding more than 5% equity share capital in the company

Name of Shareholder	As on 31 <sup>st</sup> March, 2019		As on 31 <sup>st</sup> March, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bhikhiben Balvantsinh Rajput	18952500	14.37	18952500	14.37
Balvantsinh Chandansinh Rajput	34344515	26.04	27574515	20.91
Kanubhai Jivatram Thakkar	7858788	5.96	14358788	10.89
Manjulaben Kanubhai Thakkar	18465000	14.00	18465000	14.00
Profitline Securities Private Ltd	9187500	6.97	9187500	6.97
Jashodaben Commodities LLP	7875000	5.97	7875000	5.97
Anand Rathi Global Finance Ltd	10599444	8.04	10182167	7.72

## (c) Aggregate no of equity shares issued during five years immediately preceeding the date of balance sheet

Allotted as	No of Shares	No of Shares
<b>Equity Shares :</b>		
Fully paid up pursuant to contract(s) without payment being received in cash	-	-
Fully paid up by way of bonus shares	-	-
Shares bought back	-	-

## Note -- 17 - Other Equity

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>a. Capital Reserve Account</b>		
Opening Balance	-	5,720.26
(+) /(-) Depreciation on Revalued Assets transfer to General Reserve		(100.85)
(+) /(-) Income Tax on Remaining Capital Reserve		(1,585.64)
(+) /(-) Trf to General Reserve due to Slump Sale		(4,033.77)
Closing Balance	-	-
<b>b. Securities Premium Account</b>		
Opening Balance	379.05	379.05
Closing Balance	379.05	379.05
<b>c. General Reserves</b>		
Opening Balance	6,238.84	2,104.22
(+) /(-) Transfer from Capital Reserve	-	100.85
(+) /(-) Transfer from Capital Reserve due to Slump Sale (Net of Tax)	-	4,033.77
Closing Balance	6,238.84	6,238.84
<b>d. Retained Earning</b>		
Opening balance	15,504.46	15,672.27
(+) / (-) Surplus for the Year	269.00	(167.81)
Closing Balance	15,773.46	15,504.46
<b>Total</b>	<b>22,391.35</b>	<b>22,122.34</b>

## Nature and Purpose of Reserve:

## Capital Reserve:

Pursuant to the Scheme of arrangement approved by the Hon'ble High court of Gujarat in 2015 which became effective from 1st January, 2015 the company had reinstated its tangible fixed assets pertaining to "Haldia Undertaking" at its fair value and the difference between book value and fair value amounting to Rs. 8,808.69 Lakhs had been credited to Capital Reserve account. In terms of the scheme as and when deemed fit by the Board, the said Capital Reserve is available for adjusting various expenses and specified items. Due to disposal of the Haldia Undertaking during the previous year the balance of capital reserve has been transferred to General Reserve.

**Securities Premium:**

Securities Premium represents, the premium received on issue of shares over and above the face value of equity shares. Such amount is available for utilisation in accordance with the provision of the Companies Act, 2013.

**General Reserve:**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**Retained Earnings:**

The portion of profits not distributed among the shareholders are termed as retained earnings. The same is created out of profits over the years and shall be utilised as per the provisions of the Act.

**Note -- 18- Non-current Provisions**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Provision For Employee Benefits		
Leave Encashment (Unfunded)	22.94	32.62
Provision for Gratuity	1.53	1.53
<b>Total</b>	<b>24.46</b>	<b>34.15</b>

**Note -- 19 - Current liabilities Financial Trade Payables**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Due To Micro, Small And Medium Enterprises	11.29	6.53
Due to Others	282.12	1,197.97
<b>Total</b>	<b>293.41</b>	<b>1,204.49</b>

**Note:**
**DUES TO MICRO AND SMALL ENTERPRISES**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006('MSMED Act').

The disclosures pursuant Section 22 to the said MSMED Act are as follows:

**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
The principal amount remaining unpaid to any supplier at the end of the year	11.29	6.53
Interest due remaining unpaid to any supplier at the end of the year	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
<b>Total</b>	<b>11.29</b>	<b>6.53</b>

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

**Trade Payable stated above include payments due to related parties:**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Professional Commodity Services Pvt Ltd (Step down Subsidiary)	-	8.44
<b>Total</b>	<b>-</b>	<b>8.44</b>

## Note -- 20 - Current Other Financial liabilities

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Unpaid Dividends	-	0.14
Due to Staff	0.95	0.95
<b>Total</b>	<b>0.95</b>	<b>1.09</b>

## Note -- 21 - Other Current Liabilities

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Duties and Taxes	952.29	968.81
Other Liabilities-Book overdraft	58.08	-
Creditors For Capital Items	4.63	4.65
Other Payables	147.09	123.84
Provision For Expenses	103.27	81.48
<b>Total</b>	<b>1,265.35</b>	<b>1,178.77</b>

## Note -- 22 - Current liabilities Provisions

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Provision for Gratuity	13.89	3.71
Provision for Leave Encashment	3.78	6.01
Bonus Payable	10.56	15.03
<b>Total</b>	<b>28.23</b>	<b>24.76</b>

## Note -- 23 - Current Tax Liabilities (Net)

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Income Tax Provision for Current Year	110.80	2,156.50
Less: Tax Deducted at Sources Receivables	-	43.20
Less: Advance Tax Payment	60.00	900.00
Less: MAT Credit Utilised	12.40	814.52
<b>Total</b>	<b>38.39</b>	<b>398.78</b>

## Note-- 24 - Revenue from operations

(Amount ₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Sale of products	787.30	18,630.83
Less:		
Discount And Other Deductions	2.44	31.21
	784.86	18,599.63
Other operating revenues:		
Export benefits and other incentives	8.38	2.06
Other operating revenues	9.15	25.39
	17.53	27.45
<b>Total</b>	<b>802.39</b>	<b>18,627.08</b>

## Disaggregated revenue information:

(Amount ₹ in Lakhs)

Commodity	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Types of Goods:		
Edible Oils	733.73	12,069.46
Non Edible Oils& By Product	53.57	6,561.38
	787.30	18,630.83

<b>Sales of Goods Manufactured:</b>		
Edible Oils/Non Edible Oils& By Product	-	-
Seeds	-	-
De Oiled Cake/Oil Cake	-	-
<b>Total</b>	-	-
<b>Sales of Goods Traded:</b>		
Edible Oils/Non Edible Oils	787.30	12,966.61
Seeds	-	5,664.22
<b>Total</b>	<b>787.30</b>	<b>18,630.83</b>
<b>Total Sales of Product</b>	<b>787.30</b>	<b>18,630.83</b>

**Geographical location of Customer**
**(Amount Rs. In Lakh)**

India	733.73	18,587.54
Outside India	53.57	43.29
<b>Total Sales of Product</b>	<b>787.30</b>	<b>18,630.83</b>

Information about major customers

The Company has 5 customers who have accounted for more than 10% of the Company's revenue. Total amount of revenue from these customers is Rs.733.73 Lakhs for the year ended March 31, 2019 and Rs. NIL Lakhs March 31, 2018.

**Note:- 25 - Other Income**
**(Amount ₹ in Lakhs)**

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>Interest Income</b>		
Interest On Bank Fixed Deposits	51.85	304.58
Interest From Partnership Firm	346.02	314.48
<b>Interest On Loans and Advances</b>		
Interest From Subsidiaries and Associates	237.78	129.61
Interest From Others	-	118.53
<b>Net Gain/Loss On Sale Of Investments</b>		
Short Term Profit On Sale Of Share /Mutual Fund	-	12.30
Net Gain /Loss From Partnership Firm	62.73	65.67
<b>Other Non-Operating Income</b>		
Gain on Derivatives Hedgeing	-	1,000.00
Gain on Receipts of Keyman Insurance	459.98	-
Bad debts recovered	26.33	-
Profit on Sale of Asset	-	0.88
Rent Income	-	2.71
<b>Total</b>	<b>1,184.69</b>	<b>1,948.77</b>

**Note:- 26 - Purchase Of Stock In Trade**
**(Amount ₹ in Lakhs)**

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Purchase Of Goods Traded	790.96	15,927.21
<b>Total</b>	<b>790.96</b>	<b>15,927.21</b>

**Note:- 27 - Change In Inventories Of Finished Goods And Work In Progress**
**(Amount ₹ in Lakhs)**

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Opening Stock Of Finished Goods	-	2,069.92
Closing Stock Of Finished Goods	-	-
Change In Inventories Of Finished Goods	-	2,069.92

Opening Stock Of Traded Goods	-	-
Closing Stock Of Traded Goods	-	-
Change In Inventories Of Traded Goods	-	-
Opening Stock Of Work In Progress	-	144.03
Closing Stock Of Work In Progress	-	-
Change In Inventories Of Work In Progress	-	144.03
<b>Total</b>	<b>-</b>	<b>2,213.95</b>

**Note:- 28 - Employee Benefit Expenses****(Amount ₹ in Lakhs)**

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Salary, wages and Bonus	198.91	471.13
Contribution to PF and Other Funds	5.59	9.45
Gratuity Expenses	3.97	-
Staff welfare expenses	-	3.19
<b>Total</b>	<b>208.47</b>	<b>483.77</b>

**Note:- 29 - Finance Cost****(Amount ₹ in Lakhs)**

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Interest on Borrowings	-	144.36
Other borrowing costs	1.81	60.81
Interest on short payment of advance tax	62.40	-
Applicable net gain/loss on foreign currency transactions and translation	-	10.75
Interest On Promoters Loans	-	76.30
<b>Total</b>	<b>64.21</b>	<b>292.22</b>

**Note:- 30 - Other Expenses****(Amount ₹ in Lakhs)**

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Consumption Of Stores, Spares & Tools	0.04	-
Rent	73.63	125.54
Rates And Taxes	0.03	1.85
<b>Repairs And Maintainance</b>		-
Building	-	1.35
Others	0.85	4.89
Insurance	5.15	4.22
Donation	21.11	29.57
Auditors Remuneration	5.00	5.00
Director's Sitting Fees	0.60	0.15
Premium on Forward Contract (Import)	0.00	156.91
Other Expenses	233.71	364.43
Sales Tax Service Tax, And Other Taxes	54.93	-
Brokerage	7.83	272.90
Traveling	1.59	0.31
Freight Outwards	2.74	14.91
Sales And Advertisements Expenses	10.74	61.78
Bad Debts written off	3.29	-
Provision for Bad Debts	36.42	-
Direct Labour Expenses	0.26	-

Exchange Differences-Net Loss In Foreign Currency Transactions And Translations	(0.04)	908.46
<b>Total</b>	<b>457.88</b>	<b>1,952.27</b>

**Auditor's Remuneration**

(Amount ₹ in Lakhs)

Particulars	For the year ended on 31 <sup>st</sup> March, 2019 Amount	For the year ended on 31 <sup>st</sup> March, 2018 Amount
(A) Audit Fees	5.00	5.00
(B) Tax Audit Fees	-	-
(C) Income Tax and other matters	-	-

**Note:- 31 - Exceptional items**

(Amount ₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
	Amount	Amount
Impairment of Investment in Subsidiary	32.35	2,798.83
<b>Total</b>	<b>32.35</b>	<b>2,798.83</b>

**Note:- 32 - Other comprehensive incomes / (losses)**

(Amount ₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
	Amount	Amount
Items that will not be reclassified to profit or loss		
Remeasurement gains (losses) on defined benefit plans (Gratuity)	(6.21)	6.06
Deferred Tax (Assets) / Liabilities	(2.17)	2.10
Items that will not be reclassified to profit or loss	(4.04)	3.96
Items that will be reclassified to profit or loss	-	-
<b>Total</b>	<b>(4.04)</b>	<b>3.96</b>

**General Notes forming the parts of Accounts:**

- 33 Corresponding figures for previous year presented have been regrouped, where necessary, to confirm to the current period's classification. Figures have been rounded off to nearest of rupee in Lakhs.
- 34 The balances of sundry debtors and sundry creditors are subject to confirmation from respective parties. Necessary adjustments, if any, will be made when accounts are reconciled / settled.

**35 Contingent Liabilities and Commitments**
**A Not provided for in the accounts**

(Amount ₹ in Lakhs)

Particulars	2018-19	2017-18
(A) For Letter of credit opened for which goods were in transit	NIL	NIL
(B) Counter Guarantee Given to Banks	NIL	NIL
(C) Corporate Guarantee Given to Banks	5,575.00	5,575.00
(D) Claims not acknowledged as debt	86.34	9.31
(E) Disputed demand of custom duty, VAT, CST, income tax, Entry Tax and Service Tax	10,380.34	6,171.54
(F) Proceedings initiated under P.F.A. Act and pending with various courts, Management is reasonably confident that no liability will devolve on the company.	20.00	0.00

**B Capital Commitment**

Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances) of Rs. Nil (Previous year: as at 31<sup>st</sup> March, 2018 Rs. Nil).

- C The disputes in respect of taxes have arisen in the ordinary course of business. The company's management does not reasonably expect that these legal actions when ultimately concluded and determined will have a material and adverse effect on the company's results of operations or financial condition.

- D There has been a supreme court judgement relating to components of salary structure that need to be taken in account for companies contribution to provident fund. Company is in the process of assessing its implication on financial statements if any.
- E To meet with documentation requirement of the bank , Who have extended working capital facilities to Gokul Agri International Limited, a wholly owned subsidiary of the company , The Company has provided the corporate guarantee to the extent Rs.5575 Lakhs, As the guarantee is for short term and there is no interest benefit to subsidiary the company has not charged or provided any commission for the same.

### 36 Employee Benefits Obligations

#### Defined Contribution Plan:

The company has recognised as an expense in the statement of profit & loss in respect of defined contribution plan- Provident and other fund of Rs.5.59 Lakhs (Previous Year Rs. 9.45 Lakhs ) administered by the government.

#### Retirement Benefits

As per Ind AS 19 the Company has recognised "Employees Benefits", in the financial Statements in respect of the employee benefits Schemes as per Actuarial Valuation as on 31<sup>st</sup> March, 2019.

#### Defined benefit plan and long term employment benefit

##### a. Defined Benefit Plan (Gratuity)

The company has a defined benefit gratuity plan .every employee who has completed five years and more service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with insurance company in the form of qualifying insurance policy

##### b. Long Term Employment Benefit (Leave Wages)

Leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or resignation or upon retirement on attaining superannuation age.

(Amount ₹ in Lakhs)

Particulars	For the year ended on 31 <sup>st</sup> March, 2019		For the year ended on 31 <sup>st</sup> March, 2018	
	Privilege Leave	Gratuity	Privilege Leave	Gratuity
	(Non-funded)	( Funded )	(Non-funded)	( Funded )
<b>A. Change in the present value of the defined benefit obligation.</b>				
Opening defined benefit obligation	38.63	19.43	34.13	72.96
Transfer in / (out) obligation	-	-	(6.69)	(23.34)
Interest cost	2.71	1.36	2.25	4.87
Current service cost	5.43	3.71	9.51	8.92
Benefits paid	-	(6.68)	(15.85)	(40.61)
Actuarial (gain) / losses on obligation	(20.06)	5.85	15.27	(6.18)
Unrecognized past Service cost	-	-	-	2.81
Closing defined obligation	26.72	23.67	38.63	19.43
<b>B. Change in the fair value of plan asset</b>	-	-	-	-
Opening fair value of plan assets	-	14.19	-	32.66
Transfer in / (out) assets	-	-	-	(20.17)
Adjustment in the opening fund	-	-	-	-
Expenses deducted from the fund	-	-	-	-
Expected return on plan assets	-	0.74	-	2.39
Contributions by employer	-	-	-	2.02
Benefits paid	-	(6.68)	-	(2.72)
Actuarial gains/ (losses)	-	-	-	-
Closing fair value of plan assets	-	8.25	-	14.19
<b>C. Actual return on plan assets:</b>			-	-



Expected return on plan assets		0.74	-	2.39
Actuarial gain / [loss] on plan assets			-	-
Actual return on plan asset		0.74	-	2.39
<b>D. Amount recognized in the balance sheet:</b>			-	-
(Assets) / Liability at the end of the year	26.72	23.67	38.63	19.43
Fair value of plan Assets at the end of the year	-	8.25	-	14.19
Difference	26.72	15.42	38.63	5.24
Unrecognized past Service cost	-	-	-	-
(Assets)/ Liability recognized in the Balance Sheet	26.72	15.42	38.63	5.24
<b>E. (income)/expenses recognized in P/L statement</b>			-	-
Current Service Cost	5.43	3.71	9.51	8.92
Past Service cost and loss/(gain) on curtailments and settlement	-	-	-	2.81
Net Interest Cost	2.71	0.26	2.25	2.36
Actuarial (gain) / losses on obligation	(20.06)	-	15.27	-
Net Benefit or expenses	(11.91)	3.97	27.03	14.09
<b>F. (income)/expenses recognized as other comprehensive income</b>			-	-
Due to change in financial assumption	-	(0.07)	-	(0.63)
Due to experience Adjustments	-	5.92	-	(5.55)
Return on plan asset excluding amounts included in interest income	-	0.36	-	0.12
Net Benefit or expenses	-	6.21	-	(6.06)
<b>G. (Assets)/Liability recognized in the Balance Sheet</b>			-	-
Opening net liability	38.63	5.24	34.13	40.30
Transfer in / (out) obligation	-	-	(6.69)	(3.17)
Expenses as above [P&L charge]	(11.91)	3.97	27.03	14.09
Expenses as above [OCI]	-	6.21	-	(6.06)
Employer's contribution & Benefits paid by the company	-	(6.68)	(15.85)	(39.92)
(Assets)/Liability recognized in the Balance Sheet	26.72	8.74	38.63	5.24
<b>H. Principal actuarial assumptions as at Balance sheet date: (Non-funded)</b>				
Discount rate	7.65%	7.65%	7.60%	7.60%
[The rate of discount is considered based on market yield on Government Bonds having currency and terms consistence with the currency and terms of the post employment benefit obligations]				
Expected rate of return on the plan assets	0%	7.65%	0%	7.60%
[The expected rate of return assumed by the insurance company is generally based on their Investment patterns as stipulated by the Government of India]				
Annual increase in salary cost	7%	7%	7%	7%
[The estimates of future salary increases considered in actuarial valuation, take account of Inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market]				
<b>I. The categories of plan assets as a % of total plan assets are</b>				
Insurance Company	0%	0%	0%	0%

## Sensitivity Analysis

(Amount ₹ in Lakhs)

Particulars	For the year ended on 31 <sup>st</sup> March, 2019		For the year ended on 31 <sup>st</sup> March, 2018	
	Privilege Leave	Gratuity	Privilege Leave	Gratuity
	(Non-funded)	( Funded )	(Non-funded)	( Funded )
Discount rate Sensitivity				
Increase by 0.5%	(25.53)	(22.95)	(37.06)	(18.84)
Decrease by 0.5%	28.00	24.44	40.33	20.06
	-	-	-	-
Salary growth rate Sensitivity	-	-	-	-
Increase by 0.5%	28.00	24.44	40.33	19.81
Decrease by 0.5%	(25.52)	(23.19)	(37.05)	(19.07)
	-	-	-	-
Withdrawal rate (W.R.) Sensitivity	-	-	-	-
W.R. X 110%	26.78	24.02	38.74	19.71
W.R. X 90%	(26.64)	(23.27)	38.51	(19.11)

## 37 Related Parties Disclosure:-

Disclosures as required by Indian Accounting Standard 24 "Related Party Disclosures" are given below

## A. Related Party

1	Gokul Overseas	A Firm in which some of the directors and company are partners.
2	Professional Commodity Services Pvt. Ltd.	Step Down Subsidiary Company
3	Gokul Agri International Ltd.	Wholly owned subsidiary
4	Gokul Refoils Pte Ltd.	Wholly owned subsidiary
5	Gujarat Gokul Power Ltd.	Associate Company.
6	Gokul Foundation	Charitable Trust where some of the Key Management Personnel (KMP) are Trustee.
7	Shree Bahuchar Jan Seva Trust	Charitable Trust where some of the Key Management Personnel (KMP) are Trustee.

## B. Key Management Personnel

1	Mr. Balvantsinh Rajput	Chairman and Managing Director
2	Mr. Dharmendrasinh Rajput	Executive Director
3	Mr. BipinbhaiThakkar	Whole Time Director
4	Mr. Praveen Khandelwal	Chief Executive Officer
5	Mr. Shaunak Mandalia	Chief Financial Officer
6	Mr. Vijay Kalyani	Company Secretary

## C. Relative of Key Management Personnel:

1	Mr. Digeeshsinh Rajput	Son of Law of Chairmen and Managing Director
2	Ms. Hina Thakkar	Wife of Whole Time Director
3	Ms. Khushboo Khandelwal	Wife of Chief Executive Officer
4	Ms. Pallavi Mandalia	Wife of Chief Financial Officer

## D. Transactions with related parties.

(Amount ₹ in Lakhs)

Sr. No.	Nature of Transaction	Related Parties		Key Management Personnel		Relative of KMP	
		31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018
1	Sales	-	3,987.71				
2	Purchases	46.68	2,723.13				
3	MEIS License Sales	4.68	-				

4	Salary and bonus	-	-	123.92	161.08	24.24	53.83
5	Corporate Guarantee given	-	5,575.00				
6	Subscription to shares/ Investment (net)	(578.54)	(3,362.12)				
7	Donation	16.11	-		-		
8	Brokerage paid		0.49				
9	Interest Earned	583.80	444.08				
10	Interest Paid		75.23				
11	Royalty Expense		65.62				
12	Rent Paid	13.23	11.03				
13	Loans/advances given (Net)	(289.75)	(504.31)		23.00		

(Amount ₹ in Lakhs)

		Related Parties		Key Management Personnel		Relative of KMP	
14	Balance Outstanding	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
	Non Current Liabilities - Financial Borrowings	-	-	-	-	-	-
	Trade Payables	-	8.44	-	-	-	-
	Other Current Liabilities	-	-	-	-	-	-
	Current Financial Assets - Investments	3,703.62	3,092.73	-	-	-	-
	Current Financial Assets - Others (loan to employees)	-	-	-	20.50	-	-
	Other Current Assets	0.78	-	-	-	-	-
	Current Financial Assets - Loans	-	27.13	-	-	-	-
	Non Current Financial Assets - Loans	2,978.62	2,662.52	-	-	-	-

**Material Transactions with Related Party**

(Amount ₹ in Lakhs)

Sr. No.	Name of Related Party/ KMP/ Relative of KMP	Nature of Transaction	2018-19	2017-18
1	Gokul Agri International Limited	Sale	-	3,987.71
2	Gokul Agri International Limited	Purchase	46.68	2,723.13
3	Gokul Agri International Limited	MEIS License Sales	4.68	-
4	Gokul Agri International Limited	Royalty Paid	-	65.62
5	Gokul Agri International Limited	Interest paid	-	75.23
6	Gokul Agri International Limited	Rent paid	13.23	11.02
7	Gokul Agri International Limited	Interest Received	91.16	14.26
8	Maurigo international Limited	Interest Received	-	47.46
9	Gokul Overseas	Interest Received	346.02	314.47
10	Gujarat Gokul Power Limited	Interest Received	145.85	67.06
11	Gokul Foundation	Donation	16.11	-
12	Balvantsinh Rajput	Remuneration	-	36.00
13	Dharmendrasinh Rajput	Remuneration	24.00	24.00
14	Bipinbhai Thakkar	Remuneration	11.35	10.64

15	Bipinbhai Thakkar	Loan given	-	3.00
16	Praveen Khadelwal	Remuneration	56.15	60.00
17	Praveen Khadelwal	Loan given	-	15.00
18	Shaunak Mandalia	Remuneration	20.23	18.77
19	Shaunak Mandalia	Loan given	-	5.00
20	Vijay Kalyani	Remuneration	12.20	11.67
21	Hina Thakkar	Remuneration	9.24	8.64
22	Khushboo Khandelwal	Remuneration	15.00	15.00
23	Digeeshsinh Rajput	Remuneration	-	6.55

**38 Segment Reporting**

The company has only one segment which is "Agro Based Commodities" and primarily operates in domestic market. The company's Managing Director, reviews the operating performance of the company as a whole on a periodic basis. therefore disclosure relating to segments is not applicable and accordingly not made.

**39 Earnings per share**

(Amount ₹ in Lakhs)

Particulars	For the year ended on 31 <sup>st</sup> March, 2019	For the year ended on 31 <sup>st</sup> March, 2018
Profit/Loss for the period attributable to Equity Shareholders (continuing Operation)	273.06	(2,981.15)
Profit/Loss for the period attributable to Equity Shareholders (discontinued Operation)	-	2,809.03
Profit/Loss for the period attributable to Equity Shareholders (continuing and discontinued Operation)	273.06	(172.12)
No. of Weighted Average Equity shares outstanding during the year	131895000	131895000
Nominal Value of Share (In Rs.)	2.00	2.00
Basic and Diluted Earnings per Share (In Rs.) (continuing Operation)	0.21	(2.26)
Basic and Diluted Earnings per Share (In Rs.) (discontinuing Operation)	-	2.13
Basic and Diluted Earnings per Share (In Rs.) (continuing and discontinued Operation)	0.21	(0.13)

The Company does not have any outstanding dilutive potential equity shares. Consequently the basic and dilutive earning per share of the Company remain the same.

**40 Details of Loan given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act.**

Loans given, Investment made are given under the respective heads.

**41 Details of Corporate Social Responsibilities (CSR) Expenditure**

- Company is not required to spend money during the year (Previous Year Rs. 16.11 Lakhs) on CSR activities
- Amount Spend During the year on

(Amount ₹ in Lakhs)

Particulars	Year ended March 31 <sup>st</sup> , 2019	Year ended March 31 <sup>st</sup> , 2018
	Total	Total
Construction/acquisition of any asset		
Contribution to various Trusts/NGOs	-	16.11
Expenditure on Administration Overheads of CSR		

**42 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT****A. Accounting classification and Fair Values**

The following table shows the carrying amounts and Fair Values of Financial Assets and Financial Liabilities, including their levels in the Fair Value hierarchy. It does not include Fair Value information for Financial Assets and Financial Liabilities not measured at Fair Value if the carrying amount is a reasonable approximation of Fair Value.

(Amount ₹ in Lakhs)

March 31, 2019	Carrying Amount				Fair Value			
	Fair Value through Profit and Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets measured at amortised Cost :-</b>	-	-	-	-	-	-	-	-
Non-current Investments	-	-	8,616.54	8,616.54	-	8,616.54	-	8,616.54
Current Investments	-	-	3,703.62	3,703.62	-	-	-	-
<b>Loans :-</b>	-	-	-	-	-	-	-	-
Non-current	-	-	2,978.62	2,978.62	-	-	-	-
Current	-	-	1,210.30	1,210.30	-	-	-	-
<b>Other Financial Assets :-</b>	-	-	-	-	-	-	-	-
Non-current	-	-	6.62	6.62	-	-	-	-
Current	-	-	69.87	69.87	-	-	-	-
Trade and Other Receivables	-	-	2.71	2.71	-	-	-	-
Cash and Cash Equivalents	-	-	12.40	12.40	-	-	-	-
Bank Balances (other than above)	-	-	5.48	5.48	-	-	-	-
<b>Total Financial Assets</b>	-	-	16,606.18	16,606.18	-	8,616.54	-	8,616.54
Financial Liabilities measured at amortised Cost	-	-	-	-	-	-	-	-
<b>Borrowings :-</b>	-	-	-	-	-	-	-	-
Non-current	-	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-
Trade and Other Payables	-	-	293.41	293.41	-	-	-	-
<b>Other Financial Liabilities :-</b>	-	-	-	-	-	-	-	-
Non-current	-	-	-	-	-	-	-	-
Current	-	-	0.95	0.95	-	-	-	-
<b>Total Financial Liabilities</b>	-	-	294.36	294.36	-	-	-	-

(Amount ₹ in Lakhs)

March 31, 2018	Carrying Amount				Fair Value			
	Fair Value through Profit and Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets measured at amortised Cost :-</b>	-	-	-	-	-	-	-	-
Non-current Investments	-	-	8,648.89	8,648.89	-	8,648.89	-	8,648.89
Current Investments	-	-	3,092.73	3,092.73	-	-	-	-
<b>Loans :-</b>	-	-	-	-	-	-	-	-

## STANDALONE FINANCIAL STATEMENTS

Non-current	-	-	2,662.52	2,662.52	-	-	-	-
Current	-	-	1,237.43	1,237.43	-	-	-	-
<b>Other Financial Assets :-</b>					-	-	-	-
Non-current	-	-	6.62	6.62	-	-	-	-
Current	-	-	71.49	71.49	-	-	-	-
Trade and Other Receivables	-	-	629.59	629.59	-	-	-	-
Cash and Cash Equivalents	-	-	312.90	312.90	-	-	-	-
Bank Balances (other than above)	-	-	1,311.99	1,311.99	-	-	-	-
<b>Total Financial Assets</b>	-	-	<b>17,974.17</b>	<b>17,974.17</b>		<b>8,648.89</b>		<b>8,648.89</b>
Financial Liabilities measured at amortised Cost	-	-	-	-	-	-	-	-
Borrowings :-	-	-	-	-	-	-	-	-
Non-current	-	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-	-
Trade and Other Payables	-	-	1,204.49	1,204.49	-	-	-	-
<b>Other Financial Liabilities :-</b>	-	-	-	-	-	-	-	-
<b>Non-current</b>	-	-	-	-	-	-	-	-
Current	-	-	1.09	1.09	-	-	-	-
<b>Total Financial Liabilities</b>	-	-	<b>1,205.59</b>	<b>1,205.59</b>	-	-	-	-

(1) Investment in Subsidiary/Associate carried at amortised cost. Fair Value of financial Assets and Liabilities are measured at Amortized cost is not materially different from the Amortized cost. Further impact of time value of money is not Significant for the financial instrument classified as current. Accordingly fair value has not been disclosed separately.

Types of inputs are as under:

Input Level I

(Directly Observable) which includes quoted prices in active markets for identical assets such as quoted price for an Equity Security on Security Exchanges

Input Level II

(Indirectly Observable) which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses etc.

Input Level III

(Unobservable) which includes management's own assumptions for arriving at a fair value such as projected cash flows used to value a business etc.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

### Financial instruments measured at fair value

#### Type Valuation technique

Currency Futures Based on exchange rates listed on NSE/MCX stock exchange

Commodity futures Based on commodity prices listed on MCX/ NCDX/ACE stock exchange

Forward contracts Based on FEDAI Rates

Interest rate swaps Based on Closing Rates provided by Banks

Open purchase and sale contracts Based on commodity prices listed on NCDEX stock exchange, and prices Available on SolventExtractor's association (SEA) along with quotations from brokers and adjustments made for grade and location of commodity

Options Based on Closing Rates provided by Banks

**B. Financial Risk Management:-**

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk ;
- Liquidity Risk ; and
- Market Risk
  - Currency Risk
  - Interest Rate Risk
  - Commodity Risk
  - Equity Risk

**Risk Management framework**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Company's Risk Management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk Management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's Risk Management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

**i Credit Risk**

Credit Risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following Financial Assets represents the maximum credit exposure:

**Other Financial Assets**

The Company maintains its Cash and Cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis. The derivatives are entered into with bank and financial institution counter parties, which are considered to be good.

**Trade Receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The maximum exposure to Credit Risk for Trade Receivables by geographic region was as follows: (Amount ₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Domestic	2.71	629.59
Other Region	-	-
<b>Total</b>	<b>2.71</b>	<b>629.59</b>

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(Amount ₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Neither Due nor impaired	2.71	629.59
Past Due 1 - 90 Days	-	-
Past Due 91 - 180 Days	-	-
More than 180 Days	36.42	36.42
<b>Total</b>	<b>39.13</b>	<b>666.00</b>

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Impaired amounts are based on lifetime



expected losses based on the best estimate of the management. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk. The impairment loss related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Balance as at 1 <sup>st</sup> April	-	672.45
Impairment Loss recognised	36.42	
Amount written off	-	672.45
Balance as at 31 <sup>st</sup> March	36.42	-

## ii Liquidity Risk

Liquidity Risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

### Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Non-Derivative Financial Liabilities	Contractual Cash Flows (Amount Rs. In Lakh)	
	Carring Amount 31 <sup>st</sup> March, 2019	Carring Amount 31 <sup>st</sup> March, 2018
Unsecured Loans		
Rupee Term Loans from banks		
Working Capital Loans from Banks	-	-
Trade and Other Payables	293.41	1,204.49

Derivative Financial Liabilities	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Forward exchange contracts used for hedging		
- Outflow - USD in Lakhs	-	-
- Inflow	-	-
<b>Total</b>	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted Cash Flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

## Excessive Risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.

## Financial instruments – Fair Values and Risk Management

### iii Market Risk

Market Risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and short term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

**Currency Risk**

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. The Company does not use derivative financial instruments for trading or speculative purposes.

Category	Instrument	Currency	Cross currency in lakhs	Amount USD in Lakhs	Buy/Sell
Hedges of highly probable forecasted Transactions	Forward Contract	USD	-	-	

**Exposure to Currency Risk**

The currency profile of Financial Assets and Financial Liabilities with exposure to foreign currency risk at the end of the reporting period expressed in rupees, are as follows

(Amount ₹ in Lakhs)

Financial Assets	March 31, 2019		March 31, 2018	
	USD	SGD	USD	SGD
Non Current Investments	-	14.12	-	46.47
Trade and Other Receivables				
Less: Forward Contract for Selling				
Foreign Currency				
Loans	-	-	-	27.13
Total	-	14.12	-	73.60
Financial Liabilities				
Short Term Borrowings	-	-	-	-
Trade and Other Payables	-	-	-	-
Less: Forward Contract for Buying	-	-	-	-
Foreign Currency	-	-	-	-
Total	-	-	-	-

**Sensitivity analysis**

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Amount ₹ in Lakhs)

Effects in (Rs. In Lakhs)	Profit or (Loss)		Equity, Net of Tax	
	Strengthening	Weakening	Strengthening	Weakening
31 <sup>st</sup> March, 2019				
3% Movement				
USD	-	-	-	-
SGD	(0.42)	0.42	(0.28)	0.28
31 <sup>st</sup> March, 2018				
3% Movement				
USD	-	-	-	-
SGD	(2.21)	2.21	(1.44)	1.44

**Interest Rate Risk**

Interest Rate Risk is the risk that the fair value or future Cash Flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates.

**Exposure to Interest Rate Risk**

The Company's Interest Rate Risk arises from borrowings obligations. Borrowings issued exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is Nil:-

### Commodity Risk

The prices of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, government policies, changes in global demand resulting from population growth and changes in standards of living and global production of similar and competitive crops. During its ordinary course of business, the value of the Company's open sales and purchases commitments and inventory of raw material changes continuously in line with movements in the prices of the underlying commodities. To the extent that its open sales and purchases commitments do not match at the end of each business day, the Company is subjected to price fluctuations in the commodities market.

While the Company is exposed to fluctuations in agricultural commodities prices, its policy is to minimise its risks arising from such fluctuations by hedging its sales either through direct purchases of a similar commodity or through futures contracts on the commodity exchanges. The prices on the commodity exchanges are generally quoted up to twelve months forward.

In the course of hedging its sales either through direct purchases or through futures, the Company may also be exposed to the inherent risk associated with trading activities conducted by its personnel. The Company has in place a risk management system to manage such risk exposure.

### Equity Risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company's investments in Fair value through Other Comprehensive Income securities exposes the Company to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. The fair value of equity securities as of March 31, 2019, was Rs. Nil [FY 2017-2018 Rs. Nil Lakh]. A Sensex standard deviation of 5% [FY 2017-2018 5%] would result in change in equity prices of securities held as of March 31, 2019 by Rs. Nil Lakh. [FY 2017-2018 Rs. Nil Lakh]

### 43 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

(Amount ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Total Interest bearing liabilities	-	-
Less: Cash and Cash equivalents	12.40	312.90
Adjusted Net Debt	(12.40)	(312.90)
Total Equity	25029.25	24,760.24
Adjusted equity	25029.25	24,760.24
Adjusted net debt to adjusted equity ratio	(0.00)	(0.01)

As per our report of even date attached

For and On Behalf of the Board

**For M. M. THAKKAR & CO.**

**Chartered Accountants**

(Registration No: 110905W)

**Darshak M Thakkar**

Partner

Membership No:103762

27<sup>th</sup> May, 2019, Ahmedabad

**Balvantsinh C Rajput** - Chairman and Managing Director

**Bipinkumar Thakkar** - Whole Time Director

**Praveen Khandelwal** - Chief Executive Officer

**Shaunak Mandalia** - Chief Financial Officer

**Vijay Kalyani** - Company Secretary

27<sup>th</sup> May, 2019, Ahmedabad

**INDEPENDENT AUDITORS' REPORT**

To

**The Members,**

**Gokul Refoils & Solvent Limited**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of Gokul Refoils and Solvent Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which includes Group's share of profit/loss in its associate comprising of the consolidated Balance sheet as at March 31, 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

**Basis for opinion**

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

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

**A The Key Audit Matter :**

**Uncertain indirect tax positions:**

Group has material uncertain indirect tax positions which are under dispute which involves significant judgments to determine possible outcome of these disputes. Refer note no 39 to the consolidated financial statements.

**How the matter was addressed in our audit:**

Reviewed the outstanding disputed demands against the company for consistency with the previous years. Discussed the status of these litigations with Group's in house legal team and assessing their responses. On sample basis examined Group's legal expenses and read the minutes of Board meetings to ensure that all cases are identified. Reviewed the legal opinion in evaluating management's position on these uncertain tax positions.

**B The Key Audit Matter :**

**Concentration Risk:**

A concentration risk exists as consolidated 99.16% of group revenue and 76.61% of group profit is from one wholly owned subsidiary viz. Gokul Agri International Limited (GAIL) which is audited by other auditor. There is a risk that the component auditor may not detect misstatements in the financial information.

**How the matter was addressed in our audit:**

We identified inventory as a balance Rs.14089.36 lakhs that can have a significant risk of obsolescence. To check on potentially obsolete

inventory we requested the component auditor to perform specified audit procedures on the valuation of inventory at GAIL that holds a large volume.

#### **Information other than the Consolidated financial statements and auditors' report thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis and chairman statement, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### **Auditor's responsibilities for the audit of the Consolidated Ind AS financial statements**

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

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

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

and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

- We did not audit the financial statements and other financial information, in respect of two subsidiaries (including one step-down subsidiary), whose financial statements include total assets of Rs. 44302.06 lakhs as at March 31, 2019, and total revenues of Rs. 219,799.44 lakhs and net cash outflows of Rs. (311.11) lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's report have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of such other auditor.
- The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of one subsidiary based in Singapore, whose financial statements and other financial information reflect total assets of Rs 20.88 Lakh as at March 31, 2019, and total revenues of Rs Nil and net cash outflows/(inflows) of Rs (29.09) lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statement and other unaudited financial information.
- The accompanying consolidated financial statements include the Group's share of net profit of Rs. Nil for the year ended March 31, 2019 as considered in the consolidated financial statements, in respect of one associate whose financial statements and other financial information have been audited by other auditor and whose reports have been furnished to us by the Company's Management and our opinion, so far as it relates to the amounts and disclosures included in respect of this one associate is based solely on the reports of its auditor.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

#### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of



the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure" to this report
- (g) In our opinion and based on the consideration of reports of other statutory auditor of the subsidiary incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company and its subsidiary incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph :-
  - (a) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 39 to the consolidated Ind AS financial statements;
  - (b) The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019;
  - (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2019.

**For, M. M. Thakkar & Co.**

**Chartered Accountants**

Firm Registration No.110905W

**D. M. Thakkar**

**Partner**

Place : Ahmedabad

Date : 27<sup>th</sup> May, 2019

Membership No.103762

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GOKUL REFOILS & SOLVENT LIMITED

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

We have audited the Internal Financial Controls over financial reporting of Gokul Refoils & Solvent Limited as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Group's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on



the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's Internal Financial Controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Group's Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles. A company's Internal Financial Control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over financial reporting to future periods are subject to the risk that the Internal Financial Control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Other Matter**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls Over Financial Reporting insofar as it relates to subsidiary/ stepdown subsidiary companies and an associate company, which are companies incorporated in India is solely based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

**For, M. M. Thakkar & Co.**

**Chartered Accountants**

Firm Registration No.110905W

**D. M. Thakkar**

**Partner**

Membership No.103762

Place : Ahmedabad

Date : 27<sup>th</sup> May, 2019

**Consolidated Balance Sheet as on 31<sup>st</sup> March, 2019**

(Amount ₹ in Lakhs)

Particulars	Note No.	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>1 ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2	6,787.71	6,838.97
(b) Capital work-in-progress	2	255.46	470.69
(c) Intangibles	2	12.02	15.11
(d) Financial Assets		-	-
(i) Investments		-	-
a) Investments in Associates and Partnership Firm	3	400.00	400.00
b) Other Investments	3.1	1.52	1.51
(ii) Loans	4	1,883.75	1,649.69
(iii) Other Financial Assets	5	73.26	71.31
(e) Other Non-Current Assets	6	699.96	815.65
(f) Deferred tax assets (Net)	7	159.13	307.09
		10,272.82	10,570.00
<b>Current assets</b>			
(a) Inventories	8	14,089.59	19,544.36
(b) Financial assets		-	-
(i) Investments	9	3,814.08	3,192.73
(ii) Trade receivables	10	10,488.19	8,825.99
(iii) Cash and Cash Equivalents	11	1,359.46	1,937.22
(iv) Other Bank balance	12	4,472.64	5,553.44
(v) Loans	13	1,700.31	1,420.31
(vi) Others Financial Assets	14	1,324.71	471.48
(c) Other current assets	15	13,145.51	12,398.74
		<b>50,394.49</b>	<b>53,344.28</b>
<b>Total Assets</b>		<b>60,667.31</b>	<b>63,914.28</b>
<b>2 EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	16	2,637.90	2,637.90
(b) Other equity	17	25,906.56	24,676.41
<b>Total equity</b>		<b>28,544.46</b>	<b>27,314.31</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Provisions	19	75.95	101.91
(b) Deferred tax liabilities (Net)	6	-	-
		<b>75.95</b>	<b>101.91</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	26,288.57	30,883.01
(ii) Trade payables	21	2,598.57	3,462.67
(iii) Other Financial liabilities	22	0.95	1.09

(b) Other current liabilities	23	2,862.81	1,582.70
(c) Provisions	24	83.87	60.63
(d) Current Tax Liabilities (Net)	25	212.13	507.97
		32,046.90	36,498.07
<b>Total Liabilities</b>		32,122.85	36,599.98
<b>Total Equity and Liabilities</b>		<b>60,667.31</b>	<b>63,914.28</b>
Significant accounting policies and notes forming part of Financial Statements	1 TO 48		

As per our report of even date attached

For and On Behalf of the Board

**For M. M. THAKKAR & CO.**

**Chartered Accountants**

(Registration No: 110905W)

**Darshak M Thakkar**

Partner

Membership No:103762

27<sup>th</sup> May, 2019, Ahmedabad

**Balvantsinh C Rajput** - Chairman and Managing Director

**Bipinkumar Thakkar** - Whole Time Director

**Praveen Khandelwal** - Chief Executive Officer

**Shaunak Mandalia** - Chief Financial Officer

**Vijay Kalyani** - Company Secretary

27<sup>th</sup> May, 2019, Ahmedabad

Consolidated Profit & Loss for the year ended 31<sup>st</sup> March, 2019

(Amount ₹ in Lakhs)

Particulars	Note No.	For the year ended on 31 <sup>st</sup> March, 2019	For the year ended on 31 <sup>st</sup> March, 2018
<b>INCOME</b>			
Revenue from operations	26	219,619.70	198,775.07
Other income	27	2,010.47	2,904.84
<b>Total Income</b>		<b>221,630.16</b>	<b>201,679.92</b>
<b>EXPENSES</b>			
Cost of Material Consumed	28	170,144.37	140,058.48
Purchase of Stock in Trade	29	36,264.84	45,284.47
Changes In Inventories Of Finished Goods, Work-In-Progress And Stock-In-Trade	30	906.94	942.10
Excise Duty	31	-	40.28
Employee benefits expense	32	1,429.97	1,532.57
Finance costs	33	3,225.41	3,281.85
Depreciation and amortization expense	2	502.61	456.03
Other expenses	34	7,274.90	9,245.25
<b>Total Expenses</b>		<b>219,749.04</b>	<b>200,841.02</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>1,881.13</b>	<b>838.90</b>
Exceptional items	35	32.35	2,478.27
<b>Profit/(loss) before tax</b>		<b>1,848.77</b>	<b>(1,639.37)</b>
<b>Tax expense:</b>			
Current tax		577.53	386.21
Deferred tax Liability / (Assets)	7	140.13	56.69
Excess/(Short) Provision Of Earlier Years		(39.71)	(112.42)
Less: MAT credit entitlement		(12.40)	-
<b>Income tax expense</b>		<b>665.55</b>	<b>330.48</b>
<b>Net Profit/(Loss) from ordinaty activities after tax</b>		<b>1,183.23</b>	<b>(1,969.85)</b>
Net Profit/(Loss) from discontinued operations before tax		-	2,931.73
Tax Expense of discontinued operations		-	-
Current tax		-	570.86
Deferred tax Liability / (Assets)	7	-	(513.77)
Income tax expense discontinued operations		-	57.09
<b>Net Profit/(Loss) from discontinued operations after tax</b>		<b>-</b>	<b>2,874.64</b>
<b>Net Profit/(Loss) for the period after tax</b>		<b>1,183.23</b>	<b>904.80</b>
<b>Share Of Profit /(Loss) From Associate Company</b>		<b>-</b>	<b>-</b>
<b>Net Profit/(Loss) for the period after tax</b>		<b>1,183.23</b>	<b>904.80</b>
<b>Other comprehensive income / (Expenses)</b>			
A) Other comprehensive income that will not be reclassified to profit or loss			
(i) Remeasurement gains (losses) on defined benefit plans (Gratuity)	36	11.94	(11.81)
(ii) Equity Instruments designated through other comprehensive income		0.00	0.07
Income tax effect Liability / (Assets) on above remeasurement	7	(4.17)	(3.06)
B) Other comprehensive income that will be reclassified to profit or loss			
Fair value of financial Instrument		10.46	-
Income tax related to items that will be reclassified to profit or loss		(3.66)	-

Other comprehensive income for the year		14.58	(8.68)
Total comprehensive income for the year		1,197.80	896.12
Significant accounting policies and notes forming part of Financial Statements	1 TO 48		

As per our report of even date attached

For and On Behalf of the Board

**For M. M. THAKKAR & CO.**

**Chartered Accountants**

(Registration No: 110905W)

**Darshak M Thakkar**

Partner

Membership No:103762

**Balvantsinh C Rajput** - Chairman and Managing Director

**Bipinkumar Thakkar** - Whole Time Director

**Praveen Khandelwal** - Chief Executive Officer

**Shaunak Mandalia** - Chief Financial Officer

**Vijay Kalyani** - Company Secretary

27<sup>th</sup> May, 2019, Ahmedabad

27<sup>th</sup> May, 2019, Ahmedabad

Consolidated Cash Flow Statement for the year ended on 31<sup>st</sup> March, 2019

(Amount ₹ in Lakhs)

Particulars		For the year ended on 31 <sup>st</sup> March, 2019	For the year ended on 31 <sup>st</sup> March, 2018
A.	<b>Cash Flow From Operating Activities</b>		
	Net Profit after Taxation (Total Comprehensive Income) for the year	1,860.72	1,280.63
	<b>Adjustment For :-</b>		
	Income Tax Expenses (continuing, discontinuing operations and OCI)		
	Depreciation and amortization expenses (continuing & discontinuing operations)	502.61	683.27
	Loss/(Profit) On Sale Of Fixed Assets-Net	(1.86)	(7,822.86)
	Loss/(Profit) On Sale Of Investment		
	Interest Income	(972.95)	(1,441.27)
	Interest Expenses (Including Prepaid expense out)	2,963.74	3,087.34
	Dividend Income	-	(0.00)
	(Profit)/Loss From Partnership Firm	(62.73)	(65.67)
	Gain On Sale Of Mutual Fund	(40.49)	(20.18)
	Provision For Retirement Benefits	86.60	137.95
	Provision For Doubtful Debts	36.42	-
	<b>Total</b>	<b>2,511.34</b>	<b>(5,441.42)</b>
	<b>Operating Profit ( Loss) Before Working Capital Changes</b>	<b>4,372.06</b>	<b>(4,160.80)</b>
	<b>Adjustment For :-</b>		
	( Increase)/ Decrease In Non Current Other Financial Assets	(1.96)	270.20
	( Increase)/ Decrease In Other Non Current Assets	115.68	22.07
	( Increase)/ Decrease In Inventories	5,450.23	8,324.06
	( Increase)/ Decrease In Trade Receivables	(1,662.20)	8,824.36
	( Increase)/ Decrease In Other Bank balance	1,080.80	3,366.61
	( Increase)/ Decrease In Current Financial Loan	(280.00)	650.00
	( Increase)/ Decrease In Current Others Financial Assets	(853.23)	70.76
	( Increase)/ Decrease In Others Current Assets	(746.77)	(1,775.47)
	Increase / (Decrease) In Non Current Financial Liabilities - Other	-	(37.28)
	Increase / (Decrease) In Current Financial Liabilities - Trade Payables	(864.10)	(1,057.84)
	Increase / (Decrease) In Current Financial Liabilities - Other Liabilities	(0.14)	(1,296.49)
	Increase / (Decrease) In Other Current Liabilities	1,280.10	(929.16)
	<b>Cash Generated From Operations</b>	<b>7,890.47</b>	<b>12,271.02</b>
	Direct Tax (Paid) /Received	(547.15)	(1,060.55)
	Retirement Benefits paid	(105.37)	(123.04)
	<b>Cash Flow Before Extraordinary Items</b>	<b>7,237.94</b>	<b>11,087.43</b>
	<b>Net Cash From Operating Activities Total</b>	<b>7,237.94</b>	<b>11,087.43</b>

<b>B.</b>	<b>Net Cash Flow From Investment Activities</b>		
	Sales Proceeds from Disposal of Haldia Undertaking	-	25,355.56
	Sales Proceeds from Disposal of Other Fixed Assets	1.62	6.96
	Purchase Of Fixed Assets	(235.84)	(538.12)
	(Purchase)/Disposal Of Current Investment	(621.35)	3,229.29
	Interest Received	972.95	1,506.98
	Dividend Received	-	0.00
	Proift/(Loss) from Partnership Firm	62.73	65.67
	Gain On Sale Of Mutual Fund	40.49	20.18
	(Purchase)/Disposal Of Non Current Investment - Capital repatriation	(0.00)	(0.07)
	Loan To Subsidiary /Associates	(234.06)	(1,649.69)
	<b>Net Cash From Investment Activities</b>	<b>(13.47)</b>	<b>27,996.77</b>
<b>C.</b>	<b>Cash Flows From Financing Activities</b>		
	Interest Paid	(3,207.80)	(3,296.03)
	(Repayment)/Acquisition of Long term Loans (Net)	-	(2,560.34)
	(Repayment)/Acquisition of Short term borrowings	(4,594.44)	(35,885.76)
	<b>Net Cash From Financial Activities</b>	<b>(7,802.24)</b>	<b>(41,742.13)</b>
	<b>Net Increase /(-) Decrease In Cash And Cash Equivalents</b>	<b>(577.77)</b>	<b>(2,657.93)</b>
	Opening Balance In Cash And Cash Equivalents	1,937.22	4,595.15
	<b>Closing Balance In Cash And Cash Equivalents</b>	<b>1,359.46</b>	<b>1,937.22</b>
	<b>Reconciliation of cash and cash equivalent with Balance sheet</b>		
	cash and cash equivalent as per Balance sheet	1,359.46	1,937.22
	Less: Fixed Deposits Having Maturity of More than Three Months not considered as cash and cash equivalent	-	-
	Add: Current investment in Mutual Funds considered as part of cash and cash equivalent	-	-
	<b>Closing Balance In Cash And Cash Equivalents as per Balance sheet</b>	<b>1,359.46</b>	<b>1,937.22</b>

As per our report of even date attached

**For M. M. THAKKAR & CO.**

**Chartered Accountants**

(Registration No: 110905W)

**Darshak M Thakkar**

Partner

Membership No:103762

27<sup>th</sup> May, 2019, Ahmedabad

For and On Behalf of the Board

**Balvantsinh C Rajput** - Chairman and Managing Director

**Bipinkumar Thakkar** - Whole Time Director

**Praveen Khandelwal** - Chief Executive Officer

**Shaunak Mandalia** - Chief Financial Officer

**Vijay Kalyani** - Company Secretary

27<sup>th</sup> May, 2019, Ahmedabad



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(Amount ₹ in Lakhs)

(a) Equity Share Capital	As at 31 <sup>st</sup> March, 2019		As at 31 <sup>st</sup> March, 2018	
	Number	Amount	Number	Amount
Balance at the beginning of the reporting period	1,318.95	2,637.90	1,318.95	2,637.90
Changes in Equity Share capital during the year	-	-	-	-
Add: Loan converted in to Equity	-	-	-	-
Less: Loss converted in to equity	-	-	-	-
Less: Repatriation of remaing equity	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>1,318.95</b>	<b>2,637.90</b>	<b>1,318.95</b>	<b>2,637.90</b>

## (b) Other Equity

(Amount ₹ in Lakhs)

Particulars	Capital Reserve Account	Securities Premium Account	General Reserve	Retained Earning	Total
<b>Balance at 1<sup>st</sup> April, 2017</b>	<b>5,809.64</b>	<b>379.05</b>	<b>2,104.22</b>	<b>17,367.50</b>	<b>25,734.57</b>
	-	-	-	-	-
Depreciation on Revalued Assets	(100.85)	-	100.85	-	-
	-	-	-	-	-
Income Tax Liability Attributable to Remaing Revaluation Reserve transfer to General Reserve	(1,585.64)	-	-	-	(0.02)
Transfer from Revaluation Reserve to General Reserve Due to Slump Sale of Haldia U/T	(1,585.64)	-	1,585.64	-	-
	-	-	-	-	-
Profit for the year	-	-	-	904.80	0.01
Other Comprehensive Income for the year	-	-	-	(8.68)	(0.00)
Loss converted into Equity	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	896.12	896.12
Balance at 31 <sup>st</sup> March, 2018	2,537.52	379.05	3,790.70	18,222.22	26,630.67
Profit for the year	-	-	-	898.85	0.01
Other Comprehensive Income for the year	-	-	-	291.65	0.00
Total Comprehensive Income for the year	-	-	-	1,190.50	0.01
Balance at 31 <sup>st</sup> March, 2019	2,537.52	379.05	3,790.70	19,412.72	26,630.68

As per our report of even date attached

**For M. M. THAKKAR & CO.****Chartered Accountants**

(Registration No: 110905W)

**Darshak M Thakkar**

Partner

Membership No:103762

27<sup>th</sup> May, 2019, Ahmedabad

For and On Behalf of the Board

**Balvantsinh C Rajput** - Chairman and Managing Director**Bipinkumar Thakkar** - Whole Time Director**Praveen Khandelwal** - Chief Executive Officer**Shaunak Mandalia** - Chief Financial Officer**Vijay Kalyani** - Company Secretary27<sup>th</sup> May, 2019, Ahmedabad

## STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

### BACKGROUND

Gokul Refoils and Solvent Limited ('the Company') is a Public Limited Company. The Company, its subsidiaries and associates collectively referred as "the Group" engaged in the business of processing of oil seeds and refining of crude oil for edible use, trading in oil seeds and edible/non edible oils. The consolidated financial statements as at March 31, 2019 presents the financial position of the Group as well as its interest in associate company. The Company is listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

These Consolidated financial statements were authorised for issue by the board of directors on May 27, 2019.

### 1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION OF ACCOUNTS

#### a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act as applicable to the consolidated financial statements. The accounting policies are applied consistently to all the periods presented in the financials.

#### b) Functional and presentation currency

These Consolidated financial statements are presented in Indian rupees, which is the Group's functional currency. All amounts have been rounded to the nearest lakh, unless otherwise indicated.

#### c) Basis of Measurement

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

- (i) Certain financial assets and liabilities that are measured at fair value.
- (ii) Assets held for sale- Measured at the lower of (a) carrying amount and (b) Fair Value less cost to sell.
- (iii) Net defined benefit plans- Plan assets measured at Fair Value less present value of defined benefit obligation.
- (iv) Determining the Fair Value

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

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). If the inputs used to measure the Fair Value of an asset or a liability fall into different levels of the Fair Value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the Fair Value hierarchy as the lowest level input that is significant to the entire measurement.

#### d) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Group. It also includes the Group's share of profits, net assets and retained post-acquisition reserves of associates that are consolidated using the equity or proportionate method of consolidation, as applicable. Control over an entity in the Group is achieved when the Group is exposed to, or has rights to the variable returns of the entity and ability to affect those returns through its power over the entity. The results of subsidiaries, step down subsidiary and associate acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. Wherever necessary, adjustments are made to the financial statements of subsidiaries, step down subsidiary and associate to bring their accounting policies in line with those used by other members of the Group.

The information about the Group is as follows

S.no.	Name of the entity	Country of Domicile	Nature of control	Proportion of ownership interest
1	Gokul Agri International Ltd.	India	Subsidiary	100%
2	Gokul Refoils Pte Ltd.	Singapore	Subsidiary	100%
3	Professional Commodities Services Ltd.	India	Stepdown subsidiary	100%
4	Gujarat Gokul Power Ltd.	India	Associate	48%

The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

- (ii) Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.
- (iii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.
- (iv) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (v) The items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.
- (vi) Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- (vii) Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.
- (ix) Investment in Associates has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures.
- (x) The Company accounts for its share of post-acquisition changes in net assets of associates after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.

#### **e) Use of Estimates and Judgement**

The preparation of financial statements in accordance with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are known or materialised. The most significant estimates and assumptions are described below:

##### **(i) Judgements**

Information about judgments made in applying accounting policies that have the significant effect on amounts recognised in the financial statement are as below:

- Leases identification- Whether an agreement contains a lease.
- Classification of lease - Whether Operating or Finance

##### **(ii) Assumptions and Estimations**

Information about assumption and estimation uncertainties that have significant risk of resulting in a material adjustment are as below:

#### **1. Impairment test of non-financial assets**

For the purpose of assessing recoverability of non-financial assets, assets are grouped at the lower levels for which there are individually identifiable cash flows (Cash Generating Units).

#### **2. Allowance for bad debts**

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

#### **3. Recognition and measurement of Provisions and Contingencies**

The Group's Management estimates key assumptions about the likelihood and magnitude of an outflow of resources based on available information and the assumptions and methods deemed appropriate. Wherever required, these estimates are prepared with the assistance of legal counsel. As and when additional information becomes available to the Group, estimates are revised and adjusted periodically.

#### **4. Recognition of Deferred Tax Assets**

The Management makes estimates as regards to availability of future taxable profits against which unabsorbed depreciation/ tax losses carried forward can be used.

#### **5. Measurements of Defined benefit obligations**

The measurements are based on key actuarial assumptions.

#### **f) Application of New Accounting Pronouncements**

Group has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effect is described below:

1. Group has adopted Ind AS 115, Revenue from Contract with Customers with effect from 1<sup>st</sup> April 2018 and it is detailed in note 1.2(j)
2. Group has elected to recognize cumulative effect of initially applying Ind AS 115 retrospectively as an adjustment to opening balance sheet as at 1<sup>st</sup> April 2018 on the contracts that are not completed contract as at that date. There was no impact of above on the opening balance sheet as at 1<sup>st</sup> April 2018 and on the Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019.
3. Group has adopted Appendix B to Ind AS 21, foreign currency transactions and advance consideration with effect from 1<sup>st</sup> April 2018 prospectively to all assets, expenses and income initially recognized on or after 1<sup>st</sup> April 2018 and the impact on implementation of the Appendix is immaterial.

**g) Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act

**h) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**1.2 SIGNIFICANT ACCOUNTING POLICIES**

**a) Property, Plant and Equipmrnt**

**(i) Recognition and measurement**

Group had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1<sup>st</sup> April, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Free hold land is carried at cost. All other items of Property, Plant and Equipment are measured at cost (which includes capitalised borrowing costs) less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of Property, Plant and Equipment comprises:

- a) its purchase price, including import duties and nonrefundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted for as separate items (major components) of Property, Plant and Equipment and depreciated accordingly. Any gain or loss on disposal of an item of Property, Plant and Equipment is recognised in Statement of profit or loss.

**(ii) Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**(iii) Depreciation, Estimated useful life and estimated residual value**

Depreciation is calculated using the Straight Line Method, pro rata to the period of use, taking into account useful lives and residual value of the assets. The Group depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act and management believe that useful life of assets are same as those prescribed in Schedule II to the Act. Depreciation is computed with reference to cost or revalued value as per previous GAPP as the case may be. The assets residual value and useful life are reviewed and adjusted, if appropriate, at the end of each reporting period. Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are included in the statement of Profit and Loss.

**b) Intangible Assets**

- A Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.
- B Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.
- C Trade Marks, Technical Know-how Fees and other similar rights are amortised over their estimated useful life.
- D Capitalised cost incurred towards purchase/ development of software is amortised using straight line method over its useful life of five years as estimated by the management at the time of capitalisation.
- E Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

- F An item of intangible asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the Statement of Profit and Loss when the asset is derecognised.

**c) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options.

**(i) Financial Assets**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options.

**a) Classification**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at Fair Value Through Other Comprehensive Income-[FVTOCI], or Fair Value Through Profit and Loss-[FVTPL] and - those measured at Amortised Cost.[AC]. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

**b) Measurement**

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

**In case of investments**

**i) In Equity instruments**

- For subsidiaries, associates and Joint ventures - Investments are measured at cost and tested for impairment periodically. Impairment (if any) is charged to the Statement of Profit and Loss.
- For Other than subsidiaries, associates and Joint venture - Investments are measured at FVTOCI.

**ii) In Mutual fund**

Measured at FVTPL.

**iii) In Debt instruments**

The Group measures the debts instruments at Amortised Cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest [SPPI] are measured at amortised cost. Gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of the hedging relationship, is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the Effective interest rate method.

**c) Derecognition of financial assets**

A financial asset is derecognised only when:

- The Group has transferred the rights to receive cash flows from financial asset, or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset and has transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised.

Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained the control of the financial asset. Where the Group retains the control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**d) Impairment of financial assets**

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) Model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

- b) Trade receivables

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

- For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. ECL is used to provide for impairment loss.

## **(ii) Financial Liabilities**

### **a) Classification**

The Group classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at FVTPL and
- those measured at Amortised Cost (AC)

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

### **b) Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or AC.

All financial liabilities are recognised initially at Fair Value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### **c) Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities designated upon initial recognition as at Fair Value Through Profit or Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

#### **Gains or losses on liabilities held for trading are recognised in the profit or loss.**

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, Fair Value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to statement of profit or loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

### **d) Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. AC is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to interest-bearing loans and borrowings.

### **e) Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### **f) Off setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

### **g) Derivative financial instruments**

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts to hedge its foreign currency risks, interest rate risks and commodity price risks respectively. Such derivative financial instruments are initially recognised at Fair Value on the date on which a derivative contract is entered into and are subsequently re-measured at Fair Value. Derivatives are carried as financial assets when the Fair Value is positive and as financial liabilities when the



Fair Value is negative.

**d) Inventories**

Inventories are measured at the lower of cost and net realisable value after providing for obsolesce, if any, except for realisable by-products which are measured at net realisable value. The cost of inventories is determined using the first-in first out (FIFO) method and includes expenditure incurred in acquiring inventories, production or conversion and other costs incurred in bringing them to their respective present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. The comparison of cost and Net Realisable value is made on an item by item basis. Net realisable value is estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale. The net realisable value of work in progress is determined with reference to selling prices of finished products.

**e) Trade Receivable**

Trade receivable are recognised initially at Fair Value and subsequently measured at AC using the effective interest method less provision for impairment. As per Ind AS 109 the Group has applied ECL for recognising the allowance for doubtful debts. Where Group has offered extended credit period [ECP] to the debtors, the said amount is recorded at present value, with corresponding credit in the statement of profit and loss over the tenure of the extended credit period

**f) Cash and Cash Equivalent**

For the purpose of presentation in the statement of the cash flows, cash and cash equivalent includes the cash on hand, deposits held at call with financial institutions other short term, highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**g) Contributed Equity**

Equity shares are classified as equity. Incidental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**I) Dividends**

Provision is made for the amount of any dividend declared, in the year in which it is approved by shareholders.

**II) Earnings per share**

**(i) Basic earnings per share**

Basic earnings per shares is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/after Exceptional Items (net of tax) by Weighted average number of Equity shares, (excluding treasury shares).

**(ii) Diluted earnings per share**

Diluted earnings per shares is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/after Exceptional Items (net of tax) by Weighted average number of Equity shares (excluding treasury shares) considered for basic earning per shares including dilutive potential Equity shares.

**h) Borrowing**

Borrowings are initially recognised at Fair Value, net of transaction costs incurred. Borrowings are subsequently measured at AC. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowings using the effective interest method. Processing/Upfront fee are treated as prepaid asset and netted off from borrowings. The same is amortised over the period of the facility to which it relates. Preference shares are classified as liabilities. The dividends on these preference shares, if approved, by shareholders in the forthcoming Annual General Meeting, are recognised in profit or loss as finance costs, in the year when approved. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liability assumed, is recognised in Statement of profit or loss as other gains or (losses). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of liabilities for at least twelve months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the same is classified as current unless the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as a consequence of the breach.

**i) Trade and Other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid at the period end. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their Fair Value and subsequently measured at amortised cost using the effective interest method.

**j) Foreign Currency Transactions**

Transactions in foreign currencies are translated into the functional currencies of the Group at the exchange rate prevailing at the date of the transactions. Monetary assets (other than investments in companies registered outside India) and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Investments in companies registered outside India are converted at rate prevailing at the date of acquisition. Non-monetary assets and liabilities that are



measured at Fair Value in a foreign currency are translated into the functional currency at the exchange rate when the Fair Value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are not translated. Difference on account of changes in foreign currency are generally charged to the statement of profit & loss.

**k) Revenue**

Effective 01 April 2018, Group has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- 1 The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Group performs; or
- 2 The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- 3 The Group's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

**(i) Sale of goods**

Revenue is recognised on the basis of customer contracts and the performance obligation contained therein. Revenues is recognised at a point in time when the control to the buyer of goods or services is transferred to a customer. Control lies with the customer if the customer can independently determine the use of and consume the benefit derived from a product or service. Revenue from product deliveries are recognised at a point in time based on an overall assessment of the existence of a right to payment, the allocation of ownership rights, the transfer of risks and rewards, and acceptance by the customer. The goods are often sold with volume discounts/ pricing incentives and customers have a right to return damaged products. Revenue from sales is based on the price in the sales contracts, net of discounts. Historical experience, specific contractual terms and future expectations of sales are used to estimate and provide for damage claims. No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Company and normal credit terms.

**(ii) Sale of Services**

Revenue from services is recognised when agreed contractual task has been completed.

**(iii) Other Income**

- a) Dividend income is recognised when right to receive dividend is established.
- b) Interest and other income are recognised on accrual basis on time proportion basis and measured at effective interest rate.
- c) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

**(iv) Export Incentives**

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same and is included in revenue in the statement of profit and loss due to its operating nature.

**(v) Insurance Claims**

Claims receivable on account of insurance are accounted for to the extent the Company is virtually certain of their ultimate collection

**l) Government Grants**

- (i) Grants from the Government are recognised at their Fair Value where there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.
- (ii) Government grant relating to purchase of Property, Plant and Equipment are included in "Other current/ non-current liabilities" as Government Grant - Deferred Income and are credited to Profit or loss on a straight line basis over the expected life of the related asset and presented within "Other Operating revenue".

**m) employee Benefits**

**(i) During Employment benefits**

**(a) Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee

and the obligation can be estimated reliably.

**(ii) Post-Employment benefits**

**(a) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which Group pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay future amounts. The Group makes specified monthly contributions towards government administered Provident Fund scheme. Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

**(b) Defined benefit plans**

The Group pays gratuity to the employees who have completed five years of service with the company at the time when employee leaves the Company. The gratuity is paid as per the provisions of Payment of Gratuity Act, 1972. The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the periods during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment are charged to Other Comprehensive Income.

**(c) Termination Benefits**

Termination benefits are payable when employment is terminated by the Group before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. In case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of reporting period are discounted to the present value.

**n) Income Tax**

Income tax expense comprises current and deferred tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In such cases, the tax is also recognised in the other comprehensive income or in equity.

**(a) Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or subsequently enacted at the Balance sheet date.

Current tax assets and liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(b) Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have enacted or subsequently enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax is recognised to the extent that it is probable that future taxable profit will be available against which they can be used.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable Group.

**o) Borrowing Costs**

General and specific Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation. All other borrowing costs are charged to the statement of profit and loss for the period for which they are incurred.

**p) Leases**

**(i) Determining whether an arrangement contains a lease**

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease

As a lessee

Leases of Property, Plant and Equipment where the Group, as lessee, has substantially transferred all the risks and rewards of the ownership are classified as finance leases.

Finance lease payments are capitalised at the lower of leases inception at the Fair Value of the lease property and the present value of minimum lease payments. The corresponding rental obligations, if any, net of finance charges are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate; of Interest on the remaining balance of liability for each period.

Leases in which a significant portion of risk and rewards of ownership are not transferred to the Group as a lessee are classified as operating lease. Payments made under operating leases are charged to Profit and Loss on a straight line basis over the period of lease except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

#### **As a lessor**

Lease Income from operating leases where the Group is a lessor is recognised as income on a straight line basis over the lease term unless the receipts are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increases.

#### **q) Non- Current assets held for sale**

Non-Current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their (a.) carrying amount and (b.) Fair Value less cost to sell. Non-current assets are not depreciated or amortised when they are classified as held for sale.

#### **r) Provisions and contingent liabilities**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

#### **s) Exceptional Items**

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

### **1.3 RECENT ACCOUNTING PRONOUNCEMENTS**

#### **a) Recent accounting pronouncements Ind AS 116 :**

On 30<sup>th</sup> March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1<sup>st</sup> April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities. The Group is currently evaluating the impact on account of implementation of Ind AS 116.

#### **b) Appendix C, Uncertainty over Income Tax Treatment to Ind AS 12, Income Taxes:**

The Appendix clarifies how to apply the recognition and measurement principles while recognizing current tax, deferred tax, taxable profits (losses), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over tax treatments under Ind AS 12. As per the Appendix, the Company needs to assess whether it is probable that a tax authority will accept an uncertain tax treatment used or a treatment which is being proposed to be used in its income tax filings. The Appendix will be applied retrospectively with the cumulative effect of its initial application on the opening balance sheet as on 1<sup>st</sup> April 2019. The Group is currently evaluating the impact on account of implementation of Ind AS 116.

#### **c) Amendment to Ind AS 12, Income Taxes:**

The amendment clarifies that an entity shall recognize income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group will apply these amendments for annual reporting periods beginning on or after 1st April 2019. The impact on the Financial Statements will be insignificant.

Note - 2 - Property Plant and Equipment as on 31<sup>st</sup> March, 2019

(Amount ₹ in Lakhs)

Particulars	Gross Block					Depreciation Fund				Net Block	
	1 <sup>st</sup> April, 2018	"Addition / Adjustment (+ or -)"	(Sales) / (Retirement)	Disposal of Discontinued U/T	31 <sup>st</sup> March, 2019	1 <sup>st</sup> April, 2018	Depreciation for the year	(Sales) / (Retirement)	Disposal of Discontinued U/T	31 <sup>st</sup> March, 2019	1 <sup>st</sup> April, 2018
Tangible Assets											
Free Hold Land	621.50	-	-	-	621.50	-	-	-	-	-	621.50
Buildings	1,720.73	20.52	-	-	1,741.25	109.82	55.66	-	-	165.48	1,610.91
Plant & Machinery	4,887.66	382.22	-	-	5,269.87	637.95	358.15	-	-	996.10	4,249.70
Furniture & Fixtures	53.27	-	-	-	53.27	10.46	5.48	-	-	15.94	42.81
Office Equipments	105.27	14.74	-	-	120.00	41.98	30.98	-	-	72.96	63.28
Computers	26.34	4.11	-	-	30.45	17.44	4.09	-	-	21.53	8.91
Vehicles	293.94	26.73	(4.59)	-	316.08	52.08	42.42	(1.79)	-	92.70	241.85
<b>Total</b>	<b>7,708.69</b>	<b>448.32</b>	<b>(4.59)</b>	<b>-</b>	<b>8,152.42</b>	<b>869.73</b>	<b>496.78</b>	<b>(1.79)</b>	<b>-</b>	<b>1,364.71</b>	<b>6,838.97</b>
Capital work-in-progress											
Tangible Assets	470.69	29.50	(244.72)	-	255.46	-	-	-	-	-	470.69
Intangible Assets											
Software Licences	29.14	2.74	-	-	31.87	14.11	5.83	-	-	19.94	15.03
Website Development	0.09	-	-	-	0.09	-	-	-	-	-	0.09
<b>Total</b>	<b>29.22</b>	<b>2.74</b>	<b>-</b>	<b>-</b>	<b>31.96</b>	<b>14.11</b>	<b>5.83</b>	<b>-</b>	<b>-</b>	<b>19.94</b>	<b>15.11</b>
											<b>12.02</b>

**Property Plant and Equipment as on 31<sup>st</sup> March, 2018** (Amount ₹ in Lakhs)

Particulars	Gross Block					Depreciation Fund					Net Block	
	1 <sup>st</sup> April, 2017	"Addition / Adjustment (+ or -)"	(Sales) / (Retirement)	Disposal of Discontinued U/T	31 <sup>st</sup> March, 2018	1 <sup>st</sup> April, 2017	Depreciation for the year	(Sales) / (Retirement)	Disposal of Discontinued U/T	31 <sup>st</sup> March, 2018	1 <sup>st</sup> April, 2017	31 <sup>st</sup> March, 2018
Tangible Assets												
Free Hold Land	621.50	-	-	-	621.50	-	-	-	-	-	621.50	621.50
Lease Hold Land	3,424.85	-	-	(3,424.85)	(0.00)	41.76	6.96	-	(48.72)	(0.00)	3,383.09	0.00
Buildings	4,258.49	3.27	-	(2,541.03)	1,720.73	158.74	72.56	-	(121.48)	109.82	4,099.75	1,610.91
Plant & Machinery	16,144.69	226.33	-	(11,486.94)	4,884.07	1,525.73	524.19	-	(1,415.55)	634.37	14,618.96	4,249.70
Furniture & Fixtures	82.99	0.82	-	(30.54)	53.27	12.83	6.56	-	(8.93)	10.46	70.16	42.81
Office Equipments	112.53	9.94	-	(17.24)	105.23	29.40	21.97	-	(9.42)	41.94	83.13	63.28
Computers	38.02	3.11	-	(15.16)	25.98	12.07	9.90	-	(4.90)	17.07	25.95	8.91
Vehicles	209.14	119.99	(20.46)	(20.36)	288.31	24.79	35.14	(7.70)	(5.77)	46.46	184.35	241.85
Total	24,892.21	363.46	(20.46)	(17,536.13)	7,699.09	1,805.32	677.29	(7.70)	(1,614.78)	860.12	23086.89	6,838.97
Capital work-in-progress												
Tangible Assets	297.50	178.45	(5.26)	-	470.69	-	-	-	-	-	297.50	470.69
Intangible Assets												
Software Licences	28.09	1.47	-	(0.43)	29.14	8.55	5.99	-	(0.43)	14.11	19.54	15.03
Website Development	0.09	-	-	-	0.09	-	-	-	-	-	0.09	0.09
Total	28.18	1.47	-	(0.43)	29.22	8.55	5.99	-	(0.43)	14.11	19.63	15.11

**Note-3 Non Current Financial Assets - Investment**

(Amount ₹ in Lakhs)

	Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
	<b>Investment in Associate</b>		
(i)	24,180 (Previous Year 24,180) Equity Shares of Gujarat Gokul Power Limited of Rs. 10 each-Unquoted	2.42	2.42
	Less: Accumulated Investor's Shares of Losses in Associate	(2.42)	(2.42)
	Net Investment Value	-	-
	<b>Investment in Partnership Firm</b>		
(ii)	Fixed Capital Investment in 7.5% (Previous Year 7.5%) profit sharing Partnership Firm named Gokul Overseas	400.00	400.00
	<b>Total Investment in partnership firm/Associate - Non Current</b>	<b>400.06</b>	<b>400.00</b>

**Note-3.1-Non Current Financial Assets - Investment - Others**

(Amount ₹ in Lakhs)

	Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
i	Investments in Government Or Trust Securities	1.04	1.04
ii	Investment in equity instruments	0.47	0.47
	<b>Total Investment Others - Non Current</b>	<b>1.52</b>	<b>1.51</b>

**Details of quoted investment and unquoted investments**

(Amount ₹ in Lakhs)

	Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
	Aggregate Amount Of Quoted Investments (Market Value Of Rs.NIL (Previous Year Rs.NIL)		
	Aggregate Amount Of Unquoted Investments	401.58	401.51

**Note-4-Non Current Financial Loans**

(Amount ₹ in Lakhs)

	Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
	Loans And Advances To Related Parties		
	Unsecured, Considered Good (Due From Associate)	-	-
	Loan to Associates	1,883.75	1,649.69
	<b>Total</b>	<b>1,883.75</b>	<b>1,649.69</b>

**Disclosures as per schedule V of SEBI (LODR) Regulation, 2015:**

## a) Loans and advance in the nature of loans given to subsidiary and associate

(Amount ₹ in Lakhs)

	Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
	A) Gujarat Gokul Power Limited (Associate)	1,883.75	1,649.69
	<b>Total</b>	<b>1,883.75</b>	<b>1,649.69</b>

## b) Company has given loans and advances including interest there on of Rs.1883.75 Lakhs (Previous Year Rs. 1649.68 Lakhs ) to its associates in which directors are interested.

## c) None of the loanees have made investment in share of the company.

**Note-5 Non Current Other Financial Assets**

(Amount ₹ in Lakhs)

	Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
	Security Deposits		
	Unsecured, Considered Good	73.26	71.31
	<b>Total</b>	<b>73.26</b>	<b>71.31</b>

**Note-6 Other Non Current Assets**

(Amount ₹ in Lakhs)

	Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
	<b>Capital Advances</b>		
	Unsecured, Considered Good	0.42	1.44

<b>Prepaid Lease Rent</b>	-	-
Lease Hold Land at Kandla SEZ	580.34	585.93
<b>Unsecured, Considered Good</b>	-	-
Balance with Government Authorities	119.20	150.73
MAT Credit Entitlement	-	77.54
<b>Total</b>	<b>699.96</b>	<b>815.65</b>

**Note -- 7 - Movement in Deferred Tax (Liability)/Assets**
**(Amount ₹ in Lakhs)**

Particulars	Net Balance 1 <sup>st</sup> April, 2018	Recognised Profit or Loss	Recognised Profit or Loss of Discontinued operations	Recognised in OCI	Net Balance 31 <sup>st</sup> March, 2019
<b>(A) Deferred Tax Liabilities</b>					
1. Depreciation	(523.81)	(82.74)	-	-	(606.55)
2. Depreciation on Revaluation reserve transfer to Genral Reserve	-	-	-	-	-
3. Fair value of financial Instrument (MF )	(0.00)	-	-	(3.66)	(3.66)
4. Gain / (Loss) of Derivatives - Currency & Commodity	(2.65)	2.65	-	-	(0.00)
<b>(B) Deffered Tax Assets</b>					
1. Notional Interest Expense on Promoters Loan	-	-	-	-	-
1. Lease-Hold Land re-measurement	-	-	-	-	-
2. Retirement Benefits	43.94	(1.74)	-	(4.16)	38.03
3. Disallowances under Income Tax Act.	327.02	3.17	-	-	330.20
4. Business Loss & Unabsorbed Depreciation	462.58	(74.20)	-	-	388.38
5. Provision for Bad & Doubtful Debts	-	12.73	-	-	12.73
<b>Net Deferred Tax (Liabilities) / Assets</b>	<b>307.08</b>	<b>(140.14)</b>	<b>-</b>	<b>(7.82)</b>	<b>159.14</b>

**(Amount ₹ in Lakhs)**

Particulars	Net Balance 1 <sup>st</sup> April, 2017	Recognised Profit or Loss	Recognised Profit or Loss of Discontinued operations	Recognised in OCI	Net Balance 31 <sup>st</sup> March, 2018
<b>(A) Deferred Tax Liabilities</b>					
1. Depreciation	(1,698.79)	(120.56)	1,295.53	-	(523.82)
2. Depreciation on Revaluation reserve transfer to Genral Reserve	209.11	-	(209.11)	-	-
3. Equity component of Loan from Promotors (Fair Valuation of Interest free Loan)	(35.18)	35.18	-	-	(0.00)
4. Gain / (Loss) of Derivatives - Currency & Commodity	(22.04)	19.39	-	-	(2.65)
<b>(B) Deffered Tax Assets</b>					
1. Lease-Hold Land re-measurement	4.91	-	(4.91)	-	-
2. Retirement Benefits	46.60	(5.71)	-	3.06	43.95
3. Disallowances under Income Tax Act.	312.02	15.00	-	-	327.02
4. Business Loss & Unabsorbed Depreciation	808.00	-	(345.42)	-	462.58
5. Provision for Bad & Doubtful Debts	222.31	-	(222.31)	-	-
<b>Net Deferred Tax (Liabilities) / Assets</b>	<b>(153.06)</b>	<b>(56.69)</b>	<b>513.77</b>	<b>3.06</b>	<b>307.09</b>



**Tax Expense**
**a) Amount recognised in Consolidated Statement of Profit and Loss Account**
**(Amount ₹ in Lakhs)**

Particulars	For the year ended on 31 <sup>st</sup> March, 2019	For the year ended on 31 <sup>st</sup> March, 2018
<b>Continued Operation</b>		
Current Income Tax	577.53	386.21
Deferred tax Liability / (Assets)	140.13	56.69
Excess/(Short) Provision Of Earlier Years	(39.71)	(112.42)
Less: MAT credit entitlement	(12.40)	
<b>Discontinued Operation</b>		
Current Income Tax on Short term Capital Gain on Sale of Haldia U/T	-	3,741.32
Effect of Income Tax on Loss in Business Operations	-	(1,326.30)
Effect of Income Tax on Carried forward Unabsorbed Depreciation Set off	-	(258.53)
Income Tax - Transfer to Revaluation Reserve	-	(1,585.64)
Deferred tax Liability / (Assets)	-	(513.77)
Recognition of Other comprehensive income	(4.17)	(3.06)
<b>Tax Expenses for the year</b>	<b>661.37</b>	<b>384.51</b>

**b) Reconciliation of Effective Tax Rate**
**(Amount ₹ in Lakhs)**

Particulars	For the year ended on 31 <sup>st</sup> March, 2019	For the year ended on 31 <sup>st</sup> March, 2018
Profit Before Tax - Continued Business Operation	1,848.77	(1,639.37)
Profit Before Tax - Discontinued Business Operation	-	2,931.73
<b>Profit Before Tax - Total</b>	<b>1,848.77</b>	<b>1,292.36</b>
Tax using the Company's domestic tax rate (Current year 34.944% and Previous Year 34.608%)	645.97	447.26
<b>Non-Deductible Tax Expenses</b>		
Excess Depreciation Disallowed	6.24	-
Disallowance U/S - 43B	17.96	33.97
Interest on Late Payment of TDS	21.81	0.54
Donation	24.68	25.82
Loss on Sale of Investment	11.30	970.93
<b>Allowable Tax Expenses</b>		
Depreciation Allowed	(78.41)	(15.75)
Disallowed Previously U/S - 43B	(7.36)	(262.22)
Income exempt from Income taxes U/S 10(A)	(21.92)	(22.73)
Profit on Sale of Slump Sales/ Fixed Assets		(2,717.62)
Property Income		(7.27)
Donation Allowed U/s - 80 G	(5.18)	(6.55)
<b>Effect of Income Tax due to</b>		
Recognising Interest free borrowing from Promoter		20.86
Recognising Derivatives Hedging	31.54	28.46
Remeasurement of Lease hold land		(4.93)
<b>Items subject to differential tax rate</b>		
Profit on Sale of Slump Sales		3,741.32
Effect of Set-Off of Current Year Business Loss with STCG		680.09

Set-Off Carried Forward Unabsorbed Depreciation		(258.53)
Set-Off Carried Forward Business Loss	(78.69)	-
Tax Effect on Exceptional Items		(110.95)
<b>Others</b>		
Donation	(2.81)	
Income Tax Liability Attributable to Remaining Revaluation Reserve		(1,585.64)
Excess/(Short) Provision of Income Tax of Earlier Years	(39.71)	(112.42)
<b>Deferred Tax Liability / (Assets) :-</b>		
Recognition of Other comprehensive income	(4.17)	(3.05)
Discontinued Business Operations		(513.77)
Continuous Business Operations	140.13	56.69
<b>Total Tax Expenses</b>	<b>661.37</b>	<b>384.51</b>
<b>Effective Tax Rate</b>	35.77%	29.75%
	(0.00)	0.00

**Note-8 : Inventories**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
A. Raw Materials	2,516.37	7,413.85
B. Work-In-Progress	5,543.53	5,269.69
C. Finished Goods	4,630.99	5,811.77
D. Stock In Trade	-	-
E. Stores And Spares (Including Chemical, Fuel & Packing )	1,398.70	1,049.05
<b>Total</b>	<b>14,089.59</b>	<b>19,544.36</b>

i For method of valuation of inventories refer Note No. 1 (1.2) (d)

**Note-9: Current Financial Assets - Investment**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>Investment measured at amortised cost</b>		
(A) Investments In Mutual Funds *	110.46	100.00
(B) Investments In Partnership Firm	3,703.62	3,092.73
<b>Total</b>	<b>3,814.08</b>	<b>3,192.73</b>

**A. Details of quoted investment and unquoted investments**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Aggregate Amount Of quoted Investments	-	-
Aggregate Amount Of Unquoted Investments	3,814.08	3,192.73
<b>Total</b>	<b>3,814.08</b>	<b>3,192.73</b>

**B. Details of Current Investments**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>(A) Investments In Mutual Funds*</b>		
SBI Magnum Ultra Short duration Fund Direct growth 2649.296 Units - Unquoted ( P.Y. 2649.296 Units)	110.46	100.00
<b>(B) Investments In Partnership Firm</b>	-	-
Gokul Overseas (Current Capital) - 7.5% (Previous Year 7.5%) profit sharing	3,703.62	3,092.73
<b>Total</b>	<b>3,814.08</b>	<b>3,192.73</b>

\* Investment in Mutual Fund is Pledged with Banks as security for credit limit provided

**C. Constitution of Gokul Overseas (Partnership Firm)**

(Amount ₹ in Lakhs)

Name of Partner	% of Share in Profit / Loss	As on 31.03.2019
		Fixed Capital (Amount)
1. Shri Balvantsinh C. Rajput	37.5%	200.00
2. Smt. Bhikhiben B. Rajput	30%	200.00
3. Dharmendra B Rajput	25%	11.00
4. Gokul Refoils & Solvent Ltd.	7.5%	400.00
<b>Total</b>	<b>100.00%</b>	<b>811.00</b>

**Note-10 : Current Financial Assets Trade Receivables**

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>Trade receivables</b>		
Secured, Considered Good	-	-
Unsecured, Considered Good	10,488.19	8,825.99
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	36.42	-
<b>Total</b>	<b>10,524.61</b>	<b>8,825.99</b>
Less: Impairment allowance (allowance for bad and doubtful debts)	36.42	-
<b>Total</b>	<b>10,488.19</b>	<b>8,825.99</b>

Trade Receivable stated above include debts due by:

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Related Parties	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Refer Note No. 42 for information about Credit Risk and Market Risk of trade receivable.

**Note- 11: Current Financial Assets Cash and Cash Equivalents**

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>Cash And Cash Equivalent</b>		
Balances With Banks In Current Accounts	348.72	415.50
Fixed Deposit (Having Maturity Less Than Three Months)*	994.44	1,493.63
Cash On Hand	16.29	28.09
<b>Total</b>	<b>1,359.46</b>	<b>1,937.22</b>

**Note-12 : Current Financial Assets Other Bank Balance**

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>Other Bank Balances</b>		
Fixed Deposit (Having Maturity More Than Three Months)*	4,472.64	5,553.30
Balances For Unpaid Dividend	-	0.14
<b>Total</b>	<b>4,472.64</b>	<b>5,553.44</b>

\* The Fixed Deposits have been pledged with banks as security for bank guarantee provided by Bank.

 \*\* Unpaid dividend is Rs. NIL as at 31<sup>st</sup> March, 2019 (Previous Year Rs. 0.14 Lakhs as at 31<sup>st</sup> March, 2018 ) which have been kept in separate Earmarked accounts and no transactions except for the stated purpose are done through such accounts.

**Note- 13: Current Financial Loans**

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>Loans to others</b>		
Unsecured, Considered Good	1,700.31	1,420.31

Unsecured, Credit Impaired	-	-
<b>Total</b>	<b>1,700.31</b>	<b>1,420.07</b>

**Disclosures as per schedule V of SEBI (LODR) Regulation, 2015:**

- Company has not given any loans and advances to any associates, firm/companies in which directors are interested during the current financial year.
- None of the loanees have made investment in share of the company.

**Note-14 : Current Other Financial Assets**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>A. Security Deposits</b>		
Unsecured, Considered Good	635.26	90.75
<b>B. Loans And Advances to Staff</b>	-	-
Unsecured, Considered Good	68.99	67.66
<b>C. Claim Receivables</b>	-	-
Unsecured, Considered Good	-	-
<b>D. Export Incentive receivables</b>	-	-
Unsecured, Considered Good	82.98	213.49
<b>E. Derivatives Assets</b>	-	-
Unsecured, Considered Good	537.48	99.58
<b>Total</b>	<b>1,324.71</b>	<b>471.49</b>

**Note-15: Other Current Assets**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Balance with Govt. Authorities.	6,276.20	5,783.81
Advances to Suppliers	6,580.44	6,351.93
Prepaid Expenses	151.68	104.89
<b>Prepaid Lease Rent</b>	-	-
Lease Hold Land at Kandla SEZ for 30 Years	5.58	22.32
Other Receivables	131.61	135.80
<b>Total</b>	<b>13,145.51</b>	<b>12,398.74</b>

**Note-16 : Equity Share Capital**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019		As on 31 <sup>st</sup> March, 2018	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs 2 each	1,750.00	3,500.00	1,750.00	3,500.00
Issued				
Equity Shares of Rs 2 each	1,318.95	2,637.90	1,318.95	2,637.90
Subscribed & Paid up				
Equity Shares of Rs 2 each fully paid	1,318.95	2,637.90	1,318.95	2,637.90
<b>Total</b>	<b>1,318.95</b>	<b>2,637.90</b>	<b>1,318.95</b>	<b>2,637.90</b>

Company has issued only one class of equity shares having a face value of Rs. 2/- per share. Each holder of such equity share is entitled to one vote per share. In the event of liquidation of the company the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the share holders.

**(a) Reconciliation of Number of shares outstanding and the amount of share capital**
**(Amount ₹ in Lakhs)**

Particulars	Equity Shares (2018-19)		Equity Shares (2017-18)	
	Number	Amount	Number	Amount

Shares outstanding at the beginning of the year	1,318.95	2,637.90	1,318.95	2,637.90
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	0.01	0.03	0.01	0.03

**(b) Shareholders holding more than 5% equity share capital in the company**

Name of Shareholder	As on 31 <sup>st</sup> March, 2019		As on 31 <sup>st</sup> March, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bhikhiben Balvantsinh Rajput	18952500	14.37	18952500	14.37
Balvantsinh Chandansinh Rajput	34344515	26.04	27574515	20.91
Kanubhai Jivatram Thakkar	7858788	5.96	14358788	10.89
Manjulaben Kanubhai Thakkar	18465000	14.00	18465000	14.00
Profitline Securities Private Ltd	9187500	6.97	9187500	6.97
Jashodaben Commodities LLP	7875000	5.97	7875000	5.97
Anand Rathi Global Finance Ltd	10599444	8.04	10182167	7.72

**(c) Aggregate no of equity shares issued during five years immediately preceeding the date of balance sheet**

Allotted as	No of Shares	No of Shares
Equity Shares :		
Fully paid up pursuant to contract(s) without payment being received in cash	-	-
Fully paid up by way of bonus shares	-	-
Shares bought back	-	-

**Note-:17 Other Equity**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> Mar, 2019	As on 31 <sup>st</sup> Mar, 2018
<b>a. Capital Reserve Account</b>	-	-
Opening Balance	89.38	5,809.64
(+) /(-) Depreciation on Revalued Assets transfer to General Reserve	-	(100.85)
(+) /(-) Income Tax on Remaining Revaluation Reserve	-	(1,585.64)
(+) /(-) Trf to General Reserve due to Slump Sale	-	(4,033.77)
Closing Balance	89.38	89.38
<b>b. Securities Premium Account</b>		
Opening Balance	379.05	379.05
Closing Balance	379.05	379.05
<b>c. General Reserves</b>		
Opening Balance	6,238.84	2,104.22
(+) /(-) Transfer from Capital Reserve	-	100.85
(+) /(-) Transfer from Revaluation Reserve due to Slump Sale (Net of Tax)	-	4,033.77
Closing Balance	6,238.84	6,238.84
<b>d. Retained Earning</b>		
Opening balance	17,969.14	16,994.47
(+) / (-) Surplus for the Year	1,230.16	896.12
Closing Balance	19,199.30	17,890.58
Equity component of Loan from Promoters (Fair Valuation of Interest free Loan)	-	350.07
Notional Interest Expense on Promoters Loan and deferred tax thereon	-	(235.12)
Equity component of Loan from Promoters (Fair Valuation of Interest free Loan) (Reversal)	-	(41.40)

Derivative / Hedge - Currency & Commodity IndAS Adjustment & Deferred Tax thereon	-	5.01
Adjustment of IndAS	-	78.56
<b>Total</b>	<b>25,906.56</b>	<b>24,676.41</b>

**Nature and Purpose of Reserve:**
**Capital Reserve:**

Pursuant to the Scheme of arrangement approved by the Hon'ble High court of Gujarat in 2015 which became effective from 1<sup>st</sup> January, 2015 the company had reinstated its tangible fixed assets pertaining to "Haldia Undertaking" at its fair value and the difference between book value and fair value amounting to Rs. 8,808.69 Lakhs had been credited to Capital Reserve account. In terms of the scheme as and when deemed fit by the Board, the said Capital Reserve is available for adjusting various expenses and specified items. Due to disposal of the Haldia Undertaking during the previous year the balance of capital reserve has been transferred to General Reserve.

**Securities Premium:**

Securities Premium represents, the premium received on issue of shares over and above the face value of equity shares. Such amount is available for utilisation in accordance with the provision of the Companies Act, 2013.

**General Reserve:**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**Retained Earnings:**

The portion of profits not distributed among the shareholders are termed as retained earnings. The same is created out of profits over the years and shall be utilised as per the provisions of the Act.

**Note:-19 Non-current Provisions**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>Provision For Employee Benefits</b>		
Leave Encashment (Unfunded)	59.01	71.05
Provision for Gratuity	16.93	30.86
<b>Total</b>	<b>75.95</b>	<b>101.91</b>

**Note:- 20 Current liabilities Financial Borrowings**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
<b>Secured</b>		
Working Capital Loans from banks repayable on demand	4,331.91	7,695.23
	-	-
<b>Unsecured</b>		
Acceptances against Letters of Credit	21,956.67	23,187.78
<b>Total</b>	<b>26,288.57</b>	<b>30,883.01</b>

Group does not have any default as on the balance sheet date in the repayment of any loan and interest.

The rate of interest ranging from 9.75 % to 11.95 % P.A. in case of cash credit /overdraft and packing credit.

Working capital loans from banks includes cash credit/overdraft/export credit facilities/letter of credit and bills discounted

Cash Credit /Overdraft and Packing credit loans from banks are secured by 1<sup>st</sup> Pari Passu hypothecation charge on all present and future current assets(Including receivables and inventories and other commodities etc.) of the company with Consortium working capital lenders Led by State Bank of India and collaterally secured by way of first charge /residual charge on all the fixed assets of the company and also secured by Investments in Mutual Fund & Fixed Deposits.

**Note:- 21 Current liabilities Financial Trade Payables**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Due To Micro, Small And Medium Enterprises	54.25	297.03
Due to Others	2,533.28	3,123.64
Due to Staff	11.03	42.00
<b>Total</b>	<b>2,587.53</b>	<b>3,420.67</b>

**Note:**
**DUES TO MICRO AND SMALL ENTERPRISES**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant Section 22 to the said MSMED Act are as follows:

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
The principal amount remaining unpaid to any supplier at the end of the year	54.25	297.03
Interest due remaining unpaid to any supplier at the end of the year		
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
<b>Total</b>	<b>54.25</b>	<b>297.03</b>

**Note:- 22 Current Other Financial liabilities**

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Unpaid Dividends	-	0.14
Due to Staff	0.95	0.95
<b>Total</b>	<b>0.95</b>	<b>1.09</b>

**Note:- 23 Other Current Liabilities**

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Duties and Taxes	990.05	1,009.31
Other Liabilities-Book overdraft	58.08	-
Creditors For Capital Items	16.95	31.07
Other Payables	1,549.51	419.92
Provision For Expenses	123.02	92.87
Margin Money Form Client	120.77	13.51
Spot Exchange Deposit	3.00	4.00
NCDX Limited	-	10.70
Other payables	1.43	1.32
<b>Total</b>	<b>2,862.81</b>	<b>1,582.70</b>

**Note:- 24 Current liabilities Provisions**

(Amount ₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Provision for Gratuity	69.53	23.74
Provision for Leave Encashment	3.78	7.40
Bonus Payable	10.56	29.50
<b>Total</b>	<b>83.87</b>	<b>60.63</b>



**Note:- 25 Current Tax Liabilities (Net)**
**(Amount ₹ in Lakhs)**

Particulars	As on 31 <sup>st</sup> March, 2019	As on 31 <sup>st</sup> March, 2018
Income Tax Provision for Current Year	577.53	2,542.71
Less: Tax Deducted at Sources Receivables	41.34	119.27
Less: Advance Tax Payment	310.00	1,100.00
Less: MAT Credit Utilised	14.06	815.47
<b>Total</b>	<b>212.13</b>	<b>507.97</b>

**Note:- 26 Revenue from operations**
**(Amount ₹ in Lakhs)**

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
Sale of products with excise duty	218,669.15	197,119.53
Less:	-	-
Discount And Other Deductions	138.39	74.36
	<b>218,530.76</b>	<b>197,045.17</b>
Other operating revenues:		
Export benefits and other incentives	190.17	216.03
Other operating revenues	898.78	1,513.88
	1,088.94	1,729.90
<b>Total</b>	<b>219,619.70</b>	<b>198,775.07</b>

**Disaggregated revenue information:**
**(Amount ₹ in Lakhs)**

Commodity	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
<b>Types of Goods:</b>		
Edible Oils	132,591.05	115,435.94
Non Edible Oils& By Product	86,062.70	81,673.82
	<b>218,653.75</b>	<b>197,109.77</b>
<b>Sales of Goods Manufactured:</b>		
Edible Oils/Non Edible Oils& By Product	171,507.36	149,233.59
Seeds	-	-
De Oiled Cake/Oil Cake	9,055.65	6,564.20
<b>Total</b>	<b>180,563.01</b>	<b>155,797.79</b>
<b>Sales of Goods Traded:</b>		
Edible Oils/Non Edible Oils& By Product	38,106.14	35,077.81
Seeds	-	6,243.93
De Oiled Cake/Oil Cake	-	-
<b>Total</b>	<b>38,106.14</b>	<b>41,321.74</b>
<b>Total</b>	<b>218,669.15</b>	<b>197,119.53</b>
<b>Geographical location of Customer</b>		
India	139,274.20	126,303.87
Outside India	79,379.55	70,805.89
<b>Total Sales of Product</b>	<b>218,653.75</b>	<b>197,109.77</b>

Information about major customers

The Company has 6 customers who have accounted for more than 10% of the Company's revenue. Total amount of revenue from these customers is Rs.44248.74 Lakhs for the year ended March 31, 2019 and Rs. 49653.57 Lakhs March 31, 2018.

**Note:- 27 Other Income**
**(Amount ₹ in Lakhs)**

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
<b>Interest Income</b>		
Interest On Bank Fixed Deposits	422.68	599.93
Interest From Partnership Firm	346.02	314.48
<b>Interest On Loans and Advances</b>	-	-
Interest From Associates	154.96	66.25
Interest From Others	49.28	460.62
<b>Dividend Income From-</b>	-	-
Long Term Investment	-	0.00
<b>Net Gain/Loss On Sale Of Investments</b>	-	-
Short Term Profit On Sale Of Share /Mutual Fund	40.49	20.18
Net Gain /Loss From Partnership Firm	62.73	65.67
<b>Other Non-Operating Income</b>	-	-
Gain on Derivatives Hedgeing	897.36	1,365.10
Gain on Receipts of Keyman Insurance	26.33	-
Profit on Sale of Asset	1.86	0.88
Sundry Balance W.off	1.26	-
Rent Income	7.50	11.59
Rebate on Transaction charges	-	0.15
<b>Total</b>	<b>2,010.47</b>	<b>2,904.84</b>

**Note:- 28 Cost of Material Consumed**
**(Amount ₹ in Lakhs)**

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
Opening Stock Of Raw Material	7,413.85	5,483.58
Purchase - Raw Material	160,958.16	136,748.28
Closing Stock Of Raw Material	2,516.37	7,413.85
<b>Total</b>	<b>165,855.65</b>	<b>134,818.01</b>
Purchase Expenses	534.39	928.18
<b>Total</b>	<b>534.39</b>	<b>928.18</b>
Opening Stock Of Other Material	892.76	645.59
Purchase Other Materials	4,096.04	4,559.46
Closing Stock Of Other Material	1,234.48	892.76
<b>Total</b>	<b>3,754.33</b>	<b>4,312.29</b>
<b>Total</b>	<b>170,144.37</b>	<b>140,058.48</b>

**Note:- 29 Purchase Of Stock In Trade**
**(Amount ₹ in Lakhs)**

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
Purchase Of Goods Traded	36,264.84	45,284.47
<b>Total</b>	<b>36,264.84</b>	<b>45,284.47</b>

**Note:- 30 Change In Inventories Of Finished Goods And Work In Progress**
**(Amount ₹ in Lakhs)**

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
Opening Stock Of Finished Goods	5,811.77	8,274.75

Closing Stock Of Finished Goods	4,630.99	5,811.77
Change In Inventories Of Finished Goods	<b>1,180.78</b>	<b>2,462.97</b>
Opening Stock Of Traded Goods	-	-
Closing Stock Of Traded Goods	-	-
Change In Inventories Of Traded Goods	-	-
Opening Stock Of Work In Progress	5,269.69	3,748.81
Closing Stock Of Work In Progress	5,543.53	5,269.69
Change In Inventories Of Work In Progress	<b>(273.84)</b>	<b>(1,520.88)</b>
<b>Total</b>	<b>906.94</b>	<b>942.10</b>

**Note:- 31 Excise**
**(Amount ₹ in Lakhs)**

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
Excise Duty	-	40.28
<b>Total</b>	<b>-</b>	<b>40.28</b>

**Note:- 32 Employee Benefit Expenses**
**(Amount ₹ in Lakhs)**

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
Salary, wages and Bonus	1,343.69	1,422.82
Contribution to PF and Other Funds	38.22	37.07
Gratuity Expenses	23.20	22.19
Staff welfare expenses	24.87	50.49
<b>Total</b>	<b>1,429.97</b>	<b>1,532.57</b>

**Note:- 33 Finance Cost**
**(Amount ₹ in Lakhs)**

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
Interest on Borrowings	2,075.91	1,585.75
Other borrowing costs	887.82	1,501.60
Applicable net gain/loss on foreign currency transactions and translation	190.15	57.93
Interest on short payment of advance tax	62.40	-
Interest On Promoters Loans	-	136.57
Interest on Loan from Holding Co.	9.12	-
<b>Total</b>	<b>3,225.41</b>	<b>3,281.85</b>

**Note:- 34 Other Expenses**
**(Amount ₹ in Lakhs)**

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
Consumption Of Stores, Spares & Tools	185.67	228.19
Power And Fuel	1,778.30	1,260.84
Rent	245.95	222.17
Rates And Taxes	9.35	9.59
<b>Repairs And Maintainance</b>	<b>-</b>	<b>-</b>
Building	2.90	9.75
Plant & Machinery	267.54	290.58
Others	29.59	55.98

Insurance	88.96	120.03
Donation	70.62	73.52
Auditors Remuneration	18.97	18.32
Director's Sitting Fees	1.50	1.57
Premium on Forward Contract (Import)	482.73	421.52
Other Expenses	684.99	822.28
Sales Tax Service Tax, And Other Taxes	81.37	35.14
Brokerage	242.29	522.45
Traveling	112.60	109.76
Freight Outwards	1,854.73	2,029.02
Export Sales And Advertisements Expenses	713.35	719.15
Bad Debts written off	3.29	-
Provision For Bad And Doubtful Debts	36.42	(0.55)
Direct Labour Expenses	739.17	773.06
Other Manufacturing Expenses	23.49	11.79
Exchange Differences-Net Loss In Foreign Currency Transactions And Translations	(398.86)	1,511.10
MTM (Gain)/ Loss on Derivative Hedging	-	-
<b>Total</b>	<b>7,274.90</b>	<b>9,245.25</b>

**Auditor's Remuneration**

(Amount ₹ in Lakhs)

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
(A) Audit Fees	13.97	14.02
(B) Tax Audit Fees	1.50	1.80
(C) Income Tax and other matters	3.50	2.50
<b>Total</b>	<b>18.97</b>	<b>18.32</b>

**Note:- 35 Exceptional items**

(Amount ₹ in Lakhs)

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
Impairment in Value of Investment in Subsidiary	32.35	2,798.83
Bad Debts	-	2,478.27
Gain on borrowing converted in to equity	-	(2,798.83)
<b>Total</b>	<b>32.35</b>	<b>2,478.27</b>

**Note:- 36 Other comprehensive income**

(Amount ₹ in Lakhs)

Particulars	For the period ended on 31 <sup>st</sup> March, 2019	For the period ended on 31 <sup>st</sup> March, 2018
Items that will not be reclassified to profit or loss		
Remeasurement gains (losses) on defined benefit plans (Gratuity)	11.94	(11.81)
Equity Instruments designated through other comprehensive income	0.00	0.07
Income Tax (Assets) / Liabilities	4.17	(3.06)
Items that will not be reclassified to profit or loss	7.77	(8.68)
Items that will be reclassified to profit or loss	-	-
Fair value of financial Instrument (MF )	10.46	-
Deferred Tax (Assets) / Liabilities	3.66	-
	6.81	-
<b>Total</b>	<b>14.58</b>	<b>(8.68)</b>

**General Notes forming the parts of Accounts:**

- 37 Corresponding figures for previous year presented have been regrouped, where necessary, to confirm to the current period's classification. Figures have been rounded off to nearest of rupee in Lakhs.
- 38 The balances of sundry debtors and sundry creditors are subject to confirmation from respective parties. Necessary adjustments, if any, will be made when accounts are reconciled / settled.
- 39 Contingent Liabilities and Commitments

**A Not provided for in the accounts**
**(Amount ₹ in Lakhs)**

Particulars	2018-19	2017-18
(A) For Letter of credit opened for which goods were in transit	3,800.16	4,417.58
(B) Counter Guarantee Given to Banks	2,685.88	1,990.79
(C) Corporate Guarantee Given to Banks	5,575.00	5,942.88
(D) Claims not acknowledged as debt	86.34	9.31
(E) Disputed demand of custom duty, VAT, CST, income tax, Entry Tax and Service Tax	10,555.42	6,171.54
(F) Proceedings initiated under P.F.A. Act and pending with various courts, Management is reasonably confident that no liability will devolve on the company.	31.75	0.00

**B Capital Commitment**

Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances) of Rs.5.84 Lakh (Previous year: as at 31st March, 2018 Rs. 81.01 Lakhs ).

- C The disputes in respect of taxes have arisen in the ordinary course of business. The company's management does not reasonably expect that these legal actions when ultimately concluded and determined will have a material and adverse effect on the company's results of operations or financial condition.
- D There has been a supreme court judgement relating to components of salary structure that need to be taken in account for companies contribution to provident fund. Company is in the process of assessing its implication on financial statements if any.

**40 Employee Benefits Obligations**

Defined Contribution Plan:

The company has recognised as an expense in the profit and loss account in respect of defined contribution plan – Provident and other fund of Rs.38.22 lakhs (Previous year Rs.37.08 lakhs) administered by the Government.

**Retirement Benefits**

As per Ind AS 19 the Company has recognised "Employees Benefits", in the financial Statements in respect of the employee benefits Schemes as per Actuarial Valuation as on 31st March, 2019.

**Defined benefit plan and long term employment benefit**
**a. Defined Benefit Plan (Gratuity)**

The company has a defined benefit gratuity plan .every employee who has completed five years and more service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with insurance company in the form of qualifying insurance policy

**b. Long Term Employment Benefit (Leave Wages)**

Leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or resignation or upon retirement on attaining superannuation age.

**(Amount ₹ in Lakhs)**

Particulars	For the year ended on 31 <sup>st</sup> March, 2019		For the year ended on 31 <sup>st</sup> March, 2018	
	Privilege Leave	Gratuity	Privilege Leave	Gratuity
	(Non-funded)	( Funded )	(Non-funded)	( Funded )
<b>A. Change in the present value of the defined benefit obligation.</b>				
Opening defined benefit obligation	78.45	168.46	59.08	156.80
Transfer in / (out) obligation	-	-	-	-
Interest cost	5.60	12.02	4.07	10.51

Current service cost	10.93	19.95	19.62	26.95
Benefits paid	(6.06)	(8.40)	(16.30)	(42.32)
Actuarial (gain) / losses on obligation	(24.74)	(13.44)	11.99	10.53
Unrecognized past Service cost	-	-	-	5.99
Closing defined obligation	64.18	178.58	78.45	168.46
	-	-	-	-
<b>B. Change in the fair value of plan asset</b>	-	-	-	-
Opening fair value of plan assets	-	113.87	-	95.70
Transfer in / (out) assets	-	-	-	-
Adjustment in the opening fund	-	-	-	-
Expenses deducted from the fund	-	-	-	-
Expected return on plan assets	-	8.41	-	7.05
Contributions by employer	-	15.00	-	15.13
Benefits paid	-	(8.40)	-	(2.86)
Actuarial gains/ (losses)	-	(1.15)	-	(1.15)
Closing fair value of plan assets	-	127.73	-	113.87
	-	-	-	-
<b>C. Actual return on plan assets:</b>	-	-	-	-
Expected return on plan assets	-	8.41	-	7.05
Actuarial gain / [loss] on plan assets	-	(1.15)	-	(1.15)
Expenses deducted from the fund	-	-	-	-
Actual return on plan asset	-	7.27	-	5.89
	-	-	-	-
<b>D. Amount recognized in the balance sheet:</b>	-	-	-	-
(Assets) / Liability at the end of the year	64.18	178.58	78.45	168.46
Fair value of plan Assets at the end of the year	-	127.73	-	113.87
Difference	64.18	50.85	78.45	54.59
Unrecognized past Service cost	-	-	-	-
(Assets)/ Liability recognized in the Balance Sheet	64.18	50.85	78.45	54.59
	-	-	-	-
<b>E.(income)/expenses recognized in P/L statement</b>	-	-	-	-
Interest cost on benefit obligation	5.60	3.25	4.07	3.34
Current Service Cost	10.93	19.95	19.62	26.95
Unrecognized past Service cost	-	-	-	5.99
Net actuarial (gain)/ loss on obligation	(24.74)	(19.29)	11.99	16.71
Actual return on plan asset	-	1.15	-	1.15
Total Expenses/ (Gain) recognised in the profit & Loss Account	(8.21)	5.05	35.67	54.15
<b>F.(income)/expenses recognized as other comprehensive income</b>	-	-	-	-
Due to change in financial assumption	-	(0.65)	-	(6.25)
Due to experience Adjustments	-	(12.79)	-	16.79
Return on plan asset excluding amounts included in interest income	-	1.50	-	1.27
Net Benefit or expenses	-	(11.94)	-	11.81
<b>G.(Assets)/Liability recognized in the Balance Sheet</b>	-	-	-	-
Opening net liability	78.45	54.59	59.08	61.10

Transfer in / (out) obligation	-	-	-	-
Expenses as above [P&L charge]	(8.21)	5.05	35.67	54.15
Expenses as above [OCI]	-	6.21	-	(6.06)
Employer's contribution & Benefits paid by the company	(6.06)	(21.68)	(16.30)	(55.28)
(Assets)/Liability recognized in the Balance Sheet	64.18	44.17	78.45	54.59
<b>H. Principal actuarial assumptions as at Balance sheet date: (Non-funded)</b>				
Discount rate	7.65%	7.65%	7.10%	7.10%
[The rate of discount is considered based on market yield on Government Bonds having currency and terms consistence with the currency and terms of the post employment benefit obligations]				
<b>Expected rate of return on the plan assets</b>	0%	7.60%	0%	7.40%
[The expected rate of return assumed by the insurance company is generally based on their Investment patterns as stipulated by the Government of India]				
<b>Annual increase in salary cost</b>	7%	7%	7%	7%
[The estimates of future salary increases considered in actuarial valuation, take account of Inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market]				
<b>G. The categories of plan assets as a % of total plan assets are</b>				
Insurance Company	0%	0%	0%	0%

**Sensitivity Analysis**
**(Amount ₹ in Lakhs)**

Particulars	For the year ended on 31 <sup>st</sup> March, 2019		For the year ended on 31 <sup>st</sup> March, 2018	
	Privilege Leave (Non-funded)	Gratuity ( Funded )	Privilege Leave (Non-funded)	Gratuity ( Funded )
Discount rate Sensitivity				
Increase by 0.5%	(60.62)	(172.30)	(74.30)	(162.61)
Decrease by 0.5%	68.08	185.30	82.99	174.71
	-	-	-	-
Salary growth rate Sensitivity				
Increase by 0.5%	68.08	185.01	82.99	174.16
Decrease by 0.5%	(60.58)	(172.66)	(74.26)	(163.01)
	-	-	-	-
Withdrawal rate (W.R.) Sensitivity				
W.R. X 110%	64.31	179.38	78.60	169.04
W.R. X 90%	(64.04)	(177.67)	(1.26)	(167.75)

**41 Related Parties Disclosure:-**

Disclosure as required by Indian Accounting Standard 24 "Related Party Disclosures" are given below

**A. Related Party**

1	Gokul Overseas	A Firm in which some of the directors and company are partners.
2	Gujarat Gokul Power Ltd.	Associate Company.
3	Gokul Infratech Pvt. Ltd.	Company having some of common Directors
4	Gokul Lifespace LLP(Formerly known as Bahuchr Infratech LLP)	A LLP in which some of the directors are partners.
5	Gokul Corporate service pvt. Ltd.	Company having some of common Directors



6	Gokul Foundation	Charitable Trust where some of the Key Management Personnel (KMP) are Trustee.
7	Shree Bahuchar Jan Seva Trust	Charitable Trust where some of the Key Management Personnel (KMP) are Trustee.

**B. Key Management Personnel**

1	Mr. Balvantsinh Rajput	Chairman and Managing Director
2	Mr. Dharmendrasinh Rajput	Executive Director
3	Mr. Bipinbhai Thakkar	Whole Time Director
4	Mr. Praveen Khandelwal	Chief Executive Officer
5	Mr. Shaunak Mandalia	Chief Financial Officer
6	Mr. Pravin Prajapati	Chief Financial Officer
7	Mr. Vijay Kalyani	Company Secretary

**C. Relative of Key Management Personnel:**

1	Mr. Digeeshsinh Harendrakumar Rajput	Son in Law of Chairman and Managing Director
2	Ms. Hina Thakkar	Wife of Whole Time Director
3	Ms. Khushboo Khandelwal	Wife of Chief Executive Officer
4	Ms. Pallvai Mandalia	Wife of Chief Financial Officer
5	Ms. Heena Rajput	Daughter of CMD

**D. Transactions with related parties.**

(Amount ₹ in Lakhs)

Sr. No.	Nature of Transaction	Related Parties		Key Management Personnel		Relative of KMP	
		31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018
1	Sales	43,515.01	49,652.57				
2	Purchases	558.85	638.09				
4	Salary and bonus			171.44	208.60	24.24	46.53
	Director's Sitting Fees			1.50	2.59		
5	Subscription to shares/ Investment (net)	610.89	(3,318.43)				
6	Donation	41.56	25.10				
7	Interest Earned	537.89	677.87				
8	Rent Income	3.46	1.71				
9	Loan received				(2,662.00)		
10	Loans/advances given (Net)	234.06			23.00		

(Amount ₹ in Lakhs)

11	Balance Outstanding	Related Parties		Key Management Personnel		Relative of KMP	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Non Current Liabilities - Financial Borrowings	-	-	-	-		
	Trade Payables	-	-	21.76	21.62		
	Other Current Liabilities	1,863.63	-				
	Current Financial Assets - Investments	3,703.62	3,092.73				
	Current Financial Assets - Others	1.39	0.59		20.50		

Non Current Financial Assets - Loans	1,883.75	1,649.69				
Current Financial Assets - Trade Receivable	4.80	(43.30)				

**Material Transactions with Related Party**
**(Amount ₹ in Lakhs)**

Sr. No.	Name of Related Party/ KMP/ Relative of KMP	Nature of Transaction	2018-19	2017-18
1	Gokul Overseas	Sale	43,515.01	49,652.57
2	Gokul Overseas	Purchase	558.85	638.09
3	Gokul Overseas	Subscription to Share/Investment (Net)	610.89	(3,318.43)
4	Gokul Overseas	Interest Income	392.04	610.80
5	Gokul Overseas	Rent Income	0.69	1.22
6	Gujarat Gokul Power Limited	Interest Income	145.85	67.06
7	Gujarat Gokul Power Limited	Rent Income	0.68	0.50
8	Balvantsinh Rajput	Remuneration	27.60	63.60
9	Dharmendrasinh Rajput	Remuneration	36.00	36.00
10	Bipinbhai Thakkar	Remuneration	11.35	10.64
11	Praveen Khadelwal	Remuneration	56.15	60.00
12	Shaunak Mandalia	Remuneration	20.23	18.77
13	Pallavi Mandalia	Remuneration	-	13.87
14	Pravin Prajapati	Remuneration	7.92	7.92
15	Vijay Kalyani	Remuneration	12.20	11.67
16	Hina Thakkar	Remuneration	9.24	8.64
17	Khushboo Khandelwal	Remuneration	15.00	15.00
18	Heenaben Rajput	Remuneration	-	2.45
19	Digeeshsinh Rajput	Remuneration	-	6.55
20	Bahuchar Jan Seva Trust	Donation	14.45	25.10
21	Gokul Foundation	Donation	27.11	-
22	Mr. Piyushchandra sinh Vyas	Director's Sitting Fees	0.85	1.08
23	Ms. Dipooaba Devada	Director's Sitting Fees	0.93	1.18
24	Mr. Bipinbhai Thakkar	Director's Sitting Fees	0.33	0.33

**42 Segment Reporting**

The company has only one segment which is "Agro Based Commodities". The company's Managing Director, reviews the operating performance of the company as whole on a periodic basis. therefore disclosure relating to segments is not applicable and accordingly not made.

**43 Earnings per share**
**(Amount ₹ in Lakhs)**

Particulars	For the year ended on 31st March, 2019	For the year ended on 31st March, 2018
Profit/Loss for the period attributable to Equity Shareholders (continuing Operation)	1,183.23	(1,969.85)
Profit/Loss for the period attributable to Equity Shareholders (discontinued Operation)	-	2,874.64
Profit/Loss for the period attributable to Equity Shareholders (continuing and discontinued Operation)	1,183.23	904.80
No. of Weighted Average Equity shares outstanding during the year	131895000	131895000
Nominal Value of Share (In Rs.)	2.00	2.00

Basic and Diluted Earnings per Share (In Rs.) (continuing Operation)	0.90	(1.49)
Basic and Diluted Earnings per Share (In Rs.) (discontinuing Operation)	-	2.18
Basic and Diluted Earnings per Share (In Rs.) (continuing and discontinued Operation)	0.90	0.69

The Company does not have any outstanding dilutive potential equity shares. Consequently the basic and dilutive earning per share of the Company remain the same.

#### 44 Details of Loan given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act.

Loans given, Investment made are given under the respective heads.

#### 45 Details of Corporate Social Responsibilities (CSR) Expenditure

a) Group is required to spend Rs.25.45 Lakhs (Previous Year Rs. 30.54 Lakhs) on CSR activities

#### b) Amount Spend During the year

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2019			Year ended March 31, 2018		
	In Cash	Yet to be paid in Cash	Total	In Cash	Yet to be paid in Cash	Total
Construction/acquisition of any asset						
Contribution to various Trusts/NGOs	25.45	-	25.45	30.54	-	30.54
Expenditure on Administration Overheads of CSR						

#### 46 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

##### A. Accounting classification and Fair Values

The following table shows the carrying amounts and Fair Values of Financial Assets and Financial Liabilities, including their levels in the Fair Value hierarchy. It does not include Fair Value information for Financial Assets and Financial Liabilities not measured at Fair Value if the carrying amount is a reasonable approximation of Fair Value.

(Amount ₹ in Lakhs)

March 31, 2019	Carrying Amount				Fair Value			
	Fair Value through Profit and Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets measured at amortised Cost :-								
Non-current Investments	-	-	401.52	401.52	401.52	-	-	401.52
Current Investments	110.46	-	3,814.08	3,924.54	110.46	-	-	110.46
Loans :-								
Non-current	-	-	1,883.75	1,883.75	-	-	-	-
Current	-	-	1,700.31	1,700.31	-	-	-	-
Other Financial Assets :-								
Non-current	-	-	73.26	73.26	-	-	-	-
Current	-	-	1,324.71	1,324.71	-	-	-	-
Trade and Other Receivables	-	-	10,488.19	10,488.19	-	-	-	-
Cash and Cash Equivalents	-	-	1,359.46	1,359.46	-	-	-	-
Bank Balances (other than above)	-	-	4,472.64	4,472.64	-	-	-	-
<b>Total Financial Assets</b>	<b>110.46</b>	<b>-</b>	<b>25,517.92</b>	<b>25,628.38</b>	<b>511.98</b>	<b>-</b>	<b>-</b>	<b>511.98</b>
Financial Liabilities measured at amortised Cost								
Borrowings:-								
Current	-	-	26,288.57	26,288.57	-	-	-	-
Trade and Other Payables	-	-	2,598.57	2,598.57	-	-	-	-
Other Financial Liabilities:-								
Current	-	-	0.95	0.95	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>28,888.09</b>	<b>28,888.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

March 31, 2018	Carrying Amount				Fair Value			
	Fair Value through Profit and Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets measured at amortised Cost :-								
Non-current Investments	-	-	401.51	401.51	401.51	-	-	401.51
Current Investments	100.00	-	3,092.73	3,192.73	100.00	-	-	100.00
Loans :-								
Non-current	-	-	1,649.69	1,649.69	-	-	-	-
Current	-	-	1,420.31	1,420.31	-	-	-	-
Other Financial Assets :-								
Non-current	-	-	71.31	71.31	-	-	-	-
Current	-	-	471.48	471.48	-	-	-	-
Trade and Other Receivables	-	-	8,825.99	8,825.99	-	-	-	-
Cash and Cash Equivalents	-	-	1,937.22	1,937.22	-	-	-	-
Bank Balances (other than above)	-	-	5,553.44	5,553.44	-	-	-	-
<b>Total Financial Assets</b>	<b>100.00</b>	<b>-</b>	<b>23,423.68</b>	<b>23,523.68</b>	<b>501.51</b>	<b>-</b>	<b>-</b>	<b>501.51</b>
Financial Liabilities measured at amortised Cost								
Borrowings :-								
Current	-	-	30,883.01	30,883.01	-	-	-	-
Trade and Other Payables	-	-	3,462.67	3,462.67	-	-	-	-
Other Financial Liabilities :-								
Current	-	-	1.09	1.09	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>34,346.78</b>	<b>34,346.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(1) Investment in Subsidiary/Associate carried at amortised cost. Fair Value of financial Assets and Liabilities are measured at Amortized cost is not materially different from the Amortized cost. Further, impact of time value of money is not significant for the financial instrument classified as current. Accordingly, fair value has not been disclosed separately.

Types of inputs are as under:

Input Level I (Directly Observable) which includes quoted prices in active markets for identical assets such as quoted price for an Equity Security on Security Exchanges

Input Level II (Indirectly Observable) which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses etc.

Input Level III (Unobservable) which includes management's own assumptions for arriving at a fair value such as projected cash flows used to value a business etc.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

#### Financial instruments measured at fair value

##### Type Valuation technique

Currency Futures Based on exchange rates listed on NSE/MCX stock exchange

Commodity futures Based on commodity prices listed on MCX/ NCDX/ACE stock exchange

Forward contracts Based on FEDAI Rates

Interest rate swaps Based on Closing Rates provided by Banks

Open purchase and sale contracts Based on commodity prices listed on NCDEX stock exchange, and prices Available on SolventExtractor's association (SEA) along with quotations from brokers and adjustments made for grade and location of commodity

Options Based on Closing Rates provided by Banks

**B. Financial Risk Management:-**

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk ;
- Liquidity Risk ; and
- Market Risk
  - Currency Risk
  - Interest Rate Risk
  - Commodity Risk
  - Equity Risk

**Risk Management framework**

The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Group's Risk Management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk Management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's Risk Management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

**i Credit Risk**

Credit Risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

The carrying amount of following Financial Assets represents the maximum credit exposure:

**Other Financial Assets**

The Group maintains its Cash and Cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis. The derivatives are entered into with bank and financial institution counter parties, which are considered to be good.

**Trade Receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The maximum exposure to Credit Risk for Trade Receivables by geographic region was as follows: (Amount ₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Domestic	6,738.07	7,647.98
Other Region	3,750.12	1,178.01
<b>Total</b>	<b>10,488.19</b>	<b>8,825.99</b>

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(Amount ₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Neither Due nor impaired	7,469.77	6,334.38
Past Due 1 - 90 Days	2,814.20	2,368.33
Past Due 91 - 180 Days	121.62	54.56
More than 180 Days	82.60	68.71
<b>Total</b>	<b>10,488.19</b>	<b>8,825.99</b>

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Impaired amounts are based on lifetime expected losses based on the best estimate of the management. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

The impairment loss related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

(Amount ₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Balance as at 1 <sup>st</sup> April	-	672.45
Impairment Loss recognised	36.42	
Amount written off	-	672.45
Balance as at 31 <sup>st</sup> March	-	-

## ii Liquidity Risk

Liquidity Risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

## Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Amount ₹ in Lakhs

Non-Derivative Financial Liabilities	Contractual Cash Flows	
	Carring Amount 31 <sup>st</sup> March, 2019	Carring Amount 31 <sup>st</sup> March, 2018
Unsecured Loans	-	-
Rupee Term Loans from banks		
Working Capital Loans from Banks	26,289	30,883
Trade and Other Payables	2,599	3,463

Amount ₹ in Lakhs

Derivative Financial Liabilities	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Forward exchange contracts used for hedging		
- Outflow - USD in Lakhs	174.20	215.75
- Inflow	98.37	79.23
<b>Total</b>	<b>272.57</b>	<b>294.98</b>

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted Cash Flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

## Excessive Risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.

## Financial instruments – Fair Values and Risk Management

### Market Risk

Market Risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and short term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

### Currency Risk

The Group is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the

Group is Indian Rupee. The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. The Group does not use derivative financial instruments for trading or speculative purposes.

Particulars	Currency	As at 31 <sup>st</sup> March, 2019		As at 31 <sup>st</sup> March, 2018	
		Amount in Foreign Currency	Amount in INR (In Lakhs)	Amount in Foreign Currency	Amount in INR (In Lakhs)
Against Imports	USD	174.20	0.14	215.75	0.14
Against Exports	USD	98.37	0.05	79.23	0.05

#### Exposure to Currency Risk

The currency profile of Financial Assets and Financial Liabilities with exposure to foreign currency risk at the end of the reporting period expressed in rupees, are as follows

	March 31, 2019		March 31, 2018	
Financial Assets	USD	SGD	USD	SGD & Others
Non Current Investments	-	14.12	-	46.47
Trade and Other Receivables	3,750.12		1,178.01	-
Less: Forward Contract for Selling			-	-
Foreign Currency	9,425.50	-	0.47	1.49
Loans	-	-	-	27.13
<b>Total</b>	<b>13,175.62</b>	<b>14.12</b>	<b>1,178.48</b>	<b>75.09</b>
Financial Liabilities				
Short Term Borrowings	9,425.50	-	12,949.08	-
Trade and Other Payables	-	-	-	-
Less: Forward Contract for Buying	-	-	-	-
Foreign Currency	-	-	-	-
<b>Total</b>	<b>9,425.50</b>	<b>-</b>	<b>12,949.08</b>	<b>-</b>

#### Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

**Amount ₹ in Lakhs**

	Profit or (Loss)		Equity, Net of Tax	
Effects in (Rs. In Lakhs)	Strengthening	Weakening	Strengthening	Weakening
<b>31<sup>st</sup> March, 2019</b>				
<b>3% Movement</b>				
<b>USD</b>	<b>(112.50)</b>	112.50	(73.19)	73.19
SGD	(0.42)	0.42	(0.28)	0.28
<b>31<sup>st</sup> March, 2018</b>				
<b>3% Movement</b>				
<b>USD</b>	<b>353.12</b>	(353.12)	230.91	(230.91)
SGD	(2.25)	2.25	(1.47)	1.47

#### Interest Rate Risk

Interest Rate Risk is the risk that the fair value or future Cash Flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates.

#### Exposure to Interest Rate Risk

The Group's Interest Rate Risk arises from borrowings obligations. Borrowings issued exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:-



Variable-Rate Instruments	( Amount Rs. In Lakhs)	
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Current - Borrowings	26,288.57	30,883.01
Total	26,288.57	30,883.01

**Cash Flow Sensitivity Analysis For Variable-Rate Instruments**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Amount ₹ in Lakhs

Particulars	Profit or Loss		Equity, Net of Tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
<b>31<sup>st</sup> March, 2019</b>				
Non Current - Borrowings				
Current - Borrowings	(262.89)	262.89	(171.91)	171.91
<b>Total</b>	(262.89)	262.89	(171.91)	171.91
<b>31<sup>st</sup> March, 2018</b>				
Non Current - Borrowings				
Current - Borrowings	(308.83)	308.83	(201.95)	201.95
<b>Total</b>	(308.83)	308.83	(201.95)	201.95

**Commodity Risk**

The prices of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, government policies, changes in global demand resulting from population growth and changes in standards of living and global production of similar and competitive crops. During its ordinary course of business, the value of the Group's open sales and purchases commitments and inventory of raw material changes continuously in line with movements in the prices of the underlying commodities. To the extent that its open sales and purchases commitments do not match at the end of each business day, the Group is subjected to price fluctuations in the commodities market.

While the Group is exposed to fluctuations in agricultural commodities prices, its policy is to minimise its risks arising from such fluctuations by hedging its sales either through direct purchases of a similar commodity or through futures contracts on the commodity exchanges. The prices on the commodity exchanges are generally quoted up to twelve months forward.

In the course of hedging its sales either through direct purchases or through futures, the Group may also be exposed to the inherent risk associated with trading activities conducted by its personnel. The Group has in place a risk management system to manage such risk exposure.

At the balance sheet date, a 1% increase/decrease of the commodities price indices, with all other variables remaining constant, would result in (decrease)/increase in profit before tax and equity by the amounts as shown below:

Amount ₹ in Lakhs

Particulars	Profit or Loss		Equity, Net of Tax	
	1% increase	1% decrease	1% increase	1% decrease
<b>31<sup>st</sup> March, 2019</b>				
Inventory Commodity Price	140.90	(140.90)	91.66	(91.66)
Derivative Contract Rate	-	-	-	-
<b>Total</b>	140.90	(140.90)	91.66	(91.66)
<b>31<sup>st</sup> March, 2018</b>				
Inventory Commodity Price	19,544.36	(19,544.36)	12,780.45	(12,780.45)
Derivative Contract Rate	-	-	-	-
<b>Total</b>	19,544.36	(19,544.36)	12,780.45	(12,780.45)

**Equity Risk**

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Group's investments in Fair value through Other Comprehensive Income securities exposes the Group to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. The fair value of equity securities as of March 31, 2019, was Rs. Nil [FY 2017-2018 Rs. Nil Lakhs]. A Sensex standard deviation of 5% [FY 2017-2018 5%] would result in change in equity prices of securities held as of March 31, 2019 by Rs. Nil Lakhs. [FY 2017-2018 Rs. Nil Lakhs]

**47 Capital Management**

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

**Amount ₹ in Lakhs**

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Total Interest bearing liabilities	26,288.57	30,883.01
Less: Cash and Cash equivalents	1,359.46	1,937.22
Adjusted Net Debt	24,929.12	28,945.79
Total Equity	28,544.46	27,314.31
Adjusted equity	28,544.46	27,314.31
Adjusted net debt to adjusted equity ratio	0.87	1.06

**48 Events occurred after Balance Sheet date**

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 27<sup>th</sup> May, 2019 there were no material subsequent events to be recognised or reported that are not already previously disclosed.

As per our report of even date attached

**For M. M. THAKKAR & CO.**

**Chartered Accountants**

(Registration No: 110905W)

**Darshak M Thakkar**

Partner

Membership No:103762

27<sup>th</sup> May, 2019, Ahmedabad

For and On Behalf of the Board

**Balvantsinh C Rajput** - Chairman and Managing Director

**Bipinkumar Thakkar** - Whole Time Director

**Praveen Khandelwal** - Chief Executive Officer

**Shaunak Mandalia** - Chief Financial Officer

**Vijay Kalyani** - Company Secretary

27<sup>th</sup> May, 2019, Ahmedabad

**FORM AOC-1**

Statement containing salient features of the financial statement of subsidiaries / joint ventures pursuant to first proviso to subsection (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 :

**Part-A: Subsidiaries (FY 2018-19)**

(Amount ₹ in Lakhs)

Sr. No	Name of Subsidiary / Partnership Firm	Reporting Currency	Exchange Rate	Equity Share Capital	Other Equity	Total Asset	Total Liabilities	Investment	Turnover	Profit Before Tax	Provision for Tax	Profit after Tax
1	Professional Commodities Services Private Limited*	INR	1.00	60.00	145.19	689.51	484.32	0.47	15.40	22.59	5.65	16.94
2	Gokul Agri International Ltd.	INR	1.00	5.00	11,592.44	43,612.54	32,015.10	195.55	218,862.64	1,416.44	517.59	898.85
3	Gokul Refoils Pte Limited	SGD	51.22	46.47	-32.35	20.88	6.76	-	-	-5.60	-	-5.60

Note:

- i Proposed dividend is NIL in each subsidiary.
- ii % of shareholding in all subsidiaries either directly or through its subsidiaries is 100%.

\*Subsidiary of Gokul Agri International Limited

**Part B : Associates**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	Gujarat Gokul Power Limited
Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2019
Shares of Associates / Joint Ventures held by the company on the year end	
Number of Shares	24180
Amount of Investment in Associates / Joint Ventures	Rs. 241800
Extend of Holding %	48.36%
Description of how there is significant influence	Due to holding of 48.36 %
Reason why the associate / Joint Ventures is not consolidated	Holding is less than 50%.
Net worth attributable to shareholder as per latest audited Balance Sheet	Rs. (20,43,107)
Profit / Loss for the year	Rs. 5,66,938 /-
Considered in Consolidation	Rs. NIL
Not considered in Consolidation	Rs. 5,66,938 /-*

Gujarat Gokul Power Limited is yet to commence operations

As per accounting treatment suggested in Ind AS 28 - "Investments in Associates and Joint Venture", in case investor's share of losses in an associate equals or exceeds the carrying amount of investment, the investor ordinarily discontinues recognizing its share of further losses and the investment is reported at nil value.

For and On Behalf of the Board  
**B. C. Rajput** Chairman and Managing Director  
**Bipinbhai Thakkar** Whole Time Director  
**Praveen Khandelwal** Chief Executive Officer  
**Shaunak Mandalia** Chief Financial Officer  
**Vijay Kalyani** Company Secretary

Ahmedabad, May 27, 2019

# ATTENDANCE SLIP

## Gokul Refoils & Solvent Limited

(CIN : L15142GJ1992PLC018745)

Registered Office: State Highway No. 41, Near Sujanpur patia, Sidhpur- 384151, Gujarat.

Telephone: 079-61905500/46 E-mail: abhinav.mathur@gokulgroup.com Website: www.gokulgroup.com

## ATTENDANCE SLIP

I hereby record my presence at the 26<sup>th</sup> Annual General Meeting of the Company held on Friday, September 27, 2019 at State Highway No. 41, Near Sujanpur patia, Sidhpur- 384151, Gujarat at 11.00 A.M.

Folio No.	DP ID	Client ID No.	Number of Shares

Name and address of Shareholder / Proxy holder    
--

\_\_\_\_\_  
Shareholder / Proxy's Signature

(Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the Meeting Hall)

**Proxy Form**

Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rule, 2014]

**CIN** : L15142GJ1992PLC018745  
**Name of the Company** : Gokul Refoils and Solvent Limited  
**Registered Office** : State Highway No. 41, Near Sujanpur patia, Sidhpur-384151, Gujarat.

Name of the Member (s):			
Registered Address:			
E-mail ID:			
Folio No./ Client ID:		DP ID:	

I/We, being the member(s) of \_\_\_\_\_ shares of the Gokul Refoils and Solvent Ltd., hereby appoint;

- (1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him / her;  
(2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him / her;  
(3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **26<sup>th</sup> Annual General Meeting of the Company**, to be held on the Friday, September 27, 2019 at 11.00 A.M. at State Highway No. 41, Near Sujanpur patia, Sidhpur- 384151, Gujarat and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Resolution
	<b>Ordinary Business;</b>
1.	Ordinary Resolution for adoption of Standalone and Consolidated Audited Financial Statements for the year ended 31 <sup>st</sup> March, 2019
2	Ordinary Resolution for appoint a Director in place of Mr. Bipinkumar Thakkar (DIN: 06782371), who retires by rotation and being eligible, offers himself for re-appointment.
	<b>Special Business:</b>
3	Re-appointment of Mr. Piyushchandra Vyas (DIN: 01260934) as an Independent Director
4	Re-appointment of Mr. Karansinh Mahida (DIN: 02237323) as an Independent Director
5	Re-appointment of Prof.(Dr) Dipooa Devada (DIN: 01849583) as an Independent Director
6	Alteration of the Object Clause of Memorandum of Association of the Company

Signed this ..... day of ..... 2019

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the share capital of the company carrying rights. a member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person a proxy and such person shall not act as a proxy for any other person or shareholder.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Please  
affix Re 1/-  
Revenue  
Stamp

## MISSION

- To reach every kitchen of Indian family by delivering best quality products with delicious taste.
- To become a true Indian MNC with pan India presence and operations across the globe.
- To become most preferred and admired edible oil brands in India.
- To create best value proposition to investors, vendors & society.
- To uphold the principles of Corporate Governance.

## VISION

To become the most preferred and admired brand globally, through quality products and advanced technologies & processes, aimed at bringing immense delight to all the stakeholders.

## GREEN INITIATIVES

- Wind Power capacity of 3.75 MW for captive use.
- Using Castor de-oiled cake as a fuel to generate steam.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company is supporting the activities of Shree Bahuchar Jan Seva Trust which is providing healthcare services to the General public at large. The Company is also supporting the activities of educational institutions of Gokul Foundation.



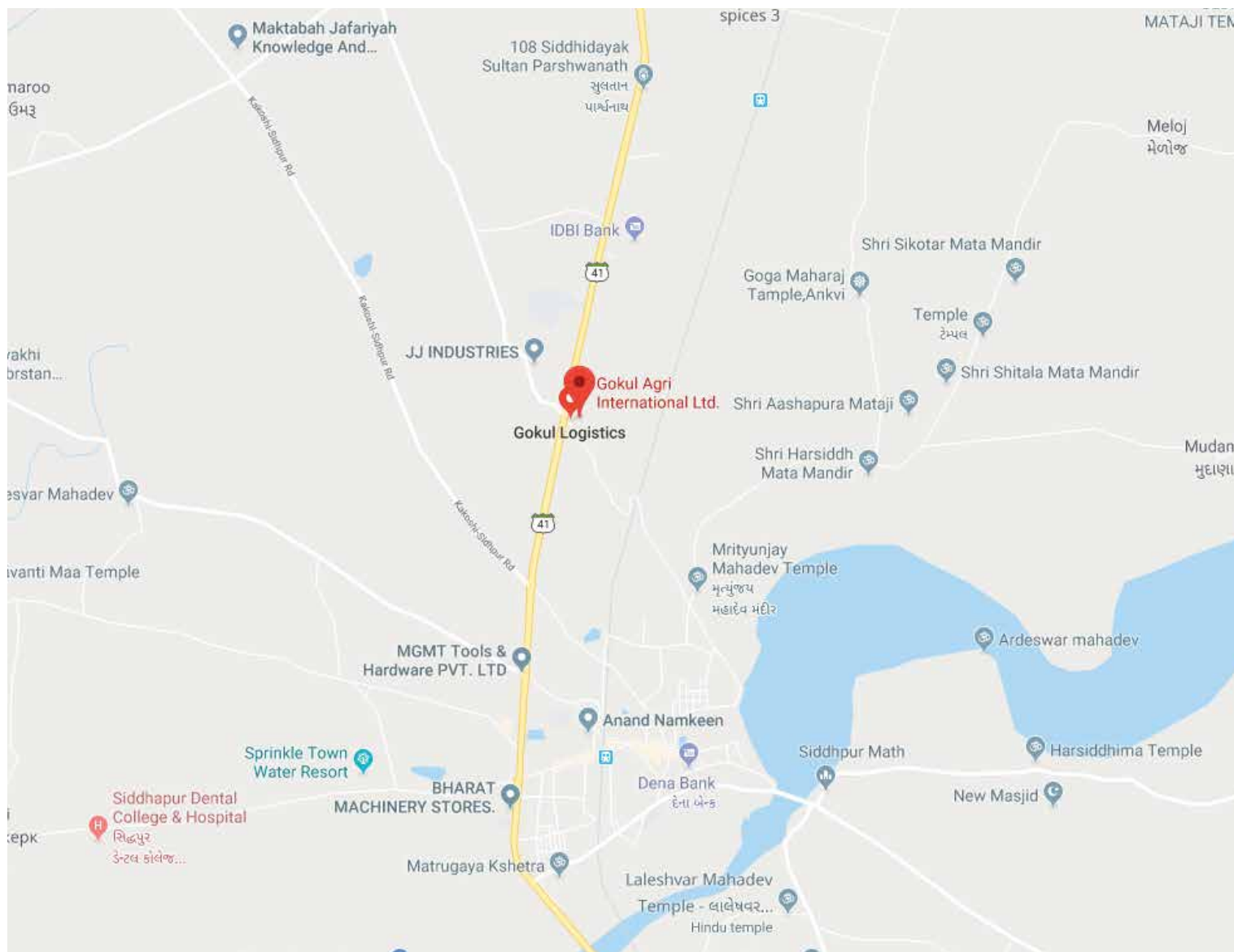


## EDIBLE OIL RANGE





## ROUTE MAP TO REACH VENUE OF THE ANNUAL GENERAL MEETING





**GOKUL**

हैल्दी हैप्पिली  
जीना है

रुकना है  
मना है



If undelivered please return to:



**GOKUL REFOILS & SOLVENT LTD.**

**CIN: L15142GJ1992PLC018745**

**CORPORATE OFFICE :** "Gokul House", 43-Shreemali Co-op. Housing Society Ltd. Opp. Shikhar Building, Navrangpura, Ahmedabad-380 009. Gujarat (India) Phone: +91-79-61905500, 66615253-54-55

**REGISTERED OFFICE :** State Highway No - 41, Nr. Sujanpur Patia, Sidhpur - 384 151, Dist.: Patan, State: Gujarat.(India)  
Phone: +91-2767-222075, 225551, Fax : +91-2767-225475

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