highest growth greater values

Gokul Refoils and Solvent Ltd.

GOKUL

Annual Report 2010-11

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

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 develop 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.

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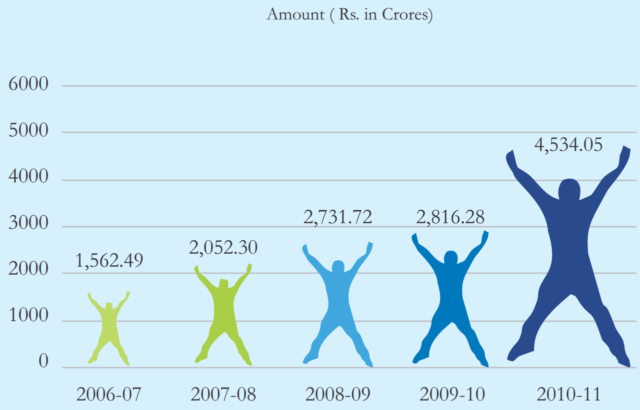
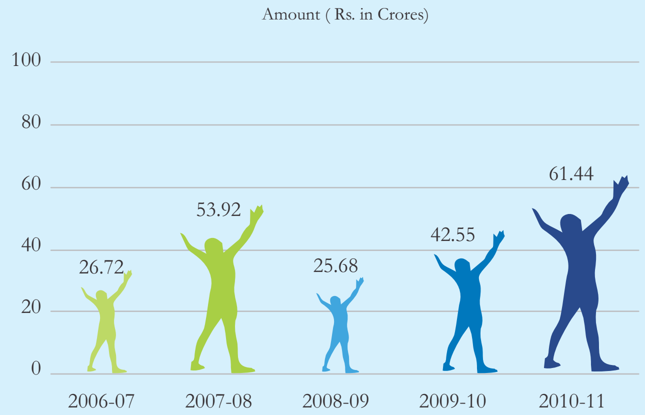
financial highlights

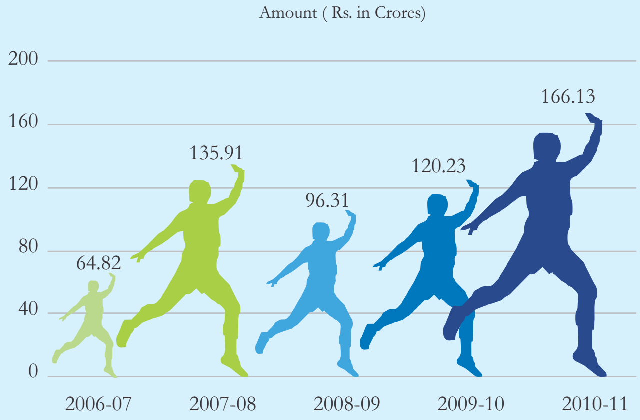
Highest ever record turnover and highest net profit



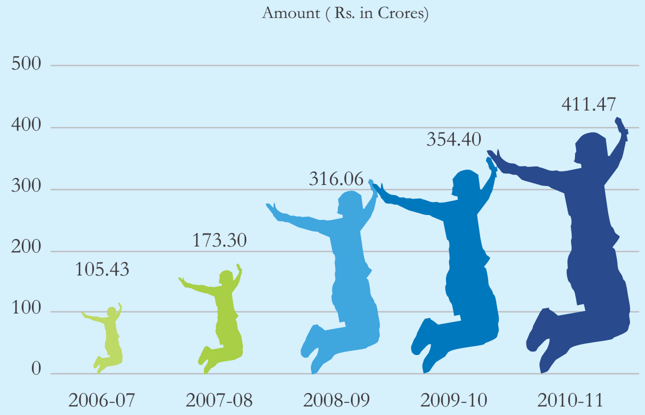
Sales



Profit After Tax (PAT)



EBIDTA



Reserves & Surplus

expansion

25% increase in Manufacturing Capacity

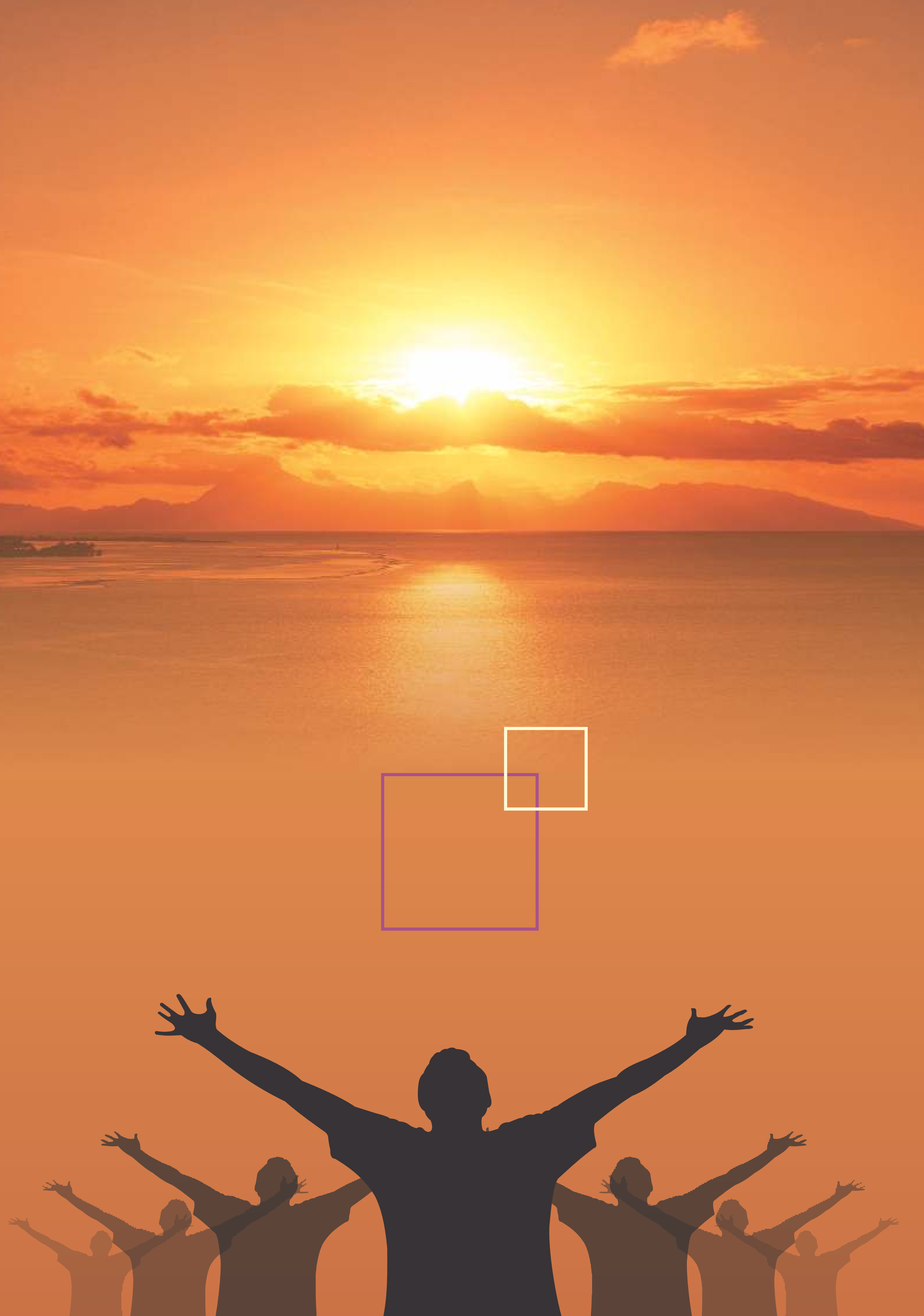
We expanded our manufacturing capacity from 19,14,000 MT to 23,94,000 MT.

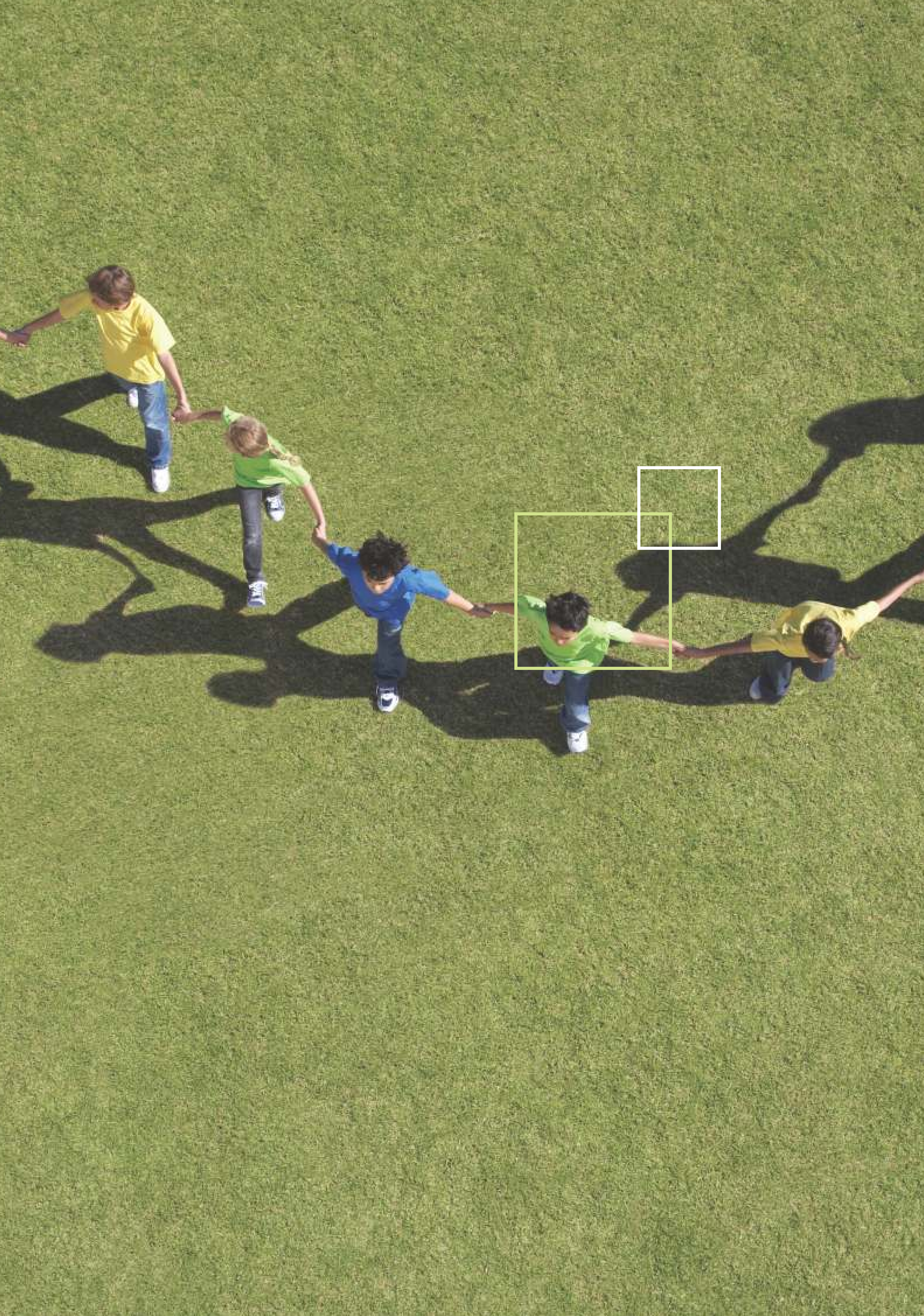
Castor Seed (Gandhidham plant)

Crushing capacity increased from 300 TPD to 1100 TPD
Extraction capacity increased from 200 TPD to 600 TPD
Refining capacity increased from 200 TPD to 400 TPD

Edible Oil (Sidhpur Plant)

Setup 500 TPD ultra modern chillex plant at Sidhpur which includes 300 TPD as replacement of old plant.





retail chain & distribution

Gokul Refoils is creating a pan-India distribution and retail network both in cities and in the interior heartlands through a combination of C&F agents, distributors and local retailers

Retail Market

As an initiative to increase its branded sales proportion and visibility of products in the urban markets, the Company has placed its products in Big Bazaar, Spencer, Star Bazaar & National Handloom.

The Company has also strongly developed the Institutional Sales with strong Institutional Client base such as - Amul, ITC Ltd, Mother Dairy etc.

Distribution System

C & F Depot - increased from 41 to 50

Distributors - increased from appx. 400 to 1000

Retailers -increased from appx. 1,00,000 to 2,00,000

strength

133% increase

in Soya Seed Crushing capacity Utilization (over FY 2010)

128% increase

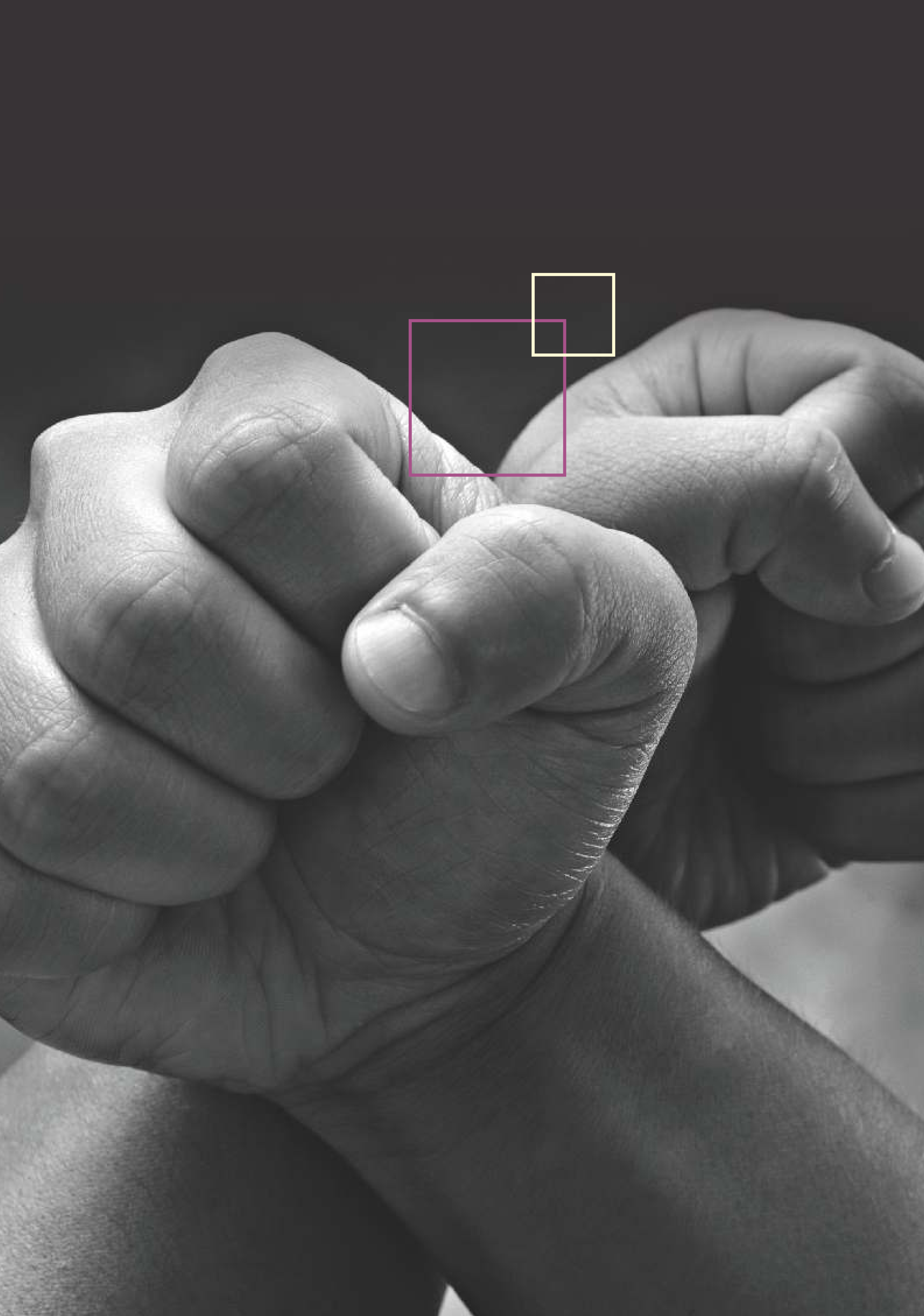
in Haldia Refining capacity Utilization (over FY 2010)
This has helped the Company strengthened its market in Eastern & Nort-East States.

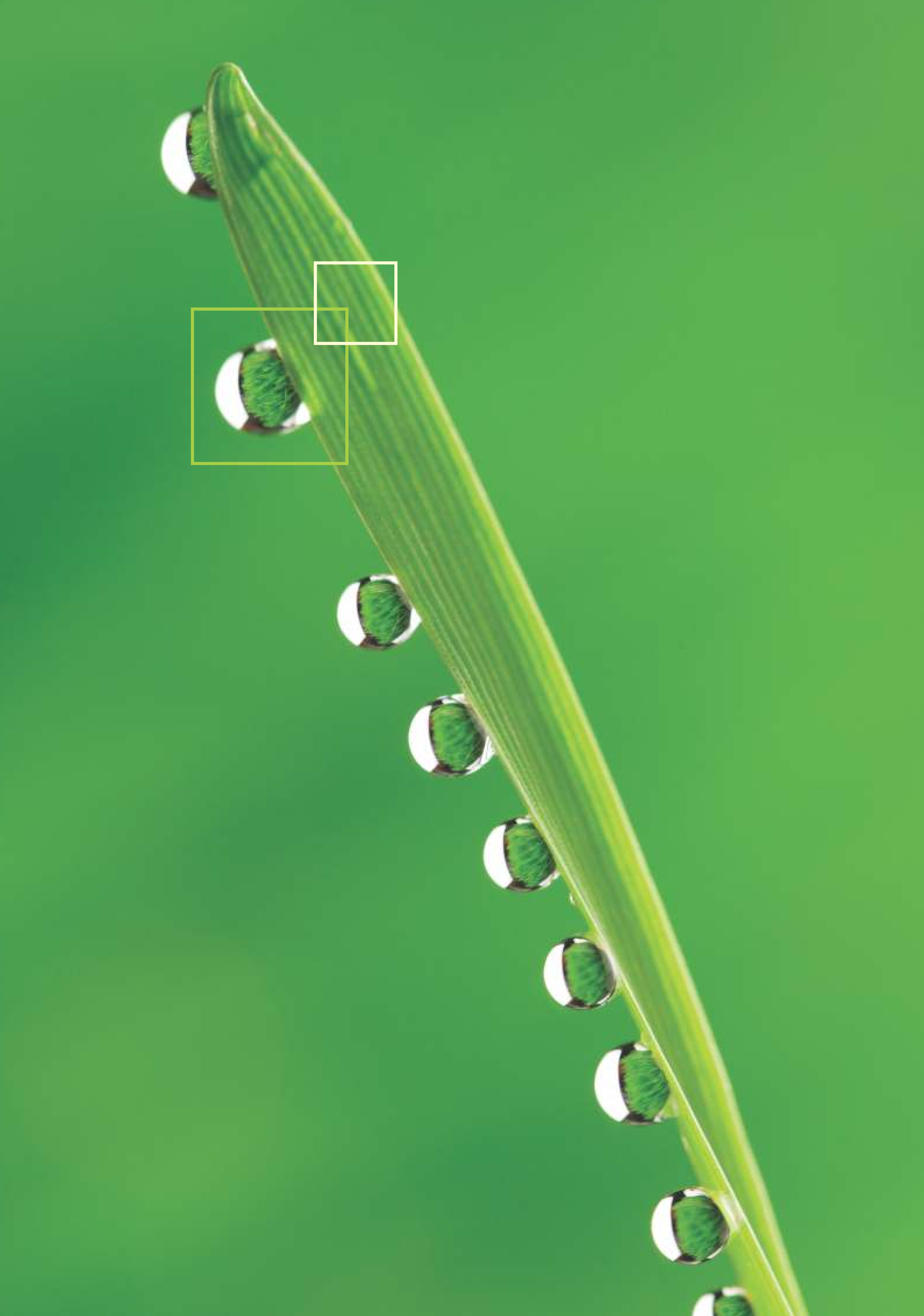
119% growth in Exports

Soya deoiled cake & Castor Oil
Our export turnover has also been increased to Rs. 92271 lacs as compared to Rs. 42116 lacs with record growth of 119% as compared to previous year.

Gokul Overseas

Our associate concern Gokul Overseas (GO), a 100% Export Oriented Unit, is one of the leading producers of Castor oil and Castor based derivatives in the country. GO, based at one of the Major Indian Port, Kandla (Gujarat, India), has bagged an award for "Top exporter of KASEZ (Kandla Special Economic Zone)" for the year 2009-10.





green initiative

Making a difference - Responsible and Green Business

Today Gokul Refoils has 4 Wind Turbine Generators (WTGs) with a total power generation capacity of 5 MW in the states of Gujarat along with co-generation captive power plant at Haldia and Gandhidham with the total capacity of 3.4 MW. As a step ahead towards Green business, we are also using castor de-oiled cake as a fuel to generate steam for our Gandhidham plant operations. During the year, Company has also been registered with UNFCCC for CDM project.

corporate social responsibility

Encouraging education amongst underprivileged children the Company has established an educational complex along with hostel accommodation free of cost. Healthcare is another crucial area of concern in the organization. To that end, the Company runs a well equipped hospital facility near its plant locations. All hospitals are well equipped with OPD and hospitalization facility.

Balvantsinh Rajput
Chairman & Managing Director

Chairman's Speech

Dear Stakeholders,

My warm greetings to all of you. It is my proud privilege to present the 18th Annual Report of the Company.

The year started on a high note with the world economy fighting the last leg of war with recession in Europe, but domestically the common man took a hit. The year 2010-11 saw the Indian economy battle with out of control, upward spiraling food prices and uncontrollable inflation.

Indian industries fought a long drawn battle between falling profits and consumer benefits. In this dismal scenario, where on one end World recession kept global sentiments low and on the other end domestic inflation impacted household spending, edible oils brought much needed relief to the Indian Agri basket by maintaining level prices.

Oilseeds and edible oils are two of the most sensitive essential commodities in India with it being 4th largest edible oil economy in the world and this sector occupies an important position in our economy.

Despite its importance in the Indian household consumption story, the domestic edible oil sector continues to be highly fragmented, with top 10 players taking only 35% of the market. As reliance on imports and integration benefits across the value chain come to fore, the industry will witness continued consolidation.

Indian edible oil demand is set to rise from 16mn MT now to 30mn by 2015. More importantly, with increasing quality consciousness, rising incomes and consolidation, branded sales are likely to grow at ~25-30% over the next few years.

Building Capacities to sustain growth

Your Company has always believed in going the extra mile and being ahead of the growth curve. We gauged that only increasing existing capacities will not ensure growth of the Company. There is a huge unmet demand which is an opportunity in disguise.

Gearing to meet the growing demand, your Company has increased its production capacity from 1914000 MT in FY10 to 2394000 MT in FY11. Better efficiencies have come into the production process with the commencement of our ultra modern chillex plant at Sidhpur with a capacity of 500 TPD, enhancement of castor seed processing capacity by 800 TPD, Castor solvent extraction capacity by 400 TPD and Castor refining capacity by 200 TPD.

During the year, we have successfully run our new Haldia plant on optimum capacity utilization. This has led to enhanced access and logistics efficiency in markets of the North East, West Bengal, Bihar, Jharkhand, Orissa and Uttar Pradesh. The refinery with 1100 TPD capacity has given boost to the top line and bottom line of Company.

Today, the Company has two port based plants at Gandhidham and Haldia, along with mother plant at Sidhpur and one other plant at Surat. The strategic location of Company's plants provides logistic advantages in procurement of raw material as well as in distribution of its products.

Focus on Branded sales

Now, 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. Branded segment of the Indian edible oil market is expected to register 25-30% growth per annum in the next few years. Gokul Refoils' two flagship brands Gokul and Zaika performed exceptionally well in the current year. Today, nearly 50% of the Company's edible oil sales come from the branded segment and retail sales are also significantly increasing in the proportion.

The Company has developed a two pronged strategy to address both the urban and rural markets. As an initiative to increase its branded sales proportion and visibility of products in the market, the Company has placed its products in Big Bazaar, Spencer, Star Bazaar & National Handloom etc. The Company is reaching out to the discerning housewife and family shopper through these retail chains where its products are well stocked and displayed in front shelves.

The semi urban and rural markets are under-penetrated, scattered and operate through "mom and pop" stores. Thus distribution and reach are critical to ensure products reach the consumers. Deepening our retail penetration we increased our C&F/depots to 50 in FY11 from 41 in FY10. A small but a substantial step towards dedicated retails sales was undertaken by widening our distribution network to more than 1000 distributors this year from around 400 in FY10. Giving a major push to its retailing efforts, the Company doubled its retailers from approx 1, 00,000 in FY10 to approx 2, 00,000 in FY11.

Regular advertisements in print and electronic media at local and national level, sponsoring local events to create brand visibility, outdoor hoardings and radio advertisement are just some of the activities undertaken by the Company in a dedicated effort towards brand building.

Gokul Refoils performance in 2010-11

We emerged successful and stronger after an eventful 2010. The Company has just started reaping benefits of expanded capacities and increased branded sales. In 2010-11 Gokul Refoils and Solvent Ltd attained two landmarks viz. Its highest ever record turnover of Rs. 4,534 crores (PY: Rs. 2,816 crores) and highest net profit of Rs. 61 crores (PY: Rs. 42 crores). This landmark performance is a result of better penetration in new and existing markets with new capacities; higher consumer demand for FMCG products due to growing affluence and higher disposable income in the hands of consumers linked to better quality of life and best in class manufacturing performance at all our plants. Record performance is also attributed to volume growth and better margin in branded products.

Building the Leadership Pipeline - Employee Initiatives

Human Resource is our key focus as it will lead to a competitive edge in the future with five core values as Customer Orientation, Excellence, Integrity, leadership and Innovation. All Gokul's employees are assigned a level under a particular band depending upon their role, impact and criticality of job and the contribution to the Company's strategy. Employee Capital and leadership development will be a key focus in the years to come.

Your Board and Management have always practiced the highest principles of Corporate Governance in an endeavor to create value for stakeholders. I would like to reiterate that your Company would continue to uphold these traditions and act in the best interest of all stakeholders.

Our Management team is visionary and proactive. It has continuously provided a clear vision and strong leadership and has been the backbone of the Company's leadership profile.

The way ahead

Sustainable, profitable growth is the only way ahead. To fulfill our vision, we have a mission, to become one of India's leading FMCG companies having reach to every kitchen of Indian family, pan India presence and operations across the globe, to develop most preferred and admired edible oil brands and to create best value propositions to investors, vendor & society.

With this mission, dedicated thoughts and efforts, both financial and emotional, is being put into scouting for a location to set up two new refineries. The Company is planning to set up a port based 1,000 TPD refinery on the East coast of South India and another port based 1,000 TPD refinery along with 600 TPD solvent plant at Maharashtra.

It is imperative to create top of mind recall amongst your consumers such that the product and the brand become synonymous. The Company looks beyond immediate challenges to build up the business with long term goals based on the Company's intrinsic strength in terms of productions capacity, technical capabilities, products quality and distribution strength.

We aim to bring down our cost of inputs and raw materials. Continuous cost leadership in the back end and profit margin expansion in the front end by building brands will drive growth and profitability in the Company.

I am grateful to the Board of Directors for their unwavering support and guidance. I also take this opportunity to express my gratitude to all our Stakeholders, who have reposed trust in us and extended their constant support.

With best regards,

Balvantsinh Rajput
Chairman & Managing Director

We emerged successful and stronger after an eventful 2010. The Company has just started reaping benefits of expanded capacities and increased branded sales. In 2010-11 Gokul Refoils and Solvent Ltd attained two landmarks viz. Its highest ever record turnover of Rs. 4,534 crores (PY: Rs. 2,816 crores) and highest net profit of Rs. 61 crores (PY: Rs. 42 crores). The Consolidated highest turnover Rs. 4837 crores (PY: Rs. 2962 crores) and highest Net Profit Rs. 70 crores (PY: Rs. 38 crores)

Company Information

Board of Directors:

Shri Balvantsinh Rajput	Chairman & Managing Director
Shri Kanubhai Thakkar	Managing Director
Shri Gyan Chordia	Executive Director
Shri Dineshkumar Sharma	Director
Dr. Dipuda Devada	Independent Director
Shri Piyushchandra Vyas	Independent Director
Shri Karansinhji Mahida	Independent Director
Shri Jayant Parimal	Independent Director

Audit Committee

Shri Piyushchandra Vyas	Chairman
Shri Kanubhai Thakkar	Member
Shri Karansinhji Mahida	Member
Shri Jayant Parimal	Member

Remuneration Committee

Dr Dipuba Devada	Chairperson
Shri Karansinhji Mahida	Member
Shri Piyushchandra Vyas	Member

Shareholders /Investors Grievances Committee

Dr. Dipuba Devada	Chairperson
Shri Kanubhai Thakkar	Member
Shri Dineshkumar Sharma	Member

Management Team

Mr. Hitesh Thakkar	Chief Executive Officer
Mr. Prakash Agrawal	Chief Financial Officer
Mr. Praveen Khandelwal	VP Corporate Strategy
Mr. Shrikant Shah	Sr. VP Commercial
Mr. Rajendra Khiani	Sr. VP Banking & Finance
Mr. Jayant Joshi	VP Sales & Marketing
Mr. Joseph Chettiar	VP Exports
Mr. Praveen Nehete	VP Technical

Company Secretary & Compliance Officer

Mr. Kalpesh Desai

Auditors

M R Pandhi & Associates,
Chartered Accountants
101, Panchdeep Complex, Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad-380 009.

Bankers

State Bank of India
Punjab National Bank
Development Credit Bank Ltd
Central Bank of India
Bank of Maharashtra
State Bank of Travancore
Dena Bank
Union Bank of India
HDFC Bank Limited
Bank of India
Allahabad Bank

Registered Office

State Highway No. 41, Nr. Sujanpur Patia,
Sidhpur-384 151, Gujarat, India.

Corporate Office

"Gokul House"
43, Shreemali Co. Op Housing Society Ltd, Opp. Shikhar Building,
Navrangpura, Ahmedabad-380 009, Gujarat, India.

Sidhpur Unit

State Highway No. 41,
Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat, India.

Gandhidham Unit

89, Meghpar-Borichi, Galpadar Road,
Nr. Sharma Resort, Taluka Anjar, District Kutch-370 110,
Gujarat, India.

Surat Unit

N.H No. 8, Near Kamrej Sugar Factory, At Navi Pardi,
Tal: Kamrej, Dist. Surat, Gujarat, India.

Haldia Unit

J.L.No-149 Plot, Nr. Essar Petrol Pump, Way to HPCL, Nr. Renuka
Sugar Factory, Haldia Development Authority Area, P.O.Debhog,
Haldia.-721657, Dist. Purba Medinipur, West Bengal, India.

Registrar & Transfer Agents

Link Intime India Pvt. Ltd.
(Formerly known as Intime Spectrum Registry Limited,)
C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup(W),
Mumbai-400 078, India.

Financial Highlights

(Rs. in crores)

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11
Sales	1562.49	2,052.30	2,731.72	2816.28	4,534.05
Profit Before Tax	37.04	81.97	37.76	62.61	89.99
Profit After Tax	26.72	53.92	25.68	42.55	61.44
Depreciation	8.30	12.22	17.76	25.09	30.19
Cash Accruals	38.94	73.20	41.67	80.76	94.61
Share Capital	18.41	19.22	26.38	26.38	26.38
Reserve and Surplus	105.43	173.30	316.06	354.40	411.47
Total Net Worth	134.10	208.79	359.14	410.20	469.99
Total Liablities	323.41	577.09	529.66	850.59	981.17
Total Capital Employed	223.68	469.16	568.81	728.92	855.07
Fixed Assets	115.49	168.93	273.16	334.87	347.38
Net Current Assets	94.86	286.96	274.61	377.65	457.32

Notice

NOTICE is hereby given that the **18th ANNUAL GENERAL MEETING** of the Company will be held on Saturday, 24th day of September, 2011, 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 / conduct the following businesses.

ORDINARY BUSINESS

(1) To consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

(2) To confirm the interim dividend paid and to declare final dividend on equity shares.

(3) To resolve not to fill the vacancy, for the time being, caused by the retirement of Shri Jayant Parimal, who retires by rotation and does not offer him self for re-appointment.

(4) To appoint Director in place of Dr. Dipuba Devada, who retires by rotation and being eligible, offers herself for re-appointment.

(5) To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT M/s. M. R. Pandhi & Associates, Chartered Accountants (Registration No. 112360W) be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Managing Director of the Company."

SPECIAL BUSINESS

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

"RESOLVED THAT Shri Gyan Chordia, who was appointed as an Additional Director of the Company under Section 260 of the Companies Act, 1956 read with Article 151 of the Articles of Association of the Company and who holds office till commencement of this Annual General Meeting and in respect of whom the Company has received a notice from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 & 317 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the appointment of Shri Gyan Chordia, as the Executive Director of the Company, for a period of one year with effect from 15th June, 2011 on the terms and conditions including remueration as set out in the explanatory statement annexed to the notice convening this Meeting and agreement executed with the Company, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT the remuneration, benefits and perquisites as fixed by the Board be paid to Shri Gyan Chordia, as minimum remuneration notwithstanding the absence or inadequacy of profit in the financial year, during the term of his office as Executive Director of the Company."

"RESOLVED FURTHER THAT Shri Gyan Chordia shall be entirely responsible for the day to day affairs of the Company and he will be solely responsible for all Statutory and Legal Compliances under all laws applicable to the Company and he will be considered as "Officer in Default" as prescribed under Section 5 of the Companies Act,1956."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging all or any of the movable and/or immovable properties, both present and future, or the whole or substantially the whole of the undertaking or the undertakings of the Company for securing any loan obtained or as may be obtained from any Bank, Financial Institution or Person or Persons including securing those facilities which have already been sanctioned, including any enhancement therein, by the present lenders lead by State Bank of India, together with interest, costs, charges, expenses and any other monies payable by the Company and that the Board of Directors is further authorized to create floating charge on the Company's current assets, present and future, in favour of Banks, Financial Institution or Person or Persons who may provide such credit facilities to the Company upto the maximum ceiling prescribed under Section 293 (1)(d) of the Companies Act, 1956 for the borrowing by the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do

all such acts, deeds, matters and things as may be necessary, desirable, expedient for mortgaging and/ or charging the properties of the Company and for giving effect to the aforesaid resolution."

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

"RESOLVED THAT pursuant, to the provisions of Section 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall include a committee which the Board may constitute for this purpose) to borrow such sum or sums of money in any manner from time to time, as may be required for the purpose of business of the Company with or without security and upon such terms and conditions as they may think fit, which together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) at any time shall not exceed a sum of Rs. 4,000 crores (Rupees four thousand crores) over and above the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper, desirable or expedient to give effect to this Resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 & 317 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the re-appointment of Shri Balvantsinh Rajput, as the Managing Director of the Company, for a period of 5 (five) years with effect from 15th June, 2011 on the terms and conditions including remueration as set out in the explanatory statement annexed to the notice convening this Meeting and agreement executed with the Company, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT the remuneration, benefits and perquisites as fixed by the Board be paid to Shri Balvantsinh Rajput, as minimum remuneration notwithstanding the absence or inadequacy of profit in the financial year, during the term of his office as Managing Director of the Company."

"RESOLVED FURTHER THAT Shri Balvantsinh Rajput shall exercise substantial powers of management subject to superintendence, control and direction of the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 & 317 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the re-appointment of Shri Kanubhai Thakkar, as the Managing Director of the Company, for a period of 5 (five) years with effect from 15th June, 2011 on the terms and conditions including remueration as set out in the explanatory statement annexed to the notice convening this Meeting and agreement executed with the Company, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT the remuneration, benefits and perquisites as fixed by the Board be paid to Shri Kanubhai Thakkar, as minimum remuneration notwithstanding the absence or inadequacy of profit in the financial year, during the term of his office as Managing Director of the Company."

"RESOLVED FURTHER THAT Shri Kanubhai Thakkar shall exercise substantial powers of management subject to superintendence, control and direction of the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 314(1) (b) and other applicable provisions if any of the Companies Act, 1956 consent of the Company be and is hereby accorded to the appointment of Shri Deepak Harwani a relative of Shri Kanubhai Thakkar, Managing Director to hold an office or place of profit as Manager Commercial with effect from 1st April, 2011 on the remuneration and terms mentioned below:

a) Remuneration Rs. 50,000/- per month with an annual increment as per the rules of the Company but not exceeding Rs. 2,50,000/- per month.

(b) During his tenure, he will be governed by the Rules and Regulations of the Company as may be applicable to the employees of the Company from time to time including change in designation and responsibilities."

By **Order of the Board of Directors**

Ahmedabad
15th June, 2011

Kalpesh Desai
Company Secretary

Registered Office:
State Highway No 41,
Nr. Sujanpur Patia,
Sidhpur - 384151.

NOTES:

1. **A Member entitled to attend and vote at the Annual General 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 Corporate Office of the Company not less than forty-eight hours before the commencement of the Meeting.**

2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

4. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.

5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 20th September, 2011 to Saturday 24th September, 2011(both days inclusive), for the purpose of dividend, if declared at the Annual General Meeting.

6. The Dividend on Equity Shares as recommended by the Board of Directors, if declared at the Meeting will be paid.

   a In respect of the shares held in demat form, on the basis of beneficial ownership as per details furnished by the depositories as at the end of the business day on Monday, 19th September, 2011 and

   b In respect of shares held in physical form to those Members whose names appear on the Register of Members of the Company after giving effect to all valid share transfer lodged with the Share Transfer Agent on or before Monday, 19th September, 2011

7. Relevant documents referred to in the accompanying notice are open for inspection by the Members at the Registered Office of the Company on all working days except Sundays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.

8. In case of any change of particulars including address, bank mandate and nomination for shares held in demat form should be notified only to the respective Depository Participants where the Members has opened their demat accounts. The Company or its Share Transfer Agent will not act on any direct request from these Members for change of such details. However, request for any change in particulars in respect of shares held in physical form should be sent to the Registrar and Share Transfer Agent of the Company.

9. Members wishing to claim dividend, which remain unclaimed are requested to correspond with Shri Kalpesh Desai, Company Secretary at the Company's Corporate Office. Members are requested to note that dividend not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund as per Section 205C of the Companies Act, 1956, Members are encouraged to utilize ECS and NECS for receiving dividends.

10. Members holding shares in demat form may please note that the bank account details given by them to their Depository Participants(DPs) and on to the Company by such DPs would be printed on the dividend warrants of the concerned Members. However, if any, Member(s) want to receive dividend in any other bank account details with his/her concerned DP. The Company will not be able to act on any such request from Shareholders directly for deletion/change in the bank account details.

11. Members are requested to bring their attendance slip along with the copy of Annual Report to the Meeting.

12. Members desirous of asking any questions at the Annual General Meeting are requested to send their questions to the Company's Corporate Office at least 7 days before the Annual General Meeting so that the same can be suitably replied to.

13. The Company has implemented the "Green Initiative" as per Circular Nos. 17/2011 dated April 21, 2011 and18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/documents and annual reports to shareholders. Henceforth, the email addresses indicated in your respective Depository

Participant (DP) accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be your registered email address for serving notices/ documents including those covered under Section 219 of the Companies Act, 1956. The Notice of Annual General Meeting and the copies of Audited Financial Statements, Directors' Report, Auditors' Report etc. will also be displayed on the website www.gokulgroup.com of the Company and the other requirements of the aforesaid MCA circular will be duly complied with. Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned in Corporate Governance Report.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

(Pursuant to Section 173 (2) of the Companies Act, 1956)

Item no. 6 & 7

Shri Gyan Chordia aged about 52 years, is having vast experience in the field of edible oil industries.He has over three decades of experience and has held various senior positions in various Companies.

The Board of Directors of the Company in its Meeting held on 15th June, 2011 appointed Shri Gyan Chordia as an Additional Director to hold office upto the conclusion of this Annual General Meeting and appointed as Executive Director of the Company for a period of one year effective from 15th June, 2011 on the terms and conditions as set out in the agreement executed with him. Shri Gyan Chordia would liable to retire by rotation in terms of the Articles of Association of the Company.

He is holding Directorship in Ganesh Benzoplast Limited and Rishabh Suitings (P) Limited.

The Company has received a Notice alongwith requisite deposit from a Member under section 257 of the Companies Act, 1956 proposing the candidature of Shri Gyan Chordia as a Director of the Company.

The Board of Directors consider that in view of the background and experience of Shri Gyan Chordia, it would be in the interest of the Company to appoint him as an Executive Director of the Company.

Shri Gyan Chordia will be paid Rs. 1,11,00,000/- each (Rupees one crore eleven lacs only) per annum including salary and all other perquisites. The remuneration proposed to be paid to Shri Gyan Chordia is within the limits of Schedule XIII as amended.

The Board recommends the resolutions as set out at item no. 6 & 7 for approval of the shareholders.

Shri Gyan Chordia is interested or concerned in the proposed Resolutions. None of the other Directors are interested or concerned in the proposed Resolutions.

The Notice read with explanatory statement should be considered as an abstract of the terms of appointment and remuneration of Shri Gyan Chordia an Executive Director and a Memorandum as to the nature of the concern or interest of the Director as required under Section 302 of the Companies Act, 1956.

The Agreement for appointment of the Executive Director referred to in Ordinary Resolution at item no. 6 & 7 of the Notice are available for inspection by the Members at the Registered Office of the Company on any working day except Sundays and Holidays between 11.00 a.m.to 1.00 p.m. upto the date of Annual General Meeting.

Item no. 8

Pursuant to the provision of Section 293 (1) (a) of the Companies Act, 1956, a Company can not sell, lease, charge or otherwise dispose of the whole or substantially the whole of the undertaking or undertakings of the Company without the consent of Members in General Meeting.

The Company has been granted various fund based/non-fund based working capital facilities from various banks under consortium arrangement lead by State Bank of India and Term loans from State Bank of India (SBI), Punjab National Bank (PNB), State Bank of Travancore (SBT) & Union Bank of India (UBOI), State Bank of Travancore (SBT), Union Bank of India (UBOI), State Bank of India (SBI) and Development Credit Bank Ltd (DCB) and State Bank of India (SBI) and Allahabad Bank, Development Credit Bank Limited, State Bank of India, Bank of Maharashtra. The Company may be required to avail other financial assistance (s) over and above the present financial assistance from the Bank(s) and / or Financial Institutions and accordingly, may be required to further mortgage / charge its properties and or extend the properties already charged to secure other assistance including securing the present facilities sanctioned and being availed. Since the creation of the charge tantamount to otherwise disposing of the undertakings of the Company it shall be necessary to pass an ordinary resolution under section 293 (1) (a) of the Companies Act, 1956.

In view of the aforesaid provisions, you are requested to grant your consent to the resolution as set out at item No.8 of the accompanying notice.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

Item No. 9

The Members of the Company has at its Meeting held on September 06, 2007 had authorized the Board to borrow upto an amount of Rs. 2,500 crores (Rupees two thousand five hundred crores) in excess of the aggregate of the paid up capital and free reserves of the Company.

To facility future business expansions and to provide resources to meet additional fund requirements for the growing operations of the Company, it is proposed to enhance the present borrowing limits. Approval of the

Members is therefore sought pursuant to Section 293 (1) (d) of the Companies Act, 1956, to increase the borrowing limits to Rs. 4,000 crores (Rupees four thousand crores) over and above the paid-up capital and free reserves of the Company and to authorise the Board of Directors accordingly.

The Board of Directors accordingly recommend the resolution as set out in Item No. 09 of the Notice for your approval.

None of the Directors of the Company is concerned or interested in the resolution.

Item No. 10 & 11

Shri Balvantsinh Rajput and Shri Kanubhai Thakkar are the promoters and has been associated with the Company since its inception. The shareholders had, at the 14th Annual General Meeting of the Company held on 01st August, 2007, re-appointed them as the Managing Directors' for a period of 5 (five) years effective from 1st September, 2007 on the terms and conditions as per the agreement executed between the Company. The Board has at its Meeting held on 15th June, 2011, pre-closed the existing terms of appointments of Shri Balvantsinh Rajput and Shri Kanubhai Thakkar and appointed them afresh as the Managing Directors of the Company with effect from 15th June, 2011 for a period of 5 (five) years on the terms and conditions as set out herein and the agreements executed with the Company. Shri Balvantsinh Rajput and Shri Kanubhai Thakkar have consented to the said arrangement. The said re-appointments are subject to approval of shareholders of the Company. Shri Balvantsinh Rajput and Shri Kanubhai Thakkar shall not be liable to retire by rotation while they hold the office of Managing Directors.

Under the able leadership, efforts and guidance of Shri Balvantsinh Rajput and Shri Kanubhai Thakkar, the Company has achieved highest turnover of Rs. 4,53,405 lacs in the year 2010-11 and Rs. 2,81,628 lacs in the year 2009-10. The net profit after tax has also increased to Rs. 6,144 lacs in the year 2010-11 from Rs. 4,255 lacs in the year 2009-10. The efforts of Shri Balvantsinh Rajput and Shri Kanubhai Thakkar have made the Company as the third largest edible oil Company in India. Today "Gokul " is established brand name and with all over presence in India. It is under their guidance, the Company had a very successful Initial Public Offer (IPO) in the year 2008-09. They have together articulated, designed and implemented the growth story of the Company. Their vision to produce products of great taste and purity and to reach to each and every kitchen in India has shown the path of success to the Company.

In view of the above, the Board has recommended to re-appoint them as the Managing Directors for a further period of 5 years with effect from 15th June, 2011.

Shri Balvantsinh Rajput and Shri Kanubhai Thakkar will be paid remuneration of Rs. 1,50,00,000 each (Rupees one crores fifty lacs only) per annum including salary and all other perquisites. Over and above, the said Managing Directors will be entitled for maximum 1% commission on net profits as calculated in the manner set out in Section 349 and 350 of the Companies Act, 1956.

In view of the aforesaid provisions, you are requested to grant your consent to the resolution as set out at item No. 10 and 11 of the accompanying notice.

None of the Directors of the Company except Shri Balvantsinh Rajput and Shri Kanubhai Thakkar are deemed to be concerned or interested in the said resolutions.

Item No. 12

Shri Deepak Harwani is son in law of Shri Kanubhai Thakkar, Managing Director and hence, provisions of Section 314 of the Companies Act, 1956 apply to payment of remuneration to Shri Deepak Harwani.

Shri Deepak Harwani has vast experience in the field of the Edible Oil Business and has developed an indepth knowledge in the same. The Company has a very large distribution network across the country to meet requirements of the customers. Mr Deepak Harwani has an experstise in the retail sales operations and its related activities.

In veiw of the above, Shri Deepak Harwani has been apponited as Manager-Commercial with effect from 1st April, 2011 with the total remuneration not exceeding Rs. 2,50,000 per month.

His scope of work includes overalll resposibilities of sales operations in the retail segment. His presence in the said feild would be beneficial for the Company.

Section 314 provides that appointment of relative of a Director to an office of profit at a remuneration exceeding Rs. 10,000 per month but not exceeding Rs. 2,50,000 per month shall require approval of the shareholders by a Special Resolution.

Approval of the shareholders is, therefore, sought for payment of remuneration to Shri Deepak Harwani as detailed in Resolution No.12 of the Notice.

Shri Kanubhai Thakkar, Managing Director being a relative of Shri Deepak Harwani is deemed to be interested in the resolution.

None of the other Directors of the Company is in any way concerned or interested in the resolution.

The Board recommends the resolution for your approval.

By Order of the Board of Directors

Ahmedabad
15th June, 2011

Kalpesh Desai
Company Secretary

Registered Office:

State Highway No 41,
Nr. Sujanpur Patia,
Sidhpur - 384151.

Details of Directors seeking Re-Appointment at the forthcoming Annual General Meeting [Pursuant to Clause 49 of the Listing Agreement]

Name of Director	**Shri Gyan Chordia**	**Dr. Dipuba Devada**
Date of birth	01/07/1959	14/10/1960
Date of appointment	15/06/2011	06/09/2007
Qualification	Company Secretary, ICWA, B.Com	M.Sc. (Statistics) M.Ed. & Ph. D.
Expertise in specific functional area	Has worked with Liberty Oil Mills Limited from 1986 to 2011 as the Chief Executive Officer of the Company. He was overall incharge of the Company operations.	Presently the Principal of Dada Dukhayal Colledge of Education, Gujarat. Life Member of All India Association of Educational Research, Gujarat Ganit Mandal and Gujarat Statistical Association.
Directorship in other Indian public limited companies as on 31/03/2011	Ganesh Benzo Plast Ltd. Rishabh Suitings (P) Ltd.	None
Chairmanship / Membership of committees in other Indian public limited companies as on 31/03/2011	None	None

Name of Director	**Shri Balvantsinh Rajput**	**Shri Kanubhai Thakkar**
Date of birth	01/06/1962	28/04/1962
Date of appointment	29/12/1992	29/12/1992
Qualification	Metric	Metric
Expertise in specific functional area	Shri Balvantsinh Rajput has an experience of more than two decades in edible oil industry. He has been involved in overall management, forming business strategy and implementing strategic initiatives of the Company. Mr. Balvantsinh Rajput has articulated, designed and implemented the growth story of the Company. His vision to produce products of great taste and purity and reach it to each and every kitchen in India has shown the path of success to the Company. He is co-chairman of the Vegetable Oil Processing Committee constituted by Solvent Extractors Association of India (SEA). He is also associated with various Trade Associations.	Shri Kanubhai Thakkar has been a commodity trader since two decades. He has been actively involved in the business development activities and major expansion initiatives undertaken by the Company. He has been conferred the honor of "The Oil Man of the Year-2000" by 'Globoil India', one of world's premier vegetable oil research organization. He is also the Chairman of Western Zone Solvent Extractors Association of India and office bearer of various committees like SEA international oil and Oil Meal Traders Council, SEA Imports Vegetable Oil Processors Council, SEA Castor seed and Oil Promotion Council
Directorship in other Indian public limited companies as on 31/03/2011	Gujarat Gokul Power Limited	Gujarat Gokul Power Limited Professional Commodity Services Private Limited
Chairmanship / Membership of committees in other Indianpublic limited companies as on 31/03/2011	None	None

Name of Director	**Shri Jayant Parimal**
Date of birth	14/07/1967
Date of appointment	13/09/2008
Qualification	Graduate and Bachelor of Engineering
Expertise in specific functional area	He has served as an IAS officer with Government of Gujarat and has experience of 21 years in the field of infrastructure and Public Administration
Directorship in other Indian public limited companies as on 31/03/2011	None
Chairmanship / Membership of committees in other Indian public limited companies as on 31/03/2011	None

By Order of the Board of Directors

Ahmedabad
15th June, 2011

Kalpesh Desai
Company Secretary

Registered Office:

State Highway No 41,
Nr. Sujanpur Patia,
Sidhpur - 384151.

Directors' Report

Dear Stakeholders,

Your Directors are pleased to present the 18th Annual Report on the affairs of the Company along with the Audited statement of Accounts for the year ended 31st March, 2011. The Report also includes the Management Discussion and Analysis in accordance with the provisions of the Clause 49 of the Listing Agreement.

Financial Highlights

(Rs. in lacs)

Sr. No.	Particulars	31st March, 2011	31st March, 2010
1.	Sales and Operating Income	4,53,404.75	2,81,628.40
2	Other Income	473.51	408.80
3.	Total Revenue	4,53,878.27	2,82,037.21
4	Profit before Interest, Depreciation, Exceptional items and Taxes (EBIDTA)	16,612.60	12,023.53
5	Interest and Financial Cost(Net)	4,594.91	3,253.95
6	Depreciation and Miscellaneous Expenditure Written Off	3,018.65	2,508.64
7	Profit before Taxation (PBT)	8,999.04	6,260.94
8	Tax including Deferred Tax	2,854.61	2,005.77
9	Profit after Taxation (PAT)	6,144.44	4,255.18
10	Short(Excess) provision of Taxation for Earlier years	(53.64)	(39.82)
11	Profit brought forward from the Previous Year	18,610.51	15,276.92
12.	Profit Available for Appropriation	24,808.59	19,571.92
	Transfer to General Reserve	500.00	500.00
	Interim Dividend	153.81	—
	Proposed Dividend	290.17	395.69
	Tax on Proposed Dividend	47.07	65.72
13.	Balance carried to Balance Sheet	23,817.53	18,610.51

Operational Performance

During this year, turnover has increased to Rs. 4,53,405 lacs as compared to Rs. 2,81,628 lacs which has significantly increased by 61 % as compared to previous year. The net profit of the Company has increased to Rs. 6,144 lacs as compared to Rs. 4,255 lacs which has significantly increased by 44% as compared to previous year. Our export turnover has also been increased to Rs. 92,271 lacs as compared to Rs. 42,116 lacs with record growth of 119% as compared to previous year.

In 2010-11, Gokul Refoils and Solvent Ltd attained two landmarks viz. Its highest ever record turnover and highest net profit. This landmark performance is a result of better penetration in new and existing markets with new capacities; higher consumer demand for FMCG products due to growing affluence and higher disposable income in the hands of consumers linked to better quality of life and best in class manufacturing performance at all our plants. Record performance is also attributed to volume growth and better margin in branded products. The growth in export turnover is due to capture more market share of meal and castor oil well supported by capacity additions during the year.

The year 2010-11 experienced the Indian economy battle with out of control, upward spiraling food prices and uncontrollable inflation. Indian industries fought a long drawn battle between falling profits and consumer benefit. In this dismal scenario, where on one end World recession kept global sentiments low and on the other end domestic inflation impacted household spending, edible oils brought much needed relief to the Indian agri basket by maintaining level prices. In view of unstable economic environment, capacity expansion, increased efficiency led optimum capacity utilization and an increased share from branded sales helped the Company successfully tide over difficult times.

Segment Information

Hitherto the management had identified two primary business segments viz. Edible oil business and non-edible oil businesses. Due to changes in the internal reporting system and organization as structure based on the guiding principles given in Accounting Standard on "Segment Reporting (AS-17)" issued by the Institute of Chartered Accountant of India, the management reviewed and reclassified its primary business segments as "Agro based commodities" which incorporates product groups viz. soyabean, palm line, cotton seed oil, sun flower oil, mustard seed oil, castor oil, oil cakes, de-oiled cakes, vanaspati, oil seeds, its bye products and other agro-commodities which have similar production process, similar methods of distribution and have similar risks and returns. Hence, the primary segment information is reported based on this classification from this year.

Dividend

The Company has paid Interim Dividend of 5% (Rs. 0.10/- per share) during the year. In view of the improved performance of the Company, the Directors are pleased to recommend a final dividend of 11% (Rs 0.22/- per share). Thus the aggregate dividend for the year 2010-11 works out to 16% (Rs. 0.32/- per share) and the total payout will be Rs. 491.05 lacs including dividend distribution tax of Rs. 68.97 lacs.

Status of New Projects and Expansion of Existing Projects

During this year, we strengthened our manufacturing facilities by enhancing our castor seed processing capacity from 300 TPD to 1100 TPD, castor solvent extraction capacity from 200 TPD to 600 TPD and castor refining capacity from 200 TPD to 400 TPD.

To meet India's oil deficit and growing demand, the Company is making all efforts to run its facilities at optimum levels. Better efficiencies have come into the production process with the commencement of our ultra modern chillex plant at Sidhpur with a capacity of 500 TPD. The Chillex technology is the latest technology available across the globe and we believe, among few of the best state-of-the-art edible oil plants in Asia today.

Gearing to meet the growing demand your Company has increased its production capacity from 19,14,000 MT in FY10 to 23,94,000 MT in FY11.

Further, we have successfully run our new Haldia plant on optimum capacity utilization. This has led to enhanced access and logistics efficiency in markets of the North East, West Bengal, Bihar, Jharkhand, Orissa and Uttar Pradesh. The refinery with 1,100 TPD capacity has given boost to the top line and bottom line of Company.

The Company is further expanding its solvent extraction capacity at Sidhpur plant by 300 TPD to meet out growing export demand of Rapeseed meal. Further, we are increasing capacity of Castor BSS plant (Castor Refining) at Gandhidham by 200 TPD to capture more market share of castor oil.

Today, with four manufacturing plants spread over strategic geographic locations, we are the one of the top edible oil companies in India as well as top castor oil companies in the world – giving us economies of scale, reduced input costs and ability to serve large number of customers.

Brand Building – Gokul and Zaika

It is imperative to create top of mind recall amongst your consumers such that the product and the brand become synonymous. Gokul Refoils' two flagship brands Gokul and Zaika performed exceptionally well in the current year. Today, Gokul is positioned as the premium brand for the loyal housewife while Zaika is the affordable brand and more popular in vanaspati. All major brands of Gokul Refoils reported robust growth for the year. Today, nearly 50% of the Company's edible oil sales come from the branded segment and retail sales are also significantly increasing in the proportion.

The Company has developed a two pronged strategy to address both the urban and rural markets. As an initiative to increase its branded sales proportion and visibility of products in the market, the Company has placed its products in Big Bazaar, Spencer, Star Bazaar & National Handloom and is in talks with other retail outlets like Reliance Retail and D-Mart.

The Company is reaching out to the discerning housewife and family shopper through these retail chains where its products are well stocked and displayed in front shelves. Regular promotions and discounts help in increasing new consumer trials and repeat sales.

The semi urban and rural markets are under-penetrated, scattered and operate through "mom and pop" stores. Thus, distribution and reach are critical to ensure products reach the consumers. Deepening our retail penetration we increased our C&F/depots to 50 in FY11 from 41 in FY10. A small but a substantial step towards dedicated retails sales was undertaken by widening our distribution network to more than 1,000 distributors this year from around 400 in FY10. Giving a major push to its retailing efforts, the Company doubled its retailers from approx 1,00,000 in FY10 to approx 2,00,000 in FY11.

Regular advertisements in print and electronic media at local and national level, sponsoring local events to create brand visibility, outdoor hoardings and radio advertisement are just some of the activities undertaken by the Company in a dedicated effort towards brand building.

Website

As per the Clause 54 of the Listing Agreement the Company has maintained a functional website www.gokulgroup.com which has all the details i.e. details of its business, financial information, shareholding pattern, compliance with Corporate Governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, details of agreements entered into with the media companies and/or their associates, etc.

The contents of the said website are updated on regular basis.

Fixed Deposits

The Company has not accepted any Fixed Deposits from the public and it is therefore not required to comply with the requirement under Non-Banking Non-Financial Companies (Reserve Bank) Directions, 1966 and Companies (Acceptance of Deposits) Rules, 1975.

Subsidiary Companies

Your Company has three wholly owned subsidiary companies namely Maurigo International Ltd, Mauritius, Maurigo Pte Ltd, Singapore and Professional Commodity Services Private Limited. In line with Section 212 of the Companies Act, 1956, and as per the Circular No. 2/2011 dated 8th February, 2011 and Circular No. 3/2011 dated 21st February, 2011, the consent of the Board has been obtained for not attaching the Audited Statements of Accounts along with the Director's Report and the Auditor's report of these companies. The annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders at any point of time on their demand. The annual accounts of the subsidiary companies have been kept for inspection at the Registered office of the Company and the subsidiary companies.

Directors

In terms of Article 170 of the Articles of Association, Shri Jayant Parimal retire by rotation and being though eligible, because of his preoccupation does not offer himself for reappointment at the ensuing Annual General Meeting.

In terms of Article 170 of the Articles of Association, Dr. Dipuba Devada retire by rotation and being eligible, offers herself for re-appointment at the ensuing Annual General Meeting.

Shri Gyan Chordia was appointed as the Additional Director of the Company with effect from 15th June, 2011. His term of office expires at the ensuing Annual Feneral Meeting.

Notice has been received from Member pursuant to Section 257 of Companies Act together with the necessary deposits of Rs. 500/- proposing the appointment of Shri Gyan Chordia as a regular Director to the Board of Directors.

Shri Gyan Chordia has been appointed as the Executive Director of the Company subject to the approval of Members with effect from 15th June, 2011.

Shri Balvantsinh Rajput and Shri Kanubhai Thakkar have been re-appointed as the Managing Directors of the Company with effect from 15th June, 2011.

The brief resume of Directors having reappointed are attached to the notice of the ensuing Annual General Meeting.

Insurance

All the movable and immovable assets of the Company are adequately insured and are covered for all the risks.

Auditors

M/s. M.R. Pandhi & Associates, Chartered Accountants, Ahmedabad, Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment and have expressed their willingness to act as the Auditors of the Company, and have further confirmed that the said appointment would be in conformity with the provisions of Section 224 (1B) of the Act and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

Consolidated Financial Statements

As stipulated by Clause 41 of Listing Agreement with Stock Exchanges, Consolidated Audited Financial Statements of the Company, its subsidiaries and associates, for the year ended 31st March, 2011 have been prepared by the Company in accordance with the requirements of Accounting Standard 21 "Consolidated Financial Statements" and other Accounting Standards prescribed by the Institute of Chartered Accountants of India. The Audited Consolidated Financial Statements forms the part of the Annual Report.

Particulars Regarding Conservation of Energy & Technology Absorption & Foreign Exchange Earnings and Outgo

Information in accordance with the provision of Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosures of particulars in the Report of the Board of Directors) Rules,1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the statement annexed hereto forming a part of this Report.

Directors Responsibility Statement

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956, the Directors hereby state and confirm that:

i) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

ii) They have selected such Accounting Policies and applied them consistently and made judgements 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 31st March, 2011 and of the profit of the Company for the year ended on that date.

iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the interest of the Company and for preventing and detecting fraud and other irregularities;

iv) They have prepared the Annual Accounts on a going concern basis.

Management's Discussion and Analysis of Financial Conditions

A separate section on Management Discussion and Analysis, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges forms the part of the Annual Report.

Corporate Governance

The Company has complied with the requirements of Clause 49 of the Listing Agreement regarding Corporate Governance as were applicable during the year under review to the Company.

A report on Corporate Governance practices followed by the Company, the Auditors' Certificate on compliance of mandatory requirements thereof and Management Discussion and Analysis are Annexed to this report.

Corporate Social Responsibility

The Company has felt the requirement that it owes to the society and has therefore contributed for its upliftment from time to time. The Company set up a social service foundation in the year 1999 with an effort to create social awareness, well being and upliftment of the people and currently executes CSR activities largely through trusts engaged in health care, education and community welfare services. Following this, two more organizations were setup to fulfill this duty as a human being.

For encouraging education amongst underprivileged children the group has established an educational complex along with hostel accommodation.

Healthcare is another crucial area of concern in the organization. To that end, the Company runs a well equipped hospital facility near its plant locations. All hospitals are well equipped with OPD and hospitalization facility. Various awareness camps, health camps like Children Medical Camp, Eye Camp and tournaments like inter village football championship are held to develop a social atmosphere.

Particulars of the Employees

The Ministry of Corporate Affairs by notification dated 31st March, 2011, issued the Companies (Particular of Employees) Amendment Rules, 2011, which amended the limits of remuneration of the employees mention under Companies (Particular of Employees) Rules, 1975. Accordingly, as per the Companies (Particular of Employees) Rules, 2011 and the provisions of Section 217 (2A) of the Companies Act, 1956, details of the names and other particulars of employees drawing remuneration aggregating to more than Rs. 60,00,000 (Rupees sixty lacs only) per annum and Rs. 5,00,000 (Rupees five lacs) per month, are required to be attached to this report. However, as per the provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956, the report and annual accounts of your Company sent to the shareholder do not contain the said annexure. Any shareholder desirous of obtaining a copy of the said annexure may write to the Company Secretary at the Registered / Corporate Office of the Company.

Appreciation

The Directors take this opportunity to express their gratitude and appreciation for the co-operation and assistance received from the Stock Exchanges, Bankers, Government and various Government Agencies as well as Shareholders during the year under review.

The Directors also wish to place on record their appreciation for the devoted and dedicated service rendered by all the employees of the Company.

For and on behalf of the Board

Ahmedabad
15th June, 2011

Balvantsinh Rajput
Chairman and Managing Director

Management Discussion and Analysis

Despite continued inflation and rising food prices, the Company continued its growth momentum in 2010-11. The challenging environment faced by the Industry, the global business trend and the volatile commodity prices during the year under review have impacted the domestic industry, having a large number of small players. It is expected that, given the changing business dynamics, the need for integrated operations, economies of scale etc. The industry is poised for greater consolidation in the years to come. It is believed that there is a great scope for organized players to strengthen the presence in future.

The domestic edible oil growth in retail segment is growing faster than the overall growth. Raw material sourcing has become important in the context of short supplies and spiraling prices. Integration of complete value chain will facilitate capturing the growing business opportunities with better margins.

During this year, turnover has increased to Rs. 4,53,405 lacs as compared to Rs. 2,81,628 lacs which has significantly increased by 61% as compare to previous year. The net profit of the Company has increased to Rs. 6,144 lacs as compared to Rs. 4,255 lacs which has significantly increased by 44% as compared to previous year. Our export turnover has also been increased to Rs. 92,271 lacs as compared to Rs. 42,116 lacs with record growth of 119% as compared to previous year. Aggressive capacity expansion plans, better capacity utilization and an increased focus on improving contribution of branded sales to total revenue have led to strong growth during this year. Additionally, logistics advantage and the tax benefit at Haldia plant resulted in significant cost saving and an increase in the Company's margin.

Global Scenario

World's consumption of edible oil was to the tune of 82 million MT in 1990-91 and has doubled in the two decades. Palm, Soya and Rapeseed oil/ Mustard oil are expected to constitute 64% of the total global oil consumption. From the last two decade, global Palm oil consumption is growing faster than the global edible oil consumption. Global palm oil consumption has grown by 8.7% Cumulative Annual Growth Rate (CAGR) from 1999 to 2008, where as global edible oil consumption has grown by 4.4% only.

Palm oil is the more popular oil because of its lowest production cost per ton as well as its worldwide acceptability. The proportion of Palm oil out of total world's oil consumption has increased from 13.8% in 1990-91 to 29% in 2009-10. More than 85% of global palm oil is produced by Malaysia and Indonesia.

India is the 4th largest edible oil economy after U.S, China and Brazil. As we can see that Asian Industries are emerged as the most promising industry at the world and the Global cues suggest that the next round of growth will come from Asian economies like China and India which have a growing population to feed, younger demographics, better lifestyle choices and increased purchasing power due to local development.

The future for food companies will be fortified by giving the discerning consumer a sustainable, healthy and value added choice to create a better life. Edible oil companies will create customer loyalty through sustained brand building efforts by catering to the local tastes of the consumers. Increased R&D spend for value added, healthier innovation and reduced input costs by owning the backend supply chain will be critical to create value for customers and shareholders alike.

The Promising Indian Market- Increasing demand of Palm Oil

The Indian market presents a significant growth opportunity for edible oil players owing to a growing population, income growth, low current per capita consumption, low penetration and the fact that edible oils are a necessary part of the daily diet for a majority of Indian consumers. India accounts for a major part of global edible oil demand, which has grown over the years but the Indian oilseed crop has historically been insufficient to match oil demand.

The Indian edible oil market is currently at Rs. 750 billion and is currently growing at a rate of 5% to 6% per annum but still India's total requirement of edible oils for projected population of 1.25 billion is at the projected per capita consumption of about 15 kg per annum, which is very low as compared to the world average of 21 kg/ annum.

Nevertheless, factors such as strong GDP growth contributed by the manufacturing and service sectors and favorable demographics are expected to increase the demand for edible oils and other food products. As per Solvent Extractors' Association of India, demand for edible oil is expected to increase to 22.5 million tonnes by 2015 and import is expected to rise to 10 million tonnes (44% of consumption).

The edible oil sector in India is largely unorganized with a few organized players. There is a lot of potential and opportunity for organized players in Indian market because of growing population to feed, younger demographics, better lifestyle choices and increased purchasing power due to local development. Integrated players typically operate at higher capacity utilizations and enjoy better price realizations and margins in addition to being more equipped to deal with fluctuation in prices and availability of raw materials.

Palm oil has the highest consumption in India followed by soybean oil and mustard oil. Palm oil is the cheapest and hence most affordable. The very fact that a large number of Indians have included palm oil in their regular dietary pattern and eating habits shows that oil is being accepted as a regular nutrient to healthy living. Lower prices and comparable benefits make Palm Oil a popular choice in India. India is one of the largest buyer of Indonesian Crude Palm Oil (CPO) with over 80% imported from Indonesia.

India- Leader in Castor oil

India is leader in production of castor seeds in the world and also leading exporter of castor oils, globally. Currently India exports castor oil and derivatives worth Rs. 2,000 crore annually in which Gujarat accounts for 85% of India's castor seed production followed by Andhra Pradesh and Rajasthan. Majority of the castor oil produced in India is exported through the Kandla port in Gujarat. India has the lowest effective manufacturing cost of castor oil due to large acreage and production. Castor oil demand is growing at 3-5% p.a. with E.U., U.S.A and Japan being major importers.

Change in Indian culture- Focus on Branded Segment

With increasing quality consciousness, rising incomes and consolidation, branded sales are likely to grow at ~25-30% over the next few years.

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.

Today, Gokul is positioned as the premium brand for the loyal housewife while Zaika is the affordable brand and more popular in vanaspati. All major brands of Gokul Refoils reported robust growth for the year. Today, nearly 50% of the Company's edible oil sales come from the branded segment and retail sales are also significantly increasing in the proportion.

Gokul Refoils' performance in FY 2010-11

The year 2010-11 has been very productive in terms of business growth and profitability.

In 2010-11 Gokul Refoils and Solvent Ltd attained two landmarks viz. Its highest ever record turnover of Rs. 4,53,405 lacs (Previous year Rs. 2,81,628 lacs) and highest net profit of Rs. 6,144 lacs (Previous year Rs. 4,255 lacs). This landmark performance is a result of better penetration in new and existing markets with new capacities; higher consumer demand for FMCG products due to growing affluence and higher disposable income in the hands of consumers linked to better quality of life and best in class manufacturing performance at all our plants. Record performance is also attributed to volume growth and better margin in branded products.

Gokul Refoils and Solvent Limited is following a threefold strategy of increasing sales, penetrating newer markets and strengthening the market share and brands in its current markets. Its flagship brands Gokul and Zaika have performed exceptionally well among the consumer class. Integrated manufacturing facilities supported by a strong distribution network would allow the Company to increasingly focus on branded retail sales.

The Company continued to strengthen its position in areas of sourcing raw materials, capturing value in supply chain and logistics, expanding manufacturing capabilities and increasing sales of branded products. It has a good presence being a serious player in the Palm Oil, Soya Oil, Mustard Oil and Cotton oil sectors in India.

Consumer Understanding to build brands

It is imperative to create top of mind recall amongst your consumers such that the product and the brand become synonymous.

As per feedback and response, we believe that consumers relate our brands with purity, smell and taste. Gokul Refoils' two flagship brands Gokul and Zaika performed exceptionally well in the current year. Today, Gokul is positioned as the premium brand for the loyal housewife while Zaika is the affordable brand and more popular in vanaspati.

Regular advertisements in print and electronic media at local and national level, sponsoring local events to create brand visibility, outdoor hoardings and radio advertisement are just some of the activities undertaken by the Company in a dedicated effort towards brand building.

Marketing & Distribution Strategy

The FMCG edible oil market can be divided in two sections in India - urban and rural. During the year, Gokul Refoils developed a twin strategy for both these markets. Also, it sees significant growth opportunity coming from urban areas which are currently under- penetrated and not exposed to its brands and products in the future. As an initiative to increase its branded sales proportion and visibility of products in the urban markets, the Company has placed its products in Big Bazaar, Spencer, Star Bazaar & National Handloom and is in talks with other retail outlets like Reliance Retail and D-Mart.

The Company is reaching out to the discerning housewife and family shopper through these retail chains where its products are well stocked and displayed in front shelves. Regular promotions and discounts help in increasing new consumer trials and repeat sales.

The semi urban and rural markets are under-penetrated, scattered and operate through "mom and pop" stores. Thus distribution and reach are critical to ensure products reach the consumers. Gokul Refoils is creating a pan-India distribution and retail network both in cities and in the interior heartlands through a combination of C&F agents, distributors and local retailers deepening our retail penetration we increased our C&F/depots to 50 in FY11 from 41 in FY10. A small but a substantial step towards dedicated retails sales was undertaken by widening our distribution network to more than 1000 distributors this year from around 400 in FY10. Giving a major push to its retailing efforts, the Company doubled its retailers from approx 1,00,000 in FY10 to approx 2,00,000 in FY11.

Semi-urban and rural India is riding on a good harvest and informed and effluent middle class consumers. With a growth in infrastructure and the government's thrust on connecting rural India, physical infrastructure is available to players like us to ensure reach and distribution.

With a well spread and intricately connected distribution network the Company has a well established presence in the states of North East, West Bengal, Bihar, Jharkhand, Orissa, Maharashtra, Uttar Pradesh, Uttaranchal, Madhya Pradesh, Delhi, Punjab & Haryana, Himachal Pradesh, J&K, Rajasthan and Gujarat

Financial Performance - A robust growth story

The Company reported a net profit of Rs. 6,144 lacs as compared to Rs. 4,255 lacs in the previous year, an increase of 44 %. The net sales also grew to Rs. 4,53,405 lacs from Rs. 2,81,628 lacs as reported in the previous year. The Company reported an EPS of Rs. 4.66 for the year ended 31st March, 2011 as compared to Rs. 3.23 in the previous year. All major brands of Gokul Refoils reported robust growth for the year. Today, nearly 50% of the Company's edible oil sales come from the branded segment and retail sales are also significantly increasing in the proportion.

Integrated manufacturing facilities, capacity addition plans and expanding distribution & retail network, position GRSL as a strong player in the Indian edible oil sector. Strategically located plants, streamlined raw material sourcing and purchasing policies & systems provided the Company with a strong competitive advantage.

Another factor that worked to our advantage is that our facilities are located in close proximity to end-use markets for edible oils as well as the key oilseed growing regions/major ports in India and are well equipped to switch to processing of any crude edible oil, giving the Company a unique advantage in flexibility.

Due to our economies of scale in import oil purchases, our raw material costs are one of the lowest in the industry. With one of the best procurement teams in place, we have developed deep relationships with the suppliers, farmers, intermediaries, and other market participants to ensure lowest cost, long term contracts and best quality of raw material. During the year, we also initiated several cost rationalization and optimization measures, which resulted in savings in operation costs, leading to bottom line improvement.

Financial Review

Standalone

Gokul delivered superior financial performance with improvements across key parameters. Turnover achieved for the year ended 31st March, 2011 was Rs. 4,53,405 lacs a growth of 61 % over previous year.

Consumption of raw materials as compared to sales has been 89.20% to 89.25% as compared to previous year. The consumption of raw materials as compared to sales has been in line with previous year.

Employee cost was Rs. 1,864 lacs for the year 2010-11 as against Rs. 1,166 lacs for the year 2009-10. The increase is on account of the staff employed at the Haldia unit of the Company and increase in year to year employee cost of the Company.

Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA) increased by 38 % from Rs. 12,024 lacs to Rs. 16,613 lacs.

The interest cost of the Company has increased by 41% from Rs. 3,254 lacs to Rs. 4,595 lacs. This is on account of continuous increase in the interest rates during the year as well as higher utilisation of facilities due to increase in the turnover.

Depreciation (including amortization) was higher at Rs. 3,019 lacs as against Rs. 2,509 lacs in the previous year primarily on account of addition of Haldia Plant and other assets in the total assets of the Company.

Profit after tax was Rs. 6,144 lacs as against Rs. 4,255 lacs for the previous year, an increase of 44%.

Earning per share (EPS) for the year has increased from Rs. 3.23 to Rs. 4.66 per share.

Consolidated

Gokul has achieved a consolidated turnover of Rs. 4,83,672 lacs as for the year ended 31st March, 2011 a growth of 63 % over previous year.

Consolidated consumption of raw materials as compared to sales is 89.50% as compared to 89.50% of previous year. The consumption of raw materials as compared to sales has been in line with previous year.

Consolidated employee cost is Rs. 1,876 lacs for the year 2010-11 as against Rs. 1,166 lacs for the year 2009-10. The increase is on account of the staff employed at the Haldia unit of the Company and increase in year to year employee cost of the Company.

Consolidated Earning Before Interest, Tax Depreciation and Amortisation (EBITDA) increased by 49 % from Rs. 11,915 lacs to Rs. 17,725 lacs.

The consolidated interest cost of the Company has increased by 34 % from Rs. 3,569 lacs to Rs. 4,790 lacs. This is on account of continuous increase of the interest rates during the year as well as higher utilisation of ficilities due to increase in the turnover.

Consolidated depreciation (including amortization) was higher at Rs. 3,023 lacs as against Rs. 2,517 lacs in the previous year primarily on account of addition of Haldia Plant and other assets in the total assets of the Company.

Consolidated profit after tax was Rs. 6,968 lacs as against Rs. 3,818 lacs for the previous year, an increase of 83%.

Consolidated earning per share (EPS) for the year has increased from Rs. 2.89 to Rs. 5.28 per share.

Building future scale and capabilities -Manufacturing Plants

Gearing to meet the growing demand your Company has increased its production capacity from 19,14,000 MT in FY10 to 23,94,000 MT in FY11. Fighting all odds and overcoming the impact of inflation the Company successfully completed its expansion initiatives.

To meet India's oil deficit and growing demand, the Company is making all efforts to run its facilities at optimum levels. Better efficiencies have come into the production process with the commencement of our ultra modern chillex plant at Sidhpur with a capacity of 500 TPD.

Giving a push to our expansion activity we have enhanced our castor seed processing capacity from 300 TPD to 1100 TPD, Castor solvent extraction capacity from 200 TPD to 600 TPD and Castor refining capacity from 200 TPD to 400 TPD during FY 11.

Your Company has always believed in going the extra mile and being ahead of the growth curve. We gauged that only increasing existing capacities will not ensure growth of the Company. There is a huge unmet demand which is an opportunity in disguise.

Further, in order to ensure preparedness for plan to set up a port based refinery at Maharashtra, your Company has already started a packaging facility at Mumbai to capture more market share in the region and use the opportunity to study the market dynamics in the region.

The challenging environment faced by the Industry, the global business trend and the volatile commodity prices during the year under review have impacted the domestic industry, having a large number of small players. It is expected that, given the changing business dynamics, the need for integrated operations, economies of scale etc., the industry is poised for greater consolidation in the years to come. It is believed that there is a great scope for organized players to strengthen the presence in future.

The domestic edible oil growth in retail segment is growing faster than the overall growth. Raw material sourcing has become important in the context of short supplies and spiraling prices. Integration of complete value chain will facilitate capturing the growing business opportunities with better margins.

Your Company is thus focusing on expansion of branded business, backward integration, and broad basing of product port-folio. Active consideration is being accorded to promote cost optimisation, to aim for optimum utilisation of production facilities to provide opportunities to develop skills across levels, to identify business opportunities in a challenging environment and to formulate integrated approach in the decision making process.

During the year, we have successfully run our new Haldia plant on optimum capacity utilization. This has led to enhanced access and logistics efficiency in markets of the North East, West Bengal, Bihar, Jharkhand, Orissa and Uttar Pradesh. The refinery with 1100 TPD capacity has given boost to the top line and bottom line of Company. The refinery is producing Palmolein and Soya Refined Oil for Gokul and Zaika brands for the Eastern and North Eastern market.

The Company is further expanding its solvent extraction capacity at Sidhpur plant by 300 TPD to meet out growing export demand of Rapeseed meal. Further we are increasing capacity of Castor BSS plant (Castor Refining) at Gandhidham by 200 TPD to capture more market share of castor oil.

Today, the Company has two port based plants at Gandhidham and Haldia, along with mother plant at Sidhpur and one other plant at Surat. The strategic location of Company's plants provides logistic advantages in procurement of raw material as well as in distribution of its products. Gandhidham and Haldia plants have port based advantage for import of crude oil and export of Company's products while Sidhpur enjoys advantage in procurement of Mustard seeds because of its proximity to oil seed cultivation belts of Rajasthan and Gujarat

The Company looks beyond immediate challenges to build up the business with long term goals based on the Company's intrinsic strength in terms of productions capacity, technical capabilities, products quality and distribution strength.

We aim to bring down our cost of inputs and raw materials. Continuous cost leadership in the back end and profit margin expansion in the front end by building brands will drive growth and profitability in the Company.

Building the Leadership Pipeline – Employee Initiatives

Human Resource is our key focus as it will lead to a competitive edge in the future with five core values as Customer Orientation, Excellence, Integrity, leadership and Innovation. All Gokul's employees are assigned a level under a particular band depending upon their role, impact and criticality of job and the contribution to the Company's strategy.

The Company realizes that just education is not enough to create true professionals. Giving the professionals an opportunity to harness their skills beyond the regular the Company has established an establishment with an aim to make Indian professionals emerge as global leaders. In an attempt to create world class professionals the Company believes in providing value-based training to its employees with high standards of organizational integrity and social responsibility.

Making a difference - Responsible and Green Business

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 Gokul Refoils has 4 Wind Turbine Generators (WTGs) with a total power generation capacity of 5 MW in the states of Gujarat along with co-generation captive power plant at Haldia and Gandhidham with the total capacity of 3.4 MW. 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 Gandhidham plant operations. During the year, Company has also been registered with UNFCCC for CDM project.

Self control is the Best Control – Corporate Governance

At the heart of the Company's Corporate Governance policy is the ideology of transparency and openness. The senior leadership at Gokul Refoils, comprising of the Board of Directors and Senior Managment sincerely believe that corporate accountability and corporate governance enable wealth creation. It is believed that the imperative for good Corporate Governance lies not merely in drafting code of Corporate Governance but in practicing it.

Company's Philosophy on Corporate Governance is built on rich legacy of fair, transparent and effective governance which includes strong emphasis on human values, individual dignity and adherence to honest, ethical and professional conduct. Going ahead, we see qualitative participation from the independent Directors in the board to ensure strategic inputs and world class governance practices.

Significant developments subsequent to last financial year

1. The Company has increased its production capacity from 19,14,000 MT (as on 31st March, 2010) to 23,94,000 MT as on date.

2. Commenced production at its ultra modern Chillex plant at Sidhpur with a capacity of 500 TPD.

3. During this year the Company has expanded its castor seed processing capacity by 800 TPD, Castor cake extraction capacity by 400 TPD and Castor refining capacity by 200 TPD.

4. During the period under review contribution of branded goods towards total edible oil sales increased from approx 43 % in FY10 to approx 50% in FY11.

Risk and Concern

The main areas of concerns are

1. The overall scenario is also imposed by volatility in commodity and currency prices. Your Company has designed a Risk Management Policy and is being reviewed periodically by the management and appropriately modified wherever necessary based on expert advice and future outlook.

2. Your Company is trying to balance import and export gap as it provides natural hedge so that currency risk is minimized. The 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.

3. 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.

4. 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.

5. Domestic availability of oil seeds also depends upon weather and monsoon conditions. Your Company has processing facilities at major ports and several inland locations 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.

6. 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 utilises the hedging instruments available in the markets on an ongoing basis and manages the currency exposures pro-actively.

7. 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.

8. Your Company has taken productivity linked measures aimed at controlling costs and taken further steps to focus on production of high margin products.

9. Adverse changes in disposable income may impact consumption pattern. Your Company has multi processing capabilities to cater to the variances and changing consumer preferences. Also, keeping in view the overall growth of the economy, emerging health consciousness and growing organized retail in India, it is expected that the packaged edible oil consumption will continue to outgrow the overall edible oil growth.

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.

The way ahead

To meet the challenges amidst growing industry size and the need to consolidate, your Company has initiated several measures on proactive basis, which will allow your Company to build-on its current presence and market share in the edible oil and Industrial products like castor oil and meals. Your Company is thus poised to undertake the business opportunities arising from leadership position in the industry.

Your Company is making inroads at new locations within the country which are strategic in nature. The focus on driving cost and operational efficiencies by use of latest and modern technology confirming to global standards will provide an edge to itself and its business partners and place it at a better pedestal as compared to its peers. Your Company 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.

To fulfill our mission, to become one of India's leading FMCG companies having reach to every kitchen of Indian family with pan India presence, Company is planning to set up a port based 1,000 TPD refinery on the East coast of South India and another port based 1,000 TPD refinery along with 600 TPD solvent plant at Maharashtra.

Self sufficiency in raw material sourcing will be the key goal to insulate against the short supplies and spiraling prices in the long run. Your Company perceives, therefore, a logical business opportunity to achieve backward integration business in palm plantations in overseas/domestic markets to complete the value chain and thus give a fillip to the momentum. The direct benefit of the above endeavors, besides strengthening the existing attributes of its business in the domestic market, will be to de-risk the operations from geographical and product risks, to support supply chain requirements and to add long term sustainable value to the business of your Company.

The consumerism in India is at its inflexion point. The economic growth in future will result in high disposal income across the domestic consumers and changing consumer preferences. The consumption of edible oil in packed form, given its current low base and vast untapped potential, offer tremendous business opportunities to expand business volumes in retail segment. Your Company, having a large base of branded sales, is strongly oriented to capitalize the growing business opportunities in this direction and set ambitious targets to scale up its presence in branded segment. Your Company will significantly undertake strengthening business processes for quality, scalability, sustainability and visibility in the area of branded products. Your Company will expand its distribution channels across the country, broad base its product range and invest in brand position / promotion programs to achieve the objective.

Your Company is strengthening the existing internal business processes, commensurate with the internal control systems more particularly in the areas of Marketing, Information technology, Human resource systems and Risk management and is thus gearing-up to meet the challenges ahead.

Your Company is of the view that strategic initiatives in the above mentioned areas will prove beneficial for the Company and the stakeholders in the long term.

Cautionary Statement

The statements made and figures given in the various sections of "Management Discussion and Analysis" are made keeping in the mind the Company's objectives, estimates and expectations. The actual results may differ from those expected depending upon the economic conditions, changes in Government Regulations, tax regimes and other external and internal factors.

Particulars under Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 for the year ended on 31st March, 2011.

A) Conservation of Energy

a) Energy conservation measures taken: The Company is mainly dependent on GEB connection. The Company has installed DG set as standby. In order to generate environment friendly power, the Company has generated 54.51 lacs units through wind mills. The Company has made efforts to conserve and optimize the use of energy. The Company has installed variable frequency drive.

b) Additional investments and proposals, if any, being implemented for reduction in consumption of energy.

c) Impact of measures a) and b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Resulted reduction in consumption of energy subsequently reducing cost of production of goods

d) Total energy consumption and energy consumption per unit of production.

The required details are furnished in Form "A" annexed.

B) Technology Absorption

Efforts made in Technology absorption are furnished in Form "B" annexed.

C) Foreign Exchange Earnings and Outgo:

(Rs. in lacs)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
i) Total foreign exchange used	1,81,906.80	1,61,016.23
ii) Total foreign exchange earned	89,926.05	41,528.19

Form 'A'

Form for disclosure of particulars with respect of Conservation of Energy.

	Particulars		2010-11	2009-10
A	**Power & Fuel Consumption**			
1.	Electricity			
(a)	Purchase unit (lacs)		364.47	311.98
	Total Cost (Rs in lacs)		2,150.29	1,842.36
	Rate/ unit Rs.		5.90	5.91
(b)	Generation through captive power facilities.			
	Through stream Turbine (unit in lacs)		72.36	40.78
	Unit per ltr of Diesel Oil		0.18	0.16
	Cost/Unit Rs.		3.00	2.96
(c)	Own Generation			
(i)	Through Diesel generation Units (lacs)		2.77	13.40
	Unit per Ltr of Diesel Oil		3.35	3.49
	Cost/Unit Rs.		11.64	10.31
(ii)	Through wind mill (lacs) effective unit generated.		54.51	79.92
	Cost/ Unit Rs.		3.87	3.46
Consumption of other fuel.				
2.	Lignite for Kilns & DOC Quantity in (Ton)		1,09,129.00	63,868.81
	Total Cost (Rs. in lacs)		2,946.28	1,999.09
	Average rate per ton.		2,696.84	3,130.00
3.	Diesel Oil/ Furnace Oil (other than for electricity)			
	Quantity in (K. ltrs)		11.17	3.84
	Total Cost		318.74	138.24
	Average rate per ltrs		28.52	36.00
B	**Consumption per metric ton of production**			
		Unit		
1.	Electricity	KWH	28.85	35.40
2.	Lignite	KG	66.50	70.50
3.	Diesel Oil/Furnace Oil	LTRS	4.44	1.48

Form 'B'

Disclosures of particulars with respect to technology absorption:

A) Research and Development (R & D)

a) Specific means in which R & D has been carried out. Efforts are being made to further improve the quality of products and their range.

b) Benefits derived as a result of the above (R & D):

Better quality of products and by products.

c) Future plan of action:

To make further progress on areas enumerated in item No. (a) and (b) above.

d) Expenditure on R & D:

a. Capital	:	Nil
b. Recurring	:	As on now, it is being maintained as an ongoing part of production activities.
c. Total	:	Not Applicable
d. Total R & D Expenses as a percentage of total turnover	:	Not Applicable

B) Technology absorption, adaptation and innovation.

a) Efforts in brief made towards technology absorption, adaptation and innovation.

Continuous efforts are made with an Objective to achieve productivity, reduction in production cost, reduction in wastage and down time for maintenance and curtailment of maintenance cost.

b) Benefit derived as a result of the above efforts improved quality of products and better overall efficiency.

c) Details of technology imported during the last five years reckoned from the beginning of the financial year.

1) Technology Imported	-	Nil
2) Year of Import	-	N.A.
3) Has technology been fully absorbed	-	N.A.
4) If not fully absorbed, areas where this has not taken place, Reasons thereof and future plan of action	-	N.A.

For and on behalf of the Board

Ahmedabad
15th June, 2011

Balvantsinh Rajput
Chairman and Managing Director

Corporate Governance Report

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges in India and some of the best practices followed internationally on Corporate Governance, the report containing the details of Governance systems and processes at Gokul Refoils and Solvent Limited is as under:

1. Corporate Governance Philosophy

Corporate Governance is the set of policies, processes and practices governing the affairs of Company in pursuit of its business goals. Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. The Company has laid a strong foundation for making corporate governance a way of life by constituting a Board with balanced mix of experts of eminence and integrity, forming a core group of top level executives, including competent professionals across the organization and putting in place best systems, process and technology and innovation with superior application and customer services skills.

At the heart of Company's Corporate Governance policy is the ideology of transparency and openness in the effective working of the Management and Board. It is believed that the imperative for good corporate governance lies not merely in drafting code of corporate governance but in practicing it. Your Company confirms the compliances of corporate governance as contained in Clause 49 of the Listing Agreement.

Your Company's Philosophy on Corporate Governance is built on rich legacy of fair, transparent and effective governance which includes strong emphasis on human values, individual dignity and adherence to honest, ethical and professional conduct. The Code of Conduct acts as a guide to the employees on the values, ethics and business principles expected of them.

Traditional views of governance as a regulatory and compliance requirement have given way to adoption of governance tailored to the specific needs of the Company. Clause 49 has set the benchmark compliance rules for a listed Company and the baseline for governance standards. Gokul Refoils and Solvent Limited not only adheres to the prescribed corporate practices as per Clause 49 but is constantly striving to adopt emerging best practices worldwide. It is our endeavor to achieve higher standards and provide oversight and guidance to management in strategy implementation and fulfillment of stated goals and objectives.

In order to ensure sustainable returns to all stakeholders of the business, it is imperative, especially for large organizations, to adopt and follow certain policies, procedures and processes, which together constitute a "Code of Corporate Governance". It is important that such a Code is institutionalized, to ensure transparency, consistency and uniformity of decision making processes and actions. Gokul Refoils and Solvent Limited has always believed in such a "Sound" Code of Corporate Governance, as a toll for highest standards of management and business integrity.

2. Board of Directors

2.1 Composition, Meeting and attendance record of each Director

The details of Directors on the Board of the Company as on 31st March, 2011 is as under:

Name of Directors	Status	Category
Shri Balvantsinh Rajput	Chairman & Managing Director	Non-Independent and Executive
Shri Kanubhai Thakkar	Managing Director	Non-Independent and Executive
Shri Dineshkumar Sharma	Director	Non-Independent and Non-Executive
Shri Piyushchandra Vyas	Director	Independent and Non-Executive
Dr. Dipuba Devada	Director	Independent and Non-Executive
Shri Karansinhji Mahida	Director	Independent and Non-Executive
Shri Jayant Parimal	Director	Independent and Non-Executive

All the Independent Directors of the Company furnished a declaration at the time of their appointment as also annually that they qualify the tests of their being independent as laid down under Clause 49 of the Listing Agreement. The attendance record of the Directors at the Board Meeting held during the financial year ended 31st March, 2011 and the last Annual General Meeting(AGM) and the details of their other Directorship and Committee Chairmanship and Membership are given here below:-

Name of Directors'	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM	No. of Directorship in other Indian Public Limited	No. of Chairmanship/ Membership of Committees *	
					Chairmanship	Membership
Shri Balvantsinh Rajput	05	05	Y	1	Nil	Nil
Shri Kanubhai Thakkar	05	04	Y	1	Nil	2
Shri Dineshkumar Sharma	05	05	Y	Nil	Nil	1
Shri Piyushchandra Vyas	05	05	Y	Nil	1	1
Dr. Dipuba Devada	05	05	Y	Nil	2	Nil
Shri Karansinhji Mahida	05	05	Y	Nil	Nil	2
Shri Jayant Parimal	05	00	N	Nil	Nil	1

Three Committees namely Audit Committee, Remuneration Committee and Investor Grievances and Share Transfer Committee have been considered.

During the Financial Year 2010-11, Five Board Meetings were held and the gap between two Meetings did not exceed four months. The Board Meetings were held on the following dates:

11th May, 2010; 14th June, 2010; 03rd August, 2010; 28th October, 2010; 08th February, 2011.

2.2 Director's Profile

Shri Balvantsinh Rajput, the Chairman and Managing Director started as a commodity trader and has an experience of more than two decades in edible oil industry. He is involved in overall management, forming business strategy and implementing strategic initiatives of the Company. Shri Balvantsinh Rajput has articulated, designed and implemented the growth story of the Company. His vision to produce products of great taste and purity and reach it to each and every kitchen in India has shown the path of success to the Company. He is co-chairman of the Vegetable Oil Processing Committee constituted by Solvent Extractors Association of India (SEA). He is also associated with various Trade Associations.

Shri Kanubhai Thakkar, the Managing Director started as a commodity trader about two decades back. He is actively involved in the business development activities and major expansion initiatives undertaken by the Company. He has been conferred the honor of "The Oil Man of the Year-2000" by 'Globeoil India', one of world's premier vegetable oil research organization. He is also the Chairman of Western Zone Solvent Extractors Association of India and office bearer of various committees like SEA international oil and Oil Meal Traders Council, SEA Imports Vegetable Oil Processors Council, SEA Castor seed and Oil Promotion Council.

Shri Dineshkumar Sharma the Director has experience of over sixteen years in the Edible Oil Industry and presently looking after the legal and liasioning functions of the Company.

Dr. Dipuba Devada, an Independent Director, is a Post graduate in Science & Education and a Ph.D. She is currently the Principal of Dada Dukhayal College of Education and a life Member of the All India Association of Educational Research, Gujarat Ganit Mandal & Gujarat Statistical Association.

Shri Piyushchandra Vyas, an Independent Director, is Graduate in Commerce 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.

Shri Karansinhji Mahida, an Independent Director has rich experience of more than 31 years in Government and Government Corporations in various capacities. In addition to this he has served as an Additional Secretary to the Government of Gujarat.

Shri Jayant Parimal, an Independent Director has served as an IAS officer with Government of Gujarat and has experience of 21 years in the field of infrastructure and Public Administration.

Shri Gyan Chordia, the Executive Director has worked in Liberty Oil Mills Limited from 1986 to 2011 as the Chief Executive Officer of the Company. He has an experience of more than 25 years in the field of edible oil industry.

3. Board Meetings, Committee Meetings and Procedure

i Minimum four Board Meetings are held in each year, which are pre-scheduled. Apart from the four pre-scheduled Board Meeting, additional Board Meetings are convened by giving appropriate notice to address the specific needs of the Company.

ii The Meetings are normally held at the Company's Corporate Office at "Gokul House" 43, Shreemali Co-op Hou Society, Opp. Shikhar Building, Navrangpura, Ahmedabad – 380 009.

iii Agenda and Notes on Agenda are circulated to the Directors, in advance, in defined agenda format. Where it is not practicable to attach any document to the Agenda, the same is tabled before the Meeting with specific reference to this effect in the Agenda.

iv The Company Secretary records the minutes of the proceedings of the each Board Meeting and Committee Meeting. The minutes of proceedings of a Meeting entered in the minutes Books with in 30 days from the conclusion of that Meeting.

4. Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement of the Stock Exchange read with Section 292A of the Companies Act, 1956.

Mr Piyushchandra Vyas is the Chairman of the Committee.

The composition of the Audit Committee and the details of the Meeting attended by the Members of the Audit Committee are given below:

Name of Members	Category	No. of Meetings attended
Shri Piyushchandra Vyas	Independent and Non-Executive	5
Shri Kanubhai Thakkar	Non-Independent and Executive	4
Shri Karansinhji Mahida	Independent and Non-Executive	5
Shri Jayant Parimal	Independent and Non-Executive	0

During the Financial Year 2010-11, Five Audit Committee Meetings were held on the following dates: 11th May, 2010; 14th June, 2010; 03rd August, 2010; 28th October, 2010; 08th February, 2011.

Members of the Audit Committee have requisite financial and management expertise and have held or hold senior positions in reputed organizations.

The Statutory Auditors, Internal Auditors and Chief Financial Officer are invited to attend and participate at the Meetings of the Audit Committee.

Shri Kalpesh Desai acts as a Secretary of the Committee.

The Chairman of the Committee was present at the Annual General Meeting held on 24th July, 2010.

Broad terms of reference

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending the appointment and re-appointment of the Statutory Auditors, Internal Auditors and Tax Auditors.
3. Reviewing and discussing with the management, the annual financial statements before submission to the Board with particular reference to:
   a) Matters required being included in the Director's Responsibility statement to be included in the Board's Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
   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 the 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 arising out of Audit findings.

4. Reviewing the Quarterly and Half yearly financial results and the Annual financial statements before they are submitted to the Board.

5. Reviewing and discussing with the management, performance of Statutory and Internal Auditors, and adequacy of the Internal Control System.

6. Reviewing and discussing the adequacy of Internal Audit Functions.

7. Reviewing the Management Discussion and Analysis of financial condition and results of operation.

8. Reviewing the Internal Audit Reports relating to internal control weakness.

5. Remuneration Committee

The Remuneration Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement of the Stock Exchange.

Dr. Dipuba Devada is the Chairperson of the Committee.

The terms of reference of the committee are as follows:

i. To determine on behalf of the Board and on behalf of the shareholders, the Company policy on specific remuneration packages for Executive Directors.

ii. To approve the payment of remuneration to managerial personnel as per the policy laid down by the committee.

The composition of the Remuneration Committee is given below:

Name of Member	Category
Dr Dipuba Devada	Independent and Non-Executive
Shri Karansinhji Mahida	Independent and Non-Executive
Shri Piyushchandra Vyas	Independent and Non-Executive

6. Shareholders'/ Investors' Grievances and Share Transfer Committee

The Shareholders'/Investors' Grievances and Share Transfer Committee has been constituted as per the provisions set out in the Listing Agreement.

Dr. Dipuba Devada is the Chairperson of the Committee.

The terms of reference of the said committee are as follows:

a. Review the report submitted by the Registrar and Share Transfer Agents of the Company at half yearly intervals.

b. Periodically interact with the Registrar and Share Transfer Agent to ascertain and look into the quality of the Company's Shareholders grievance redressal system and to review the report on the functioning of the said investor grievances redressal system.

The committee consisting 3 Members:-

Name of Member	Category	No. of Meetings Attended
Dr. Dipuba Devada	Independent and Non- Executive	5
Shri Dineshkumar Sharma	Non-Independent and Non-Executive	5
Shri Kanubhai Thakkar	Non-Independent and Executive	5

During the Financial Year 2010-11, Five Shareholders'/ Investors' Grievance and Share Transfer Committee Meetings were held on the following dates: 10th June, 2010, 12th August, 2010, 17th November, 2010, 15th February, 2011 and 20th April, 2011.

Shri Kalpesh Desai, Company Secretary is the Compliance Officer. His address and contact details are given below:

Gokul Refoils and Solvent Limited
"Gokul House"
43, Shreemali Co. Op Housing Society Limited,
Opp. Shikhar Building, Navrangpura,
Ahmedabad -380 009.
Tel:- +91-79-66615253/61905569/61905570
Fax:- +91-79-66304543
email: csgrsl@gokulgroup.com; csggpl@gokulgroup.com

7. Subsidiary Companies

None of the subsidiaries of the Company come under the purview of the Material Non- Listed Subsidiary.

8. General Body Meetings

a) Annual General Meetings:

AGM	Date	Time	Venue
15th AGM	13/09/2008	11.00 a.m.	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India
16th AGM	12/09/2009	11.00 a.m.	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India
17th AGM	24/07/2010	11.00 a.m.	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India

In addition to Annual General Meeting, the Company holds General Meetings of the shareholders as and when need arises. There was no such Meeting held during the year.

b) Special Resolutions passed through Postal Ballot:

No Special Resolution was passed through Postal Ballot during 2010-2011. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal Ballot.

9. Disclosures

a) None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of Members is drawn to the disclosure of transactions with the related parties set out notes on accounts Schedule-21 forming part of the Annual Report. The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialization and the Company's long term strategy for Sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on arm length basis and are intended to further the interests of the Company.

b) In the preparation of the financial statements, the Company has followed the Accounting policies and practices as prescribed in the Accounting Standards and there is no change in the accounting treatment during the year under the review.

c) The implementation of the risk assessment and minimization procedure is under progress and the Board Members are periodically informed of the status.

d) There has been no instance of non-compliance by the Company on any matter related to capital markets during the last year and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority.

e) The Managing Director and Chief Financial Officer have furnished a Certificate to the Board of Directors for the year ended 31st March, 2011 in compliance with Clause 49 of Listing Agreement.

f) A qualified Practicing Company Secretary carried out Reconciliation of Share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The Reconciliation of Share capital audit confirms that the total issued/ paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

g) As per the newly inserted Clause 5A of the Listing Agreement the Company has to maintain a suspense account for the shares unclaimed by the shareholders. In pursuant to the same, the Company has opened a suspense account with HDFC bank bearing Demat Account No. IN301151 27790805. Total Quantity of shares lying in the said account are 2215 as on 31st March, 2011.

Summary of the said account:

Details	No. of Investor	No. of Shares
Opening Balance	6	2215
Claimed and transferred during the year	0	0
Balance Outstanding	6	2215

The voting rights on the shares unclaimed shall remain frozen till the rightful owner of such shares claims the shares.

h) Certificate from the Auditors of the Company M/s M. R. Pandhi and Associates, confirming compliance with the conditions of the Corporate Governance as stipulated under Clause 49 is attached to the Directors' Report forming part of the Annual Report.

i) As per the Circular No. 2/2011 dated 8th February, 2011 and circular no. 3/2011 dated 21st February, 2011 the consent of the Board of Directors has been availed for not attaching the balance sheet of the subsidiary companies in this Annual Report. Annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies have also been kept for inspection in the head office of the holding Company and of the subsidiary companies concerned. The hard copy of details of accounts of subsidiaries shall be made available to any shareholder on demand.

j) Green Initiative in the Corporate Governance - The Ministry of Corporate Affairs has vide its Circular No. 17/2011, 18/2011 and 21/2011 has clarified that the Company would have complied with Section 53 of the Companies Act, if the service of documents has been made through electronic mode provided that the Company has obtained e-mail addresses of its Members for sending the notice/documents through e-mail by giving an advance opportunity to every shareholders to register their e-mail address and changes therein from time to time with the Company.

In this connection, the Members who wish to receive the future documents of the Company in electronic mode can register their E-mail addresses at the following Email ID or send us the E-Communication Registration Form to the address as mention in the E-Communication Registration Form. The said form is attached.

Company - csgrsl@gokulgroup.com; csggpl@gokulgroup.com;

Registrar - deepali.mohite@linkintime.co.in; dnyanesh.gharote@linkintime.co.in

10. Means of Communication

a) Quarterly Results: The quarterly, half yearly and annual results are published in widely circulating national and local dailies such as "The Indian Express" in English and "Financial Express" in Gujarati. These results are not sent individually to the shareholders but are displayed on the Company's Website www.gokulgroup.com.

b) 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. Official media releases are sent to the Stock Exchanges.

c) Website: The Company's website 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.

d) 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.

11. Management Discussion and Analysis Report

The Management discussion and analysis report (MD&A) forms part of the Annual Report.

12. General Shareholders Information

a) Date, time and venue of the 18th Annual General Meeting

Day & Date	Time	Venue
Saturday - 24th September, 2011	11.00 A.M.	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India

b) Financial Year

1st April, 2010 to 31st March, 2011.

c) Book Closure Date

The Register of Members and Share Transfer books of the Company will be closed fromTuesday, 20th September, 2011 to Saturday, 24th September, 2011 (both days inclusive) for the purpose of the 18th Annual General Meeting. The Dividend, if approved by shareholders at AGM, shall be paid to shareholders whose names appear:

i) as beneficial owners at the end of the business day on Monday, 19th September, 2011 as per details available with NSDL and CDSL.

ii) On the Register of Members as on Monday, 19th September, 2011 of the owners holding shares in physical form.

d) Dividend Payment Date

On or after Wednesday, 28th September, 2011 but within the statutory time limit of 30 days form the date of approval.

e) Listing on Stock Exchanges

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

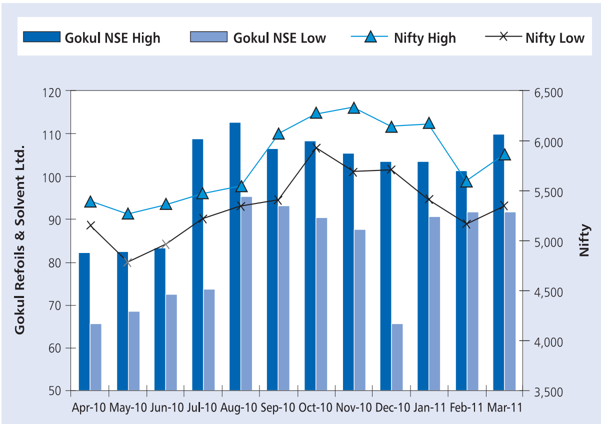
Bombay Stock Exchange Limited (BSE)	National Stock Exchange of India Limited (NSE)
P. J. Towers, Dalal Street, Mumbai – 400 001. Stock code: 532980	Exchange Plaza, Bandra-Kurla Complex, Bandra East, Mumbai – 400 051. Stock code: 16705

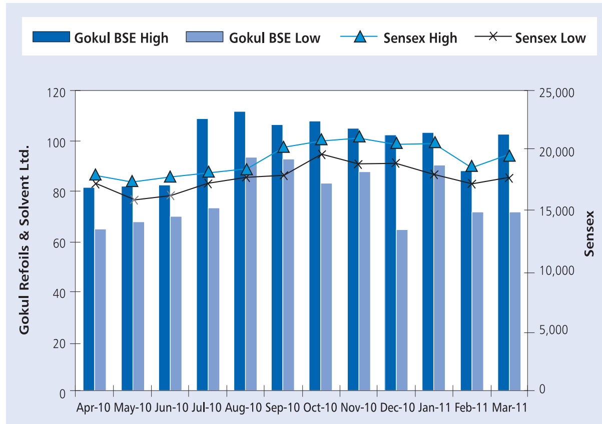
Annual Listing Fees for the year 2011-2012 have been paid by the Company to BSE and NSE.
ISIN No of Equity Shares : INE020J01029
Corporate Identity Number (CIN No.) : L15142GJ1992PLC018745 (Face value: Rs. 2/- per share)

f) Market Price Data

Month	NSE High (Rs.)	NSE Low (Rs.)	BSE High (Rs.)	BSE Low (Rs.)
April, 2010	81.60	65.25	81.45	65.00
May, 2010	81.85	68.10	82.40	68.15
June, 2010	82.80	72.00	82.70	70.05
July, 2010	108.35	73.20	108.35	73.50
August, 2010	112.00	95.00	111.60	93.10
September, 2010	106.00	92.70	106.10	92.70
October, 2010	107.70	90.10	107.80	83.00
November, 2010	105.00	87.25	105.00	87.70
December, 2010	102.90	65.00	102.00	64.80
January, 2011	103.00	90.15	102.95	90.15
February, 2011	101.00	91.25	101.35	92.30
March, 2011	109.40	91.00	109.35	91.40

g) Performance of the share price of the Company in comparison to BSE Sensex and NSE Nifty





h) Registrar and Share Transfer Agents

Name	:	Link Intime India Pvt. Ltd. (Formerly known as Intime Spectrum Registry Limited) C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W). Mumbai -400 078.
Tel	:	022-25963838
Fax	:	022-25946969
Contact Person	:	Shri Dnyanesh Gharote / Ms. Deepali Mohite
Website	:	www.linkintime.co.in

i) Shareholding Pattern (as on 31st March, 2011)

a) Distribution of Shareholding as on 31st March, 2011

No. of Shares	No. of Shareholders	% to Shareholders	No. of Shares	% to Total
1-500	3,838	85.46	6,60,018	0.50
501-1000	201	4.48	1,67,686	0.13
1001-2000	137	3.05	2,22,022	0.17
2001-3000	64	1.42	1,63,755	0.12
3001-4000	21	0.47	73,858	0.06
4001-5000	38	0.85	1,81,090	0.14
5001-10000	47	1.05	3,46,837	0.26
10001- Above	145	3.22	13,00,79,734	98.62
Total	4,491	100.00	13,18,95,000	100.00

b) Shareholding Pattern as on 31st March, 2011

Category	No. of Shares Held		Total	% of Holding
	Demated	Physical	Shares	
Corporate Bodies (Promoter Co.)	1,70,62,500	0	1,70,62,500	12.94
Clearing Member	956298	0	9,56,298	0.73
Other Bodies Corporate	1,85,15,896	0	1,85,15,896	14.04
Financial Institutions	10,18,075	0	10,18,075	0.77

Category	No. of Shares Held		Total	% of Holding
	Demated	Physical	Shares	
Foreign Inst. Investor	1,26,57,384	0	1,26,57,384	9.60
Non Resident Indians	25,455	0	25,455	0.02
Non Resident (Non Repatriable)	4,49,804	0	4,49,804	0.34
Office Bearers	20,055	0	20,055	0.02
Public	62,27,838	14,195	62,42,033	4.73
Promoters	7,46,77,500	0	7,46,77,500	56.61
Relatives of Directors	2,70,000	0	2,70,000	0.20
Total	**13,18,80,805**	**14,195**	**13,18,95,000**	**100.00**

13. Corporate Ethics

The Company adheres to the highest standards of business ethics, compliances with statutory and legal requirements and commitment to transparency in business dealing. A code of conduct for Board Members and Senior Management has been adopted pursuant to Clause 49 (D) of the Listing Agreement.

Code of Conduct for Board Members and Senior Management

The Board of Directors of the Company adopted the Code of conduct for it's Members and Senior Management at their Meeting held on 23rd June, 2008. The code highlights Corporate Governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling period of association.

The code is applicable to all Directors and Specified Senior Management Executives. The code impresses upon Directors and Senior Management Executives to uphold the interest of the Company and its stakeholders towards them. Another important principle on which the code is based that the Directors and Senior Management Executives shall act in accordance with the highest standard of honesty, integrity, fairness and technical conduct and shall exercise utmost good faith, due care and integrity in performing their duties.

14. Certificate on Corporate Governance

The Certificate for the compliance of the Corporate Governance has been attached herewith.

For and on behalf of the Board

Ahmedabad
15th June, 2011

Balvantsinh Rajput
Chairman and Managing Director

Declaration

I, Balvantsinh Rajput, Chairman and Managing Director of Gokul Refoils and Solvent Limited hereby declare that as of 31st March, 2011, all the Board Members and Senior Management Personnel have affirmed the Compliance with the Code of Conduct and Ethics for Directors and Senior Management Personnel laid down by the Company.

For and on behalf of the Board

Ahmedabad
15th June, 2011

Balvantsinh Rajput
Chairman and Managing Director

Certificate on Corporate Governance

To,

The Members of

Gokul Refoils and Solvent Ltd.

We have examined the compliance of conditions of Corporate Governance by Gokul Refoils and Solvent Limited, for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliances of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with guidance note on certification on Corporate Governance (as stipulated in Clause 49 of the Listing Agreement) issued by the Institute of Chartered Accountants of India and 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 the Corporate Governance as stipulated in the above mentioned Listing Agreement to the extent it was applicable.

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.R.Pandhi and Associates

Chartered Accountants

(Registration No. 112360W)

M.R. Pandhi
Ahmedabad
Partner
15th June, 2011
Membership No.: 33057

Managing Director & Chief Financial Officer Certification

To,

The Board of Directors

Gokul Refoils and Solvent Limited

We, the undersigned in our respective capacities as Managing Director and Chief Financial Officer of Gokul Refoils and Solvent Limited have reviewed the financial statements and the cash flow statements for the year 2010-11 and that to the best of our knowledge and belief certify that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.

3. They are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct. We hereby declare that all the Members of Board of Directors and senior management have confirmed compliance with the Code of Conduct as adopted by the Company.

4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal control system, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

5. We further certify that we have indicated to the auditors and the Audit Committee:

   a) There have been no significant changes in the internal control system during the year.

   b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   c) There have been no instances of significant fraud, of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

Kanubhai Thakkar
Managing Director

Ahmedabad
15th June, 2011

Prakash Agrawal
Chief Financial Officer

Auditors' Report

To,

The Members of

Gokul Refoils and Solvent Limited

We have audited the attached Balance Sheet of GOKUL REFOILS AND SOLVENT LIMTED ("the Company") as at 31st March, 2011and the Profit and Loss Account and also the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles applied and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

2. In our opinion, the Company has kept proper books of account as required by law, so far, as it appear from our examination of the books.

3. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company.

4. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.

5. On the basis of written representations received from the Directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is as on 31st March, 2011, prima facie disqualified from being appointed as a Director in terms of Clause (g) of Sub-Section (1) of Section 274 of Companies Act, 1956.

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Significant Accounting Policies and notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India.

   (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011 ;

   (b) In the case of Profit and Loss Account, of the Profit for the year ended on that date.; and

   (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditors Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of books and records of the Company as considered appropriate and as per the information and explanations given to us, we further report that

(i) In respect of Fixed Assets:

   1) The Company has generally maintained proper records showing full particulars including quantitative details and location of the fixed assets.

   2) As explained to us, the fixed assets have been verified by the management at reasonable intervals, according to a physical verification programme 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.

   3) In our opinion and according to the information and explanation given to us the Company has not made any substantial disposals during the year.

(ii) In respect of its Inventories:

   1) As explained to us, inventories have been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.

   2) In our opinion and according to information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   3) In our opinion and according to the information and explanations given to us, the Company has maintained proper record of its inventories. As explained to us no material discrepancies were noticed on physical verification, of inventories as compared to the book records.

(iii) In respect of loans, secured or unsecured, granted or taken by the Company to or from companies, firms or others parties covered in the register maintained u/s Section 301 of the Companies Act 1956, according to the information and explanation given to us: -

   A In respect of Loan taken

   1) The Company has not taken any unsecured loan during the year from companies, firm or the other parties listed in the register maintained under

Section 301 of the Companies Act, 1956. Consequently, the requirements of clauses (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.

B In respect of Loan granted

1) The Company has granted unsecured loans aggregating to Rs. 9,756 lacs to four companies covered in the register maintained under Section 301 of the Companies Act 1956. The maximum amount involved during the year was Rs. 8,586 lacs and the year-end balance of loans granted to such parties was Rs. 3,966 lacs.

2) In our opinion and according to information and explanations given to us ,the rate of interest and other terms and conditions of the loans given by the Company, are not prima facie prejudicial to the interest of the Company.

3) The principal amount is repayable on demand and there is no repayment schedule. The interest is payable on demand.

4) In respect of said loans, the same are repayable on demand and therefore the question of overdue amounts do not arise. In respect of interest, there are no overdue amounts.

(iv) In our opinion and according to the information and explanations given to us, there are, generally, adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchase of inventory and fixed assets and also for the sale of goods and services .During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

(v) In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956.

1. On the basis of the audit procedures performed by us, and according to the information, explanations and representation given to us the particulars of all transactions in which Directors were interested, as contemplated under Section 297 and Section 299 of the Companies Act, 1956 and which were required to be entered in the register maintained under Section 301 of the said Act have been so entered.

2. In our opinion and according to the information and explanation given to us the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 exceeding value of Rs. 5 lacs in respect of any party during the year have been made at prices which appear reasonable as per information available with the Company.

The Company has not accepted any deposits from public during the year within the meaning of Section 58A and Section 58AA of the Companies Act, 1956. Therefore the requirements of clauses (vi) of paragraph 4 of the Order are not applicable.

(vi) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(vii) The Central Government has prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of certain manufacturing activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion that prima facie the prescribed accounts and records have been maintained/are being made up. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.

(viii) According to information and explanations given to us in respect of statutory and other dues:

a. According to the records of the Company apart from certain instances of delays in depositing undisputed statutory dues, the Company has been regular in depositing undisputed statutory dues, including provident fund, income tax, sales tax, wealth tax, custom duty, cess , excise duty, service tax and other material statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2011 for a period of more than six months from the date of becoming payable.

b. According to the information and explanation given to us and the records of the Company, the Company has not deposited disputed statutory dues aggregating to Rs. 730.94 lacs on account of disputed matters pending before appropriate authority as mentioned below.

Sr. No	Nature of Statute	Nature of Dues	Amount (Rs .in lacs)	Forum where dispute is pending
1	Customs Act 1962	DEPB	730.94	Commissioner of Custom Kandla

(ix) The Company neither has accumulated losses at the end of the financial year, nor incurred cash losses during the current and the immediately preceding financial year.

(x) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks. The Company has not borrowed funds from Financial Institution or Debenture holders.

(xi) According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debenture and other securities.

(xii) In our opinion, the Company is not a chit fund /Nidhi / mutual benefit fund/society. Therefore, the provisions of the clause (xiii) of paragraph –4 of the Order are not applicable to the Company.

(xiii) According to the information and explanation given to us, the Company is not trading in shares, securities and debentures. The Company has maintained proper records of the transactions in respect of dealing in shares and other investments and timely entries have been made there in. All shares and other investments have been held by the Company in its own name.

(xiv) According to the information and explanations given to us and representations made by the management, the Company has given guarantee for loans taken by its subsidiary and firm in which the Company is a partner, from banks .According to the information and explanations given to us, we are of the opinion that the terms and conditions of such guarantees are not prima facie prejudicial to the to the interests of the Company.

(xv) To the best of our knowledge and belief and according to the information an explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which the loans were obtained.

(xvi) According to the information and explanations given to us, and on an overall examination of the financial statements of the Company, we are of the opinion that prima facie, short term funds have not been used for long term investment.

(xvii) According to the information and explanations given to us the Company has not made any preferential allotment of share to parties and Companies covered in the register maintained u/s 301 of the Act.

(xviii) According to the information and explanations given to us and the records examined by us, the Company has not issued any debenture during the financial year and therefore the question of creating security or charge in respect thereof does not arise.

(xix) The Company has not raised any money by way of public issues during the year.

(xx) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year nor we have been informed of such case by the management.

For, M.R.Pandhi and Associates
Chartered Accountants
(Registration No. 112360W)

M.R. Pandhi
Partner
Membership No.: 33057

Ahmedabad
15th June, 2011

Balance Sheet

as at 31st March, 2011

(Rs. in lacs)

Particulars	Schedule No.	As at 31st March, 2011	As at 31st March, 2010
Sources of Funds			
1. Share Holders' Funds			
a. Share Capital	1	2,637.90	2,637.90
b. Reserves and Surplus	2	41,146.55	35,439.53
		43,784.45	**38,077.43**
2. Loan Funds			
a. Secured Loans	3	28,496.46	31,871.81
b. Unsecured Loans	4	10,011.51	-
		38,507.97	**31,871.81**
3. Deferred Tax Liability (Net)		3,215.00	2,943.02
Total		**85,507.42**	**72,892.25**
Application of Funds			
1. Fixed Assets	5		
a. Gross Block		44,274.41	40,261.25
Less : Depreciation and amortisation		10,765.05	7,814.54
Net Block		**33,509.36**	**32,446.71**
b. Capital Work In Progress		1,228.41	1,040.13
Total Assets		**34,737.77**	**33,486.84**
2. Investments	6	5,037.65	1,640.11
3. Current Assets, Loans and Advances			
a. Inventories	7	47,544.57	56,616.95
b. Sundry Debtors	8	36,983.62	18,631.57
c. Cash and Bank Balances	9	1,299.42	692.86
d. Loans and Advances	10	19,513.79	15,011.39
		105,341.39	**90,952.76**
Less : Current Liabilities and Provisions			
a. Current Liabilities	11	58,683.49	52,702.35
b. Provisions	12	925.91	485.11
		59,609.41	**53,187.47**
Net Current Assets :		**45,732.00**	**37,765.31**
Signifcant accounting policies and Notes forming part of accounts	20		
Total		**85,507.42**	**72,892.25**

As per our report of even date attached.

For M. R. Pandhi & Associates
Chartered Accountants
(Registration No. 112360W)

M. R. Pandhi
Partner
Membership No : 33057

Ahmedabad
15th June, 2011

For and on behalf of the Board

B.C.Rajput
Chairman and Managing Director

P. N. Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

Kalpesh Desai
Company Secretary

Profit and Loss Account

for the year ended 31st March, 2011

(Rs. in lacs)

Particulars	Schedule No.	As at 31st March, 2011	As at 31st March, 2010
Income			
Sales and operating Income	13	453,404.75	281,628.40
Other Income	14	473.51	408.80
Total		**453,878.27**	**282,037.21**
Expenditure			
Material Consumed	15	404,450.00	251,381.49
Payment to and Provisions for Employees	16	1,864.10	1,166.38
Manufacturing and other Expenses	17	30,951.57	17,465.79
Interest and financial Cost (Net)	18	4,594.91	3,253.95
Depreciation and amortisation	5	3,018.65	2,508.64
Total		**444,879.21**	**275,776.25**
Profit before Tax		**8,999.04**	**6,260.94**
Less : Provision for Taxation	19	2,854.61	2,005.77
Profit after Tax		**6,144.44**	**4,255.18**
Short (Excess) Provision of Taxation of earlier years		(53.64)	(39.82)
Add : Balance brought forward from Previous year		18,610.51	15,276.92
Available for Appropriation		24,808.59	19,571.92
Transfer to General Reserve		500.00	500.00
Interim Dividend (including Dividend Distribution Tax)		153.81	-
Proposed Dividend		290.17	395.69
Tax on Proposed Dividend		47.07	65.72
Total		**991.05**	**961.40**
Balance carried to Balance Sheet		**23,817.53**	**18,610.52**
Earning per share- Basic & Diluted (Face value of Rs. 2 each) Rs.		**4.66**	**3.23**
Weighted Average No. of Shares (Refer note No. 23 of Schedule 20)		**131,895,000**	**131,895,000**
Notes forming part of accounts	20		

As per our report of even date attached.

For M. R. Pandhi & Associates
Chartered Accountants
(Registration No. 112360W)

M. R. Pandhi
Partner
Membership No : 33057

Ahmedabad
15th June, 2011

For and on behalf of the Board

B.C.Rajput
Chairman and Managing Director

P. N. Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

Kalpesh Desai
Company Secretary

Cash Flow Statement

for the year ended 31st March, 2011

(Rs. in lacs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
A. Cash Flow from Operating Activities		
Net Profit before taxation and extraordinary items	8,999.04	6,260.94
Adjustment for :-		
Depreciation	3,018.65	2,508.64
Loss/(Profit) on sale of Fixed Assets-NET	25.81	3.50
Interest Income Net	3,110.52	2,296.29
Dividend Income Net	(0.36)	(13.35)
Profit from partnership firm	(143.10)	(94.56)
Gain on Sale of Mutual Fund	(114.96)	(65.67)
Provision for retirement benefits	35.11	23.71
Provision for bad and doubtful debts	**84.24**	**130.72**
Total	**6,015.90**	**4,789.28**
Operating Profit berfore working capital changes	**15,014.94**	**11,050.22**
Adjustment for :-		
Increase in trade receivables	(18,436.29)	(10,244.92)
Increase in loans & advances	(4,719.95)	(702.26)
Increase in inventories	9,072.38	(25,374.25)
Increase in trade payables & others	5,855.70	21,165.14
Cash Generated from Operations	**6,786.78**	**(4,106.07)**
Direct tax paid	(1,873.68)	(1,113.85)
Interest paid	(3,954.60)	(3,016.07)
Cash Flow before extraordinary items	958.50	(8,235.99)
Extraordinary Items		
Net cash from Operating Activities	**958.50**	**(8,235.99)**
B. Net Cash Flow from Investment Activities		
Purchase of Fixed Assets	(4,327.65)	(8,692.43)
(Purchase)/disposal of Investment (net)	(3,397.54)	464.36
Proceeds from sale of fixed assets	32.26	9.17
Interest Received	844.08	719.78
Dividend Received	0.36	13.35
Profit from parthership firm	143.10	94.56
Gain on Sale of Mutual Fund	114.96	65.67
Loans to Others Corporates	(407.76)	(80.19)
Loan to subsidaries /Associates	625.31	(2,027.14)
Net Cash from Investment Activities	**(6,372.89)**	**(9,432.88)**
C. Cash Flows from Financing Activities		
Proceeds from issuance of share capital net of expenses	-	-
Dividend and Tax on Dividend	(615.21)	(461.41)
Borronwings (Net)	6,636.16	10,904.83
Net Cash from financial activities	**6,020.95**	**10,443.42**
Net Increase /(-) Decrease in Cash and Cash Equivalents	**606.56**	**(7,225.45)**
Opening Balance in Cash and Cash Equivalents	**692.86**	**7,918.31**
Closing Balance in Cash and Cash Equivalents	**1,299.42**	**692.86**

As per our report of even date

Notes on Cash Flow Statement:

1. The above statement has been prepared following the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
2. Cash and Cash Equivalents represent Cash and Bank (including fixed deposits) only.

As per our report of even date attached.

For M. R. Pandhi & Associates
Chartered Accountants
(Registration No. 112360W)

M. R. Pandhi
Partner
Membership No : 33057

Ahmedabad
15th June, 2011

For and on behalf of the Board

B.C.Rajput
Chairman and Managing Director

P. N. Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

Kalpesh Desai
Company Secretary

Schedules

Forming Part of Accounts

(Rs. in lacs)

	Particulars	As at 31st March, 2011	As at 31st March, 2010
1	**Share Capital**		
	Authorised		
	17,50,00,000 Equity Shares of Rs.2/- each	3,500.00	3,500.00
	Issued, Subscribed and Paid up		
	13,18,95,000 Equity Shares of Rs.2/- each fully paid up	2,637.90	2,637.90
	Total	**2,637.90**	**2,637.90**
2	**Reserves and Surplus**		
	Capital Reserve		
	Capital Subsidy		
	Balance as per last Balance sheet	74.17	74.17
	Add : Addition during the year	-	-
		74.17	**74.17**
	General Reserve		
	Balance as per last Balance sheet	1,000.00	500.00
	Add : Transfer from Profit and Loss Account	500.00	500.00
		1,500.00	**1,000.00**
	Security Premium Account		
	Balance as per last Balance sheet	15,754.85	15,754.85
		15,754.85	**15,754.85**
	Profit and Loss Account		
	Balance as per Profit and Loss Account annexed	23,817.53	18,610.51
	Total	**41,146.55**	**35,439.53**
3	**Secured Loans**		
	From banks (See Note 10)		
	Term Loan	12,611.00	14,426.16
	Working Capital Loan	15,885.46	17,445.65
	Total	**28,496.46**	**31,871.81**
4	**Unsecured Loans**		
	From Bank for Working Capital	10,011.51	-
	Total	**10,011.51**	**-**

Schedule - 5 Fixed Assets

(Rs. in lacs)

Sr. No.	Particulars: Description of Assets	Gross Block: Opening Balance As On 01.04.2010	Gross Block: Addition During the year	Gross Block: Deduction during the year	Gross Block: Total as on 31.3.2011	Depreciation: Opening Balance As On 01.04.2010	Depreciation: Addition During the Year	Depreciation: Deduction during the year	Depreciation: Total as on 31.3.2011	Net Block: Total as on 31.03.2011	Net Block: Total as on 31.03.2010
	Tangible Assets										
1	a) Freehold Land	374.88	-	-	374.88	-	-	-	-	374.88	374.88
	b) Leasehold Land	772.29	-	-	772.29	8.68	8.68	-	17.35	754.93	763.61
2	Buildings	7,174.91	901.50	-	8,076.41	532.08	242.39	-	774.48	7,301.94	6,642.83
3	Plant and Manchinery	31,242.88	2,961.16	101.47	34,102.57	7,083.10	2,674.12		9,703.27	24,399.30	24,159.78
4	Furniture and fixtures	241.11	11.73	-	252.85	54.50	17.25	-	71.74	181.10	186.62
5	Vehicles	374.62	133.08	24.74	482.96	105.41	42.73	14.18	133.96	349.00	269.21
	Intangible Assests	-	-	-	-	-	-	-	-	-	-
1	Trade Marks	7.86	-	-	7.86	7.86	-	-	7.86	-	-
2	Software	72.69	131.90	-	204.59	22.92	33.47	-	56.39	148.21	49.78
	Total - A	**40,261.25**	**4,139.37**	**126.21**	**44,274.41**	**7,814.54**	**3,018.65**		**10,765.05**	**33,509.36**	**32,446.72**
	Capital work in Progress	1,040.13	4,085.02	3,896.74	1,228.41	-	-	-	-	1,228.41	1,040.13
	Total - B	**1,040.13**	**4,085.02**	**3,896.74**	**1,228.41**	**-**	**-**	**-**	**-**	**1,228.41**	**1,040.13**
	Total Rs (A) + (B)	**41,301.38**	**8,224.39**	**4,022.94**	**45,502.82**	**7,814.54**	**3,018.65**	**68.13**	**10,765.05**	**34,737.77**	**33,486.84**
	Previous year	32,637.52	24,952.42	16,288.57	41,301.38	5,321.81	2,508.64	15.91	7,814.54	33,486.84	27,315.72

Schedules

Forming Part of Accounts

(Rs. in lacs)

Particulars		As at 31st March, 2011	As at 31st March, 2010
6	**Investments**		
	Long Term Non Trade		
	In Government Securities		
	National Savings Certificate (Pledged with Government Authority)	1.04	0.94
	In Shares (Quoted)		
	9400 Fully paid up Shares of Bank of Maharastra (Market Value :- Rs. 5,58,360) (Previous year Rs. 4,65,770)	2.16	2.16
	1400 Fully paid up Shares of Punjab National Bank (Market Value -Rs. 17,08,210) (Previous year Rs. 14,18,830)	0.43	0.43
	5176 Fully paid up Shares of DCB Bank Ltd (Market Value :- Rs 2,37,319) (Previous year Rs. 1,66,408)	1.35	1.35
	1492 Fully paid up Shares of Central Bank of India (Market Value :- Rs 2,10,223) (Previous year Rs. 2,18,653)	2.44	1.52
	In Shares (unquoted)		
	Gujarat Gokul Power Ltd 24180 equity shares of Rs.10 fully paid up (Previous Year 24180)	2.42	2.42
	In Subsidiary Companies		
	Maurigo International Ltd., Mauritius 1,00,000 Ordinary Shares of USD $ 1 each fully Paid (Previous year 1,00,000 Ordinary Share)	43.69	43.69
	Maurigo Pte Ltd., Singapore (15,00,001 Ordinary Share of USD $ 1 each fully paid up) (Previous year 15,00,001 Ordinary Share)	676.35	676.35
	Professional Commodity Services Private Limited (6,00,000 Equity Share of Nominal value Rs.10 each) (Previous year 6,00,000 equity shares)	85.00	85.00
	In Capital of partnership firm	4,222.76	826.24
	Total	**5,037.65**	**1,640.11**
7	**Inventories**		
	Store, Spares and Consumable	2,416.72	1,969.38
	Raw Material	11,997.67	23,357.47
	Work in Progress	407.44	316.37
	Finished Goods (Including In transit Rs. 610.28 lacs)	32,722.74	30,973.75
	(Previous year Rs. 1,502.53 lacs)		
	Total	**47,544.57**	**56,616.95**
8	**Sundry Debtors**		
	(Unsecured)		
	Debt Outstanding for more than six months		
	Considered good	2,736.95	5,352.53
	Considered doubtful	158.11	130.72
		2,895.06	5,483.26
	Other debts - Considered good	34,246.67	13,279.04
		37,141.73	18,762.29
	Less : Provision for doubtful debts	(158.11)	(130.72)
	Total	**36,983.62**	**18,631.57**

Schedules

Forming Part of Accounts

(Rs. in lacs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
9 Cash and Bank Balances		
Cash on hand (including foreign currency)	73.96	35.25
In Current Account with scheduled banks	1,148.23	277.89
In Current Account with Non scheduled banks	0.11	0.11
(Refer Note No. 10)		
In Fixed Deposit Account with scheduled banks	77.13	379.62
(Fixed deposits are pledged with banks as a security for overdraft/LC Facilities)		
Total	**1,299.42**	**692.86**
10 Loans and Advances		
(Unsecured,Considered good)		
Advance to subsidiary	2,843.84	3,469.15
Balance with Excise Authority	1.68	3.69
Inter Corporate Deposits	2,896.17	2,488.41
Advances recoverable in cash or in kind for value to be received	13,772.10	9,050.14
Total	**19,513.79**	**15,011.39**
11 Current Liabilities		
Sundry Creditors	28,741.16	14,178.11
Acceptances	28,802.26	36,911.99
Due to subsidiary companies	-	105.06
Duties and Taxes	91.49	72.08
Other Liabilities	840.23	496.21
Advances from Customers	208.34	938.88
Total	**58,683.49**	**52,702.35**
12 Provisions		
Tax provision less Payments	530.28	-
Provision for Retirment Benefits	58.39	23.71
Provision for Proposed Dividend	290.17	395.69
Tax on Proposed Dividend	47.07	65.72
Total	**925.91**	**485.11**

(Rs. in lacs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
13 Sales and Operating Income		
Domestic Sales (Gross)	354,759.02	237,034.99
Less Excise Duty (Gross Rs. 575.87 lacs less excise refund Rs. Nil lacs) (P.Y Gross Rs. 510.09 lacs less excise refund Rs. 1.04 lacs)	575.87	509.05
Domestic Sales (Net)	**354,183.15**	**236,525.94**
Export Sales	92,270.81	42,116.31
Total Sales	**446,453.96**	**278,642.25**
Operating Income	6,950.79	2,986.15
Total	**453,404.75**	**281,628.40**
14 Other Income		
Insurance Claim Receipts	186.88	229.03
Dividend Income	0.36	13.35
Insurance Charges Received	23.60	5.44
Rental Income	2.36	0.75
Gain on Sale of Mutual Fund/shares	114.96	65.67
Profit on sale of fixed assets	2.25	-
Profit from a partnership firm	143.10	94.56
Total	**473.51**	**408.80**
15 Material Consumed		
(a) Raw Material consumed		
Opening Stock	23,357.47	13,611.51
Add : Purchases of raw material	314,942.56	199,115.46
	-	-
	338,300.03	212,726.97
Less : Closing Stock	11,997.67	23,357.47
Total (a)	**326,302.37**	**189,369.51**
(b) Purchase of goods traded		
Opening Stock	5,451.26	2,385.63
Purchase of goods traded	67,569.14	68,194.85
	73,020.39	70,580.48
Less Closing Stock	245.66	5,451.26
Total (b)	**72,774.73**	**65,129.22**
(c) Purchase Expenses	3,378.59	4,948.49
(d) Foreign Exchange rate difference	(104.51)	(1,900.36)
(e) (Increase)- Decrease in stock		
Finished Goods Opening Stock	25,522.48	14,153.26
Closing Stock	32,477.07	25,522.48
	(6,954.59)	(11,369.22)
Work in Progress Opening Stock	316.37	121.20
Closing Stock	407.44	316.37
	(91.08)	(195.16)
Total (e)	**(7,045.67)**	**(11,564.38)**

Schedules

Forming Part of Accounts

(Rs. in lacs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
(f) Other material consumed		
Opening Stock	1,468.68	743.81
Add : Purchases & Purchase Exp.	9,564.73	6,123.89
	11,033.42	6,867.70
Less : Closing Stock	1,888.91	1,468.68
Total (f)	**9,144.50**	**5,399.02**
Total (a + b + c +d+e+f)	**404,450.00**	**251,381.49**
16 Payment to and Provision For Employees		
Salaries, Wages and bonus	1,731.39	1,083.88
Contribution to Provident & other funds	94.70	60.80
Staff welfare Expenses	38.01	21.70
Total	**1,864.10**	**1,166.38**
17 Manufacturing and Other Expenses		
Power and Fuel	5,201.12	3,512.28
Direct Labour Charges	1,201.12	1,404.63
Other Manufacturing Expenses	29.63	72.48
Consumption of Stores, Spares & Tools	427.42	134.11
Rent, Rates and Taxes	138.23	79.95
Repairs and Maintainance	-	-
Building	23.28	12.97
Plant & Manchinary	232.85	223.76
Others	82.05	26.95
Donation	62.23	20.13
Insurance	441.49	372.40
Auditors' Remuneration	15.72	12.32
Directors' Remuneration	213.40	190.14
Other expenses	1,091.74	810.69
Sales tax Service tax, and other Taxes	13,823.79	5,264.02
Brokerage	922.49	558.24
Discount and other deductions	382.67	255.69
Travelling	131.88	66.04
Freight Outwards	5,005.78	3,281.98
Export, Sales and advertisements Expenses	1,380.61	548.12
Bad Debts written off	31.79	499.54
Provision for bad and doubtful debts	84.24	115.85
Loss on sale of fixed assets	28.06	3.50
Total	**30,951.57**	**17,465.79**

(Rs. in lacs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
18 Interest and Financial Cost (Net)		
Interest Expenses		
on term loan	1,411.02	1,275.23
on working capital loan	2,543.58	1,740.84
	3,954.60	**3,016.07**
Less : Interest Received	(844.08)	(719.78)
(TDS Rs in lacs 73.68 Previous year Rs. in lacs 62.85)		
	3,110.52	**2,296.29**
Bank Charges	1,484.39	957.66
Total	**4,594.91**	**3,253.95**
19 Provision for Taxation		
Current Tax	2,579.62	729.91
Deferred Tax	271.99	1,272.86
Fringe Benefit Tax	-	-
Wealth Tax	3.00	3.00
Total	**2,854.61**	**2,005.77**

Schedule : 20 Significant Accounting Policies and Notes Forming part of the Accounts

1. Significant Accounting Policies

(A) Basis of preparation of financial statements and revenue recognition

i) The financial statement have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

ii) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the Company.

iii) Sale of goods is recognised on transfer of significant risk and rewards of ownership which is generally on shipment and dispatch to customers. Sale is inclusive of excise duty and other levies wherever applicable. Export benefits/Value added tax benefits are recongnised as Income when the right to receive credit as per the terms of the scheme is established and there is no significant uncertainty regarding the claim. Other revenue/ cost is recognised on accrual basis.

(B) Fixed Assets & Depreciation / Amortisation

i) Fixed assets are stated at cost of acquisition or construction net of Value Added Tax less accumulated depreciation. All cost, till commencement of commercial production is capitalized. Application software expenses for internal use are treated as intangible assets.

ii) Depreciation on fixed assets is provided on the straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Intangible assets are amortized equally over five years.

iii) Pursuant to Accounting standard 28" Impairment of Assets" issued by the ICAI, the Company has a system to review the carrying cost of all the assets vis-à-vis recoverable value and impairment loss, if any is charged to Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in estimate of recoverable amount.

iv) Lease hold assets are amortized over the period oflease from the date of start of commercial production.

(C) Investments

i) Long term Investments are stated at cost of acquisition. Provision for diminution in the value of long term investments is made only if such decline is other than temporary in the opinion of the management.

ii) Current Investments, if any, are stated at lower of cost and fair value determined on individual investment basis.

iii) Investments in shares of foreign subsidiaries are expressed at the rates of exchange prevailing at the time when original investments were made.

iv) Dividend income is recognised when right to receive is established.

v) Share of profit/loss from partnership firm is recognized when the Company's right/obligation to receive /pay is established.

(D) Foreign Currency Transactions

i) Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of the transactions. Monetary items denominated in foreign currency remaining unsettled at the year-end are restated at the exchange rate prevailing at the end of the year. Gains and losses on foreign exchange transactions other than those relating to fixed assets are charged to profit & loss account. Premium paid on forward contract has been recognised over the life of the contract. Any profit or loss on cancellation or renewal of such forward exchange contract is recognised as income or expenditure for the period

(E) Inventories

Inventories are valued at lower of cost and net realizable value except by products which is valued at estimated realizable value. In determining the cost of raw material, stores, spares, and other material the first in first out (FIFO) method is used. Finished goods and work in progress include material cost, labour and factory overheads and excise duty, if applicable.

(F) Employee Retirement Benefit

i) Company makes contributions in respect of provident fund to Government authorities and the liability is limited to the extent of contributions. The employees of the Company are entitled to leave as per leave policy of the Company. The liability in respect of unutilized leave balances is provided based on an actuarial valuation carried out by an independent actuary as at the year end and charged to the Profit and Loss Account.

ii) The Company has created a trust and has taken group gratuity policy with The Life Insurance Corporation of India for the future payments of retiring gratuities. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end which is calculated using Projected Unit Credit Method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognized in the Profit and Loss Account.

(G) Lease Rent

Lease rentals are expensed with reference to lease terms and other considerations.

(H) Liquidated Damages

Liquidated damages / Penalties, if any are provided whenever there is a claim from party and when the same is accepted by the Company.

(I) Custom Duty

The year end inventory is inclusive of custom duty.

(J) Taxation

Taxation expense comprise current tax and deferred tax charge or credit. Provision for income tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. Advance tax and tax deducted at source are adjusted against provision for taxation and balance, if any, are shown in the balance sheet under respective heads.

(K) Deferred Taxation

Deferred tax resulting from timing differences between book and tax profit is accounted for under the liability method at the current rate of Income tax to the extent that the timing differences are expected to crystallize as deferred tax charge/ benefit in the profit and loss account and as deferred tax Assets/Liability in the Balance Sheet.

(L) Insurance Claim

Insurance and other claims to the extent considered recoverable are accounted for in the year of claim based on the amount assessed by the surveyor. However, claims and refund whose recovery cannot be ascertained with reasonable certainty, are accounted for on acceptance/actual receipts basis.

(M) Borrowing Cost

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Revenue.

(N) Excise Duty and Sales Tax

Excise duty has been accounted on the basis of both payment made in respect of goods cleared and provision for goods lying in bonded area. Sales Tax is Charge to Profit and Loss Account.

(O) Use of Estimates

In preparing Company's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(P) Commodity Hedging Transactions

The commodity hedging contracts are accounted on the date of their settlement and realised gain/ loss in respects of settled contracts are recognised in the profit and loss account, along with the underlying transactions. Pursuant to announcement on accounting for the derivatives issued by the Institute of Chartered Accountants of India (ICAI), in accordance with the principle of prudence as enunciated in Accounting Standard -1 (AS-1) "Disclosure of Accounting Policies" the Company provide for losses in respect of all outstanding derivatives contracts at the balance sheet date by marking them mark to market. Any net unrealized gains arising on such Mark to Market are not recognised as income.

(Q) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as result of past events and it is probable that there will be an outflow of resources. Contigent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

(R) Related Party Transaction

Parties are considered to be related if at any time during the year, one party has the ability to control the other party or to exercise significant influence over the other party in making financial and / or operating decision.

(S) Earning Per Share (EPS)

The earning considered in ascertaining the Company's EPS comprises the net profit for the period after tax attributed to equity shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

(T) Government Grants

Grants received against specific fixed assets are adjusted to the cost of the assets and those in the nature of promoter's contribution are credited to capital reserve. Revenue grants are recognized in the profit and loss account in accordance with the related schemes and in the period in which these are accrued and it is reasonably certain that the ultimate collection will be made.

(U) Share Issue Expenses

Share Issue expenses are adjusted against security premium account.

2. (a) Previous year's figures have been regrouped, reclassified and rearranged wherever necessary for proper presentation. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to current year.

   (b) Figures have been rounded off to nearest of rupee in lacs.

3. (a) In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value, as stated in the balance sheet if realized, during the ordinary course of business.

   (b) Letters of Credit outstanding has been netted off by margin money given as security Rs. 7,266.00 lacs (Previous Year Rs. 6,560.00 lacs) for effective presentation.

   (c) Interest income has been shown as deduction from interest paid for loans in Profit and Loss account for proper presentation.

4. The Company has imported certain capital equipments at concessional rate of custom duty under "Export Promotion of Capital Goods Scheme"(EPCG) of the Central Government. The Company has undertaken an export obligation to the extent of Rs. 5,106.24 lacs (Approx) (Previous year Rs. 5,414.84 lacs) to be fulfilled during a specified period as applicable from the date of imports .The liability towards custom duty payable there on in respect of unfulfilled export obligation as on 31st March, 2011 of Rs. 638.28 lacs. (Previous year Rs. 676.85 lacs) is not provided for.

5. 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.

6. Quantitative information to the extent applicable for the year pursuant to paragraph 3 & 4 of part II of schedule (VI) to the Companies Act, 1956 (As certified by the management)

i) Licensed and Installed Capacity and Production. (Quantity in Metric Tons)

Class of goods	Licensed Capacity as at 31-03-11	Licensed Capacity as at 31-03-10	Installed Capacity as at 31-03-11	Installed Capacity as at 31-03-10	Production 2010-11	Production 2009-10
	Single Shift	Single Shift	Three Shifts	Three Shifts	Three Shifts	Three Shifts
Seed Processing*	N.A.	N.A.	9,84,000	6,84,000	4,82,205	2,89,789
Oil Refining*	N.A.	N.A.	9,90,000	9,30,000	5,16,144	3,83,549
Cake Extraction*	N.A.	N.A.	3,00,000	1,80,000	2,20,526	2,17,945
Vanaspati Plant	N.A.	N.A.	1,20,000	1,20,000	34,916	30,745

* production includes seed processing MT 5,637, oil refining MT 2,347 and Cake Extraction 3,918 MT (Previous year seed processing 63,733 MT, oil refining 30,176 MT and cake extraction 36,676 MT) done by other.

** Seed processing capacity includes 300000 not available during the whole year, 60000 MT production commenced on 17/05/2010, 120000 MT production commenced 01/09/2010, 120000 MT production commenced on 31/01/2011

*** Cake extraction capacity includes 120000 not available during the whole year, production commenced on 01-09-2011.

**** Refinery capacity includes 60000 not available during the whole year, production commenced on 01-09-2011.

Production	31-03-2011 Qty (in MT)	31-03-2010 Qty (in MT)
Refined Edible / Non Edible Oil*	5,05,895	3,65,982
De-oiled Cake*	2,02,356	1,94,168
Unrefined Oil*	1,41,664	98,565
Vanaspati oil	34,810	30,652
Oil Cake*	3,38,818	1,94,751

* Production of refined edible/non edible oil includes done by others 12,390 MT (Previous year 29,992 MT)

ii) Quantitative Information in respect of Opening / Closing Stock, Consumption & Sales:-

(Rs. in lacs)

Particulars	31st March, 2011 Quantity in MT	Amount	31st March, 2010 Quantity in MT	Amount
Opening Stock -	-	-	-	
Edible Oils /Non Edible Oil	52,278	25,436.19	35,814	12,481.76
Vanaspati	2,453	1,141.06	2,966	1,280.11
Cake\De-Oiled Cake	51,909	4,395.98	30,813	2,777.02
Total	**1,06,700**	**30,973.74**	**69,593**	**16,538.89**
Consumption (Raw Material)				
Crude oils	5,16,145	1,82,830.04	383549	1,00,458.28
Cake	2,20,527	3,972.71	2,17,945	10,657.81
Oil Seeds	4,82,205	1,39,499.62	2,89,789	71,923.71
Total	**12,18,877**	**3,26,302.37**	**8,91,283**	**1,83,039.80**
Purchase (Goods traded)	**3,39,756**	**67,569.13**	**1,89,701**	**68,194.85**
Closing Stock				
Edible Oils / Non Edible Oil	33,846	23,168.86	52,278	25,436.19
Vanaspati	2,548	1,497.38	2,453	1,141.06
Cake\De-Oiled Cake 61,634	8,049	51,909	4,395.48	
Total	**98,028**	**32,715.24**	**1,06,700**	**30,973.74**
Sales				
Edible Oils / Non Edible Oil & By product	7,28,418	3,79,244.10	5,33,534	2,37,458.58
Vanaspati	34,810	17,868.83	31,234	12,595.84
De-Oiled Cake/oil cake	3,95,972	49,341.03	2,34,654	28,587.83
Total	**11,59,200**	**4,46,453.96**	**7,99,422**	**2,78,642.25**

Imported and Indigenous Consumption	2010-2011 Rs. in lacs	%	2009-2010 Rs. in lacs	%
Raw Material - Imported	1,57,886.00	48.39	1,08,778.80	59.43
- Indigenous	1,68,416.37	51.61	72,261.72	40.57
Total	**3,26,302.37**	**100.00**	**1,83,039.80**	**100.00**
Other Material - Imported	58.23	0.63	-	-
- Indigenous	9,078.77	99.37	5399.02	100.00
Total	**9,137.00**	**100.00**	**5399.02**	**100.00**

7. Contingent Liabilities (Rs. in lacs)

	31st March, 2011	31st March, 2010
(a) For letter of credit opened for which goods were in transit	6,836.87	4,917.11
(b) Guarantee given to banks.	1,470.84	35.40
(c) For Corporate guarantee given	2,0367.25	16,936.16
(d) Claims against the Company not acknowledged as debts	783.16	1,331.24

8. Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances) Rs. 92.20 lacs (Previous year Rs. 1,272.46 lacs)

9. Term Loans from Banks are secured by equitable mortgage of land and building situated at Gandhidham and Haldia, hypothecation of specified machinery at Gandhidham, Haldia and Sidhpur units and wind Turbines. Further secured by second charge on current assets of the Company. Working Capital loans are secured by hypothecation of stock, book debts and other current assets of the Company. Term loan repayable within one year Rs. 4,386 lacs. (Previous year Rs. 3,182 lacs).

10. Balance with non scheduled bank held in Current Accounts:-

(Rs. in lacs)

Name of Banks	As at 31st March, 2011	As at 31st March, 2010	Maximum Balance Outstanding during the year.
1. Sidhpur Nagarik Bank Ltd	0.10	0.10	0.10
2. The B.K.Merc. Co-op. Bank Ltd	0.008	0.008	0.008

11. The Company is a partner in M/s Gokul Overseas. The constitution of the firm is as under.

Name of Partner	% of Share in Profit/Loss
1 Shri. B. C. Rajput	21.25
2 Shri. K. J. Thakkar	21.25
3. Smt. B. B. Rajput	21.25
4. Smt. M. K. Thakkar	21.25
5. Gokul Refoils & Solvent Ltd.	15.00

The Accounting year of the partnership is from 1st April to 31st March. The share of profit/loss of the said partnership is brought in the accounts of the Company up to 31st March, 2011

12. Auditors Remuneration include payments to Auditors as under :-

(Rs. in lacs)

Particulars	2010-11	2009-10
(a) Audit Fees	13.79	10.47
(b) Audit Fee	1.38	1.29
(c) Certification Charges	0.55	0.56

13. Managerial Remuneration to Directors :-

(Rs. in lacs)

Particulars	2010-11	2009-10
Directors' Remuneration and contribution to PF	123.00	127.00
Commission	89.95	63.14
Total	**212.95**	**190.14**

(Rs. in lacs)

Particulars	2010-11	2009-10
Net Profit before Taxation	8,999.04	6,260.28
Add : Depreciation	3,018.65	2,508.64
Directors' remuneration	89.95	63.14
Directors' fees	0.45	0.17
Provision for doubtful debts	84.23	115.85
Loss on sale of fixed assets	28.06	3.50
Total	**3,221.34**	**2,691.30**
Less : Depreciation under Section 350 of the Companies Act, 1956	3,018.65	2,508.64
Profit on sales of fixed assets	2.25	-
Profit on sale of Investments	114.97	65.67
Total	**3,135.87**	**2,574.31**
Net Profit for Section 198 of the Companies Act,1956	**9,084.51**	**6,377.27**

14. Value of Imports on C. I. F Basis in respect of

(Rs. in lacs)

Particulars	2010-11	2009-10
a) Raw Material	1,78,934.28	1,58,164.91
b) Capital Goods	21.74	-
c) Other fuel	58.23	1,047.04

15. Expenditure in Foreign currency

(Rs. in lacs)

Particulars	2010-11	2009-10
a) Business Tour Expenses.	5.07	15.45
b) Interest and financial charges	621.42	643.44
c) Freight, Brokerage and other Expenses	2,266.06	1,145.39

16. Earnings in Foreign currency

(Rs. in lacs)

Particulars	2010-11	2009-10
a) Exports at FOB value	90,631.30	41,528.19
b) Interest from Subsidiaries (Withholding Tax Rs.5.88 lacs Previous year Rs. 7.47 lacs)	47.17	57.21

17. The disclosures as required to be made relating to Micro, Small and Medium Enterprise under the Micro, Small and Medium Enterprises Development Act, 2006. (MSMED) are not furnished in view of the non-availability of information with the Company from such Enterprises.

18. Segment Reporting: Hitherto the management had identified two primary business segments viz. Edible oil business and non-edible oil businesses. Due to changes in the internal reporting system and organization structure based on the guiding principles given in Accounting Standard on "Segment Reporting (AS-17)" issued by the Institute of Chartered Accountant of India, the management reviewed and reclassified its primary business segments as "Agro based commodities" which incorporates product groups viz. Soybean, palm line ,cotton seed oil, sun flower oil, mustard seed oil, castor oil, oil cakes, de-oiled cakes, Vanaspati, oil seeds, its bye products and other agro-commodities which have similar production process, similar methods of distribution and have similar risks and returns. Hence the primary segment information is being reported based on this classification from this year.

As per Accounting Standard (AS) -17 on" Segment Reporting "Segment information has been provided under the notes to Consolidated Financial Statement.

19. Related Party Disclosures :- Disclosures as required by Accounting standard 18 "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. Maurigo International Ltd. : Wholly owned subsidiary
3. Maurigo Pte Ltd. : Wholly owned subsidiary
4. Professional Commodity Services Pvt. Ltd. : Wholly owned subsidiary
5. Gujarat Gokul Power Ltd. : Associate Company
6. Gokul Foundation : Charitable Trust where Key Management Personnel (KMP) are Trustees
7. Shree Bahuchar Jan Seva Trust : Charitable Trust where Key Management Personnel (KMP) are Trustees

(B) Key Management Personnel

1. Shri B.C. Rajput : Chairman and Managing Director
2. Shri K.J.Thakkar : Managing Director
3. Shri D.H.Sharma : Whole Time Director (upto 31.07.2010)

(C) Relative of Key Management Personnel

1. Shri Amratji Rajput : Brother in Law of Chairman
2. Shri Sunil Sharma : Brother of Whole time Director
3. Ms. Heenaben Rajput : Daughter of Chairman
4. Ms. Bhavnaben : Daughter of Managing Director
5. Shri Deepak Harwani : Son in Law of Managing Director

(D) Transactions with related parties.

(Rs. In lacs)

Sr. No.	Nature of Transaction	Related Parties 31-03-11	Related Parties 31-03-10	Key Management Personnel 31-03-11	Key Management Personnel 31-03-10	Relative of KMP 31-03-11	Relative of KMP 31-03-10
1.	Sales	8,568.11	2,254.72	-	-	-	-
2.	Purchases	11,573.87	18,857.52	-	-	-	-
3.	Reimbursement of expenses	1,165.85	707.39	-	-	-	-
4.	Salary and bonus	-	-	212.95	190.14	4.04	-
5.	Guarantees given	20,367.25	16,936.16	-	-	-	-
6.	Subscription to shares/ Investment (net)	3396.42	-464.86	-	-	-	-
7.	Receipt of Loan	-	-	-	-	-	-
8.	Repayment of Loans	-	-	-	-	-	-
9.	Donation	30.00	-	-	-	-	-
10.	Brokerage	1.46	-	-	-	-	-
11.	Interest Earned	490.58	293.33	-	-	-	-
12.	Loans/ Advances given	-87.73	4,602.85	-	-	-	-

13. Balance Outstanding						
1. Unsecured Loan/ advances	-	4,582.84	-	-	-	-
2. Sundry Creditors	-	105.06	-	-	-	-
3. Advance Received	-	9.46	-	-	-	-
4. Debtors	2,202.69	-	-	-	-	-
5. Other Liabilities	-	-	89.95	29.04	-	-

Note :- Office premises belonging to related party / KMP situated at Sidhpur/Gandhinagar are used by Company for which no rent is paid.

20. The Deferred tax liability of Rs. 271.98 lacs (previous year Rs. 1,272.87 lacs) has been recognized in the profit and loss account.

The major components of Deferred tax liability are given below:

(Rs in lacs)

Particulars	**As at 31st March, 2011**	**As at 31st March, 2010**
Deferred tax liability on account of Depreciation	3,307.14	2,995.51
Deferred Tax Assets		
i) Retirement benefits	19.73	8.07
ii) Provision for doubtful debts	72.40	44.42
Total	**92.14**	**52.49**
Deferred tax liability (Net)	3,215.00	2,943.02

21. Earning per share: (AS-20)

Particulars	**Year ended 31st March, 2011**	**Year ended 31st March, 2010**
Profit for the period attributable to Equity Shareholders (in Rs.)	61,44,43,394	42,55,16,389
No. of Weighted Average Equity Shares outstanding During the year.	13,18,95,000	13,18,95,000
Nominal Value of Equity Share (in Rs.)	2.00	2.00
Basic and diluted Earning per Share (in Rs.)	4.66	3.23

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.

22. Loans and Advances Include amount due from Subsidiary Companies and related Companies.

(Rs. in lacs)

Name of Companies	**2010-11**	**2009-10**
(a) Maurigo Pte Ltd, Singapore (Maximum balance outstanding during the year Rs. 6,180.60 lacs) (Previuos year Rs. 2,807.46 lacs)	1,810.83	2,388.21
(b) Professional Commodity Services Private Limited (Maximum balance outstanding during the year Rs. Nil) (Previous year Rs. 716.80 lacs)	0.00	571.38
(c) Maurigo International Limited (Maximum balance outstanding during the year Rs. 1,292.24 lacs) (Previous year Rs. 509.56 lacs)	1,046.36	509.56

(Rs. in lacs)

Name of Companies	2010-11	2009-10
(d) Loans and Advances include amounts due from associates concern. Gujarat Gokul Power Ltd. (Maximum balance o/s during the year Rs.1199.03 lacs) (Previous Year 1180.20 lacs)	1199.03	1180.20
(e) Gokul Foundation (Maximum Outstanding during the year Rs. 5.50 lacs) (Previous Year Rs. 5.50 lacs)	0.00	5.50

23. Disclosures pursuant to Accounting Standard -15 (Revised) " Employee Benefits"

(A) The Company has recognised as an expense in the profit and loss account in respect of defined contribution plan Rs. 37.08 lacs (Previous year Rs. 30.81 lacs) administered by the Government.

(B) Defined benefit plan and long term employment benefit:

A General description:

Gratuity [Defined benefit plan]:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of 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 an insurance Company in the form of qualifying insurance policy.

Leave wages [Long term employment benefit]

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

(Rs. in lacs)

	Year ended 31st March, 2011		Year ended 31st March, 2010	
	Privilege Leave	Gratuity	Privilege Leave	Gratuity
B. Change in the present value of the defined benefit obligation.	**(Non-funded)**	**(Funded)**	**(Non-funded)**	**(Funded)**
Opening defined benefit obligation	23.71	59.78	12.15	30.28
Interest cost	1.98	5.00	1.01	2.51
Current service cost	26.34	30.75	13.19	19.29
Benefits paid	(0.43)	(4.43)	(3.69)	(3.61)
Actuarial (gain) / losses on obligation	(9.13)	19.20	1.05	11.32
Closing defined obligation	42.47	110.32	23.71	59.78
C. Change in the fair value of plan asset				
Opening fair value of plan assets	-	67.34	-	41.05
Expected return on plan assets	-	7.48	-	4.87
Contributions by employer	-	25.69	-	25.46
Benefits paid	-	(4.43)	-	(3.61)
Actuarial gains/ (losses)	-	(1.80)	-	(0.44)
Closing fair value of plan assets	-	94.28	-	67.33
D. Actual return on plan assets:				
Expected return on plan assets	-	7.47	-	4.87
Actuarial gain / [loss] on plan assets	-	(1.80)	-	(0.44)
Actual return on plan asset	-	5.67	-	4.43

E. Amount recognized in the balance sheet:				
(Assets) / Liability at the end of the year	42.47	110.32	23.72	(59.78)
Fair value of plan Assets at the end of the year	-	94.27	-	67.33
Difference	42.47	16.04	23.72	(7.55)
Unrecognized past Service cost	-	-	-	-
(Assets)/Liability recognized in the Balance Sheet	42.47	16.04	23.72	(7.55)
F. (Income)/ Expenses recognized in the Profit & Loss Account statement:				
Interest cost on benefit obligation	1.98	5.00	1.01	2.51
Net actuarial (gain)/ loss in the period	(9.13)	21.01	1.05	11.76
Net Benefit or expenses	19.19	49.29	15.25	28.67
G. Movement in net liability recognized in balance Sheet:				
Opening net liability	23.71	(7.55)	12.15	(10.78)
Expenses as above [P&L charge]	19.19	49.29	15.25	28.67
Employer's contribution	(0.43)	(25.70)	(3.69)	(25.46)
(Assets)/ Liability recognized in the Balance Sheet	42.47	16.04	23.71	(7.56)
H. Principal actuarial assumptions as at Balance sheet date: (Non-funded)				
Discount rate [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]	8.37%	8.37%	8.28%	8.28%
Expected rate of return on the plan assets [The expected rate of return assumed by the insurance Company is generally based on their Investment patterns as stipulated by the Government of India]	0%	9.25%	0%	9%
Annual increase in salary cost [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]	7%	7%	7%	7%
I. The categories of plan assets as a % of total plan assets are				
Insurance Company	0%	100%	0%	100%

24. Disclosures in respect of derivative Instruments

(a) Derivative Instrument outstanding

The Year end foreign currency exposures that have been hedged by derivative instruments or otherwise are given below

Particulars	Currency	As at 31st March, 2011		As at 31st March, 2010	
		Amount in Foreign Currency	(Rs. in lacs)	Amount in Foreign Currency	(Rs. in lacs)
Against Imports	USD	7,38,76,773.00	33715.63	8,02,34,982.00	35,127.24
Against Exports	USD	29,55,095.00	1317.68	-	-

(b) All the derivative instruments have been acquired for hedging purpose.

(c) Foreign Currency exposure that are not hedged by derivative instruments

Amount receivable in foreign currency on account of the following

Particulars	Currency	As at 31st March, 2011 Amount in Foreign Currency	As at 31st March, 2011 (Rs. in lacs)	As at 31st March, 2010 Amount in Foreign Currency	As at 31st March, 2010 (Rs. in lacs)
Debtors	USD	2,51,33,085.00	11,226.68	1,64,75,566.00	7,467.89
Loan to Subsidiaries	USD	58,40,139.00	2,857.19	58,36,429.00	2,897.75
Cash/card Balance	USD	4144.00	1.85	10,335.00	4.83
Currency on hand	SGD	81.20	0.03	463.00	0.15
Currency in hand	MYR	3.60	0.00	528.20	0.08
Currency in hand	Other	78,660.00	0.02	5,35,600.00	0.29

Amount payable in foreign currency on account of the following

Particulars	Currency	As at 31st March, 2011 Amount in Foreign Currency	As at 31st March, 2011 (Rs. in lacs)	As at 31st March, 2010 Amount in Foreign Currency	As at 31st March, 2010 (Rs. in lacs)
Creditors	USD	8,78,96,360.86	39,481.85	4,62,14,556.00	20,750.34

Commodity Derivative hedging contracts outstanding

(Rs. in lacs)

Sr. No.	Particular of Contracts	2010-11	2009-10
1	Castor and Soya Seeds	858.00	-

25. Mutual fund Transactions

During the year the Company has purchased and redeemed the following investments in mutual funds

(Rs. in lacs)

Name of Scheme	Face Value (Rs.)	Numbers	Cost
Reliance Medium Term Fund	10	1,674.12	32,739
Reliance Liquid Fund	10	582.42	13,398
Reliance Liquidity Fund	10	2,214.11	31,489
Reliance Money Manager Fund	1,000	13.64	17,659
SBI Premier Liquid Fund	10	1,119.96	16,695

26. Pursuant to approval of the shareholders of the Company in an Extra Ordinary General Meeting held on September 6th, 2007,the Company had issued and allotted through Initial Public Offering (IPO) 71,58,392 equity shares of Rs. 10 each at premium of Rs.185 per share. The issue has been made in accordance with the terms of Company's Prospectus dated 20th May, 2008. Subsequently, pursuant to provisions of Section 61 of the Companies Act, 1956 the Members, in an Extra Ordinary General Meeting of the Company held on 27th February, 2010, approved the amendments in the objects/utilizations of funds as stated "Objects" of the issue in prospectus dated 20th May, 2008.

The utilization of issue proceeds up to 31st March, 2011 is given below.

(Rs. in lacs)

Particulars	As Approved	Actual	Unutilized
1. Setting up of a new 1,500 TPD Soyabean Processing Plant near Gandhidham	5,109.92	5,109.92	-
2. Expansion of existing edible oil refinery at Surat	685.00	685.00	-
3. Further Investment in wholly owned subsidiary in Singapore	2,500.00	2,500.00	-
4. Funding Part of Long term working Capital	6,069.86	6,069.86	-
5. Brand Building Activities	1,500.00	360.00	1,140.00
6. Investment in increasing warehousing capacities and continuous Capex for Existing units.	1,001.68	1,001.68	-
7. General Corporate Purposes	1,541.82	1,541.82	-
8. Public Issue expenses	875.58	875.58	-
Total	**19,283.86**	**18,143.86**	**1,140.00**

The unutilized funds have been invested in inter corporate deposits included under "Loans and Advances" in Schedule-10 of Balance sheet.

27. All fixed assets and current assets of the Company both present and future are mortgaged/hypothecated in favour of Company's bankers for securing various fund/non fund based facilities granted by consortium banks.

28. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3, dated 8th February, 2011 and 21st February, 2011 respectively has granted a general exemption from compliance with Section 212 of the Companies Act,1956, subject to fulfillment of conditions stipulated in the circulars. The Company has satisfied the conditions stipulated in the circulars and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

29. In accordance with principles of Prudence and other applicable guidelines and as per Accounting Standards notified by the Companies (Accounting standards) Rules, 2006, the Company has charged an accounts of Rs. NIL (Previous year of Rs.Nil) to profit and loss Account in respect of derivative contracts remaining unsettled at the end of the year.

30. A sum of Rs. 9.75 lacs (Previous year Rs. 30.95 lacs) is included under Manufacturing and other expenses representing net prior period items.

31. The Company has paid dividend in respect of shares held by Non-residents on repartition basis. The details of dividend amounts remittable in this respect are given here in below.

No.	Particulars	2010-11		2009-10
I	No of Non-residents Shareholders	57	58	94
II	No of Equity shares held by them	11547559	14457828	2798775
III	Amount of dividend paid (Rs. in lacs)	11.55	43.37	41.98
IV	Tax deducted at source	Nil	Nil	Nil
V	Year to which dividend relates	2010-11	2009-10	2008-09

32. Particulars of the Balance Sheet abstract and the Company general Business Profile, Pursuant to part IV of the Companies Act, 1956 is attached herewith Signature to Schedules 1 to 20.

As per our report of even date attached.

For M. R. Pandhi & Associates
Chartered Accountants
(Registration No. 112360W)

M. R. Pandhi
Partner
Membership No : 33057

Ahmedabad
15th June, 2011

For and on behalf of the Board

B.C.Rajput
Chairman and Managing Director

P. N. Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

Kalpesh Desai
Company Secretary

Balance Sheet Abstract

Information pursuant to Part IV of Schedule VI to the Companies Act, 1956 Balance Sheet Abstract and Company's General Business Profile

1)	**Registration Details**				
	Registration No. (CIN)	:	L15142GJ1992PLC018745		
	State Code: 04				
	Balance Sheet Date	:	31st March, 2011		
2)	**Capital Raised During The Year (Rs. in lacs)**				
	Public Issue	Nil		Right Issue	Nil
	Bonus Issue	Nil		Private Placement	Nil
3)	**Position of Mobilisation and Deployment of Funds (Rs. in lacs)**				
	Total Liabilities	85507.42		Total Assets	85507.42
	Sources of Funds				
	Paid up Capital	2637.90		Reserve & Surplus	41146.55
	Secured Loans	28496.46		Unsecured Loans	10011.51
	Deferred Tax Liabilities (Net)	3215.00			
	Application of Funds				
	Net Fixed Assets	34737.77		Investment	5037.65
	Net Current Assets	45732.00		Misc. Expenditure	Nil
	Accumulated Losses	Nil			
4)	**Performance of the Company (Rs. in lacs)**				
	Turn Over:-	453404.75		Other Income	473.51
	Total Expenditure	444879.21		Profit Before Tax	8999.04
	Profit after Tax	6144.44		Earning per Share in Rs. Dividend Rate%	4.66 16%
5)	**Generic Names of Principal Products (As per Monetary Terms)**				
	Product description				
	Refined Edible Oil	2110			
	Solvent Extraction Oil	2113			
	De-oiled Cake (Cattle Feed)	2171			
	Vanaspati Ghee	2100			
	Acid Oil, Fatty Acid Oil etc	3004			
	Castor Oil and it's Fractions	5153000			
	Oil Cakes and Meal of Castor Seeds	3069015			

As per our report of even date attached.

For M. R. Pandhi & Associates
Chartered Accountants
(Registration No. 112360W)

M. R. Pandhi
Partner
Membership No : 33057

Ahmedabad
15th June, 2011

For and on behalf of the Board

B.C.Rajput
Chairman and Managing Director

P. N. Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

Kalpesh Desai
Company Secretary

Auditors' Report

To,

The Board of Directors

Gokul Refoils and Solvent Limited

We have audited the attached Consolidated Balance Sheet of Gokul Refoils and Solvent Limited ("the Company") and its subsidiaries (Collectively referred to as "the Group") as at 31st March, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Company for the year ended on that date annexed thereto.

These consolidated financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components thereon. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles applied and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.

1. We have audited the financial statements of one subsidiary viz. Professional Commodity Services Pvt. Ltd., for the year ended 31st March, 2011 whose total assets of Rs. 416.80 lacs and total revenue of Rs. 141.65 lacs and net cash flows of Rs. 141.64 lacs for the year then ended have been considered in the consolidated financial statements.

2. The financial statements of the following subsidiaries whose statements have been proportionately consolidated are audited by other auditors and whose reports have been furnished to us. In our opinion, so far as it relates to the amounts included in respect of subsidiaries, is based solely on the reports of other auditors.

   The details of assets, revenues and cash flows in respect of these subsidiaries, as considered in consolidated financial statements are given below:

   (Rs. in lacs)

Name of the Subsidiaries	Total Assets (Net)	Total revenues	Net Cashflow
Maurigo International Ltd., Mauritius	1,516.93	578.17	578.17
Maurigo Pte Ltd., Singapore	5,451.24	29,546.93	215.54

3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards (AS) 21, 'Consolidated Financial Statements' and Accounting Standards (AS) 23, 'Accounting for Investment in Associates' in Consolidated Financial Statements notified by the Institute of Chartered Accountants of India.

4. On the basis of information and explanation given to us and based on our audit and on consideration of the separate audit reports of the individual financial statements of the Company, its subsidiaries included in the consolidated financial statements read together with the significant accounting policies and notes thereon, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

   i) In the case of the Consolidated Balance Sheet, of the State of affairs of the Group as at 31st March, 2011.

   ii) In the case of the Consolidated Profit and Loss Account, of the Profit of the Group for the year ended on that date and

   iii) In the case of the Consolidated Cash Flow Statement, of the Cash Flows of the group for the year ended on that date.

For, **M.R. Pandhi & Associates**
Chartered Accountants
(Registration No. 112360W)

M.R. Pandhi
Partner
Membership No.: 33057

Ahmedabad
15th June, 2011

Consolidated Balance Sheet

as at 31st March, 2011

(Rs. in lacs)

Particulars	Schedule No.	As at 31st March, 2011	As at 31st March, 2010
Sources of Funds			
1. Share Holders' Funds			
a Share Capital	1	2,637.90	2,637.90
b Reserves and Surplus	2	42,625.06	36,072.77
		45,262.96	**38,710.67**
2. Loan Funds			
a Secured Loans	3	28,496.46	31,871.81
b Unsecured Loans	4	10,011.51	-
		38,507.97	**31,871.81**
3. Deferred Tax Liability (Net)		3,217.73	2,945.77
Total		**86,988.66**	**73,528.25**
Application of Funds			
1. Fixed Assets	5		
a Gross Block		44,296.54	40,297.73
Less : Depreciation and amortisation		10,777.44	7,838.90
Net Block		**33,519.10**	**32,458.82**
b Capital Work In Progress		1,228.41	1,040.13
Total Assets		**34,747.51**	**33,498.95**
2. Investment	6	4,232.68	835.14
3. Current Assets, Loans and Advances			
a Inventories	7	47,544.57	56,616.95
b Sundry Debtors	8	41,621.72	21,192.39
c Cash and Bank Balances	9	3,003.39	2,107.95
d Loans & Advances	10	16,838.27	12,778.47
		109,007.95	**92,695.76**
Less : Current Liabilities and Provisions			
a Current Liabilities	11	59,985.35	53,011.85
b Provisions	12	1,014.13	489.76
		60,999.48	**53,501.61**
Net Current Assets		**48,008.47**	**39,194.15**
Signifcant accounting policies and Notes forming part of accounts	20		
Total		**86,988.66**	**73,528.24**

As per our report of even date attached.

For M. R. Pandhi & Associates
Chartered Accountants
(Registration No. 112360W)

M. R. Pandhi
Partner
Membership No : 33057

Ahmedabad
15th June, 2011

For and on behalf of the Board

B.C.Rajput
Chairman and Managing Director

P. N. Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

Kalpesh Desai
Company Secretary

Consolidated Profit and Loss Account

for the year ended 31st March, 2011

(Rs. in lacs)

Particulars	Schedule No.	As at 31st March, 2011	As at 31st March, 2010
Income			
Sales and operating Income	13	483,671.50	296,165.27
Other Income	14	473.51	408.80
Total		**484,145.01**	**296,574.06**
Expenditure			
Material Consumed	15	432,996.50	265,094.92
Payment to and Provisions for Employees	16	1,875.77	1,166.38
Manufacturing and other Expenses	17	31,547.89	18,398.59
Interest and financial Cost (Net)	18	4,790.24	3,568.67
Depreciation and amortisation	5	3,022.94	2,516.86
Total		**474,233.34**	**290,745.42**
Profit before Tax		**9,911.67**	**5,828.64**
Less : Provision for Taxation	19	2,943.65	2,010.89
Profit after Tax		**6,968.02**	**3,817.76**
Short (Excess) Provision of Taxation of ealier years		(52.71)	(39.82)
Add : Balance brought forward from Previous year		19,714.95	16,818.77
Less:-Transitional liability on adoption of AS-15			
Available for Appropriation		26,735.68	20,676.35
Tranfer to General Reserve		500.00	500.00
Interim Dividend (including Dividend Distrubution Tax)		153.81	395.69
Prpposed Dividend/		290.17	
Tax on Proposed Dividend		47.07	65.72
Total		**991.05**	**961.40**
Balance carried to Balance Sheet		**25,744.63**	**19,714.95**
Earning per share- Basic & Diluted (Face value of Rs. 2 each) Rs.		**5.28**	**2.89**
Weighted Average No of Shares (Refer note No. 12)		**131,895,000**	**131,895,000**
Notes forming part of accounts	20		

As per our report of even date attached.

For M. R. Pandhi & Associates
Chartered Accountants
(Registration No. 112360W)

M. R. Pandhi
Partner
Membership No : 33057

Ahmedabad
15th June, 2011

For and on behalf of the Board

B.C.Rajput
Chairman and Managing Director

P. N. Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

Kalpesh Desai
Company Secretary

Consolidated Cash Flow Statement

for the year ended 31st March, 2011

(Rs. in lacs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
A. Cash Flow from Operating Activities		
Net Profit before taxation and extraordinary items	9,911.67	5,828.64
Adjustment for :-		
Depreciation	3,022.94	2,516.86
Loss on sale of Fixed Assets	25.81	6.34
Interest Income (Net)	3,204.57	2,513.32
Dividend Income (Net)	(0.36)	(13.35)
Profit from partnership firm	(143.10)	(94.56)
Gain on Sale of Mutual Fund	(114.96)	(65.67)
Provision for retirement benefits	35.11	23.71
Provision for bad and doubtful debts	84.24	130.73
Total	**6,114.25**	**5,017.38**
Operating Profit berfore working capital changes	**16,025.92**	**10,846.02**
Adjustment for :-		
Increase/(Decrease) in trade receivables	(20,513.57)	(7,679.13)
Increase/(Decrease) in loans & advances	(3,652.03)	(1,022.77)
Increase/(Decrease) in Inventories	9,072.38	(25,374.26)
(Increase)/Decrease in trade Payables & Others	6,871.94	17,935.02
Cash Generated from Operations	**7,804.63**	**(5,295.12)**
Direct tax Paid	(1,905.61)	(1,113.85)
Interest Paid	(4,040.41)	(3,263.66)
Cash Flow before extraordinary items	1,858.61	(9,672.63)
Extraordinary Items	22.62	(471.21)
Net cash from Operating Activities	**1,881.23**	**(10,143.84)**
B. Net Cash Flow from Investment Activities		
Purchase of Fixed Assets	(4,335.04)	(8,692.43)
Pre Operative and project Expenses	-	-
(Purchase)/disposal of Investment (NET)	(3,397.54)	464.36
Proceeds from sale of fixed assets	39.35	33.22
Interest Received	835.84	750.34
Dividend Received	0.36	13.35
Profit from partnership firm	143.10	94.56
Gain on sale of Mutual Fund	114.96	65.67
Loans to other corporates	(407.76)	(80.00)
Net Cash from Investment Activities	**(7,006.74)**	**(7,350.93)**
C. Cash Flows from Financing Activities		
Proceeds from issuance of share capital (net of expenses)	-	-
Dividend and Tax on dividend	(615.21)	(461.41)
Borrowings (Net)	6,636.16	10,904.83
Net Cash from financial activities	**6,020.95**	**10,443.42**
Net increase /(-) Decrease in Cash and Cash Equivalents	**895.44**	**(7,051.35)**
Opening balance in Cash and Cash Equivalents	**2,107.95**	**9,159.30**
Closing balance in Cash and Cash Equivalents	**3,003.39**	**2,107.95**

Notes on Cash Flow Statement:

1. The above statement has been prepared following the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
2. Cash and Cash Equivalents represent Cash and Bank (including fixed deposits) only.

As per our report of even date attached.

For M. R. Pandhi & Associates
Chartered Accountants
(Registration No. 112360W)

M. R. Pandhi
Partner
Membership No : 33057

Ahmedabad
15th June, 2011

For and on behalf of the Board

B.C.Rajput
Chairman and Managing Director

P. N. Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

Kalpesh Desai
Company Secretary

Consolidated Schedules

Forming Part of Accounts

(Rs. in lacs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
1 Share Capital		
Authorised		
17,50,00,000 Equity Shares of Rs.2/- each	3,500.00	3,500.00
Issued, Subscribed and Paid up		
13,18,95,000 Equity Share of Rs.2/- each	2,637.90	2,637.90
Total	**2,637.90**	**2,637.90**
2 Reserves and Surplus		
Capital Reserve		
Capital Subsidy		
Balance as per last Balance sheet	74.17	74.17
Add : Addition during the year	-	-
	74.17	**74.17**
General Reserve		
Balance as per last Balance sheet	1,000.00	500.00
Add : Tranfer from Profit and Loss Account	500.00	500.00
	1,500.00	**1,000.00**
Security Premium Account		
Balance as per last Balance sheet	15,754.85	15,754.85
	15,754.85	**15,754.85**
Profit and Loss Account		
Balance as per Profit and Loss Account annexed	25,744.63	19,714.95
Foreign Currency Translation Reserve	(448.58)	(471.20)
Total	**42,625.06**	**36,072.77**
3 Secured Loans		
From banks (See Note 5)		
Term Loan	12,611.00	14,426.16
Working Capital Loan	15,885.46	17,445.64
Total	**28,496.46**	**31,871.81**
4 Unsecured Loans		
From Bank for Working Capital	10,011.51	-
Total	**10,011.51**	**-**

Schedule - 5 Fixed Assets

(Rs. in lacs)

Particulars		Gross Block				Depreciation				Net Block	
Sr. No.	Description of Assets	Opening Balance As On 01.04.2010	Addition During the year	Deduction during the year	Total as on 31.3.2011	Opening Balance As On 01.04.2010	Addition During the Year	Deduction during the year	Total as on 31.3.2011	Total as on 31.03.2011	Total as on 31.03.2010
	Tangible Assets										
1	a) Freehold Land	374.88	-	-	374.88	-	-	-	-	374.88	374.88
	b) Leasehold Land	772.29	-	-	772.29	8.68	8.68	-	17.35	754.93	763.61
2	Buildings	7,174.91	901.50	-	8,076.41	532.08	242.39	-	774.48	7,301.94	6,642.83
3	Plant and Manchinery	31,252.64	2,961.16	102.11	34,111.69	7,092.85	2,678.06	54.59	9,716.32	24,395.37	24,159.79
4	Furniture and fixtures	263.26	19.12	21.09	261.29	69.11	17.52	15.54	71.09	190.20	194.16
5	Vehicles	374.62	133.08	24.74	482.96	105.41	42.73	14.18	133.96	349.00	269.21
	Intangible Assets	-	-	-	-	-	-	-	-	-	-
1	Trade Marks	7.86	-	-	7.86	7.86	-	-	7.86	-	-
2	Software	72.69	131.90	-	204.59	22.92	33.47	-	56.39	148.21	49.78
3	Goodwill	4.58	-	-	4.58	-	-	-	-	4.58	4.58
	Total A	**40,297.73**	**4,146.75**	**147.94**	**44,296.54**	**7,838.90**	**3,022.84**	**84.30**	**10,777.45**	**33,519.10**	**32,458.83**
	Capital work in Progress	1,040.13	4,085.02	3,896.74	1,228.41	-	-	-	-	1,228.41	1,040.13
	Total B	**1,040.13**	**4,085.02**	**3,896.74**	**1,228.41**	**-**	**-**	**-**	**-**	**1,228.41**	**1,040.13**
	Total Rs. (A)+ (B)	**41,337.86**	**8,231.77**	**4,044.68**	**45,524.95**	**7,838.90**	**3,022.84**	**84.30**	**10,777.45**	**34,747.51**	**33,498.96**
	Previous year	**32,712.59**	**24,952.42**	**16,327.16**	**41,337.86**	**5,349.31**	**2,516.86**	**27.27**	**7,838.90**	**33,498.96**	**27,363.27**

Consolidated Schedules

Forming Part of Accounts

(Rs. in lacs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
6 Investments (At Cost)		
Long Term (Non Trade)		
In Government Securities		
National Savings Certificate (Pledged with Government Authority)	1.11	1.01
In Shares (Quoted)		
9,400 Fully paid up Share of Bank of Maharastra (Market Value :- Rs. 5,58,360) (Previous Year Rs. 4,65,770)	2.16	2.16
1,400 Fully paid up Share of Punjab National Bank (Market Value - Rs. 17,08,210) (Previous Year Rs. 14,18,830)	0.43	0.43
5,176 Fully paid up Share of DCB Bank Ltd. (Market Value :- Rs. 2,37,319) (Previous Year Rs. 1,66,408)	1.35	1.35
1,492 Fully paid up Share of Central Bank of india (Market Value :- Rs. 2,10,223) (Previous Year Rs. 2,18,653)	2.44	1.52
In Shares (unquoted)		
Gujarat Gokul Power Ltd.	2.42	2.42
24,180 equity shares of Rs.10 each fully paid up.		
In Capital of partnership firm	4,222.76	826.25
Total	**4,232.67**	**835.14**
7 Inventories		
Store,Spares and Consumable	2,416.72	1,969.38
Raw Material	11,997.67	23,357.47
Work in Progress	407.44	316.37
Finished Goods (Including In transit Rs. 610.28 lacs) (Previous Year Rs.1,502.53 lacs)	32,722.73	30,973.74
Total	**47,544.56**	**56,616.95**
8 Sundry Debtors		
(Unsecured)		
Debt Outstanding for more than six months		
Considered good	2,818.95	7,054.57
Considered doubtful	158.11	130.73
	2,977.06	**7,185.29**
Other debts - Considered good	38,802.77	14,137.84
	41,779.83	**21,323.13**
Less : Provision for doubtful debts	(158.11)	(130.73)
Total	**41,621.72**	**21,192.39**
9 Cash and Bank Balances		
Cash in hand (including foreign currency)	74.03	35.34
In Current Account with scheduled banks	1,388.95	312.19
In Current Account with Non scheduled banks	0.11	0.11
In Fixed Deposit Account with scheduled banks	1,540.29	1,760.31
(Fixed deposits are pledged with banks as a security for overdraft/LC Facilities)		
Total	**3,003.38**	**2,107.95**

Consolidated Schedules

Forming Part of Accounts

(Rs. in lacs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
10 Loans and Advances		
(Unsecured, Considered good)		
Balance with Excise Authority	1.68	3.69
Inter Corporate Deposits	2,896.17	2,488.41
Advances recoverable in cash or in kind for value to be received	13,940.42	10,286.38
Total	**16,838.27**	**12,778.47**
11 Current Liabilities		
Sundry Creditors		
Others	30,026.65	14,260.47
Acceptances	28,802.26	37,244.20
Duties and Taxes	87.00	72.08
Other Liabilities	861.10	496.21
Advances from Customers	208.34	938.88
Total	**59,985.35**	**53,011.85**
12 Provisions		
Tax provision less Payments	618.50	4.65
Provision for Retirement Benefits	58.39	23.71
Provision for Proposed Dividend	290.17	395.69
Tax on Proposed Dividend	47.07	65.72
Total	**1,014.13**	**489.76**
13 Sales and Operating Income		
Sales (Gross)	370,669.04	244,277.40
Less Excise Duty (Gross Rs. 575.87 lacs less excise refund Rs. 0.00 lacs)		
(P.Y Gross Rs. 510.09 lacs less excise refund Rs.1.04 lacs)	575.87	509.04
Sales (Net)	**370,093.17**	**243,768.36**
Export Sales	105,851.29	49,449.33
Total Sales	**475,944.46**	**293,217.69**
Operating Income	7,727.04	2,947.60
Total	**483,671.50**	**296,165.28**
14 Other Income		
Insurance Claim Receipts	186.88	229.03
Dividend Income	0.36	13.35
Insurance Charges Received	23.60	5.44
Misc Income	-	-
Rental Income	2.36	0.75
Gain on Sale of Mutual Fund	114.96	65.67
Profit on sale of fixed assets	2.25	-
Profit from a partnership firm	143.10	94.56
Total	**473.51**	**408.80**

(Rs. in lacs)

Particulars		As at 31st March, 2011	As at 31st March, 2010
15 Material Consumed			
(a) Raw Material consumed			
Opening Stock		23,357.47	13,611.51
Add : Purchases of raw material		303,368.69	198,761.15
		326,726.16	212,372.67
Less : Closing Stock		11,997.67	23,357.47
Total (a)		**314,728.49**	**189,015.20**
(b) Purchase of goods traded			
Opening Stock		5,451.26	2,385.63
Purchase of goods traded		107,170.32	81,761.23
		112,621.58	84,146.85
Less : Closing Stock		245.66	5,451.26
Total (b)		**112,375.92**	**78,695.60**
(c) Purchase Expenses		3,605.55	4,948.49
(d) Foreign Exchange rate difference		187.71	(1,399.01)
(e) (Increase)- Decrease in stock			
Finished Goods	Opening Stock	25,522.48	14,153.26
	Closing Stock	32,477.07	25,522.48
		(6,954.59)	(11,369.22)
Work in Progress	Opening Stock	316.37	121.20
	Closing Stock	407.44	316.37
		(91.07)	(195.16)
Total (e)		**(7,045.66)**	**(11,564.38)**
(f) Other material Consumed			
Opening Stock		1,468.68	743.81
Add : Purchases & Purchase Exp.		9,564.73	6,123.89
		11,033.41	6,867.70
Less : Closing Stock		1,888.91	1,468.68
Total (f)		**9,144.50**	**5,399.02**
Total (a+b+c+d+e+f)		**4,32,996.51**	**2,65,094.92**
16 Payment to and Provision for Employees			
Salaries, Wages and bonus		1,741.57	1,083.88
Contribution to Provident & other funds		96.19	60.80
Staff Welfare Expenses		38.01	21.70
Total		**1,875.77**	**1,166.38**

Consolidated Schedules

Forming Part of Accounts

(Rs. in lacs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
17 Manufacturing and other Expenses		
Power and Fuel	5,201.12	3,512.28
Direct Labour Charges	1,201.12	1,404.63
Other Manufacturing Expenses	29.63	72.48
Consumption of Stores, Spares & Tools	427.42	134.11
Rent, Rates and Taxes	156.41	117.06
Repairs and Maintainance		
Building	23.28	12.97
Plant & Machinary	232.85	223.76
Others	83.78	26.95
Donation	62.23	20.13
Insurance	443.45	372.51
Auditors' Remuneration	25.15	18.97
Directors' Remuneration	213.60	190.41
Other expenses	1,138.06	832.88
Sales tax Service tax, and other Taxes	13,823.87	5,264.02
Brokerage	1,026.58	603.29
Discount and other deductions	382.67	255.69
Travelling	131.88	66.90
Freight Outwards	5,420.08	4,099.69
Export, Sales and advertisements	1,380.61	548.13
Bad Debts written off.	31.79	499.55
Provision for doubtful debts	84.24	115.85
Loss on sale of fixed assets	28.06	6.34
Total	**31,547.88**	**18,398.61**
18 Interest and Financial Cost (Net)		
Interest Expenses		
on term loan	1,411.02	1,275.23
on working capital loan	2,629.39	1,988.43
	4,040.41	**3,263.66**
Less : Interest Received (TDS Rs in lacs 73.68 Previous year. Rs. in lacs 62.85)	(835.84)	(750.34)
	3,204.57	**2,513.33**
Bank Charges	1,585.67	1,055.34
Total	**4,790.24**	**3,568.67**
19 Provision for Taxation		
Current Tax	2,668.66	735.02
Deferred Tax	271.99	1,272.85
Wealth Tax	3.00	3.00
Total	**2,943.65**	**2,010.89**

Schedule : 20 Significant Accounting Policies and Notes Forming part of the Accounts

1. Significant Accounting Policies

(A) Basis of Accounting

The Financial Statement of parent Company and Indian subsidiary are prepared on historical cost convention on the "Accrual Concept" in accordance with the accounting principals generally accepted in India and comply with the Accounting Standards prescribed by the Companies [Accounting Standards] Rules, 2006 issued by the Central Government to the extent applicable and with applicable provisions. The Financial statements of foreign subsidiaries have been in accordance with the respective local laws and applicable accounting standards and generally accepted accounting principles.

(B) Basis of Consolidation

The Consolidated Financial Statements [CFS] relate to GOKUL REFOILS AND SOLVENT LTD.,(The Parent Company) and its wholly owned subsidiaries, Maurigo International Limited, Mauritius, Maurigo Pte Limited, Singapore and Professional Commodity Services Pvt. Ltd. as well as associate Company Gujarat Gokul Power Limited, Ahmedabad. The CFS has been prepared on the following basis :

1. The Financial statement of the parent Company and its subsidiaries has been consolidated on line by line basis by adding together the book value of the items like assets, liabilities, income and expenses.

2. The investment in associate Company has been accounted as per the equity method as prescribed in Accounting Standard - 23 issued by The Institute of Chartered Accountants of India. The Company holds 48% paid up equity share capital in associate Company Gujarat Gokul Power Ltd.

3. As far as possible the consolidated financial statements are prepared using uniform accounting policies for like transactions and other event in similar circumstances and are presented in the same manner as the Company's separate financial statement.

4. a) The operations of the foreign subsidiary viz Maurigo International Ltd is classified into integral operation using the criteria specified in AS-11 "The effect of changes in Foreign Exchange Rates" issued by The Institute of Chartered Accountants of India.

   b) From 1st April, 2009 the operations of the foreign subsidiary viz Maurigo Pte Ltd is reclassified as a non-integral foreign operation using the criteria specified in AS-11 "The effect of changes in Foreign Exchange Rates" issued by The Institute of Chartered Accountants of India.

5. In case of integral foreign operations, the financial Statements are converted as under.

   a) All monetary assets and liabilities using closing exchange rate.

   b) All non monetary items using historical exchange rate.

   c) All revenues and expenses using yearly average exchange rates prevailing during the year.

   d) Exchange differences arising on conversion consolidation are recognised in profit and loss Account.

6. In case of non-integral foreign operations, the financial statements are converted as under.

   a) All monetary and non monetary items are converted using closing exchange rate.

   b) All revenues and expenses using yearly average exchange rates prevailing during the year.

   c) All Exchange differences arising on conversion/consolidations are recognized in the Foreign Currency Translation Reserve.

7. The CFS is prepared after fully eliminating intra group balance, intra group transaction and unrealized profit from the intra group transaction.

8. The excess of cost of the Company of its investments in the subsidiary companies over its share of the equity of the subsidiary Company, at the date on which the investment in the subsidiary Company are made is recognized as "Goodwill" being an assets in the consolidated financial assessment. This Goodwill is tested for impairment at the end of financial statement. The excess of parent Company's portion of equity over the cost of investment as at the date of its investment is treated as capital reserve.

(C) Accounting Policies and notes on Accounts of the financial statements of the parent Company and its subsidiaries are setout in their respective financial statements. However the Company has disclosed such notes and details which represent the needed disclosure to serve as a guide for the better understanding of the Group's position.

2. (a) Previous year's figures have been regrouped/ rearranged to make them comparable with the current year's figures.

   (b) Figures have been rounded off to nearest of rupee in lacs.

3. Contingent Liabilities

(Rs in lacs)

	31st March, 2011	31st March, 2010
(a) For letter of credit opened for which goods were in transit	6,836.87	4,917.11
(b) Guarantee given to banks	1,470.84	35.40
(c) For Corporate guarantee given	13,000.00	16,936.16
(d) Claims against the Company not acknowledged as debts	783.16	1,321.45

4. Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances) Rs. 92.20 lacs (Previous year Rs.1,272.46 lacs)

5. Term Loans from Banks are secured by equitable mortgage of land and building situated at Gadhidham and Haldia, hypothecation of specified machinery at Gandhidham, Sidhpur and Haldia unit and wind Turbines. Further secured by second charge on all current assets of the Company. Working Capital loans are secured by hypothecation of stock, book debts and other current assets of the Company. Term loans repayable within one year Rs. 4,386 lacs. (Previous year Rs. 3,182 lacs).

6 Segment Reporting: - In accordance with AS-17 Segment revenue, segment results and other information are as under.

(Rs. in lacs)

Particulars	Year 2010-11				Year 2009-10			
	Agro Base Commodity	Other	Eliminations	Total	Agro Base Commodity	Other	Eliminations	Total
Segment Revenue								
External Turnover	484,247.37	-	-	484,247.37	296,674.32	-	-	296,674.32
Inter Segment Turnover	-	-	-	-	-	-	-	-
Gross Turnover	**484,247.37**	**-**	**-**	**484,247.37**	**296,674.32**	**-**	**-**	**296,674.32**
Less Excise duty	575.87	-	-	-	509.04	-	-	-
Net Turnover	**483,671.50**	**-**	**-**	**484,247.37**	**296,165.28**	**-**	**-**	**296,674.32**
Segment Result Before Interest and taxes	13,116.24	-	-	13,116.24	8,341.97	-	-	8,341.97
Interest Expeness	4,040.41	-	-	4,040.41	3,263.66	-		3,263.66
Interest Income	835.84	-	-	835.84	750.34	-		750.34
Profit before Tax	**9,911.67**	**-**	**-**	**9,911.67**	**5,828.64**	**-**	**-**	**5,828.64**
Current tax	2,671.66			2,671.66	738.02			738.02
Deferred tax	271.99			271.99	1,272.85			1,272.85
Profit after tax	**6,968.02**	**-**	**-**	**6,968.02**	**3,817.77**	**-**	**-**	**3,817.77**
Other Information								
Segment Assets	147,988.14	-	-	147,988.14	127,029.85	-	-	127,029.85
Segment Liabilities	99,507.45	-	-	99,507.45	85,373.41	-	-	85,373.41
Capital Expenditure during the year	4,335.04	-	-	4,335.04	8,692.43	-	-	8,692.43
Depreciation / Amoritisation	10,777.45	-	-	10,777.45	7,814.54	-	-	7,814.54
Non cash expenses other than depreciation	-	-	-	-	-	-	-	-

Disclosures:

A. Primary Segment

a) Business Segment: - Segment identified by the Company are as under.

1. a) Hitherto the management had identified two primary business segments viz. Edible oil business and non-edible oil business. Edible oil business included manufacturing, processing, marketing operations of edible oil and related products namely imported and domestic edible oil, vanaspati, oil cake, deoiled cake and it's by products.

   b) Non-edible oil business included manufacturing, processing and marketing operations of castor oil, oilcakes etc.

2. Due to changes in the internal reporting system and organization structure, based on the guiding principles given in Accounting standard on "Segment Reporting (AS-17) issued by the Institute of Chartered Accountants of India, the management reviewed and reclassified its primary business segment as "Agro based commodities" which incorporates product groups viz. Soya bean, Palmolive, Cotton seed oil, sunflower oil, mustard seed oil, castor oil, oil cakes, de oiled cakes, vanaspati, oil seeds, it's bye products and other agro-commodities which have similar production processes, similar methods of distribution and have similar risks and returns. Hence the primary segment information is being reported based on this classification from this year.

b) Segment Revenue and Expenses: - Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are non allocable to a segment on a reasonable basis have been disclosed as "Unallocable"..

c) Segment Assets and Liabilities: - Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

d) Inter-segment Transfers: - Segment revenue, segment expenses and segment results include transfer between business segments (whenever applicable) such transfers are eliminated in consolidation.

e) Accounting Policies: - The accounting policies consistently used in the preparation of financial statement are also applied to item of revenue and expenditure in individual segments.

B. Secondary Segment

The Company is selling its goods in domestic as well as export market. The geographical segment details are as under.

(Rs in lacs)

Particulars	31st March, 2011	31st March, 2010
Sales and Services Income (Net of Excise)		
- Domestic	3,77,383.74	2,46,715.94
- International	1,06,287.75	49,449.33
Total	**4,83,671.49**	**2,96,165.28**

7. Method of depreciation and amortization: In case of parent Company, depreciation on fixed assets has been provided at the rate on straight line method at the rate prescribed in schedule XIV of the Companies Act 1956. Intangible assets are amortised equally over five years. Lease hold assets are amortised over the period of lease from date of start of commercial production. In case of foreign subsidiary depreciation has been provided on gross carrying amount in equal annual installments over the estimated useful lives of assets on following rates.

1.	Computers and Office equipments	-	100.00%
2.	Furniture and Electrical equipments	-	100.00%
3	Motor Vehicles	-	33.33%
4.	Renovation	-	33.33%

8. Operating Lease commitment in respect of Maurigo Pte. Ltd. payable within one year Rs. 11.18 lacs (previous year Rs. 20.27 lacs) and within two to five years Rs.13.98 lacs (previous years Rs. 29.93 lacs).

9. Related party Disclosure : Disclosures as required by accounting standard 18 “Related Party Disclosures” are given below.

a. Related Party

1. Gokul Overseas : Firm in which some of the Directors and Company are partners.
2. Gokul Foundation : Charitable Trust where Key Management personnel (KMP) are Trustee.
3. Shree Bahuchar Jan Seva Trust : Charitable Trust where Key Management Personnel (KMP) are Trustee.

b. Key Management Personnel (holding Company)

(i) Shri B.C. Rajput : Chairman and Managing Director
(ii) Shri K.J.Thakkar : Managing Director
(iii) Shri D.H.Sharma : Whole Time Director (up to 31.07.2010)

c. Key Management Personnel (Subsidiary Company)

(i) Shri Giandeo Reemul : Director

d. Relative of Key Management Personnel

(i) Amratji Rajput : Brother in Law of Chairman and Managing Director
(ii) Sunil Sharma : Brother of Whole time Director
(iii) Heenaben Rajput : Daughter of Chairman
(iv) Bhavnaben : Daughter of Managing Director
(v) Deepak Harwani : Son in Law of Managing Director

(A) Transactions with related parties.

(Rs. in lacs)

Sr. No.	Nature of Transaction	Related Parties 31-03-11	Related Parties 31-03-10	Key Management Personnel 31-03-11	Key Management Personnel 31-03-10	Relative of KMP 31-03-11	Relative of KMP 31-03-10
1	Sales	8568.11	224.33				
2	Purchases	397.09					
3	Salary and bonus			213.16	190.41	4.04	6.02
4	Guarantees given	13000	9527.66				
5	Subscription to shares/Investment (net)	3396.52	(464.86)				
6	Receipt of Loan						
7	Repayment of Loans						
8	Loans/advance Given		5.50				
9.	Balance Outstanding						
	a. Unsecured Loan/advances		5.50				
	b. SundiryCreditors.						
	c. Advance Received		9.46				
	d. Other Liabilities			89.95	29.04		
	e. Debtors	2202.69					

Note: - Office premises belonging to related party / KMP situated at Sidhpur/Gandhinager are used by Company for which no rent is paid.

10. The Deferred tax liability of Rs. 272.96 lacs (previous year Rs. 1269.76 lacs.) has been recognized in the profit and loss account.

The major components of deferred tax liability are given below:

(Rs. in lacs)

Particulars	**As at 31st March, 2011**	**As at 31st March, 2010**
Deferred tax liability on account of Depreciation	3309.86	2998.26
Deferred Tax Assets		
i) Retirement benefits	19.73	8.07
ii) Provision for doubtful debts	72.40	44.42
Total	**92.13**	**52.49**
Deferred tax liability (Net)	**3217.73**	**2945.77**

11. Earning per share: (AS-20)

Particulars	**Year ended 31st March, 2011**	**Year ended 31st March, 2010**
- Profit attributable to Equity Shareholders (in Rs. lacs)	6,968.02	3,478.47
- No. of Weighted Average Equity Shares Outstanding During the year. (Adjusted for Bonus Share)	13,18,95,000	13,18,95,000
- Nominal Value of Equity share (in Rs.)	2.00	2.00
- Basic and diluted Earnings per Share Annualized (in Rs.)	5.28	2.64

*Adjusted for sub-division. Refer note no. 3 above.

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.

12. A sum of Rs. 9.75 lacs (Previous year Rs. 30.95 lacs) is included under Manufacturing and other expenses representing net prior period items.

As per our report of even date attached.

For M. R. Pandhi & Associates
Chartered Accountants
(Registration No. 112360W)

M. R. Pandhi
Partner
Membership No : 33057

Ahmedabad
15th June, 2011

For and on behalf of the Board

B.C.Rajput
Chairman and Managing Director

P. N. Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

Kalpesh Desai
Company Secretary

Statement Pursuant to Section 212

of the companies Act, 1956

(Rs. in lacs)

Name of Subsidiary Company	Financial year ending of the Subsidiary	No of equity shares held	Extent of Holding	For financial year of the subsidiary		For the previous financial years since it became a subsidiary	
				Profit/(losses) so far it concerns the Members of the holding Company and not dealt with in the book of account of the holding Company (except to the extent dealt with in col.6)	Profit/(losses) so far it concerns the Members of the holding Company and not dealt with in the book of account of the holding Company	Profit/(losses) so far it concerns the Members of the holding Company and not dealt with in the book of account of the holding Company (except to the extent dealt with in col.8)	Profit/(losses) so far it concerns the Members of the holding Company and not dealt with in the book of account of the holding Company
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maurigo International Ltd.	31/03/2011	1,00,000	100%	540.69	N.A.	(381.83)	N.A.
Maurigo Pte Ltd.	31/03/2011	15,00,001	100%	214.66	N.A.	32.64	N.A.
Professional Commodity Services Private Ltd.	31/03/2011	6,00,000	100%	106.57	N.A.	(3.19)	N.A.

Note: (i) Converted into Indian Rupees at the exchange rate INR.

Consolidated Subsidiary Companies' Particulars

Particulars regarding subsidiary Companies, pursuant to letter No. 47/434/2007-CL-III dated February, 2008 from Ministry of Company Affairs

(Rs. in lacs)

Name of the Subsidiary Company	Issued & Subcribed Share Capital	Reserves	Total Assets	Total liabilities	Invest-ments	Turnover	Profit /Loss	Provision	Profit/ (Loss) after taxation	Proposed Dividend
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Maurigo International Ltd.	44.59	396.26	1,516.93	1,516.93	Nil	1,762.99	540.69	Nil	540.69	Nil
Maurigo Pte Ltd.	668.85	1,256.37	5,495.83	5,495.83	Nil	5,2213.70	253.63	38.97	214.66	Nil
Professional Commodity Services Private Limited	60.00	122.20	182.20	182.20	0.07	158.67	157.57	51.00	106.57	Nil

Note: (i) Converted into Indian Rupees at the exchange rate INR.

Ahmedabad
15th June, 2011

B.C.Rajput	**K. J. Thakkar**	**P. N. Agrawal**	**Kalpesh Desai**
Chairman & Managing Director	Managing Director	Chief Financial Officer	Company Secretary

Gokul Refoils and Solvent Limited
Green Initiative in Corporate Governance

Dear Shareholder,

In case you have not registered your e-mail address for receiving communication from Company in electronic mode, you may submit the Registration Form given below on the following addresses:

Mr. Kalpesh Desai/ Mr. Parth Shah, Gokul Refoils and Solvent Limited, "Gokul House", 43, Shreemali Co. Op Housing Society Limited, Opp. Shikhar Building, Navrangpura, Ahmedabad -380 009.

Tel:- +91-79-66615253/61905569/61905570 Fax:- +91-79-66304543

email: csgrsl@gokulgroup.com; csggpl@gokulgroup.com

OR

Mr. Dnyanesh Gharote, Mr. Deepali Mohite, Link Intime India Pvt. Ltd. (Formerly known as Intime Spectrum Registry Limited), C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai -400 078. Tel: 022- 25963838; 022-25946969

email: deepali.mohite@linkintime.co.in; dnyanesh.gharote@linkintime.co.in

Share holders holding shares in demat mode are requested to register their e-mail address with the Depository Participant.

E-Communication Registration Form

(In terms of circular no. 17/2011 dated 21.04.2011 and circular no. 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs)

Folio No. /DP ID & Client ID: ____________________

Name of 1st Registered Holder: ____________________

Name of Joint Holder(s): ____________________

____

Registered Address: ____________________

____

____

E-mail ID (to be registered): ____________________

I/we shareholder(s) of Gokul Refoils and Solvent Limited, agree to receive communication from the Company in electronic mode. Please register my/our above e-mail id in your records for sending communication through e-mail.

Date: ____________ Signature: ____________________

Note: Shareholder(s) are requested to keep the Company/Depositary Participant informed as and when there is any change in the e-mail address.

Gokul Refoils and Solvent Limited

(Regd. Office : State Highway No. 41, Nr. Sujanpur Patia, Sidhpur - 384 151, Gujarat. India)

Attendance Slip

Eighteenth Annual General Meeting of the Members of the Company to be held on Saturday, 24th September, 2011 at 11.00 A.M. at State Highway No 41, Nr. Sujanpur Patia, Sidhpur – 384151, Gujarat, India.

Folio No.: .... DPID No:.. Client ID No:..

Name of Shareholder (s) ....

I /We certify that I am / We are Member (s) / Proxy of the Member (s) of the Company holding .... Shares.

....

Signature of Member (s) / Proxy

- A Member or his duly appointed Proxy wishing to attend the Meeting must complete this Attendance Slip and hand it over at the entrance.
- Name of the Proxy in Block Letters. .... (in case a Proxy attends the Meeting)

....

Gokul Refoils and Solvent Limited

(Regd. Office : State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India)

Proxy Form

I /We .... of .... being a Member /Members of Gokul Refoils and Solvent Limited hereby appoint .... of .... or failing him .... of .... as my/our proxy to attend and vote for me / us on my / our behalf at the **Eighteenth Annual General Meeting** of the Members of the Company to be held on Saturday, 24th September, 2011at 11.00 A.M. at State Highway No 41, Nr. Sujanpur Patia, Sidhpur – 384151, Gujarat, India and at any adjournment thereof.

In witness where of

I /We have signed on this .... day of ....2011.

Folio No.:................................. DPID No.: ....

Client ID No. :........................... No. of Shares: ....

AFFIX Re. 1 REVENUE STAMP

A Member intending to appoint a Proxy should complete the Proxy Form and deposit it at the Company's Registered Office, at least 48 hours before the commencement of the Meeting.

awards & recognition

- Gokul Refoils Awarded By the Solvent Extractors' Association of India.
  Wins awards for highest 'Rapeseed Extraction', Rapeseed Oilcake' and 'Castor seed Extraction'.

- Obtained [ISO 22000 / HACCP] certification which will provide the Company the flexibility to provide food grade castor oil.

- Gokul Refoils Associate's entity – Gokul Overseas received an award for' Top Exporter of KASEZ (Kandla Special Economic Zone)' for the year 2009-10.

Book-Post

If undelivered, please return to :

GOKUL

Gokul Refoils and Solvent Ltd.

Corporate Office :

"Gokul House"
43, Shreemali Co. Op Housing Society Ltd,
Opp. Shikhar Building, Navrangpura,
Ahmedabad - 380 009, Gujarat, India.
Tel. : +91 79 66304555 / 66615253 / 54 / 55
Fax : +91 79 66304543

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