

M. R. PANDHI & ASSOCIATES

CHARTERED ACCOUNTANTS

101, Panchdeep Complex, Mayur Colony, Nr.Mithakhali Six Roads, Navrangpura, Ahmedabad - 380009

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Gokul Agri International Limited

Scope & Purpose

Management of the company desired to get the accounts of the Company audited upto 30th September 2014 and to give audit report for the purpose of submission to Stock Exchanges / SEBI in connection with the Composite scheme of Arrangement between Gokul Refoils & Solvents Ltd and Gokul Agro Resources Ltd and Gokul Agri International Ltd and their respective shareholders and creditors. Accordingly we have conducted the audit

Report on the Financial Statements

We have audited the accompanying financial statements of Gokul Agri International Limited, Sidhpur, which comprise the Balance Sheet as at 30th September, 2014 and Statement of Profit and Loss and also the Cash Flow Statement for the period ended as on 30th September 2014 of the Company and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 2013 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

In our opinion and to the best of our information and according to the explanations given to us, the information required by the Companies Act, 2013, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 30th September, 2014; and
- (b) in the case of Statement of Profit and Loss, of the loss for the period ended on that date, and
- (c) in the case of Cash Flow Statement, of the cash flows for the period ended on that date.



Report on Other Legal and Regulatory Requirements

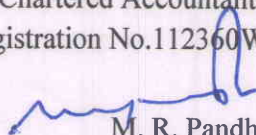
1 As required by section 143 of the Act, we report that:

- (a) 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.
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (d) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- (e) on the basis of written representations received from the directors as on September 30, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2014, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.

Ahmedabad, 5th November, 2014



For, M. R. Pandhi & Associates
Chartered Accountants
Firm Registration No.112360W


M. R. Pandhi
Partner
Membership No.033057

GOKUL AGRI INTERNATIONAL LIMITED

Balance Sheet as at 30th September,2014

Particulars	Note No	As at 30th September,2014
I. EQUITY AND LIABILITIES		
(1) Shareholders' Funds		
(a) Share Capital	<u>1</u>	500,000
(b) Reserves and Surplus	<u>2</u>	(385,920)
(2) Share Application money		60
(3) Current Liabilities		
(a) Short Term Borrowings	<u>3</u>	384,720
(b) Other Current Liabilities	<u>4</u>	1,200
Total		500,060
II.Assets		
(1) Non-current assets		
(a) Fixed Assets		
(i) Tangible Assets		-
(2) Current assets		
(a) Inventories		-
(b) Trade Receivables		-
(c) Cash and Bank balances	<u>5</u>	500,060
(d) Other current assets		-
Significant Accounting Policies	<u>A to K</u>	
Notes forming part of Financial Statements	<u>6 to 19</u>	
Total		500,060

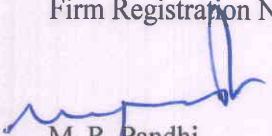
As per our report of even date

For, **M. R. PANDHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.112360W

For and on Behalf of the Board of Directors

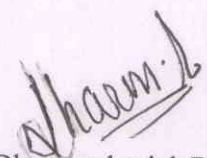

M. R. Pandhi

Partner

Membership No.033057

Ahmedabad, 5th November,2014


Balvantsinh C Rajput
Chairman


Dharmendrasinh Rajput
Director

Ahmedabad, 5th November,2014



GOKUL AGRI INTERNATIONAL LIMITED
Profit and Loss statement for the period ended 30th September,2014

	Particulars	Note No	2014-2015 Amount Rs.
	Income from Operation		
I.	Revenue from operations		
II.	Other Income		-
III.	Total Revenue		-
IV.	<u>Expenses:</u>		
	Purchase		-
	Direct Expenses		-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-
	Finance Cost		-
	Depreciation		-
	Other Expenses		385,920
	Total Expenses		385,920
V.	Profit (Loss) before tax (VII - VIII)		(385,920)
VI.	Tax expense:		
	(1) Current tax		-
	(2) Short / (Excess) Provision of Income Tax (Earlier Year)		-
	(3) Deferred tax		-
VII.	Profit/(Loss) for the period (IX - X)		(385,920)
VIII.	Earning per equity share:		
	(1) Basic		(13.71)
	(2) Diluted (Refer Note No. 18)		-
	Significant Accounting Policies	A to K	
	Notes forming part of Financial Statements	6 to 19	

As per our report of even date
For. M. R. PANDHI & ASSOCIATES
Chartered Accountants
Firm Registration No.112360W

For and on Behalf of the Board of Directors

M. R. Pandhi
Partner
Membership No.033057
Ahmedabad, 5th November,2014

Balvantsinh C Rajput Dharmendrasinh Rajput
Chairman Director

Ahmedabad, 5th November,2014



Gokul Agri International Limited
CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 30TH SEPTEMBER, 2014

[Amount in Rupees]

Particulars	2014-2015
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit(loss) before taxation and extraordinary items	(385,920)
Adjustment for :-	
Depreciation and Amortization	-
Finance Costs	-
sub-total	-
Operating Profit before working capital changes	(385,920)
Change in working Capital :	
Adjustment for Decrease (Increase) in operating assets	
Inventories	-
Trade receivables	-
Other Current Assets	
Adjustment for (Decrease) Increase in operating liabilities	
Other Current Liabilities	1,200
Cash Generated from Operations	(384,720)
Direct tax Paid	-
Cash Flow before extraordinary items	(384,720)
Extraordinary Items/Prior Period Items	-
Net cash from Operating Activities	(384,720)
B. NET CASH FLOW FROM INVESTMENT ACTIVITIES	
Purchase of Fixed Assets	-
Net Cash from Investment Activities	-
C. CASH FLOWS FROM FINANCING ACTIVITIES	
Issue of Share Capital	500,000
Receipt of Share Application money	60
Proceed of Short Term Borrowings	384,720
Net Cash from financial activities	884,780
NET INCREASE /(-) DECREASE IN CASH AND CASH EQUIVALENTS	500,060
FOREIGN EXCHANGE RATE FLUCTUATION	-
OPENING BALANCE IN CASH AND CASH EQUIVALENTS	-
CLOSING BALANCE IN CASH AND CASH EQUIVALENTS	500,060

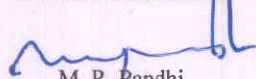
As per report of even date

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 (excluding fixed deposits) only.

As per our report of even date attached.

For, M. R. Pandhi & Associates
Chartered Accountants



M. R. Pandhi
Partner

Membership No.033057

Firm Registration No.112360W

Ahmedabad, : 5th November, 2014



For and on behalf of Board of directors



Balvantsinh Rajput
Chairman



Dharmendrasinh Rajput
Director

Ahmedabad, 5th November, 2014



Gokul Agri International Limited

Notes forming part of the Balance Sheet as at 30th September,2014

Not e No	Particulars	As at 30th September,2014
1	Share Capital	
	Equity Share Capital	
	Authorised Share capital : 200,0000 Equity Shares of Rs.10/-each	20,000,000
	Issued Share Capital : 50,000 equity shares of Rs.10/- each	500,000
	Subscribed Share Capital ; 50,000 equity shares of Rs.10/- each	500,000
	Paid up Share Capital: 50,000 equity shares of Rs.10/- each	500,000
	Less : Calls in arrears	-
	Total	500,000

Notes:

- All the equity shares carry equal rights and obligation including for dividend and with respect to voting.
- The Reconciliation of the number of shares outstanding as at the period end is set as below:

Particular	As at 30th September,2014	
	No. of Shares	Amount
Number of Equity shares at the beginning of the period	-	-
Add: Equity Shares issued during the period	50,000	500,000
Number of Equity shares at the end of the period	50,000	500,000

- The details of shareholders holding more than 5% of the equity shares of the Company as at period end is as below :

As at 30th September,2014		
Name of shareholder	Number of equity shares held	Percentage Holding
Gokul Refoils & Solvents Ltd	50,000	100.00%

- Details of shares held by the Holding Company, The Ultimate holding company, their subsidiaries and associates.

As at 30th September,2014		
Name of Holding Company	No. of Shares	Amount
Gokul Refoils & Solvents Ltd	50,000	500,000

2	Reserves & Surplus	
	Surplus / (Deficit) in Statement of Profit and Loss	
	Opening balance	-
	Add: Net profit / (loss) after tax from continuing operations	(385,920)
	Closing balance	(385,920)
3	Short Term Borrowings	
	- Unsecured loan - from Holding Company	384,720
	Total	384,720
4	Other Current Liabilities	
	- Other Payable	1,200
	Total	1,200
5	Cash and Bank Balances	
	a. Cash and Cash Equivalents	
	Balances with banks	
	- in current accounts	500,060
	Cash on hand	-
	Total	500,060



Gokul Agri International Ltd

Significant Accounting Policies:-

A Basis of preparation of financial statements and revenue recognition:-

- 1 The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013 as adopted consistently by the company.
- 2 Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the company.
- 3 Sale of goods is recognised on transfer of significant risk and rewards of ownership which is generally on shipment and dispatch to customers..
- 4 The accounts are prepared on the basis of historical cost convention and on the accounting principles of a going concern. All the expenses to the extent ascertainable with reasonable certainty, considered payable, are accounted on accrual basis, unless otherwise stated

B Fixed Assets & Depreciation / Amortisation: -

- 1 Fixed assets are stated at cost of acquisition or construction net of Excise, Value Added Tax less accumulated depreciation. All costs, till commencement of commercial production are capitalized.
- 2 Depreciation on fixed assets is provided on the straight Line Method at the rates and in the manner prescribed in Schedule II of the Companies Act 2013.
- 3 Capital work in progress includes advances paid for acquisition of fixed assets, not to put use before the year Revenue Recognition

C Employee Retirement Benefit :-

- 1 In the absence of any employee during the period under audit the provisions of ESIC Scheme and Provident Fund and Payment of gratuity Act are not applicable to the company.

D Taxation:-

Taxation expense comprises 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.

E 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 a/c and as deferred tax Assets/Liability in the Balance-Sheet.

F 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 take substantial period of time to get ready for intended use. All other borrowing cost are charged to Revenue.

G 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.

H 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. Contingent liabilities are not recognised but are disclosed in the notes, Contingent assets are neither recognised nor disclosed in the financial statements.

I 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.

J 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.



Gokul Agri International Ltd

General Notes forming the parts of Accounts

- 6 The company was incorporated on 23rd May 2014. The first accounting year of the company shall end on 31st March, 2015. Due to specific requirement as mentioned in note 9 below these accounts are prepared for interim period from 23rd May 2014 to 30th September 2014. The Company has not started any business activity till 30th September 2014, due to this the disclosure under Accounting Standards AS-15 Employee Benefits and AS-17 Segment Reporting are not given.
- 7 Previous year's figures are not given as Company was incorporated on 23rd May 2014. Figures have been rounded off to nearest of rupee.
- 8 In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value, if realized, during the ordinary course of business.
- 9 The Board of Directors of the company in their meeting dated 31st July 2014 have approved the composite scheme of arrangement between Gokul Refoils & Solvents Ltd (GRSL) and Gokul Agro Resources Ltd (GARL) and Gokul Agri International Ltd (GAIL) and their respective shareholders and creditors. As per draft scheme the whole of the Sidhpur undertaking and Sidhpur Windmill Undertaking shall be transferred to and vested into GAIL as a going concern so as to vest in GAIL all rights, title and interest pertaining to the said Sidhpur undertakings. GAIL shall issue such number of shares to GRSL equivalents to the value as may be determined and mutually agreed between the Board of Directors of GRSL and GAIL in consideration of the transfer of the said undertakings.
- 10 Expenditure incurred by the company on employee who were in receipt of remuneration exceeding Rs.6,000,000/- or more per annum or Rs.500,000/- or more per month Rs.NIL
- 11 Payment to Auditors :

Particulars	30th September 2014
i) For Audit Fees	NIL
iii) For Taxation Services	NIL
Total Rs:	NIL

12 Payments to Managing Director:

Particulars	30th September 2014
Salaries	Amount (Rs)
Total	NIL

13 Contingent liability and capital commitments.

Particulars	30th September 2014
Guarantee given to bank	NIL
Contracts remaining to be executed on capital account	Refer Note 9

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

Particulars	30th September 2014
Raw Material	NIL
Capital Goods-	NIL
Packing Material	NIL

15 Expenditure in Foreign currency

Particulars	30th September 2014
	NIL

16 Earnings in Foreign currency

Particulars	30th September 2014
Exports at FOB value	NIL

17 Related party Disclosure. :-

Disclosures as required by Accounting Standard 18 "Related Party Disclosures" are given below.

A Related Parties

- | | |
|--------------------------------|------------------------------|
| 1 Gokul Refoils & Solvent Ltd. | Holding Company |
| 2 Balwantsinh C. Rajput | Chairman & Managing Director |
| 3 Dhamendrasinh B. Rajput | Director |
| 4 Bhikhiben Rajput | Director |
| 5 Digeshsinh Rajput | Relative of Director |
| 6 Heenaben Rajput | Relative of Director |
| 7 Rashmiben Rajput | Relative of Director |



Gokul Agri International Ltd
General Notes forming the parts of Accounts

D Transactions with related parties :

Sr. No.	Nature of Transaction	Related Parties		Key Management Personnel		Relatives of KMP	
		30/09/2014		30/09/2014		30/09/2014	
		Rs.		Rs.		Rs.	
1	Short Term Borrowing	384,720	-	-	-	-	-
2	Issue of Share Capital	500,000	-	-	-	-	-
3	Application money	60	-	-	-	-	-
4	Closing Balance in :						
	Short Term Borrowing	384,720	-	-	-	-	-
	Other Current liabilities	60	-	-	-	-	-

18 Particulars of Earnings Per Share:

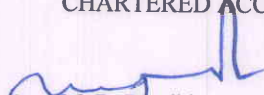
Earning per share computed in accordance with Accounting Standard 20 issued by The Institute of Chartered Accountants of India.

Particulars	2014-15
Net Profit attributable to Share Holders	(385,920.00)
Number of Equity shares/Weighted Equity Shares	28142
Nominal value of share	10
Earning per share	(13.71)

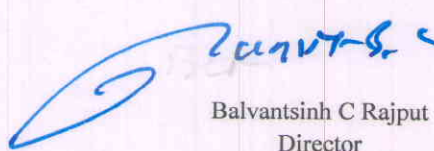
In the absence of details of number of potential Equity Shares to be issued to GRSL pursuant to the Composite scheme of arrangement as referred to note no. 9 the working of Dilutive Earning per share is not given

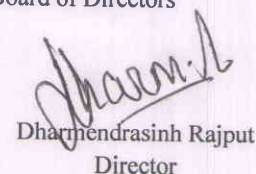
19 Provisions of gratuity payable under Payment of Gratuity Act is not applicable to the Company during the period under reference.

FOR, M. R. PANDHI & ASSOCIATES
 CHARTERED ACCOUNTANTS


 M. R. Pandhi
 Partner
 M.No.33057

For and on behalf of the Board of Directors


 Balvantsinh C Rajput
 Director


 Dharmendrasinh Rajput
 Director

Place : Ahmedabad
 Date : 5th November, 2014



Place : Ahmedabad
 Date : 5th November, 2014

