



GOKUL REFOILS AND SOLVENT LIMITED

Company Information

Board of Directors

Mr Balvantsinh C Rajput	-	Chairman & Managing Director
Mr Kanubhai J Thakkar	-	Managing Director
Mr Dinesh H Sharma	-	Whole-time Director
Mr PiyushChandra R Vyas	-	Independent Director
Dr Dipuba H Devada	-	Independent Director
Dr Rashid Ali Khan	-	Independent Director

Board Committees

Audit Committee

Mr Piyushchandra R Vyas (w.e.f. 12/9/2007)	-	Chairman
Dr Dipuba H Devada (w.e.f. 12/9/2007)	-	Member
Mr Dinesh H Sharma	-	Member
Mrs Bhikhiben B Rajput	-	Member (till 10/8/2007)
Mrs Manjulaben K Thakkar	-	Member (till 10/8/2007)

Shareholders /Investors Grievances Committee

Dr Rashid Ali Khan	-	Chairman
Mr PiyushChandra R Vyas	-	Member
Dr Dipuba H Devada	-	Member
Mr Kanuhai J Thakkar	-	Member

Remuneration Committee

Dr Dipuba H Devada	-	Chairman
Dr Rashid Ali Khan	-	Member
Mr Piyushchandra R Vyas	-	Member

Auditors

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

Company Secretary & Compliance Officer

Manish P. Kella

Bankers

State Bank of India
Punjab National Bank
Development Credit Bank Ltd
Central Bank of India
Bank of Maharashtra
State Bank of Indore
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 limited,
Opp. Shikhar Building,
Navrangpura, Ahmedabad 380 009.

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

Registrar & Transfer Agents

Intime Spectrum Registry Limited,
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup(W). Mumbai -400 078.

NOTICE

NOTICE is hereby given that the **15th ANNUAL GENERAL MEETING** of the Company will be held on Saturday, 13th September, 2008 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 receive, consider and adopt the audited balance sheet as at 31st March, 2008 and the Profit & Loss Account for the year ended on that date together with the Director's Report and Auditor's Report thereon.
- (2) To appoint a Director in place of Dr. Dipuba H Devada, who retires by rotation and being eligible, offers herself for re-appointment.
- (3) To appoint M/s. M. R. Pandhi & Associates, Chartered Accountants as statutory auditors of the Company to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. Karansinhji Mahida, be and is hereby elected as a Non-Executive Independent Director of the Company."

- (5) 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 moneys payable by the Company and that the Board of Directors is further authorised 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

"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."

By Order of the Board

PLACE : Ahmedabad

DATE : 23/06/2008

Manish P. Kella
Company Secretary

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.
2. A proxy in order to valid should be lodged at the registered office of the company not later than 48 hours of the time of the annual general meeting of the company.
3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the board resolution authorising there representative to attend and vote on their behalf at the meeting.



GOKUL REFOILS AND SOLVENT LIMITED

4. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
5. Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 is enclosed herewith.
6. The register of members and share transfer books of the company will remain closed from 9th September, 2008 to 13th September, 2008 (Both days inclusive)
7. Members are requested to bring their Attendance Slip along with the copy of Annual Report to the Meeting.
8. Members desirous to asking any questions at the annual general meeting are requested to send their questions to the Company's registered office atleast 7 days before the Annual General Meeting so that the same can be suitably replied to.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

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

Item no 4

In order to broad base the Board, the Company proposes to appoint Mr. Karansinhji Mahida as Non-Executive Independent Director. 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 Mr. Karansinhji Mahida to the Board of Directors.

None of the Directors is concerned or interested in this resolution. The Board commends the resolution at item No. 4 for approval of members.

Item no 5

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 India (SBI) and Development Credit Bank Ltd (DCB) and State Bank of India, Allahabad Bank and HDFC Bank. 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.5 of the accompanying notice.

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

By Order of the Board

PLACE : Ahmedabad
DATE : 23/06/2008

Manish P. Kella
Company Secretary

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

Name of director	Dr. Dipuba H Devada	Mr. Karansinhji D. Mahida
Date of birth	14/10/1960	06/10/1948
Date of appointment	06/09/2007	–
Qualification	M.Sc.(Statistics) M.Ed. & Ph.D.	B.A. LLB (Special)
Expertise in specific functional area	Presently the Principal of Dada Dukhayal College of Education. Gujarat Life Member of All India Association of Educational Research.Gujarat Ganit Mandal and Gujarat Statistical Association.	Retired additional Secretary to Government of Gujarat
Directorship in other Indian public limited companies as on 31/03/2008	None	None
Chairmanship / Membership of committees in other Indian public limited companies as on 31/03/2008	None	None

By Order of the Board

**PLACE : Ahmedabad
DATE : 23/06/2008**

**Manish P. Kella
Company Secretary**

DIRECTORS' REPORT

Dear Stakeholders,

Your Directors are pleased to present the 15th ANNUAL REPORT on the affairs of the Company together with the audited Balance Sheet as on 31st March' 2008 and Profit & Loss Account for the year ended 31st March' 2008.

FINANCIAL RESULTS
(Rs. In Lakhs)

Sr. No.	Particulars	31.3.2008	31.3.2007
1.	Gross Turnover And Operating Income	205152.81	156356.65
2.	Net Turnover	205074.60	156249.12
3.	Other Income	593.74	457.00
4.	Total Revenue	205668.34	156706.12
5.	Profit before interest, Depreciation, Miscellaneous Expenditure written off and Taxation (EBIDTA)	13515.40	6482.51
6.	Interest and Financial Cost	4172.56	1948.75
7.	Depreciation and Miscellaneous Expenditure WRITTEN OFF	1222.18	830.14
8.	Profit before Taxation (PBT)	8196.87	3703.62
9.	Tax including Deferred Tax and Fringe Benefit Tax	2700.92	1032.10
10.	Profit after Taxation (PAT)	5495.94	2671.52
11.	Profit brought forward from the Previous Year	8387.34	5715.82
12.	Balance carried to Balance Sheet	13880.11	8387.34

Operations Overview

During the year under review, the Company has posted an impressive performance.

On standalone basis, the Company has achieved turnover of Rs. 205074.60 lacs in comparison of previous year Rs. 156249.12 lacs which shows a growth of about 31%. The net profit after tax has increased to Rs. 5495.94 lacs as compared to Rs. 2671.52 lacs in the previous year registering a growth of 105.70%.

On a Consolidated basis, the Turnover, EBIDTA and PAT of the Company are Rs. 205074.60 lacs Rs. 13515.40 lacs and Rs. 5495.94 lacs respectively.

DIVIDEND

In order to conserve the resources as committed for meeting with the expenses envisaged for the new projects and ongoing expansion and for future growth, your Directors do not recommend any dividend for the year under review.

STATUS OF THE NEW PROJECTS & EXPANSION OF EXISTING PROJECTS
a) Completion of 1500 TPD Soyabean processing plant near Gandhidham, Gujarat

Your Company has set up a Soyabean processing plant having an installed capacity of 1500 tons per day (TPD) and the plant became operational during the year under review.

b) Expansion of edible oil refinery from 100 TPD to 400TPD

The Surat unit is also proposed to be expanded from 100 TPD refining capacity of the plant to 400 TPD.

c) Setting up of a 1000TPD refinery at Haldia

In keeping with its vision of becoming a truly national player and leader in edible oil sector the Company has decided to set up a state-of-the art edible oil refinery at Haldia in West Bengal. The Company has already acquired leasehold land from the "Haldia Development Authority. The Company has placed orders for major plant and machineries. The total capital cost for this project is estimated at Rs.140 crores. And the same would be met partly through term loans from banks and partly from internal cash accruals..

PREFERENTIAL ALLOTMENT

Your Company has made preferential allotments for 8,08,108 Equity shares of Rs. 10 each at a premium of Rs. 175 each amounting to Rs. 149499980 during this year. All the shares are subject to lock-in for a period of one year from the date of allotment..

INITIAL PUBLIC OFFER (IPO)

The company had come up with an IPO recently. It had received an excellent, splendid and an overwhelming response from the Public.

The Issue opened on 8th of May 2008 and closed on 13th of May,2008. The Company had offered 7158392 equity shares through IPO with a price-band of Rs.175 to Rs.195.The Issue was over subscribed by 4.27 times overall. It had been oversubscribed 2.72 times in QIB segment, 6.58 times in HNI segment, 1.06 times in EMPLOYEE category, and 5.59 times in RETAIL segment. Allotment of the shares was made on 27th of May, 2008. The equity shares of the Company have been listed on BSE and NSE on 4th of June, 2008.

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.

DISCLOSURE

Pursuant to section 217(1) & 217(2) of the Company Act, 1956 read with the Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988. The relevant information with respect to conservation of energy, technology absorption and foreign exchange earning/out go have been provided elsewhere in the report.

The Board of Directors inform the members that during the financial year there has been no change

1. In the nature of the company's business.
2. In the classes of business in which the company has an interest.

SUBSIDIARY COMPANIES

Your Company has two wholly owned subsidiary companies namely Maurigo International Ltd, Mauritius and Maurigo Pte Ltd ,Singapore.In line with section 212 of the Companies Act, 1956 the audited statements of accounts along with the Director's Report and the Auditor's report of both these companies is annexed herewith.

DIRECTORS

Mrs. Bhikhiben B Rajput, Mrs. Manjulaben K Thakkar and Mrs. Jashodaben J Thakkar have resigned from the office of the Directors of the Company with effect from August 10, 2007. The Board records its appreciation for the valuable contribution made by them during their tenure as Directors of the Company.

Mr. Piyushchandra R Vyas, Dr. Dipuba H Devada and Dr. Rashid Ali Khan have been appointed as the Independent and Non-executive Directors of the company with effect from September 6, 2007 at the Extra Ordinary General Meeting.

In terms of Article 155 of the Articles of Association, Dr. Dipuba H Devada, retire by rotation and being eligible, offer herself for reappointment at the ensuing Annual General 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 Mr. Karansinhji Mahida to the Board of Directors.

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, 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.

The company is consistently following the practice of accounting for custom duty on goods lying in custom bonded warehouse and it has no effect in its profit/loss for the year. There is no other qualification in the auditors report.

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, 2008 have been prepared by the Company in accordance with the requirements of Accounting Standard 21 "Consolidated Financial Statements" and Accounting Standards prescribed by the Institute of Chartered Accountants of India. The Audited Consolidated Financial Statements Form the part of the annual report.

PARTICULARS OF THE EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, the particulars of the employees receiving remuneration in aggregate not less than Rs. 24,00,000 per annum or Rs. 2,00,000 per month is hereby annexed as **Annexure-B** to the 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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2008 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 Company and for preventing and detecting fraud and other irregularities;
- (iv) They have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE AND SOCIAL RESPONSIBILITY

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 given as **Annexure** to this report.

SOCIAL RESPONSIBILITY

The Company has been proactively discharging its social responsibilities in the area of Health and Education through Bahuchar Janseva Trust, a charitable trust which runs 50 bed hospital and library in Sidhpur. It has started a hospital at Gandhidham also. Your Company has been supporting this trust since its incorporation.

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 (Disclosure of particulars in the Report of the Board of Directors) rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the **Annexure-A** hereto forming a part of the report.

APPRECIATION

The Directors take this opportunity to express their appreciation for the co-operation and assistance received from the Bankers as well as Shareholders during the year under review.

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

For and on behalf of the board

Place: Ahmedabad
Dated:23/06/2008

BALVANTSINH C RAJPUT
Chairman and Managing Director

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

INDUSTRY OVERVIEW AND DEVELOPMENTS

India is world's third largest edible oil economy, after China and US. India's annual consumption is around 10 million tonnes vis-à-vis China's 14.5 million tonnes. However, India's per capita consumption at 10.2 kgs per annum is considerably lower compared to global standards. India is also a leading producer of oilseeds, contributing 7-8% of world oilseed production. India is estimated to account for around 6% of the world's production of edible oils. Though it has the largest cultivated area under oilseeds in the world, crop yields tantamount to only 50-60% of the world's average. India is the fifth largest producer of oilseeds in the world, behind US, China, Brazil, and Argentina. Since 1995, Indian share in world production of oilseeds has been around 8-10%.

Edible oil processing consists of three operations: crushing and expelling (separating oil from the solids), solvent extraction (to chemically remove residual oil from the oilcake solids), and oil refining. In many countries, these three separate processing operations are conducted by one vertically integrated plant. In India, however, only a small share of oilseed production undergoes solvent extraction and oil refining. Instead, India's oilseeds processing sector is made up of the three groups viz Ghanis, solvent extractors and oil refiners engaged separately.

Edible oils constitute an important component of Indian households' expenditure on food. A large population and steady economic growth are important contributors to India's increasing consumption.

MAJOR FEATURES OF EDIBLE OIL ECONOMY

There are two major features, which have very significantly contributed to the development of this sector. One was the setting up of the Technology Mission on Oilseeds in 1986. This gave a thrust to Government's efforts for augmenting the production of oilseeds. This is evident by the very impressive increase in the production of oilseeds from about 11.3 million tonnes in 1986-87 to 24.8 million tonnes in 1998-99. There was some setback in 1999-2000 because of the un-seasonal rain followed by inclement weather. The production of oilseeds declined to 20.7 million tonnes in 1999-2000. However, the oilseeds production in 2005-06 is estimated to be 27.73 million tonnes. The other dominant feature which has had significant impact on the present status of edible oilseeds/oil industry has been the programme of liberalization under which the Government's economic policy allows greater freedom to the open market and encourages healthy competition and self regulation rather than protection and control. Controls and regulations have been relaxed resulting in a highly competitive market dominated by both domestic and multinational players

INDUSTRY OUTLOOK

With its large population and continued strong economic growth, India is likely to register strong gains in total and per-capita edible oil consumption in the medium term. The country's consumption places India behind only China and European Union. Per capita consumption has increased to 11 kgs in FY2006 and 11.3 kgs in FY2007. Production is expected to increase at a slower rate during 2008 mainly because of an expected decline in India's oilseeds and edible oil production. Only rapeseed production is expected to rise. The extent to which increased consumption is met by Imports—and the types of oil imported—will be strongly influenced by India's trade and domestic agricultural policies, but imports will likely remain strong for the medium term. The financial performance of players in the Indian edible oil industry is expected to be dependent upon oilseed production and edible oil prices. Refining margins (from crude edible oil) and marketing margins (branded sale) are likely to remain robust due to rising demand. Overall, the near term outlook for the solvent extractors and edible oil producers / marketers remain positive.

By 2010, India's total requirement of edible oils for projected population of 1.25 billion at the projected per capita consumption of about 15 kg per annum.

With the invention of bio diesel, about 15%-20% production of the vegetable oil is being directed towards the bio diesel, and with rising global demand, the availability of the edible oils like palm oil for edible purposes has tightened, leading to spurt in their global / domestic prices. The expectation of the fall in oilseed production in the Rabi Season of 2007-2008 coupled with the tightening of the supply in the global markets had triggered the prices of edible oil in India to move north.

FINANCIAL REVIEW

During the year under review, the Company has posted an impressive performance.

On standalone basis, the Company has achieved turnover of Rs. 205074.60 lacs in comparison of previous year Rs. 156249.12 lacs which shows a growth of about 31%. The net profit after tax has increased to Rs. 5495.94 lacs as compared to Rs. 2671.52 lacs in the previous year registering a growth of 105.70%.

STANDALONE

SHARE CAPITAL

The increase in share capital of the Company during the financial year ended on 31st March, 2008 is on account of the following:

808108 Equity Shares of Rs. 10/- each issued as fully paid up on preferential allotment basis at premium of Rs. 175/- per share. Due to this the Company's subscribed, issued and paid up Equity Share capital increased from Rs. 1841.25 lacs to 1922.06 lacs.

RESERVES AND SURPLUS

The reserves and surplus increased from Rs. 10542.76 to Rs. 17329.82 lacs on account of increase in Share Premium received on issue of Shares of Rs. 1414.19 lacs and deduction of share issue expenses of Rs. 119.90 lacs and carry forward of the profits earned for the year.

SECURED LOANS

The secured loans increased from Rs. 7012.63 lacs to 20286.01 lacs on account of additional term loan and working capital loans availed from Banks.

UNSECURED LOANS

The increase in unsecured loan from Rs. 1945.68 lacs to Rs. 5750.65 lacs is on account of short term borrowing for working capital from Bank.

DEFERRED TAX LIABILITY

The Company accounts for deferred tax in compliance with the Accounting Standard 22. The Company has recognised deferred tax liability net of deferred tax assets of Rs. 7.90 lacs of Rs. 1627.49 lacs as on 31st March, 2008.

FIXED ASSETS

During the financial year additions to fixed assets were of Rs. 76262.85 lacs excluding the capital work in progress.

INVESTMENTS

During the year the Company has made an investment in Subsidiary Company based in Singapore aggregating to Rs. 42.91 lacs.

SUNDRY DEBTORS

Sundry Debtors (net of provision) stood at Rs. 8976.77 lacs as compared to Rs. 9669.71 lacs of previous year. During the year the Company made a provision of doubtful debts of Rs. 14.87 lacs.

CASH AND BANK BALANCES

The cash and bank balances increased from Rs. 4975.89 lacs to Rs. 6628.35 lacs.

LOANS AND ADVANCES

Loans and advances accounted to Rs. 4573.84 lacs as against Rs. 1857.41 lacs of previous year.

CURRENT LIABILITIES AND PROVISIONS

The current liabilities have increased to Rs. 31230.09 lacs in the current year from Rs. 23021.71 lacs in the previous year. The provisions have increased to Rs. 442.34 lacs from 362.34 lacs in previous year.

RESULTS OF OPERATIONS

Rs. In lacs

Particulars	2007-08	2006-07
Revenues	205668.34	156706.12
Total Expenditure	192076.73	153927.23
Profit before interest and depreciation	13591.61	2778.89
Finance Cost	4172.56	1948.75
Depreciation & Amortisation	1222.18	830.14
Profit before Tax	8196.87	3703.52
Less: Provision for Taxation	2700.92	1032.10
Profit after Tax	5495.94	2671.52

REVENUES

The total revenues were Rs. 205668.34 lacs in the year as against Rs. 156706.12 lacs in previous year registering a growth of 31.24%.

PERSONNEL COSTS

Personnel cost has increased to Rs. 559.58 lacs as against Rs. 379.40 of previous year. This is on account of increase in business operations.

MANUFACTURING AND OTHER EXPENSES

In the year the total operational expenses have increased to Rs. 16281.87 lacs as compared to Rs. 11918.52 lacs of previous year. This is on account of increase in business operations.

INTEREST AND FINANCIAL COST

Financial cost has increased to RS. 4172.56 lacs from Rs. 1948.75 lacs of previous year. This is due to increase in loans from banks and tightening of interest rates.

DEPRECIATION

Depreciation on fixed assets is provided on Straight Line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Intangible assets are amortised equally over five years. Total depreciation provided during the year was Rs. 1222.18 lacs as against Rs. 830.14 lacs in the previous year.

CONSOLIDATED**SHARE CAPITAL**

The increase in share capital of the Company during the financial year ended on 31st March, 2008 is on account of the following:

808108 Equity Shares of Rs. 10/- each issued as fully paid up on preferential allotment basis at premium of Rs. 175/- per share. Due to this the Company's subscribed, issued and paid up Equity Share capital increased from Rs. 1841.25 lacs to 1922.06 lacs.

RESERVES AND SURPLUS

Reserves and surplus has increased due to increase in share premium account by Rs. 1414.14 lacs and deduction of share issue expenses of Rs. 119.90 lacs. Also, balance of carry forward of profit and loss account of Rs. 14660.46 lacs.

SECURED LOANS

The secured loans at the year end was Rs. 20286.01 lacs.

UNSECURED LOANS

The unsecured loans as on 31st March, 2008 stood at Rs. 5750.65 lacs

DEFERRED TAX LIABILITY

The deferred tax liability at the year end was Rs. 1627.49 lacs. After netting of deferred tax assets of Rs. 7.90 lacs.

REVENUES

Total revenues were Rs. 208544.69 lacs.

PERSONNEL COST

Total personnel cost was Rs. 559.58 lacs.

OPERATING EXPENSES

Total manufacturing and other expenses were Rs. 16745.04 lacs.

INTEREST AND FINANCIAL COST

Total Interest and financial cost was Rs. 4247.95 lacs.

DEPRECIATION

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 amortised equally over five years. Total depreciation provided in the year was Rs. 1222.19 lacs.

FIXED ASSETS

During the financial year addition to fixed assets were of Rs. 76262.85 lacs excluding capital work in progress.

INVESTMENTS

At the year end the investments of the Company stood at RS. 1240.20 lacs.

SUNDRY DEBTORS

Sundry debtors outstanding was Rs. 8980.26 lacs. Provision for doubtful debts was made for Rs. 14.87 lacs.

CASH AND BANK BALANCES

The cash and bank balance was Rs. 7079.53 lacs.

LOAN AND ADVANCES

Loans and advances stood at Rs. 4928.06 lacs

CURRENT LIABILITIES AND PROVISIONS

The current liabilities and provisions was Rs. 39452.09 lacs.

RESULTS OF OPERATIONS

PARTICULARS	2007-08
Revenues	208544.89
Total Expenditure	203074.76
Profit before Interest and Depreciation	5470.13
Interest and Finance Cost	4247.95
Depreciation and Amortisation	1222.18
Profit before Tax	8897.35
Less: Provision for Taxation	2845.50
Profit after Tax	6051.86

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO LAST FINANCIAL YEAR

1. The Company entered capital market with an IPO of 7158392 Equity Shares. Issue received an overwhelming response from all the sections of investors and finally Company allotted 7158392 Equity Shares at an issue price of Rs. 195/- per share including a premium of Rs. 185/- per share. The Company's shares have been listed on NSE and BSE with effect from 4th June, 2008.
2. The Company has decided to set up a 1000 TPD edible oil refinery at Haldia, west Bengal.

RISK AND CONCERN

The main areas of concerns are fluctuations in prices of raw materials which constitute about 85% of total cost and currency risk due to import and export. Your company follows a well designed Risk Management Policy. This policy is reviewed periodically by the Management and appropriately modified wherever necessary based on future outlook. 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.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

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

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

HUMAN RESOURCES:

The Company recognizes the important role that its employees needed to play for the growth of various business activities. The Human Resources policies and processes of the company in line with this. The Company has been maintaining cordial and healthy industrial relations, which has helped to a great extent in achieving the steady growth.

CAUTIONARY STATEMENT

The statements made and figures given in the various section of "Management Discussion and Analysis" is 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.

ANNEXURES TO DIRECTOR'S REPORT

ANNEXURE - "A"

PARTICULARS UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 FOR THE YEAR ENDED ON 31ST MARCH, 2008.

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 81.53 lacs units through wind mills. The Company has made efforts to conserve and optimise 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 measure of 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:

Particulars	(Rs. in lacs)	
	Year ended 31.3.2008	Year ended 31.3.2007
i) Total foreign exchange used	83614.07	63888.81
ii) Total foreign exchange earned	23695.08	11664.64

FORM 'A'

From for disclosure of particulars with respect to Conservation of Energy

Particulars	2007-08	2006-07	
A POWER & FUEL CONSUMPTION :			
1 Electricity			
(a) Purchased units (lacs)	203.83	168.78	
Total cost (Rs.in lacs)	989.66	822.23	
Rate/unit (Rs.)	4.86	4.87	
(b) Generation through captive power facilities			
Through steam Turbine(units in lacs)	33.52	38.88	
Unit per Ltr of Fuel	0.16	0.14	
Cost/Unit Rs.	2.83	2.77	
(c) Own Generation :			
i Through Diesel generator units(lacs)	3.32	3.57	
Unit per Ltr of Diesel Oil	3.86	3.69	
Cost/Unit Rs.	8.63	8.59	
ii Through wind mill (lacs) effective unit generated	81.53	24.97	
Cost/Unit Rs.	3.16	4.25	
Consumption of other Fuel			
2 Lignite for Kilns			
Quantity (ton)	42799.54	37351.68	
Total Cost (Rs. In Lacs)	723.83	522.420	
Average rate per ton	1691.21	1,398.66	
3 Diesel Oil/furnace oil (other than for electricity)			
Quantity (k.ltrs)	998.63	916.34	
Total Cost (Rs. In Lacs)	226.67	184.60	
Average rate per ltrs	22.70	20.15	
B CONSUMPTION PER METRIC TON OF PRODUCTION			
	UNIT		
1 Electricity	KWH	36.64	43.03
2 Lignite	KG	65.17	76.09
3 Diesel Oil/ Furnance Oil	LTRS	1.52	1.87

FORM - B

Disclosures of particulars with respect to technology absorption :

(a) Research and Development (R & D)

- Specific means in which R & D has been carried out. Efforts are being made to further improve the quantity of products and their range.
- Benefits derived as a result of the above (R & D)
Better quantity of products and by products.
- Future plan of action :
To make further progress on means 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. |

ANNEXURE - B
PARTICULARS OF EMPLOYEES AS PER SECTION 217(2a) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2008.

Name	Designation/ Nature of Duties	Remun- eration received (Rs.)	Qualifi- cation	Experi- ence (Years)	Date of Commence- ment of Employment	Age (Years)	Particulars of last Employment held (Name/Place/Period of Ser./Designation)
Shri Balvantsinh C Rajput.	Chairman & Managing Director	1,01,04,000/- **	Matriculate	24	29-12-1992	46	NA
Shri Kanubhai J Thakkar	Managing Director	1,01,04,000/- **	Matriculate	24	29-12-1992	46	NA
Shri R. N. Lohia	CEO	16,15,957/-	B.E. (Hons) in Mech. Engg.	35	04-08-2007	59	Louis Dreyfus India Pvt. Ltd.

** The Remuneration of the Chairman and Managing Director includes only remuneration and commission.

- Notes: 1) Nature of employment : Contractual and renewable.
- 2) Other terms and conditions as per Agreement and subject to the provisions of Sections 269, 309, 310 and other applicable provisions of the Companies Act, 1956 read with Schedule XII of the Act and also as per Company's Rules and also as per approval received from the Central Government.
- 3) Remuneration received includes Salary, House Rent Allowance, re-imburement of Medical Expenses, Personal Accident Insurance Premium, Mediclaim Insurance Premium, Club Membership fees, Company's contribution to Provident Fund, other allowances and Commission.

For, **Gokul Refoils And Solvent Limited.**

Place: Ahmedabad
Date: 23/06/2008

Balvantsinh C Rajput.
Chairman & Managing Director.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S 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.

During the year under review your company was not listed and hence the Corporate Governance was not strictly applicable. However as it was decided to go ahead with the IPO the company started the process and tried its best to implement the same.

BOARD OF DIRECTORS:

Composition, Meeting and attendance record of each Director:

As on 31/03/2008 the Board of Directors comprises of 6 Directors, of which 3 are non-executive and independent. Composition of the Board and category of Directors are as follows:

Category	Name of Directors
Non-Independent and Executive	Mr Balvantsinh C Rajput – Chairman & Managing Director Mr Kanubhai J Thakkar – Managing Director Mr Dinesh H Sharma – Whole-time Director
Independent and Non-Executive	Mr Piyushchandra R Vyas Dr. Rashid Ali Khan Dr. Dipuba H Devada

Dr. Rashid Ali Khan, Mr Piyushchandra R Vyas and Dr Diuba H Devada were appointed Director in Extra Ordinary General Meeting of members held on 6th September, 2007 after the resignation of Mrs Manjulaben K Thakkar, Mrs Jashodaben J Thakkar and Mrs Bhikhiben B Rajput on 10th August, 2007.

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. The attendance record of the Directors at the Board Meeting held during the financial year ended on 31/03/2008 and the last Annual General Meeting (AGM) and the details of their other Directorship and Committee Chairmanship and Membership are given here below:-

Category	Name of Director	Status	No of Board Meeting Held	No of Board Meeting attended	Attendance at last AGM	No of Directorship in other Indian Public Limited	No. of Chairmanship/ Membership of Committees	
							Chairmanship	Membership
Executive Director	Mr. Balvantsinh C. Rajput	Chairman & Managing Director	10	10	Y	1	Nil	Nil
Executive Director	Mr. Kanubhai J. Thakkar	Managing Director	10	10	Y	1	Nil	1
Executive Director	Mr. Dinesh H. Sharma	Whole-time Director	10	9	Y	Nil	Nil	1
Non Executive Director	Mr. Piyushchandra R. Vyas	Independent Director	5*	1	N	1	1	1

Non Executive Director	Dr. Rashid Ali Khan	Independent Director	5*	3	N	Nil	1	Nil
Non Executive Director	Dr. Dipuba H Devada	Independent Director	5*	4	N	Nil	Nil	2
Non Executive Director	Mrs. Bhikhiben B. Rajput	Director	5*	1	Y	Nil	Nil	Nil
Non Executive Director	Mrs. Manjulaben K. Thakkar	Director	5*	5	Y	Nil	Nil	Nil
Non Executive Director	Mrs. Jashodaben J. Thakkar	Director	5*	5	Y	Nil	Nil	Nil

*Mr. Piyshchandra R Vyas, Dr. Rashid Ali Khan & Dr. Dipuba H Devada were appointed on 6th September, 2007

* Mrs. Bhikhiben B Rajput, Mrs. Manjulaben K Thakkar & Mrs. Jashodaben J Thakkar have resigned on 10th August, 2007.

#only two committees, namely, Audit Committee and Shareholders / Investor Grievance Committee have been considered.

During the Financial Year 2007-08, 10 Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings were held on 21/4/2007,22/5/2007,15/6/2007,14/7/2007,10/8/2007,12/9/2007,1/11/2007,8/12/2007,31/12/2007 and 29/1/2008.

Director's Profile

Name of the Director	Designation	Profile
Mr. Balvantsinh Rajput	Chairman & Managing Director	<p>Mr. Balvantsinh Rajput, aged 46 years, a resident Indian national, is a Promoter of our Company.</p> <p>Mr. Balvantsinh Rajput, started as a commodity trader and has come a long way in establishing the fortunes of the group in the past 25 years. He has experience of more than 2 decades, both in edible oil and non edible oil businesses</p> <p>Mr. Balvantsinh Rajput is associated with various Trade Associations.. He was a M.L.A. of Gujarat Legislative Assembly representing Sidhpur constituency from 2002 to 2007. He is co-chairman of SEA Imported Vegetable Oil Processing Committee. He is actively involved in day to day functions of the Company. He looks after administration, production facilities and liaising with government agencies.</p>
Mr. Kanubhai Thakkar	Managing Director	<p>Mr. Kanubhai Thakkar, aged 46 years, a resident Indian national, is a Promoter of our Company.</p> <p>Mr. Kanubhai Thakkar, along with Mr. Balvantsinh Rajput has been instrumental in the formation of the group. He started as a commodity trader and has over 2 decades of experience in edible oils. He is the recipient of the "Oil Man of the Year" award in the year 2005 from 'Globe Oil India 2005'. He is actively involved in the business development activities and major expansion initiatives undertaken by the group. He plays a vital role in the hedging activities undertaken by the group.</p>

		He is the Chairman of Western Zone Solvent Extractors Association of India and office bearer of various committees like SEA International oil and Oilmeal Traders Council, SEA Imports Vegetable Oil Processors Council, SEA Castor seed and Oil Promotion Council.
Mr. Dinesh H Sharma	Whole Time Director	Mr. Dinesh H Sharma, 42 years is an executive director of our Company. He has been associated with our Company since its inception. He has experience of over fifteen years in the Edible Oil Industry.
Dr. Rashid Ali Khan	Independent Director	Dr. Rashid Ali Khan, 62 years, is an independent director of Our Company. He holds a Masters of Science, a Masters of Philosophy and a Ph.D. in Chemistry. He retired from Government service as the Chief Director-cum-Edible Oils Commissioner, Ministry of Consumer Affairs, Food and Public Distribution.
Dr. Dipuba Devada	Independent Director	Dr. Dipuba Devada, 47 Years, is an independent director of Our Company. She holds a Masters of Science, a Masters of Education and a Ph.D. She is presently the Principal of Dada Dukhayal College of Education. She is a life member of the All India Association of Educational Research, Gujarat Ganit Mandal & Gujarat Statistical Association. She has presented various papers in international conferences held in Thailand, Malaysia, Singapore and Nepal. She has taken part in many national and state seminars. She has also written various books on Mathematics and Statistics.
Mr. Piyushchandra R. Vyas	Independent Director	Mr. Piyushchandra Vyas, 65 Years, is an independent director of Our Company. He holds a Bachelors degree in Commerce and L.L.B. He has worked with SBI for 6 years as a grade I officer. He has worked with the Gujarat Industrial Investment Corporations Ltd as Financial Controller for 17 years. He has also worked as Executive Director (Finance) with Gujarat State Police Housing & Corporation Limited for 5 years. He has held the post of GM with the Mafatlal Finance Company also. He has also been associated with the Gujarat Chamber of Commerce as Dy. Secretary General and Indo American Chamber of Commerce as Secretary.

Board Meeting, 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 can be 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 Housing Society, Opp. Shikhar Building, Navrangpura, Ahmedabad – 380 009.
- (iii) Agenda and Notes on Agenda are circulated to the Directors, in advance, defined agenda format. Where it is not practicable to attaché 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 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.

Audit Committee

The Audit Committee consist total 3 Directors viz. Mr. Piyushchandra Non-executive and independent director, Dr. Dipuba, Non-executive and independent and Mr. Dinesh H Sharma, Executive director. Mr. Pyushchandra R Vyas, independent director is the Chairman of the Audit Committee. The Members possess adequate knowledge of accounts, audit, finance etc. The existing audit committee was reconstituted on 12th September, 2007 after the resignation of two members from Board on 6th September, 2007.

The broad terms and reference of audit committee are to review the financial statements before submission to Board, to review reports of management auditors and internal audit department and to review the weaknesses in internal controls reported by management, internal and statutory auditor. In addition, the powers and role of audit committee as laid down under Clause 49 IIC and D of Listing Agreement and Section 292A of Companies Act 1956.

Two meetings of the committee were held during the financial year 2007-2008, on 8/6/2007 and 31/12/2007. The constitution of the committee is at 31/3/2008 and the attendance of each member is given below:

Sr No.	Name of MEMBER	Category	No of Meeting Attended
1	Mr Piyushchandra R Vyas*	Non Executive & Independent Director	1
2	Dr Dipuba H Devada*	Non Executive & Independent Director	1
3	Mr Dinesh H Sharma	Executive Director & Whole-time Director	2
4	Mrs Bhikhiben B Rajput*	Director	1
5	Mrs Manjulaben K Thakkar*	Director	1

*Mr Piyushchandra R Vyas & Dr Dipuba H Devada were appointed on 12th September, 2007 and Mrs Bhikhiben B Rajput & Mrs. Manjulaben K Thakkar have resigned on 10th August, 2007.

Remuneration Committee

The Remuneration Committee, which is a non mandatory requirement of Clause 49, was constituted on 12th September, 2007

The terms of reference of the committee are as follows:

- To determine on behalf of the Board and on behalf of the shareholders, the Company policy on specific remuneration packages for executive directors.
- To approve the payment of remuneration to managerial personnel as per the policy laid down by the committee.

The committee consisting 3 members:-

Name of Member	Category
Dr Dipuba H Devada	Non Executive & Independent Director
Dr Rashid Ali Khan	Non Executive & Independent Director
Mr PiyushChandra R Vyas	Non Executive & Independent Director

Shareholders/ Investors Grievance Committee

The Shareholders/Investor Grievances Committee, which is a mandatory requirement of Clause 49, was constituted on 12th September, 2007. The Committee comprises 3 non-executive directors and one executive director.

Dr Rashid Ali Khan is the Chairman of the Committee.

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

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

GOKUL REFOILS AND SOLVENT LIMITED

The committee consisting 4 members:-

Name of Member	Category
Dr Rashid Ali Khan	Non Executive & Independent Director
Mr PiyushChandra R Vyas	Non Executive & Independent Director
Dr Dipuba H Devda	Non Executive & Independent Director
Mr Kanuhai J Thkhar	Executive Director

The equity shares of the Company is listed on BSE & NSE on 4th June, 2008 hence fore no meeting of shareholders and investors grievances committee was held in financial year 2007-08.

Mr. Manish P. Kella, Company Secretary is compliance officer. His address and contact details are given below:
 "Gokul House" 43, Shreemali Co. Op Housing Society limited, Opp. Shikhar Building, Navrangpura, Ahmedabad 380 009.

Tel:- +91-79-66304555/ 66304548 Fax:- +91-79-66304543 email: ccsgrsl@gokulgroup.com

Annual General Meetings:

AGM	Date	Time	Venue
12 th AGM	30/06/2005	11.00 a.m.	State Highway No. 41, Nr. Sujanpur Patia, Sidhpu -384 151, Gujarat. India
13 th AGM	31/08/2006	11.00 a.m.	State Highway No. 41, Nr. Sujanpur Patia, Sidhpu -384 151, Gujarat. India
14 th AGM	01/08/2007	11.00 a.m.	State Highway No. 41, Nr. Sujanpur Patia, Sidhpu -384 151, Gujarat. India

In addition to the above aforesaid Annual General Meetings, during the year ended on 31/03/2008, the Company held an Extra Ordinary General Meeting on 6th September, 2007. The following resolutions have been passed by the Company:-

- Issue Equity Shares Other than Existing Shareholders of the Company under the Provisions of Section 81(1A) of the Companies Act, 1956:-
- Increase in Authorised Share Capital From Rs. 20 Crores to Rs. 35 Crores:-
- Change in Clause –V of Memorandum of Association :-
- Adopted New set of Articles of Association
- Authorized Board to Create Mortgage and or charge over movable and or immovable properties of the Company
- Appoint Dr. Dipuba Devada, Dr. Rashid Ali Khan and Mr Piyushchandra R. Vyas as a Director

Disclosures:

- There are no materially significant related party transactions i.e. transaction of the Company of material nature with its promoters, directors or the management, their subsidiaries or relative etc. which have potential conflict with the interest of the Company at large.
- The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures, which are periodically reviewed.

Means of communication

During the financial year 2007-08 Equity shares of the Company were not listed hence, requirements of listing agreement as regards communication were not applicable.

EDIFAR filling & CFDS

During the financial year equity shares of the Company were not listed in any stock exchange hence, the requirements of Clause 51 & 52 of listing agreement were not applicable.

**Management discussion and analysis report**

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

General Shareholders information

Annual General Meeting

Day & Date	Time	Venue
Saturday, 13th September, 2008	11.00 A.M.	State Highway No 41, NR. SUJANPUR PATIA, SIDHPUR – 384151 NORTH GUJARAT,
Date of Book Closure :	9th September, 2008 to 13th September, 2008 (Both days inclusive)	
Financial Year :	1 st April, 2007 to 31 st March, 2008	

Listing of shares on stock exchanges on 4th June, 2008

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

ISIN No of Equity Shares : INE020J01011

Address for investor correspondence and Register & Share Transfer Agent

Intime Spectrum Registry Limited,
C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W). Mumbai -400 078

*During the financial year 2007-08 the equity shares are not listed.

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.

a) Code of Conduct for Board Members and Senior Management

The Board of Directors of the Company adopted the Code of conduct for its members and senior management at their meeting held on 23/06/2008. 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 executive 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.

Compliance Certificate by auditors

The Company is listed on 4th June 2008 on BSE and NSE, Certificate for Compliance of Corporate Governance under clause 49 is annexed.

For, **Gokul Refoils And Solvent Limited.**

Place: Ahmedabad
Date: 23/06/2008

Balvantsinh C Rajput.
Chairman & Managing Director.

CERTIFICATE

To,
The Members of
Gokul Refoils And Solvent Ltd.

We have examined the compliance of conditions of Corporate Governance by **Gokul Refoils And Solvent Ltd.**, for the year ended on **31st March, 2008**, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The equity shares of the company were not listed on any stock exchange during the financial year 2007-08 i.e.the year under review.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of 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

Date: 23/06/2008
Place: Ahmedabad

M.R. Pandhi
Partner
Membership No.: 33057

AUDITOR'S REPORT

To the Members of
Gokul Refoils and Solvent Limited

We have audited the attached Balance Sheet of GOKUL REFOILS AND SOLVENT LIMITED ("the Company") as at March 31, 2008 and 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 appears 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, and read with Note No 4 of Schedule 20 regarding accounting for custom duty on goods lying in bonded godown, 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 and taken on records by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2008 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 and **subject to note no. 4 regarding non provision of custom duty**, 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 March 31, 2008 ;
 - (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 maintained proper records showing full particulars including quantitative details and location of the fixed assets.
 - 2) The management during the year has physically verified all the fixed assets. According to the information and explanations given to us, there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - 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 there were no material discrepancies 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 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 taken unsecured loans aggregating to Rs. 379.95 lacs during the year from four other parties covered in the register maintained u/s 301 of the Companies Act 1956. The company had taken in the past loans from fourteen other parties. The maximum amount involved during the year was Rs. 2017.42 lacs and the year end balance of loans taken from such parties was Rs. 4.88 lacs.
 - 2) The rate of Interest and other terms and conditions of such loans are, in our opinion prima facie not prejudicial to the interest of the Company.
 - 3) The company is regular in repaying the principal amounts and interest as stipulated.
 - 4) There is no overdue amount in respect of loan taken by the company.
- B) In respect of Loan granted
- 1) The company has granted interest free unsecured loans aggregating to Rs.841.34 to two companies covered in the register maintained u/s 301 of the Companies Act 1956. The maximum amount involved during the year was Rs. 841.34 lacs and the year-end balance of loans granted to such parties was Rs.841.34 lacs.
 - 2) The other terms and conditions of such loans are , in our opinion prima facie not prejudicial to the interest of the Company.
 - 3) As per the information and explanation given to us the said loans are given interest free on account of commercial prudence to have long term benefits due to the nature of association with the said companies.
 - 4) There is no overdue amount in respect of loan granted by the company.
- (iv) As per the information and explanations given to us, there are, in our opinion, adequate internal control procedures commensurate with the size of the company and nature of its business for the 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 the pursuance of section 301 of The Companies Act 1956.
1. To the best of our knowledge and belief and according to the information and explanation given to us transactions that needed to be entered into the register have been so entered.
 2. In our opinion and according to the information and explanation given to us the transactions exceeding value of Rs. 5 lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) 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.
- (vii) As per the information and explanations given to us, the company has an internal audit system commensurate with the size of the Company and nature of its business.
- (viii) We have broadly reviewed the books of accounts maintained by the Company relating to the manufacture of Vanaspati, pursuant to the notification of the Central Government for the maintenance of the cost records under section 209(i)(d) of the Companies Act, 1956 and on the basis of information received, 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. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed maintenance of the cost records under section 209(i)(d) of the Companies Act, 1956 for any other products of the Company.
- (ix) 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 and other statutory dues with the appropriate authorities during the year.
- 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. 86.81 lacs on account of disputed matters pending before appropriate authority as mentioned below.

Sr. No.	Nature of Statue	Nature of Dues	Amount (Rs .in lacs)	Forum where disputes is pending
1	Income Tax Act, 1961	Income tax / Penalties	62.63	Commissioner of Income Tax (Appeal), Gandhiagar.
2	Custom Act, 1962	Interest on education cess of Custom Duty	21.78	Commissioner of Customs (Appeal)
3	Sales Tax Act of Gujarat	Sales Tax	2.40	Joint Commissioner of Sales Tax, A 'bad

- (x) The company neither have accumulated losses at the end of year, nor incurred cash losses during the current and the immediately preceding financial year.
- (xi) 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 holder.
- (xii) 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
- (xiii) 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.
- (xiv) The Company is not dealing or trading in shares, securities, debenture and other investments during the year.
- (xv) In our opinion and according to the information an explanations given to us, the terms and conditions of the guarantees given by the company for loans taken by others from banks, are not prima facie prejudicial to the to the interests of the company.
- (xvi) 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, other than temporary deployment pending application.
- (xvii) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short term basis that have been used for long term investment.
- (xviii) 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.
- (xix) 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.
- (xx) The company has not raised any money by public issue during the year.
- (xxi) 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.

**FOR M. R. PANDHI & ASSOCIATES,
CHARTERED ACCOUNTANTS**

PLACE:- AHMEDABAD
DATE: 23rd June,2008

**M.R.PANDHI
PARTNER
Membership No. 33057**

BALANCE SHEET AS AT 31 MARCH, 2008

(Rs. in lacs)

Particulars	Schedule	As at 31st March, 2008 Rs.	As at 31st March, 2007 Rs.
SOURCES OF FUNDS			
1. SHARE HOLDERS' FUNDS			
(a) Share Capital	1	1,922.06	1,841.25
(b) Reserves and Surplus	2	17,329.82	10,542.76
		<u>19,251.88</u>	<u>12,384.01</u>
2. LOAN FUNDS			
(a) Secured Loans	3	20,286.01	7,012.63
(b) Unsecured Loans	4	5,750.65	1,945.68
		<u>26,036.66</u>	<u>8,958.31</u>
3. DEFERRED TAX LIABILITY(NET)		<u>1,627.49</u>	<u>1,025.67</u>
TOTAL		<u>46,916.04</u>	<u>22,367.99</u>
APPLICATION OF FUNDS			
1. FIXED ASSETS	5		
(a) Gross Block		20,310.43	12,693.03
Less : Depreciation and amortisation		3,559.56	2,339.00
Net Block		<u>16,750.87</u>	<u>10,354.03</u>
(b) Capital Work In Progress		141.96	1,193.91
Total Assets		<u>16,892.83</u>	<u>11,547.94</u>
2. INVESTMENTS	6	1,326.80	1,334.29
3. CURRENT ASSETS, LOANS AND ADVANCES			
(a) Inventories	7	40,189.87	16,366.80
(b) Sundry Debtors	8	8,976.77	9,669.71
(c) Cash and Bank Balances	9	6,628.35	4,975.89
(d) Loans and Advances	10	4,573.84	1,857.41
		<u>60,368.84</u>	<u>32,869.81</u>
Less : CURRENT LIABILITIES AND PROVISIONS			
(a) Current Liabilities	11	31,230.09	23,021.71
(b) Provisions	12	442.34	362.34
		<u>31,672.43</u>	<u>23,384.05</u>
NET CURRENT ASSETS :		<u>28,696.40</u>	<u>9,485.76</u>
Signficants accounting policies and Notes forming part of accounts	20		
TOTAL		<u>46,916.04</u>	<u>22,367.99</u>

AS PER OUR REPORT OF EVEN DATE ATTACHED.
FOR M.R.PANDHI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

M.R. Pandhi
Partner
Membership No 33057

P.N.Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

D.H.Sharma
Whole Time Director

PLACE :- Ahmedabad
DATE :- 23rd June, 2008

Manish P. Kella
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

Particulars	Schedule	(Rs. in lacs)	
		2007-2008 Rs.	2006-2007 Rs.
INCOME			
Sales and operating Income	13	205,074.60	156,249.12
Other Income	14	593.74	457.00
TOTAL		205,668.34	156,706.12
EXPENDITURE			
Material Consumed	15	175,235.19	137,925.69
Payment to and Provisions for Employees	16	559.68	379.40
Manufacturing and other Expenses	17	16,281.87	11,918.52
Interest and financial Cost (Net)	18	4,172.56	1,948.75
Depreciation and amortisation	5	1,222.18	830.14
TOTAL		197,471.47	153,002.50
Profit before Tax		8,196.87	3,703.62
Less : Provision for Taxation	19	2,700.92	1,032.10
Profit after Tax		5,495.94	2,671.52
Add : Balance brought forward from Previous year		8,387.34	5,715.82
Less:-Transitional liability on adoption of AS-15 (Refer note no. 25 of schedule 20)		3.17	0.00
Balance carried to Balance Sheet		13,880.11	8,387.34
Earning per share- Basic & Diluted (Face value of Rs. 10 each) Rs.		29.52	14.51
Weighted Average No of Shares (Refer note No. 23 of schedule 20)		18,616,405	18,412,500
Significants accounting policies and Notes forming part of accounts	20		

AS PER OUR REPORT OF EVEN DATE ATTACHED.
FOR M.R.PANDHI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

M.R. Pandhi
Partner
Membership No 33057

P.N.Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

D.H.Sharma
Whole Time Director

PLACE :- Ahmedabad
DATE :- 23rd June, 2008

Manish P. Kella
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2008

(Rs. in lacs)

Particulars	2007-08	2006-2007
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation and extraordinary items	8,196.87	3,703.62
Adjustment for :-		
Depreciation	1,222.18	830.14
Loss on sale of Fixed Assets	(3.63)	1.89
Interest Income Net	2,515.59	1,351.08
Dividend Income Net	(0.27)	(0.18)
Profit from partnership firm	(58.05)	(128.89)
Provision for retirement benefits	3.37	-
Provision for bad and doubtful debts	(14.87)	-
Total	3,664.32	2,054.04
Operating Profit before working capital changes	11,861.19	5,757.66
Adjustment for :-		
Increase in trade receivables	707.82	(5,080.38)
Increase in loans & advances	(1,875.09)	(219.25)
Increase in Inventories	(23,823.08)	(6,446.76)
Increase in trade Payables & Others	8,281.84	7,884.52
Cash Generated from Operations	(4,847.33)	1,895.78
Direct tax Paid (Net of Excess/surplus provision)	(2,099.11)	(639.60)
Interest Paid	(2,989.71)	(1,886.82)
Cash Flow before extraordinary items	(9,936.15)	(630.63)
Extraordinary Items	-	-
Net cash from Operating Activities Total (Rs.)	(9,936.15)	(630.63)
B. NET CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(6,567.38)	(5,461.94)
Pre Operative and project Expenses	-	-
Purchase of Investment (NET)	7.49	(1,287.59)
Proceeds from sale of fixed assets	3.95	18.42
Interest Received on bank Deposits	474.12	535.74
Dividend Received	0.27	0.18
Profit from partnership firm	58.05	128.89
Loan to subsidiary /Associates	(841.34)	-
Net Cash from Investment Activities	(6,864.84)	(6,066.30)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	1,375.10	25.00
Borrowing (Net)	17,078.35	6,005.73
Net Cash used from financial activities	18,453.45	6,030.73
NET INCREASE /(-) DECREASE IN CASH AND CASH EQUIVALENTS	1,652.46	(666.20)
OPENING BALANCE IN CASH AND CASH EQUIVALENTS	4,975.89	5,642.09
CLOSING BALANCE IN CASH AND CASH EQUIVALENTS	6,628.35	4,975.89

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.

AS PER OUR REPORT OF EVEN DATE ATTACHED.
FOR M.R.PANDHI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

M.R. Pandhi
Partner
Membership No 33057

P.N.Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

D.H.Sharma
Whole Time Director

PLACE :- Ahmedabad
DATE :- 23rd June, 2008

Manish P. Kella
Company Secretary

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31STMARCH,2008
(Rs. in lacs)

Particulars	As at 31st March,2008 Rs.	As at 31st March,2007 Rs.
1. SHARE CAPITAL		
Authorised		
3,50,00,000 Equity Share of Rs.10/- each (Previous year. 2,00,00,000 Equity Share of Rs.10/- each)	3,500.00	2,000.00
Issued, Subscribed and Paid Up		
1,92,20,608 Equity Share of Rs.10/- each fully paid up (Previous year 1,84,12,500 Equity Share of Rs.10/- each fully paid up) out of above 6137500 equity shares are allotted as fully paid up Bonus shares by the capitalisation of share premium account	1,922.06	1,841.25
TOTAL	1,922.06	1,841.25
2. RESERVES AND SURPLUS		
Capital Reserve		
Capital Subsidy		
Balance as per last Balance sheet	74.17	49.17
Add : Addition during the year		25.00
	74.17	74.17
Share Premium Account		
Balance as per last Balance sheet	2,081.25	2,695.00
Add : Addition(deduction) during the year	1,414.19	(613.75)
Less : Share Issue Expenses	(119.90)	
	3,375.54	2,081.25
Profit and Loss Account		
Balance as per Profit and Loss Account annexed	13,880.11	8,387.34
TOTAL	17,329.82	10,542.76
3. SECURED LOANS		
From banks (See Note 9)		
Term Loans	5,837.17	3,738.54
Working Capital Loans	14,448.84	3,274.09
TOTAL	20,286.01	7,012.63
4 UNSECURED LOANS		
From Directors/Promoters	4.88	1,945.68
From Bank for Working Capital	5,745.77	-
TOTAL	5,750.65	1,945.68

Schedule - 5 Fixed Assets

Particular	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	Sr. No.	Description of Assets	Opening Balance As On 01.04.2007	Addition During the year	Deduction during the year	Total as on 31.3.2008	Opening Balance As On 01.04.2007	Addition During the Year	Dedu. during the year	Total as on 31.3.2008	Total as on 31.03.2008
Tagible Assest											
1	Freehold Land	368.04	5.65	-	373.69	-	-	-	-	368.04	373.69
2	Buildings	2,293.01	1,714.90	-	4,007.91	142.14	78.03	-	220.17	2,150.86	3,787.74
3	Plant and Manchinery	9,687.25	5,816.38	9.44	15,494.19	2,114.25	1,107.89	1.62	3,220.52	7,573.00	12,273.67
4	Furniture and fixtures	111.09	29.34	-	140.43	23.19	7.88	-	31.07	87.92	109.36
5	Vehicles	206.76	53.93	-	260.68	43.13	22.72	-	65.85	163.63	194.83
Intangible Assests											
6	Trade Marks	7.86	-	-	7.86	6.87	0.99	-	7.86	0.99	-
7	Software	19.02	6.65	-	25.67	9.42	4.67	-	14.09	9.60	11.58
TOTAL (A)		12,693.03	7,626.85	9.44	20,310.43	2,339.00	1,222.18	1.62	3,559.56	10,354.04	16,750.87
8	Capital work in Progress	1,193.91	412.14	1,464.09	141.96	-	-	-	-	829.49	141.96
Total (B)		1,193.91	412.14	1,464.09	141.96	-	-	-	-	829.49	141.96
TOTAL RS (A) + (B):		13,886.94	8,038.98	1,473.53	20,452.39	2,339.00	1,222.18	1.62	3,559.56	11,183.53	16,892.83
Previous year		8,464.74	7,374.13	1,951.93	13,886.94	1,528.28	830.14	19.42	2,339.00	6,936.46	11,547.94

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31STMARCH,2008
(Rs. in lacs)

Particulars	As at 31st March,2008 Rs.	As at 31st March,2007 Rs.
6. INVESTMENTS (AT COST)		
Long Term Non Trade		
In Government Securities		
National Savings Certificate (Pledged with Government Authority.)	0.44	0.43
In Shares (Quoted)		
9400 Fully paid up Share of Bank of Maharashtra (Market Value :- Rs. 470470) (Previous Year Rs. 3,67,540)	2.16	2.16
1400 Fully paid up Share of Punjab National Bank(Market Value -Rs.711410) (Previous Year Rs. 6,59,400)	0.43	0.43
5176 Fully paid up Share of DCB Bank Ltd (Market Value :- Rs. 442030) (Previous Year Rs. 3,26,061)	1.35	1.35
1492 Fully paid up Share of Central Bank of india (Market Value :- Rs129879)	1.52	-
In Shares (unquoted)		
Gujarat Gokul power Ltd	2.42	-
24180 equity share of Rs.10 fully paid up Previous year. Rs. Nil		
In Subsidiary Companies		
Maurigo International Ltd,Mauritius	43.69	43.69
1,00,000 Ordinary Shares Of US \$ 1 each fully Paid Maurigo pte Ltd,Sigapore	42.91	-
1,00,001 ordinary Share of USD \$ each fully paid up		
In Capital of partnership firm	1,231.88	1,286.22
TOTAL	<u>1,326.80</u>	<u>1,334.29</u>
7. INVENTORIES		
Store,Spares and Consumable	875.90	342.76
Raw Material	21,739.14	7,608.79
Work in Progress	179.21	65.99
Finished Goods(Including In transit Rs. 1191.08 lacs Previous Year Rs. 1179.28 lacs)	17,395.62	8,349.26
TOTAL	<u>40,189.87</u>	<u>16,366.80</u>
8. SUNDRY DEBTORS		
(Unsecured)		
Debt Outstanding for more than six months		
Considered good	233.99	156.42
Considered doubtful	14.87	-
	<u>248.86</u>	<u>156.42</u>
Other debts - Considered good	8,742.78	9,513.29
	<u>8,991.64</u>	<u>9,669.71</u>
Less : Provision for doubtful debts	(14.87)	-
TOTAL	<u>8,976.77</u>	<u>9,669.71</u>

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31STMARCH,2008

(Rs. in lacs)

Particulars	As at 31st March,2008 Rs.	As at 31st March,2007 Rs.
9. CASH AND BANK BALANCES		
Cash on hand (including foreign currency)	135.52	45.77
In Current Account with scheduled banks	1,554.75	2,215.48
In Current Account with Non scheduled banks (Refer Note No. 10)	1.13	2.99
In Fixed Deposit Account with scheduled banks (Fixed deposits are pledged with banks as a security for overdraft/LC Facilities)	4,936.95	2,711.65
TOTAL	<u>6,628.35</u>	<u>4,975.89</u>
10. LOANS AND ADVANCES		
(Unsecured, Considered good)		
Advance to subsidiary	72.38	-
Balance with Excise Authority	2.18	6.34
Advances recoverable in cash or in kind for value to be received	4,499.28	1,851.07
TOTAL	<u>4,573.84</u>	<u>1,857.41</u>
11. CURRENT LIABILITIES		
Sundry Creditors	10,482.15	3,532.81
Acceptance	19,467.17	18,812.79
Due to subsidiary companies	104.35	-
Duties and Taxes	101.96	27.54
Other Liabilities	592.72	52.79
Advances from Customers	481.74	595.78
TOTAL	<u>31,230.09</u>	<u>23,021.71</u>
12. PROVISIONS		
Tax provision less Payments	433.97	362.34
Provision for Retirement Benefits	8.37	0.00
TOTAL	<u>442.34</u>	<u>362.34</u>

**SCHEDULE FORMING PART OF PROFIT AND LOSS ACCOUNT FOR
THE YEAR ENDING 31ST MARCH, 2008**

Particulars	(Rs. in lacs)	
	2007-2008 Rs.	2006-2007 Rs.
13. SALES AND OPERATING INCOME		
Domestic Sales (Gross)	173,247.96	142,550.21
Less Excise Duty Gross 505.55 less excise refund Rs.427.34 (P.Y Gross 419.29 less excise refund Rs. 311.76)	78.21	107.53
Domestic Sales (Net)	173,169.75	142,442.68
Export Sales	31,116.00	13,644.35
Total Sales	204,285.75	156,087.03
Operating Income	788.85	162.09
TOTAL	205,074.60	156,249.12
14. OTHER INCOME		
Insurance Claim Receipts	295.75	137.15
Contract settlement Income	(290.87)	15.14
Dividend Income	0.27	0.18
Discount on Depb Licence Purchase less commission	14.43	104.16
Export Incentives	502.92	60.00
Insurance Charges Received	8.81	9.28
Misc Income	-	1.44
Rental Income	0.75	0.75
Profit on sale of fixed assets	3.63	-
Profit from a partnership firm	58.05	128.89
TOTAL	593.74	457.00
15. MATERIAL CONSUMED		
(a) Raw Material consumed		
Opening Stock	7,608.79	4,273.42
Add : Purchases of raw material	141,674.28	81,277.50
	149,283.07	85,550.92
Less : Closing Stock	21,739.14	7,608.79
Total (a)	127,543.93	77,942.13
(b) Purchase of goods traded		
Opening Stock	479.00	400.20
Purchase of goods traded	32,149.22	24,796.82
	32,628.22	25,197.02
Less Closing Stock	1,532.07	479.00
Total (b)	31,096.15	24,718.02

**SCHEDULE FORMING PART OF PROFIT AND LOSS ACCOUNT FOR
THE YEAR ENDING 31ST MARCH, 2008**

Particulars	(Rs. in lacs)	
	2007-2008 Rs.	2006-2007 Rs.
15. MATERIAL CONSUMED (Contd....)		
(c) Purchase Expenses	21,202.13	34,564.80
(d) (Increase)- Decrease in stock		
Finished Goods Opening Stock	7,870.26	4,607.78
Closing Stock	15,863.55	7,870.26
	<u>(7,993.29)</u>	<u>(3,262.48)</u>
Work in Progress Opening Stock	65.99	31.62
Closing Stock	179.21	65.99
	<u>(113.22)</u>	<u>(34.37)</u>
Total (d)	<u>(8,106.51)</u>	<u>(3,296.85)</u>
(e) Other material consumed		
Opening Stock	281.06	528.41
Add : Purchases & Purchase Exp.	3,906.35	3,750.24
	<u>4,187.41</u>	<u>4,278.65</u>
Less : Closing Stock	687.92	281.06
Total (e)	<u>3,499.49</u>	<u>3,997.59</u>
TOTAL (a + b + c +d + e)	<u>175,235.19</u>	<u>137,925.69</u>
16. PAYMENT TO AND PROVISION FOR EMPLOYEES		
Salaries, Wages and bonus	513.39	351.00
Contribution to Provident & other funds	33.71	15.91
Staff welfare Expenses	12.57	12.49
TOTAL:	<u>559.68</u>	<u>379.40</u>
17. MANUFACTURING AND OTHER EXPENSES		
Power and Fuel	1,489.03	1,465.18
Direct Labour Charges	1,047.83	554.34
Other Manufacturing Expenses	82.23	42.43
Consumption of Stores, Spares & Tools	85.95	181.24
Rent, Rates and Taxes	131.37	35.00
Repairs and Maintainance		
Building	1.32	3.66
Plant & Manchinery	74.53	98.53
Others	20.08	15.09
Donation	49.04	23.36

**SCHEDULE FORMING PART OF PROFIT AND LOSS ACCOUNT FOR
THE YEAR ENDING 31ST MARCH, 2008**
(Rs. in lacs)

Particulars	2007-2008 Rs.	2006-2007 Rs.
17. MANUFACTURING AND OTHER EXPENSES (Contd...)		
Insurance	219.78	177.80
Auditors Remuneration	4.38	2.81
Director's Remuneration	205.08	51.88
Exchange Rate Difference	-	42.59
Other expenses	432.86	375.79
Loss on sale of fixed assets	-	1.89
Sales tax Service tax, and other Taxes	3,786.63	3,556.39
Brokerage	499.60	335.59
Discount and other deductions	84.14	150.26
Traveling	73.16	53.55
Freight Outwards	6,620.63	3,793.95
Export, Sales and advertisements Expenses	1,359.36	957.19
Provision for doubtful debts	14.87	-
TOTAL:	16,281.87	11,918.52
18. INTEREST AND FINANCIAL COST (NET)		
Interest Expenses		
on term loan	425.18	180.92
on working capital loan	2,564.53	1,705.90
	2,989.71	1,886.82
Less : Interest Received (TDS Rs.8457846 Previous year. Rs.12569469)	(474.12)	(535.74)
	2,515.59	1,351.08
Bank Charges	1,656.97	597.67
TOTAL :	4,172.56	1,948.75
19. PROVISION FOR TAXATION		
Current Tax	2,191.00	620.78
Deferred Tax	601.81	392.50
Frigne Benefit Tax	10.46	8.57
Wealth Tax	1.69	1.22
Earlier years adjustments	(104.04)	9.03
TOTAL :	2,700.92	1,032.10

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

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 shipment and dispatch to customers. Sale is inclusive of excise duty and other levies wherever applicable except sale tax in case of some branches. Other revenue is recognised on accrual basis except dividend.

(B) Fixed Assets & Depreciation / Amortisation: -

- i) Fixed assets are stated at cost net 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 year.
- 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.

(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 in India currency at the rates of exchange prevailing at the time when original investments were made.
- iv) Dividends are accounted for as and when received.
- v) Share of profit/loss from partnership firm is recognized when the company's is 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

(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 included material cost, labour and factory overheads and excise duty , if applicable.

(F) Employee Retirement Benefit :-

- i) Company's makes contributions in respect of provident fund to Government authorities and the liability is limited to the extent of contributions. The employee 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 but in case of goods lying in bonded godown on which duty of custom is not paid are valued at cost exclusive of custom duty.

(J) Taxation :-

Provision for income tax is made on the basis of estimated taxable income. 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 a/c 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 take substantial period of time to get ready for intended use. All other borrowing cost 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 made for goods lying in bonded area. Sales Tax is Charged 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 realized gain/loss in respects of settled contracts are recognised in the profit and loss account, along with the underlying transactions.

(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. Contingent 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 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) Share Issue Expenses

Share Issue expenses are adjusted against Share Premium account

2. (a) Previous year's figures have been regrouped, reclassified and rearranged wherever necessary for proper presentation.
- (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, if realized, during the ordinary course of business.
- (b) Buyer's credit acceptances has been netted off by buyer' credit margin money for effective presentation.
- (c) Interest income on fixed deposit kept as margin has been shown as deduction from interest paid for loans in Profit and Loss a/c for proper presentation.
- (d) Gain on foreign exchange transactions hitherto shown in the profit and loss account under the head other income has been shown under "operating income" for proper presentation.
4. The company is consistently following practice to value goods lying in bonded godown on which custom duty is not paid, at cost excluding custom duty. Provision for custom duty payable on such goods amounting to Rs.213 lacs (P.Y.1218.69 lacs) is not made To that extent the assets and liabilities are understated in the balance sheet. However there is no effects on net profit for the year.
5. 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 the an export obligation of to the extent of Rs.4477.31 lacs (Approx) (Previous year Rs.1529.71 lacs) to be fulfilled during a specified period as applicable from the date of imports .The liabilities towards custom duty payable there on in respect of unfulfilled export obligation as on 31st March,2008 of Rs 559.66 lacs.(Previous year Rs.191.21 lacs) is not provided for.
6. The balances of sundry debtors and sundry creditors are subject to confirmation from respective parties.
7. 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 (MT))

CLASS OF GOODS	Licensed Capacity as at 31-03-08	Licensed Capacity as at 31-03-07	Installed Capacity as at 31-03-08	Installed Capacity as at 31-03-07	Production 2007-08***	Production 2006-07
	Single Shift	Single Shift	Three Shifts	Three Shifts	Three Shifts	Three Shifts
Seed Processing	N.A.	N.A.	4,74,000*	1,20,000	1,99,843	94,938
Oil Refining**	N.A.	N.A.	3,60,000	3,60,000	2,91,862	2,65,872
Cake Extraction	N.A.	N.A.	1,80,000	1,80,000	1,64,314	1,19,174
Vanaspatti Plant	N.A.	N.A.	60,000	30,000	17,151	19,744

* Includes Soya Processing Plant Capacity annualized 270000 MT .Production commenced with effected from 05/02/2008

**oil refining production includes jobwork done for other 4646 MT(Previous year. 4500. MT)

*** production includes seed processing 61752 MT, oil refining 24511 MT and cake extraction 30793 MT done through other.

PRODUCTION	31/03/2008 Qty (IN MT)	31/03/2007 Qty (IN MT)
Refined Edible/Non Edible Oil	284704*	254922
Deoiled Cake	155667	112744
Unrefined Oil	62296	40482
Vanaspati oil	17084	19667
Oil Cake	137030	63095

* Includes jobwork production of others 4646 MT. (Previous year. 4455 MT)

ii) QUANTITATIVE INFORMATION IN RESPECT OF OPENING/CLOSING STOCK , CONSUMPTION & SALES :-

(Rs. In lacs)

PARTICULARS	31-03-2008		31-03-2007	
	QUANTITY IN MT	AMOUNT	QUANTITY IN MT	AMOUNT
OPENING STOCK :-				
Edible Oils /Non Edible Oil	23663	7089.11	11561	4670.18
Vanaspati	1242	490.06	801	225.16
Cake\De-Oiled Cake	15480	770.09	2297	112.64
Total	40009	8349.26	14569	5007.98
iii) CONSUMPTION (Raw Material)				
Crude oils	291862	80684.68	265872	58256.99
Cake	164314	4871.05	119174	3425.34
Oil Seeds	199843	41988.20	94938	16259.79
Total	656019	127543.93	479984	77942.13
iv) PURCHASES(Goods traded)	198662	32149.22	182292	24796.82
v) CLOSING STOCK :-				
Edible Oils / Non Edible Oil	22086	12672.86	23863	7089.11
Vanaspati	1783	995.60	1242	490.05
Cake\De-Oiled Cake	35102	3727.16	15480	770.09
Total	58971	17395.62	40009	8349.25
vi) SALES	31-03-2008		31-3-2007	
	QUANTITY IN MT	AMOUNT	QUANTITY IN MT	AMOUNT
Edible Oils / Non Edible Oil & By product	342952	171528.85	327449	135087.08
Vanaspati	16768	8843.87	20519	9435.73
De-Oiled Cake/oil cake	302210	23913.02	194131	11564.22
Total	661930	204285.74	542099	156087.03

vii) IMPORTED AND INDIGENOUS CONSUMPTION	2007-2008		2006-2007	
	Rs. In lacs	%	Rs. In lacs	%
Raw Material - Imported	69309.09	54.31	49849.53	63.96
- Indigenous	58234.84	45.69	28092.60	36.04
Total	127543.93	100.00	77942.13	100.00
Other Material - Imported	-	-	191.21	4.78
- Indigenous	3499.48	100.00	3806.38	95.22
Total	3499.48	100.00	3997.59	100.00

8. Contingent Liabilities:- (Rs in lacs) (Rs in lacs)

	31-03-2008	31-03-2007
(a) For letter of credit opened for which goods were in transit	7224.58	3273.73
(b) Guarantee given to banks.	769.00	1390.00
(c) For Corporate guarantee given	4685.00	3000.00
(d) Claims against the company not acknowledged as debts	144.92	-

9. Estimated amount of contract remaining to be executed on capital a/c and not provided (net of advances) Rs. 205.02 lacs (Previous year.Rs.1876.33 lacs)

10. Term Loans from Banks are secured by equitable mortgage of land and building situated at Gadhidham, hypothecation of specified machinery at Gadhidham and sidhpur unit 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. 1638.60 lacs . (Previous Year Rs.778.00 lacs).

11. Balance with non scheduled bank held in current Accounts:- (Rs in lacs)

Name of Banks	As at 31.03.2008	As at 31.03.2007 the year.	Maximum Balance Outstanding during
1. Sidhpur Nagarik Bank Ltd	Dr. 1.12	2.98	27.56
2. The B.K.Merc. Co-op. Bank Ltd	Dr. 0.008	0.008	0.008

12. 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. Thakker	21.25
3. Smt. B.B Rajput	21.25
4. Smt. M.K.Thakker	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 31.03.08

(Rs.in lacs)

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

	2007-08	2006-07
Audit Fees	2.97	2.24
Tax Audit Fee	0.85	0.56
Certification Charges	0.56	-

14. Managerial Remuneration to Directors :-

(Rupees in lacs)

Directors' Remuneration and contribution to PF	2007-08	2006-07
Salary & Conritution to PF	123.00	51.88
Commission	82.08	0.00
	205.08	51.88

One percentage commission is payable the computation of profit in accordance with section 349 of the Companies Act 1956 and relevant details of calculation of commission is given here belows.

(Rs. In lacs)

	31-03-2008	31-03-07
Profit Before Taxation, director remuneration and provisions	8431.67	Not Applicable
Less:-Director Remuneration	123.00	
Director Fees - Provision for doubtful debts and advances	14.87	
Profit on sale of fixed assets	3.63	
	141.50	
	8290.17	
Add :-Loss/Profit of sale of Assets	0	
Loss/Profit on disposal of Investment	0	
- Net Profit for section 198 of The Companies Act 1956.	8290.17	
Commission 1%	82.08	
Fixed Remuneration	123.00	
Total Director Remuneration	205.08	

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

(Rs in lacs)

	2007-08	2006-07
Raw Material	77078.25	61209.23
Capital Goods	1075.67	122.39

16. Sundry debtors include Rs. 165.76 lacs (Previous year . Rs. 644.21 lacs) due from a firm in which some of the directors of the company and company is partner.

17. Expenditure in Foreign currency

(Rs in lacs)

	2007-08	2006-07
Business Tour Expenses.	12.64	28.50
Interest	1116.50	1018.78
Freight and other Expenses	4331.01	1509.91

18 Earnings in Foreign currency

(Rs.in lacs)

	2007-08	2006-07
Exports at FOB value	23695.08	11664.64

19 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) is not furnished in view of the non availability of information with the company from such Enterprises.

GOKUL REFOILS AND SOLVENT LIMITED

20. Segment Reporting: - The Company is mainly engaged in manufacturing and processing of edibles oils. The products are similar in nature and therefore are not subject to different risks and returns. Hence there is no reportable business segments. Company is selling its goods in domestic as well as export market. The geographical segment details are as under.

(Rs in lacs)

Particulars	31-03-2008	31-03-07
Sales and Services Income(Net of Excise)		
- India		
- Other Countries	173958.60	142,604.77
	31116.00	13644.35
Total	205074.60	156,249.12

21. Related party Disclosure. :- 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 pteLtd :- Wholly owned subsidiary
4. Gujarat Gokul Power Ltd. :- Associate Company.

(B) Key Management Personnel

- (i) Mr. B.C. Rajput - Chairman and Managing director
- (ii) Mr. K.J.Thakkar - Managing Director
- (iii) Mr.D.H.Sharma - Whole Time Director

(C) Transactions with related parties.

(Rs. In lacs)

Sr. No.	Nature of Transaction	Related Parties		Key Management Personnel		Relative of KMP	
		31-03-2008	31-03-2007	31-03-2008	31-03-2007	31-03-2008	31-03-2007
1	Sales	458.41	613.49				
2	Purchases	25867.13	2551.49				
3	Rent Paid	-	-			1.48	1.37
4	Salary and bonus	-	-	204.16	51.88	-	-
5	Guarantees given	4685	3000	-	-	-	-
6	Subscription to shares/ Investment (net)	(9.01)	1286.22	-	-	-	-
7	Receipt of Loan	-	-	379.95	1315.41	-	-
8	Repayment of Loans	-	-	2320.73	616.47	-	-
9	Loans/advances given	841.34	0	-	-	-	-
10	Bonus Share Issue	-	-	-	493.35	-	5.6
11.	Balance Outstanding						
	1. Sundry Debtors	165.76	644.21	-	-	-	-
	2. Unsecured Loan/ advances	-	-	-	-	-	-
	3. Sundry Creditors.	-	-	4.88	1818.14	-	-
	4. Advance (Dr)	104.35	-	-	-	-	-
	5. Other Liabilities	-	-	-	-	161.45	127.46

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

22. The Differed tax liability of Rs. 601.82 lacs has been recognized in the profit and loss account. The major component of Deferred tax liability are given below : (Rs in lacs)

Particular	AS AT 31-03-2008	AS AT 31-03-2007
Deferred tax liability on account of		
i) Depreciation	1635.39	1025.67
Deferred Tax Assets		Nil
i) Retirement benefits	2.85	
ii) Receivables	5.05	
Total	7.90	
Deferred tax liability (Net)	1627.49	1025.67

23. Earning per share: (AS-20)

Particular	Year Ended 31-03-2008	Year Ended 31-03-2007
- Profit attributable to Equity Shareholders (in Rs)	549594194	268054909
- No of Weighted Average Equity Shares Outstanding During the year. (Adjusted for Bonus Share)-Nominal Value of Equity share (in Rs)	18616405	18412500
	10.00	10.00
- Basic and diluted Earning per Share (in Rs)	29.52	14.51

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.

24. 1. Loans and Advances Includes amount due from Subsidiary Companies (Rs. in lacs)
- | | | |
|--|---------|---------|
| | 2007-08 | 2006-07 |
| • Maurigo Pte Ltd, Singapore
(Maximum Balance Outstanding during the year Rs.72.38 lacs)
(Previuos Year Rs. Nil) | 72.38 | - |
2. Loans and Advances Includes Amounts due from associates Concern.
- | | | |
|--|--------|---|
| Gujarat Gokul Power Ltd
(Maximum Balance Outstanding during the year Rs.768.96 lacs)
(Previuos Year Rs. Nil) | 768.96 | - |
|--|--------|---|

The above Loans are given Interest free on accounts of commercial Prudence to have long term benefits due to the nature of association with the said companies.

25. Employee Benefits:

- (A) The company has, with effect from 1st April, 2007, adopted Accounting Standard- 15 "Employee Benefits [revised 2005]" [the 'revised AS 15']. In accordance with the transitional provisions governing gratuity valuation- defined benefit plan and leave encashment liability based on actuarial valuation as at April1, 2007 has been adjusted against accumulated Profit & Loss Account as at April 1, 2007. The transitional effect of Gratuity and leave liability is as follows:

	Rs. lacs
	Year ended
	March 31, 2008
Gratuity	(1.93)
Leave liability	5.10
Total Transitional Adjustment	3.17

- (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. lacs	
	Year ended March 31, 2008	
	Privilege Leave (Non-funded)	Gratuity (Funded)
B. Change in the present value of the defined benefit obligation.		
Opening defined benefit obligation	5.10	16.39
Interest cost	0.42	1.34
Current service cost	2.42	7.50
Benefits paid	(0.10)	(0.31)
Actuarial (gain) / losses on obligation	0.54	(0.45)
Closing defined obligation	8.37	24.47
C. Change in the fair value of plan asset		
Opening fair value of plan assets	-	21.97
Expected return on plan assets	-	2.60
Contributions by employer	-	12.03
Benefits paid	-	(0.31)
Actuarial gains/ (losses)	-	(0.56)
Closing fair value of plan assets	-	35.73
D. Actual return on plan assets:		
Expected return on plan assets	-	2.60
Actuarial gain / [loss] on plan assets	-	-
Actual return on plan assets	-	2.60
E. Amount recognized in the balance sheet:		
(Assets) / Liability at the end of the year	8.37	(11.25)
Fair value of plan Assets at the end of the year	-	35.73
Difference	8.37	24.48
Unrecognized past Service cost	-	-
(Assets)/ Liability recognized in the Balance Sheet	8.37	11.25
F. (Income)/ Expenses recognized in the Profit & Loss Account statement:		
Current service cost	2.42	7.50
Interest cost on benefit obligation	0.42	1.34
Expected return on plan assets	-	(2.60)
Net actuarial (gain)/ loss in the period	0.54	0.12
Net (benefit) expense	3.38	6.36

**GOKUL REFOILS AND SOLVENT LIMITED**

	Rs. lacs	
	Year ended March 31, 2008	
	Privilege Leave (Non-funded)	Gratuity (Funded)
G. Movement in net liability recognized in balance Sheet:		
Opening net liability	5.10	(5.58)
Expenses as above [P&L charge]	3.38	6.36
Employer's contribution	-	12.03
(Assets)/ Liability recognized in the Balance Sheet	8.37	(11.25)
H. Principal actuarial assumptions as at Balance sheet date:		
Discount rate	8.19 %	8.19 %
[The rate of discount is considered based on market yield on Government Bonds having currency and terms consistence with the currency and terms of the post employment benefit obligations]		
Expected rate of return on the plan assets	0.00 %	9.00 %
[The expected rate of return assumed by the insurance company is generally based on their Investment patterns as stipulated by the Government of India]		
Annual increase in salary cost	7.00 %	7.00 %
[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]		
I. The categories of plan assets as a % of total plan assets are		
Insurance Company	0.00 %	100.00 %
26. Hitherto company used to debit the employee benefits to Profit and Loss Account on payment basis. The company adopted AS-15(Revised 2005) "Employee Benefits" with effect from April1, 2007. As per the transition provision of standard, opening liability as on April1, 2007 amounting to Rs.3.17 lacs has been adjusted against the accumulated balance of Profit and Loss Account. This change in policy has resulted in the profit after tax being lower by Rs.3.37 lacs.		
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 non fund based facilities granted by consortium banks.		
28. Particulars of the Balance Sheet abstract and the Company general business profile, pursuant to part IV of the Companies Act 1956 are attached here with		

Signature to Schedules 1 to 20.

AS PER OUR REPORT OF EVEN DATE ATTACHED.
FOR M.R.PANDHI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

M.R. Pandhi
Partner
Membership No 33057

P.N.Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

D.H.Sharma
Whole Time Director

Manish P. Kella
Company Secretary

PLACE :- Ahmedabad
DATE :- 23rd June, 2008

INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT 1956 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.

I) Registration Details :-

Registration No (Cin.)	:	U15142GJ1992PLC018745	State Code : 04
Balance Sheet Date	:	31-03-2008	

ii) Capital Raised During The Year (Amount in '000)

Public Issue :-	Nil	Right Issue	Nil
Bonus Issue :-	Nil	Private Placement	8081

iii) Position of Mobilisation and Deployment of Funds (Amount in '000)

Total Liabilities	4691604	Total Assets	4691604
-------------------	---------	--------------	---------

Sources of Funds :-

Paid up Capital	192206	Reserves & Surplus	1732982
Secured Loans :-	2028601	Unsecured Loans:-	575065

Deffered Tax Liabilities

Application of Funds:-

Net Fixed Assets	1689283	Investments	132680
Net Current Assets	2869640	Misc. Expenditure	Nil
Accumulated Losses	Nil		

iv) Performance of Company :- (Amount In '000)

Turn Over	20566834	Total Expenditure	19747147
Profit Before Tax	819687	Profit After Tax	549594
Earning per Share in Rs.	29.52	Dividend Rate %	Nil

V) 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 its Factions	5153000
Oil Cakes and Meal of Castor Seeds	3069015

AS PER OUR REPORT OF EVEN DATE ATTACHED.
FOR M.R.PANDHI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

M.R. Pandhi
Partner
Membership No 33057

P.N.Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

D.H.Sharma
Whole Time Director

PLACE :- Ahmedabad
DATE :- 23rd June, 2008

Manish P. Kella
Company Secretary

AUDITOR'S 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 March 31, 2008, 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 financial statements are 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 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.

- 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 and revenues in respect of these subsidiaries, to the extent to which they are reflected in their respective financial statements are given below:

(Rs. In lacs)

Name of the Subsidiaries	Total Assets	Total revenues
Maurigo International Ltd., Mauritius	126.73	(13.65)
Maurigo Pte Ltd., Singapore	739.61	2897.93

- 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.
- 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:
 - In the case of the Consolidated Balance Sheet, of the State of affairs of the Group as at 31st March, 2008.
 - In the case of the Consolidated Profit And Loss Account, of the Profit of the Group for the year ended on that date and
 - 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**

**Place: Ahmedabad
Date: 23rd June, 2008**

**M.R. Pandhi
Partner
Membership No.: 33057**

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2008

Particulars	Schedule	Rs. In lacs
SOURCES OF FUNDS		
1. SHARE HOLDERS' FUNDS		
(a) Share Capital	1	1,922.06
(b) Reserves and Surplus Exchange rate	2	18,107.13
2. LOAN FUNDS		
(a) Secured Loans	3	20,286.01
(b) Unsecured Loans	4	5,750.65
3. DEFERRED TAX LIABILITY		
TOTAL		<u>47,693.34</u>
APPLICATION OF FUNDS		
1. FIXED ASSETS		
(a) Gross Block	5	20,310.43
Less : Depreciation and amortisation		3,559.56
Net Block		<u>16,750.88</u>
(b) Capital Work In Progress		141.96
Total Assets		<u>16,892.84</u>
2. INVESTMENTS		
3. CURRENT ASSETS, LOANS AND ADVANCES		
(a) Inventories	7	48,024.54
(b) Sundry Debtors	8	8,980.26
(c) Cash and Bank Balances	9	7,079.53
(d) Loans & Advances	10	4,928.06
		<u>69,012.40</u>
Less : CURRENT LIABILITIES AND PROVISIONS		
(a) Current Liabilities	11	38,865.18
(b) Provisions	12	586.91
		<u>39,452.09</u>
NET CURRENT ASSETS :		<u>29,560.31</u>
Significant accounting policies and Notes forming part of accounts	20	
TOTAL		<u>47,693.34</u>

AS PER OUR REPORT OF EVEN DATE ATTACHED.
FOR M.R.PANDHI & ASSOCIATES
CHARTERED ACCOUNTANTS

M.R. Pandhi
Partner
Membership No 33057

P.N.Agrawal
Chief Financial Officer

FOR AND ON BEHALF OF THE BOARD

K.J.Thakkar
Managing Director

D.H.Sharma
Whole Time Director

PLACE :- Ahmedabad
DATE :- 23rd June, 2008

Manish P. Kella
Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008.

Particulars	Schedule	Rs. In lacs
INCOME		
Sales and operating Income	13	207,533.74
Other Income	14	1,011.16
TOTAL		208,544.89
EXPENDITURE		
Material Consumed	15	176,868.69
Payment to and Provisions for Employees	16	559.68
Manufacturing and other Expenses	17	16,749.04
Interest and financial Cost (Net)	18	4,247.95
Depreciation and amortisation	5	1,222.18
TOTAL		199,647.54
Profit before Tax		8,897.35
Less : Provision for Taxation	19	2,845.50
Profit after Tax		6,097.89
Add : Balance brought forward from Previous year		8,620.86
Less:-Transitional liability on adoption of AS-15		3.17
Balance carried to Balance Sheet		14,669.55
Earning per share- Basic & Diluted (Face value of Rs. 10 each) Rs.		32.51
		18,616,405
Weighted Average No of Share (Refer note No. 22)		
Significant Accounting Policies and Notes forming part of accounts	20	

AS PER OUR REPORT OF EVEN DATE ATTACHED.
FOR M.R.PANDHI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

M.R. Pandhi
Partner
Membership No 33057

P.N.Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

D.H.Sharma
Whole Time Director

PLACE :- Ahmedabad
DATE :- 23rd June, 2008

Manish P. Kella
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2008

Particulars	2007-08
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before taxation and extraordinary items	8,897.35
Adjustment for :-	
Depreciation	1,222.18
Loss on sale of Fixed Assets	(3.63)
Interest Income Net	2,509.26
Dividend Income Net	(0.27)
Profit from partnership firm	(58.05)
Provision for retirement benefits	3.37
Provision for bad and doubtful debts	(14.87)
Total	3,657.99
Operating Profit before working capital changes	12,555.34
Adjustment for :-	
Increase in trade receivables	882.94
Increase in loans & advances	(3,070.65)
Increase in Inventories	(31,657.75)
Increase in trade Payables & Others	16,144.63
Cash Generated from Operations	(5,145.49)
Direct tax Paid (Net of Excess/surplus provision)	(2,243.68)
Interest Paid	(2,989.71)
Cash Flow before extraordinary items	(10,378.88)
Extraordinary Items	-
Net cash from Operating Activities Total (Rs.)	(10,378.88)
B. NET CASH FLOW FROM INVESTMENT ACTIVITIES	
Purchase of Fixed Assets	(6,567.38)
Pre Opeative and project Expenses	
Purchase of Investment (NET)	(50.40)
Proceeds from sale of fixed assets	3.95
Interest Received on bank Deposits	480.45
Dividend Received	0.27
Profit from partnership firm	58.05
Net Cash from Investment Activities	(6,075.06)
C. CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issuance of share capital	1,375.10
Borronwing (Net)	17,078.35
Net Cash used from finacial activities	18,453.45
NET INCREASE /(-) DECREASE IN CASH AND CASH EQUIVALENTS	1,999.51
OPENING BALANCE IN CASH AND CASH EQUIVALENTS	5,080.02
CLOSING BALANCE IN CASH AND CASH EQUIVALENTS	7,079.53

Notes on Cash Flow Statement:

- 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.
- 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

FOR AND ON BEHALF OF THE BOARD

M.R. Pandhi
Partner
Membership No 33057

P.N.Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

D.H.Sharma
Whole Time Director

PLACE :- Ahmedabad
DATE :- 23rd June, 2008

Manish P. Kella
Company Secretary

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31STMARCH,2008

Particulars	Rs. In lacs
1. SHARE CAPITAL	
Authorised	
3,50,00,000 Equity Share of Rs.10/- each (Previous year. 2,00,00,000 Equity Share of Rs.10/- each)	3,500.00
Issued, Subscribed and Paid Up	
1,92,20,608 Equity Share of Rs.10/- each fully paid up (Previous year 1,84,12,500 Equity Share of Rs.10/- each fully paid up) Out of above 61,37,500 equity shares are allotted as fully paid up Bonus shares by the capitalisation of share premium account	1,922.06
TOTAL	<u>1,922.06</u>
2. RESERVES AND SURPLUS	
Capital Reserve	
Capital Subsidy	
Balance as per last Balance sheet Add : Addition during the year	74.17
	<u>74.17</u>
Share Premium Account	
Balance as per last Balance sheet Add : Addition(deduction) during the year Less :Share Issue exps	2,078.20 1,414.19 (119.90)
	<u>3,372.50</u>
Profit and Loss Account	
Foreing Currency reserve on consolidation Balance as per Profit and Loss Account annexed	(9.09) 14,669.55
TOTAL	<u>18,107.13</u>
3. SECURED LOANS	
From banks (See Note 5)	
Term Loans	5,837.17
Working Capital Loans	14,448.84
TOTAL	<u>20,286.01</u>
4. UNSECURED LOANS	
From Directors/Share Holders/Promoters From Bank for Working Capital	4.88 5,745.77
TOTAL	<u>5,750.65</u>

CONSOLIDATED



Schedule - 5 Fixed Assets

Particular	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	Sr. No.	Description of Assets	Opening Balance As On 01.04.2007	Addition During the year	Deduction during the year	Total as on 31.3.2008	Opening Balance As On 01.04.2007	Addition During the Year	Dedu. during the year	Total as on 31.3.2008	Total as on 31.03.2007	Total as on 31.03.2008
Tagible Assest												
1	Freehold Land		368.04	5.65	-	373.69	-	-	-	-	368.04	373.69
2	Buildings		2,293.01	1,714.90	-	4,007.91	142.14	78.03	-	220.17	2,150.86	3,787.74
3	Plant and Manchninery		9,687.25	5,816.38	9.44	15,494.19	2,114.25	1,107.89	1.62	3,220.52	7,573.00	12,273.67
4	Furniture and fixtures		111.09	29.34	-	140.43	23.19	7.88	-	31.07	87.92	109.36
5	Vehicles		206.76	53.93	-	260.68	43.13	22.72	-	65.85	163.63	194.83
Intangible Assests												
6	Trade Marks		7.86	-	-	7.86	6.87	0.99	-	7.86	0.99	-
7	Software		19.02	6.65	-	25.67	9.42	4.67	-	14.09	9.60	11.58
TOTAL (A)			12,693.03	7,626.85	9.44	20,310.43	2,339.00	1,222.18	1.62	3,559.56	10,354.04	16,750.87
Capital work in Progress			1,193.91	412.14	1,464.09	141.96	-	-	-	-	829.49	141.96
Total (B)			1,193.91	412.14	1,464.09	141.96	-	-	-	-	829.49	141.96
TOTAL RS (A) + (B):			13,886.94	8,038.98	1,473.53	20,452.39	2,339.00	1,222.18	1.62	3,559.56	11,183.53	16,892.83
Previous year			8,464.74	7,374.13	1,951.93	13,886.94	1,528.28	830.14	19.42	2,339.00	6,936.46	11,547.94

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31STMARCH,2008

Particulars	Rs. In lacs
6. INVESTMENTS (AT COST)	
Long Term Non Trade	
In Government Securities	
National Savings Certificate (Pledged with Government Authority.)	0.44
In Shares (Quoted)	
9400 Fully paid up Shares of Bank of Maharastra (Market Value :- Rs. 470470) of Rs. 10 each (Previous Year Rs. 3,67,540)	2.16
1400 Fully paid up Share of Punjab National Bank(Market Value -Rs.711410) of Rs. 10 each (Previous Year Rs. 6,59,400)	0.43
5176 Fully paid up Share of DCB Bank Ltd (Market Value :- Rs. 442030) of Rs. 10 each (Previous Year Rs. 3,26,061)	1.35
1492 Fully paid up Share of Central Bank of india (Market Value :- Rs129879)	1.52
In Shares (unquoted)	
Gujarat Gokul power Ltd	2.42
24180 equity share of Rs.10 fully paid up Previous year. Rs. Nil	
In Capital of partnership firm	1,231.88
M/S Gokul Overseas	
TOTAL	1,240.20
7. INVENTORIES	
Store,Spares and Consumable	875.90
Raw Material	29,573.81
Work in Progress	179.21
Finished Goods(Including In transit Rs. 1191.08 lacs) Previous Year Rs. 1179.28 lacs)	17,395.62
TOTAL	48,024.54
8. SUNDRY DEBTORS	
(Unsecured)	
Debt Outstanding for more than six months	
Considered good	237.49
Considered doubtful	14.87
	252.36
Other debts - Considered good	8,742.78
	8,995.14
Less : Provision for doubtful debts	(14.87)
TOTAL	8,980.26

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31STMARCH,2008

Particulars	Rs. In lacs
9. CASH AND BANK BALANCES	
Cash on hand (including foreign currency)	135.52
In Current Account with scheduled banks	2,005.93
In Current Account with Non scheduled banks	1.13
In Fixed Deposit Account with scheduled banks	4,936.95
In FDR Account with with Non schedule banks (Fixed deposits are pledged with banks as a security for overdraft/LC Facilities)	
TOTAL	7,079.53
10. LOANS AND ADVANCES	
(Unsecured, Considered good)	
Balance with Excise Authority	2.18
Advances recoverable in cash or in kind for value to be received	4,925.88
TOTAL	4,928.06
11. CURRENT LIABILITIES	
Sundry Creditors	18,206.60
Acceptance	19,467.17
Due to subsidiary companies	(0.00)
Duties and Taxes	101.96
Other Liabilities	607.71
Advances from Customers	481.74
TOTAL	38,865.18
12. PROVISIONS	
Tax provision less Payments	578.54
Provision for retirement benefits	
TOTAL	578.54

**SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS
ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008**

Particulars	Rs. In lacs
13. SALES AND OPERATING INCOME	
Domestic Sales (Gross)	175,710.91
Less Excise Duty Gross 50554772 less excise refund Rs.42733212) (P.Y Gross 41928771 less excise refund Rs. 31175757)	78.21
Domestic Sales (Net)	175,632.70
Export Sales	31,116.00
Total Sales	206,749
Operating Income	785.04
TOTAL	207,533.74
14. OTHER INCOME	
Insurance Claim Receipts	295.75
Contract settlement Income	(208.86)
Dividend Income	0.27
Discount on DEPB Licence Purchase less commission	14.43
Fair Value Gain on Derivatives Instrument	332.88
Export Incentives	502.92
Insurance Charges Received	8.81
Misc Income	2.53
Rental Income	0.75
Profit on sale of fixed assets	3.63
Profit from a partnership firm	58.05
TOTAL	1,011.16
15. MATERIAL CONSUMED	
(a) Raw Material consumed	
Opening Stock	7,608.79
Add : Purchases of raw material	141,674.28
	149,283.06
Less : Closing Stock	21,739.14
Total (a)	127,543.92
(b) Purchase of goods traded	
Opening Stock	479.00
Purchase of goods traded	40,488.72
	40,967.72
Less : Closing Stock	9,452.99
Total (b)	31,514.74

**SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS
ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008**

Particulars	Rs. In lacs
15. MATERIAL CONSUMED (Contd...)	
(c) Purchase Expenses	22,417.05
(d) (Increase)- Decrease in stock	
Finished Goods Opening Stock	7,870.26
Closing Stock	15,863.55
	<u>(7,993.30)</u>
Work in Progress Opening Stock	65.99
Closing Stock	179.21
	<u>(113.22)</u>
Total (d)	<u>(8,106.52)</u>
(e) other material Consumed	
Opening Stock	281.06
Add : Purchases & Purchase Exp.	3,906.35
	<u>4,187.41</u>
Less : Closing Stock	687.92
Total (e)	<u>3,499.48</u>
TOTAL	<u>176,868.69</u>
16. PAYMENT TO AND PROVISION FOR EMPLOYEES	
Salaries, Wages and bonus	513.39
Contribution to Provident & other funds	33.71
Staff Welfare Expenses	12.57
TOTAL	<u>559.68</u>
17. MANUFACTURING AND OTHER EXPENSES	
Power and Fuel	1,489.03
Direct Labour Charges	1,047.83
Other Manufacturing Expenses	82.23
Consumption of Stores, Spares & Tools	85.95
Rent, Rates and Taxes	131.42
Repairs And Maintainance	-
Building	1.32
Plant & Manchinery	74.53
Others	20.08
Donation	49.04

**SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS
ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008**

Particulars	Rs. In lacs
17. MANUFACTURING AND OTHER EXPENSES (Contd...)	
Insurance	219.78
Auditors Remuneration	8.01
Director's Remuneration	205.22
Other expenses	437.50
Professional Fees	6.63
Loss on sale of fixed assets	-
Sales tax Service tax, and other Taxes	3,786.63
Contract Cancellation Charges	277.15
Brokerage	513.71
Discount and other deductions	130.18
Traveling	73.16
Freight Outwards	6,706.59
Export,Sales and advertisements expenses	1,388.19
Provision for doubtful debts	14.87
TOTAL	16,749.04
18. INTEREST AND FINANCIAL COST (NET)	
Interest Expenses	
on term loans	425.18
on working capital loans	2,564.53
	2,989.71
Less : Interest Received	
(TDS Rs.8457846 Previous year. Rs.12569469)	(480.45)
	2,509.26
Bank Charges	1,738.69
TOTAL	4,247.95
19. PROVISION FOR TAXATION	
Current Tax	2,335.57
Deferred Tax	601.81
Frigne Benefit Tax	10.46
Wealth Tax	1.69
Earlier years adjustments	(104.04)
TOTAL	2,845.50

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

1. Significant Accounting Policies to the consolidated Balance-sheet & Profit and Loss A/c:-

(A) Basis of Accounting:

The Financial Statement are prepared are prepared are historical cost convention on the “Accrual Concept” of accordance with the accounting principals generally accepted in India and comply with the Accounting Standards prescribed the Companies [Accounting Standards] Rules, 2006 issued by the Central Government to the extent applicable and with applicable provision

(B) Basis of Consolidation

The Consolidated Financial Statements [CFS] relate to GOKUL REFOILS AND SOLVENT LTD.,(The Parent) and its wholly owned subsidiaries, Maurigo International Limited, Mauritius, Maurigo Pte Limited, Singapore and associate company Gujarat Gokul Power Limited, Ahmedabad. The CFS have been prepared on the following basis:

1. The Financial statement of the parent company and its subsidiaries have 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 methods as prescribed in Accounting Standard – 23 issued by The Institute of of Chartered Accountant of India. The company holds 48% paid up equity share capital in associates company Gujarat Gokul Power Ltd.
3. As far as possible the Consolidated financial statement 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. The operations of the foreign subsidiary are 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 Accountant of India.
5. In case of Foreign operations, the financial statement are converted as under.
 - a) All monetary assets and liabilities using closing exchange and liabilities.
 - b) All non monetary item using historical exchange rate.
 - c) All revenue and Expenses using yearly average exchange rates prevailing during the year.
 - d) Exchange differences arising on conversion are recognised in profit and loss Account.
6. The CFS are prepared after fully eliminating intra group balance, intra group transaction and unrealized profit from the intra group transaction.

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

(D) Maurigo Pte. Limited, Singapore enters into variety of derivative financial instruments to manage its market risk exposure. Further details of derivative financial instruments are disclosed in Note 6 to the consolidated financial statement.

Derivatives are initially recognised at fair value at the date a derivatives contract is entered into and are subsequently remeasured to their fare value to each Balance-Sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivate is designated and effective as a hedging instrument, in which event the timing of reorganisation in profit or loss depend on the nature of the hedge relationship. Derivative not designated into a effective hedge relationship are classified as a current assets or a current liabilities.

2. (a) These Consolidated financial statement are presented for the first time to meet the requirement of clause-32 of the listing agreement hence Previous year’s figures have not been presented.
- (b) Figures have been rounded off to nearest of rupee in lacs.

3. Contingent Liabilities:-	(Rs in lacs)
	As at 31-03-2008
(a) For letter of credit opened for which goods were in transit	7224.58
(b) Guarantee given to banks.	769.00
(c) For Corporate guarantee given	4685.00
(d) Claims against the company not acknowledged as debts	144.92
(e) Custom duty which may arise out of non fulfillment of export obligation against import of machinery under EPCG scheme.	4477.31
4. Estimated amount of contract remaining to be executed on capital account and not provided (net of advances) Rs. 205.02 lacs (Previous year.Rs.1876.33 lacs)	
5. Term Loans from Banks are secured by equitable mortgage of land and building situated at Gadhidham, hypothecation of specified machinery at Gadhidham and sidhpur unit 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. 1638.60 lacs . (Previous Year Rs.778.00 lacs).	
6. Derivatives financial instruments –Maurigo Pte Limited, Singapore.	

	Amount Rs.
Commodity contract receivables	344.24 Lakhs
Commodity contract payable	14.99 Lakhs

At 31st March 2008, the Company has outstanding non deliverable commodity contract in respect of crude palm oil at fixed prices to limit the risk arising from the fluctuation of crude palm oil prices. The notional amounts of these crude oil commodity forward purchase and sales contract were approximately Rupees 359.14 Lakhs. And Rupees 2030.60 Lakhs respectively and with maturity dates ranging from 1st April 2008 to 30th June 2008. The company did not adopt hedge accounting in respect of these crude palm oil commodity contracts.

The fair value of crude palm oil contract are based on quoted market prices for equivalent instruments at the Balance-sheet date provided by financial institutions. The commodity contract are classified as held for trading.

7. Segment Reporting: - The Company is mainly engaged in manufacturing and processing of edibles/ non edible oils. The products are similar in nature and therefore are not subject to different risks and returns. Hence there is no primary reportable business segments. Company is selling its goods in domestic as well as export market. The geographical segment details are as under.

	(Rs in lacs)
Particulars	31-03-2008
Sales and Services Income (Net of Excise)	
- Domestic	175335.93
- International	32205.52
Total	207541.45

8. Related party Disclosure. :- 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.

CONSOLIDATED

(B) Key Management Personnel

- (i) Mr. B.C. Rajput - Chairman and Managing director
- (ii) Mr. K.J.Thakkar - Managing Director
- (iii) Mr.D.H.Sharma - Whole Time Director

(C) Transactions with related parties.

(Rs. In lacs)

Sr. No.	Nature of Transaction	Related Parties 31-03-2008	Key Management Personnel 31-03-2008	Relative of KMP 31-03-2008
1	Sales	458.41		
2	Purchases	1.40		
3	Rent Paid	-	-	1.48
4	Salary and bonus		204.16	-
5	Guarantees given	4685	-	-
6	Subscription to shares/Investment (net)	54.34	-	-
7	Receipt of Loan	-	379.95	-
8	Repayment of Loans	-	2320.73	-
9	Bonus Share Issue	-	-	-
10.	Balance Outstanding			
1.	Sundry Debtors	165.76	-	-
2.	Unsecured Loan/advances	-	4.88	-
3.	Sundry Creditors.	-	-	-
4.	Advance (Dr)	-	-	-
5.	Other Liabilities	-	-	161.45

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

09. Earning per share: (AS-20)

Particular	Year Ended 31-03-2008
- Profit attributable to Equity Shareholders (in Rs)	605956860
- No of Weighted Average Equity Shares Outstanding During the year. (Adjusted for Bonus Share)	18616405
- Nominal Value of Equity share (in Rs)	10.00
- Basic and diluted Earning per Share (in Rs)	32.50

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.

Signature to Schedules 1 to 20.

AS PER OUR REPORT OF EVEN DATE ATTACHED.
FOR M.R.PANDHI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

M.R. Pandhi
Partner
Membership No 33057

P.N.Agrawal
Chief Financial Officer

K.J.Thakkar
Managing Director

D.H.Sharma
Whole Time Director

PLACE :- Ahmedabad
DATE :- 23rd June, 2008

Manish P. Kella
Company Secretary

Statement Pursuant to Section 212 of the Companies Act, 1956

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.	31/03/2008	100000	100%	(146.76)	N.A.	(117.51)	N.A.
Maurigo Pte Ltd.	31/03/2008	100001	100%	702.68	N.A.	(3.31)	N.A.

Ahmedabad:23rd June, 2008

K. J. Thakkar
Managing Director

D. H. Sharma
Whole time Director

P. N. Agrawal
Chief Financial Officer

Manish P. Kella
Company Secretary

Subsidiary Companies' Particular

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

Name of the Subsidiary Company	Issued and Subscribed Share Capital	Reserves	Total Assets	Total liabilities	Investments Current	Turnover	Profit / (Loss) before Taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend
1	2	3	4	5	6	7	8	9	10	11
Maurigo International Ltd.	39.97	86.76	86.76	86.76	–	140.63	(146.76)	–	(146.76)	–
Maurigo Pte Ltd.	39.97	699.63	699.63	699.63	–	2322.32	847.25	144.57	702.62	–

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

Ahmedabad:23rd June, 2008

K. J. Thakkar
Managing Director

D. H. Sharma
Whole time Director

P. N. Agrawal
Chief Financial Officer

Manish P. Kella
Company Secretary



MAURIGO INTERNATIONAL LTD

CORPORATE INFORMATION

		Date of appointment
DIRECTORS :	Paresh Vedawala	20 October 2003
	Giandeo Reemul	20 October 2003
ADMINISTRATOR : & SECRETARY	Trustlink International Limited Suite 501, St James Court St Denis Street Port Louis MAURITIUS	
REGISTERED OFFICE :	Suite 501, St James Court St Denis Street Port Louis MAURITIUS	
BANKERS :	Natexis Banques Populaires 50, Raffles Place # 41-01 Singapore Land Tower SINGAPORE – 048623 SBI International (Mtius) Ltd 7 th Floor, Harbour Front Building President John Kennedy Street Port Louis MAURITIUS	
AUDITOR :	DFK- r.c partners Chartered Certified Accountants 3 rd Floor, Pearl House, 16, Sir Virgile Naz Street Port Louis MAURITIUS	

COMMENTARY OF THE DIRECTORS

The Company was incorporated on the 20th October 2003 as private company limited by shares. The Company has obtained a Global Business License Category 2 under the Financial Services Development Act 2001 .

ACTIVITIES

The principal activity of the Company is to engage in commodity trade in Chicago Board of Trade (CBOT) and MDEX, KL, Malaysia. The Company has dealt in futures contracts for the period under review.

RESULTS

The Company's profit for the period ended 31 March 2008 was USD (367196)

The directors do not recommend the payment of a dividend for the period under review.

DIRECTORS

The membership of the Board is as under :

- (i) Paresh Vedawala
- (ii) Giandeo Reemul

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are to prepare financial statements for each financial year, which present fairly the financial position, financial performance and the cash flows of the Company. The directors are also responsible for keeping accounting records which:

- correctly record and explain the transactions of the Company;
- disclose with reasonable accuracy at any time the financial position of the Company; and
- would enable them to ensure that the financial statements comply with the International Financial Reporting Standards.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

AUDITORS

The auditors, R.C Partners, have expressed their willingness to continue in office.

CERTIFICATE FROM THE SECRETARY

We certify to the best of our knowledge and belief that we have filed with the Registrar all such returns as are required of **Maurigo International Ltd** under the Mauritius Companies Act 2001 during the financial year ended 31 March 2008.

for Trustlink International Limited
Corporate Secretary

Registered Office:
Suite 501, St James Court
St Denis Street
Port Louis
MAURITIUS

Date: 15th June, 2008

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MAURIGO INTERNATIONAL LTD

We have audited the financial statements of **Maurigo International Ltd** (the Company) on pages 5 to 12, which comprise the balance sheet as at 31 March 2008 and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

We have been appointed by the shareholders and are solely responsible to them as a body of persons. Since the Company holds a Category 2 Global Business Licence, the audit of the financial statements of the Company is not mandatory and the audit has been carried out only for the voluntary requirement of the shareholders.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 the internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

However, we have not obtained the necessary correspondence details to send our audit confirmation letter to the borrowers for the balance of loan granted (short term loan receivables) as at 31 March 2008 amounting to USD 100,020. The audit confirmation letter provides us audit evidence of the balance due and the conditions for repayments. Also, there is no available documentary evidence to assess the realisability of such balance.

Opinion

In our opinion, except for the effects of any adjustments and/or additional disclosures that would have been needed if we would have obtained audit confirmation of the balance of short term loan receivable of USD 100,020 and the necessary documentary evidence for assessing its realisability, the financial statements on pages 5 to 12 give a true and fair view of the financial position of the Company as of 31 March 2008 and of its financial performance and its cash flows for the period then ended in accordance with the International Financial Reporting Standards.

DFK – r.c partners
Chartered Certified Accountants

Cunden Rengassamy F.C.C.A.
Engagement Partner

Date: 15th June, 2008

BALANCE SHEET AS AT 31 MARCH 2008

	Notes	2008 USD	2007 USD
ASSETS			
Current assets			
Trade and other receivables	3	271,041	446,886
Cash and cash equivalents		49,320	239,611
		<u>320,361</u>	<u>686,497</u>
Total assets		<u>320,361</u>	<u>686,497</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	4	100,000	100,000
Retained earnings		217,056	584,252
		<u>317,056</u>	<u>684,252</u>
Current liability			
Trade and other payables	5	3,305	2,245
Total equity and liabilities		<u>320,361</u>	<u>686,497</u>

These financial statements have been approved by the Board of Directors on
and signed on their behalf by:

Giandeo Reemul
Director

The accompanying notes form an integral part of these financial statements.
Independent auditor's report on pages 3 and 4.

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

ASSETS	Notes	2008 USD	2007 USD
INCOME			
Revenue			
- sales of commodity		348,000	222,030
- Net commodity contract gain		224,896	-
		572,896	222,030
Cost of sales		(319,625)	(199,974)
Gross Profit		253,271	22,056
Other income	6	10,496	2,118
EXPENSES			
Contract settlement loss		616,339	261,781
Directors' fees		333	500
Commission to brokers		1,483	14,102
Licence fees		133	200
Audit fees		2,125	745
Secretarial and administrative expenses		533	800
Provision for travelling expenses		-	10,000
Exchange difference		-	2,877
Other administrative expenses		10,017	3,556
		630,963	294,561
Loss before taxation		(367,196)	(270,387)
Taxation	7	-	-
Net loss for the year		(367,196)	(270,387)

The accompanying notes form an integral part of these financial statements.
Independent auditor's report on pages 3 and 4.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

	2008 USD	2007 USD
Cash flows from operating activities		
Loss before taxation	(367,196)	(270,387)
Adjustment for:		
Interest received	(843)	(2,118)
Operating (loss)/profit before working capital changes	(368,039)	(272,505)
Changes in working capital:		
Decrease in trade and other receivables	175,845	174,263
Increase in trade and other payables	1,060	55
Net cash flow (used in) / from operating activities	(191,134)	(98,187)
Cash flows from investing activities		
Interest received	843	2,118
Net cash from investing activities	843	2,118
Net (decrease)/increase in cash and cash equivalents	(190,291)	(96,069)
Cash and cash equivalents at beginning of year	239,611	335,680
Cash and cash equivalents at end of year	49,320	239,611

The accompanying notes form an integral part of these financial statements.
Independent auditor's report on pages 3 and 4.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2008

	Sharecapital USD	Retainedearnings USD	Totalshareholders'equity USD
At 1 April 2006	100,000	854,639	954,639
Net profit for the period	-	(270,387)	(270,387)
At 31 March 2007	<u>100,000</u>	<u>584,252</u>	<u>684,252</u>
At 1 April 2007	100,000	584,252	684,252
Net loss for the year	-	(367,196)	(367,196)
At 31 March 2008	<u>100,000</u>	<u>217,056</u>	<u>317,056</u>

The accompanying notes form an integral part of these financial statements.
Independent auditor's report on pages 3 and 4.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

1. Legal form and activity

The Company was incorporated in the Republic of Mauritius on 20 October 2003 as a private company limited by shares. The Company has obtained a Global Business Licence Category 2 under the Financial Services Development Act 2001.

The principal activity of the Company is to engage in commodity trade in Chicago Board of Trade (CBOT) and MDEX, KL, Malaysia.

2. Accounting policies

A summary of the more important accounting policies which have been applied consistently with those of prior years is set out below:

(a) Basis of accounting

The financial statements are prepared in accordance with and comply with the International Financial Reporting Standards. The historical cost convention has been used for the preparation of the financial statements.

(b) Accounting estimates and assumptions

The preparation of financial statements requires the directors to make estimates and assumptions that could affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

(c) Foreign currency transactions

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Such balances are translated at year-end exchange rates.

(d) Revenue recognition

Revenue consists of commodity futures contract gain and sale of physical goods

Futures contracts are standard agreement, made on a recognised exchange, to buy or sell a specified quantity of a described commodity at an agreed date in the future. Also, there is the process known as offsetting or closing out the contract. For example, a trader holds a contract to buy (or sell) may cancel this obligation by taking a new contract to sell (or buy) in the same month.

The commodity futures gain represents the realised and unrealised profit (or loss) arising from the difference between the buying and selling prices multiplied by the standard contract amount and classified as revenue in the income statement. In case the commodity futures transactions result to a loss, it is classified as an expense in the income statement.

Sales of goods are recognised upon delivery of products and customer acceptance net of discounts, and allowances.

(e) Cash and cash equivalents

For the purpose of the cash flow statements, cash and cash equivalents comprise bank balances. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(f) Financial instruments

Financial instruments carried on the balance sheet include trade and other receivables, cash and cash equivalents, and trade and other payables. Those financial instruments are stated at cost which approximates their fair values.

3. Trade and other receivables

	2008 USD	2007 USD
Net deposits with brokers (see note below)	170,408	446,186
Prepayments	613	700
Short term loan receivables	100,020	-
	<u>271,041</u>	<u>446,886</u>

Net deposits with brokers represent balance remaining with brokers after deducting 'margin' from money deposited. As required by the clearing house, 'margin' must be paid by any trader whose contract is showing a loss and until such margins are paid, each trader in the market is required to put up a deposit in order to trade.

	2008	2007
	USD	USD
4. Share capital		
Issued and fully paid up 100,000 ordinary shares of USD 1 each	100,000	100,000
5. Trade and other payables		
Accruals	3,305	2,245
6. Other income		
Interest income	843	2,118
Exchange Gain	9,653	-
	10,496	2,118

7. Taxation

The Company is a non-resident for Income Tax purposes in Mauritius since it holds a Category 2 Global Business Licence and its central management and control is outside Mauritius. The directors are also of the view that the Company is not liable to any tax liability from any other countries from which income is derived.

8. Financial instruments
(a) Fair values

The carrying amounts of trade and other receivables, cash and cash equivalents and trade and other payables approximate their fair values.

(b) Currency risk

Cash flows from financial instruments in currencies other than the functional currency may be affected by the prevailing rates of exchange. The financial instruments are disclosed in their respective currencies below:-

	2008		2007	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	USD	USD	USD	USD
Malaysian Rigit	83,097	-	93,420	-
United States Dollar	236,651	3,305	592,377	2,245
	319,748	3,305	685,797	2,245

(c) Market risk

Transactions for futures contracts carry a high degree of risk. The amount of initial margin is small relative to the value of the futures contracts so that the transactions are "leveraged" or "geared". A relatively small market movement will have proportionately larger impact on the funds that have been deposited. It may work against the Company as well as for the Company. It may result to a total loss of initial margin funds and any additional funds deposited with the futures broker to maintain the Company's position.

8. Financial instruments (Continued)
(d) Credit risk

The Company has no significant credit risk.

9. Functional currency

The financial statements are prepared in United States Dollar since it is the Company's functional currency.

10. Holding and ultimate holding company

Gokul Refoils and Solvent Limited, a company domiciled in India, owns 100% of the share capital of the Company and is regarded as the Company's holding and ultimate holding company.

CORPORATE INFORMATION

REGISTRATION NO.	200612848 E
BOARD OF DIRECTORS	Paresh Vedawala Kanaiyalal Hiralal Modi Marimuthu Chandra Sekhar Panchamia Himanshu Nirranjan
REGISTERED OFFICE	371 Beach Road #17-10 Keypoint Singapore 199597
PRINCIPAL PLACE OF BUSINESS	371 Beach Road #17-10 Keypoint Singapore 199597
AUDITORS	Kang & Khoo Public Accountants and Certified Public Accountants 371 Beach Road #14-08 Keypoint Singapore 199597
COMPANY SECRETARY	Foo Wai Cheng Cindy Caroline
PRINCIPAL BANKER	State Bank of India, Singapore

REPORT OF THE DIRECTORS

The directors present their report to the members together with the audited financial statements of the company for the year ended **31 March, 2008**.

1. Directors

The directors in office at the date of this report are :

PARESH VEDAWALA

KANAIYALAL HIRALAL MODI

MARIMUTHU CHANDRA SEKHAR (Appointed on 17.04.2008)

PANCHAMIA HIMANSHU NIRANJAN (Appointed on 25.04.2008)

2. Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose object is to enable the directors of the company to acquire benefits by means of the acquisitions of shares or debentures of the company or any other body corporate.

3. Directors' interests in shares or debentures

The directors holding office at the end of the financial year and their interests in the share capital and debentures of the company as recorded in the register of directors' shareholdings were as follows :-

Name of Directors	Number of Ordinary Shares	
	At beginning of year	At end of year
PARESH VEDAWALA	-	-
KANAIYALAL HIRALAL MODI	-	-
AW YONG SENG (OU YONGSHENG)	-	-

4. Directors' contractual benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the financial statements) by reason of a contract made by the company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

5. Options granted

No option has been granted during the year to take up unissued shares of the company.

6. Options exercised

No shares were issued during the year by virtue of the exercise of options to take up unissued shares of the company.

7. Option Outstanding

No unissued shares of the company were under option at the end of the year.

8. Auditors

Messrs. Kang & Khoo, Certified Public Accountants, have expressed their willingness to accept re-appointment as Auditors.

9. Ultimate Holding Company

Gokul Refoil & Solvent Ltd, a company incorporated in India, is the company's immediate as well as ultimate holding company.

ON BEHALF OF THE BOARD :

DIRECTOR - KANAIYALAL HIRALAL MODI

DIRECTOR - PARESH VEDAWALA

SINGAPORE :

STATEMENT BY DIRECTORS

In the opinion of the directors, the accompanying balance sheet, profit and loss account, statement of changes in equity and cash flow statement, together with the notes thereon, are drawn up so as to give a true and fair view of the state of affairs of the company as at 31 March, 2008 and of the results, changes in equity and cash flows of the company for the year then ended and at the date of this statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

ON BEHALF OF THE BOARD :

DIRECTOR - KANAIYALAL HIRALAL MODI

DIRECTOR - PARESH VEDAWALA

SINGAPORE :

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAURIGO PTE. LTD.

We have audited the accompanying financial statements of **MAURIGO PTE. LTD.**, which comprise the balance sheet as at **31 March, 2008**, and the profit and loss statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility For The Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap.50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheet and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

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 Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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 :-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at 31 March, 2008 and the results, changes in equity and cash flows of the company for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

KANG & KHOO

Public Accountants and

Certified Public Accountants

SINGAPORE :

BALANCE SHEET AS AT 31 MARCH, 2008

	NOTE	2008 US\$	2007 US\$
ASSETS			
Current Assets			
Inventories	19	19,601,370	-
Trade and Other Receivables	14	273,142	-
Derivative Financial Instruments	12	861,250	-
Cash and Cash Equivalents	7	1,079,467	1
		<u>21,815,229</u>	<u>1</u>
Total Assets		<u>21,815,229</u>	<u>1</u>
EQUITY & LIABILITIES			
Capital and Reserves			
Share Capital	6	100,001	1
Retained Earnings/(Accumulated Losses)		1,750,404	(7,624)
		<u>1,850,405</u>	<u>(7,623)</u>
Current Liabilities			
Trade and Other Payables	8	19,565,629	7,624
Derivative Financial Instruments	12	37,500	-
Provision for Taxation	9	361,695	-
		<u>19,964,824</u>	<u>7,624</u>
Total Equity and Liabilities		<u>21,815,229</u>	<u>1</u>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2008

	NOTE	2008 US\$	2007 US\$
Revenue	3	71,048,259	–
Cost of Sales		(68,423,412)	–
Gross Profit		2,624,847	–
Other Operating Income	13	850,580	–
Distribution Costs		(317,514)	–
Administrative Costs		(1,026,176)	7,624
Finance Costs	18	(12,014)	–
Profit/(Loss) before Tax	10	2,119,723	(7,624)
Taxation	5	(361,695)	–
Net Profit/(Loss) for the year/period		1,758,028	(7,624)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2008

	2008 US\$	2007 US\$
Cash Flows from Operating Activities :		
Profit/(Loss) before Tax	2,119,723	(7,624)
Adjustments for:		
Interest paid	12,014	-
	<u>2,131,737</u>	<u>(7,624)</u>
Add/(Deduct) changes in working capital:		
Inventories	(19,601,370)	-
Trade and Other Receivables	(273,142)	-
Derivative Financial Instruments-Receivables	(861,250)	-
Trade and Other Payables	19,558,005	7,624
Derivative Financial Instruments-Payable	37,500	-
Net Cash Generated From Operating Activities	<u>991,480</u>	<u>-</u>
Interest Paid	(12,014)	-
Net Cash Generated From Operating Activities	<u>979,466</u>	<u>-</u>
Cash Flows from Financing Activities		
Increase in Share Capital	100,000	1
Net Cash Generated From Investing Activities	<u>100,000</u>	<u>1</u>
Net Increase in Cash and Cash Equivalents	1,079,466	1
Cash and Cash Equivalents as at beginning of period	1	-
Cash and Cash Equivalents as at end of year/period (Note 7)	<u>1,079,467</u>	<u>1</u>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2008

	Share Capital	Retained Earnings/ (Accumulated Losses)	Total
uss uss uss			
Balance at 1 September 2006	1	-	1
Net loss for the period		(7,624)	(7,624)
Balance at 31 March 2007	1	(7,624)	(7,623)
Balance at 1 April 2007	1	(7,624)	(7,623)
Increase in share capital	100,000	-	100,000
Net profit for the year	-	1,758,028	1,758,028
Balance at 31 March 2008	100,001	1,750,404	1,850,405

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH, 2008

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of Preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") as required by the Companies Act.

The financial statements are prepared under a historical cost convention, except as disclosed in the accounting policies below.

In the current financial year, the Company adopted all the new or revised FRS and interpretations ("INT") that are applicable in the current financial year. The adoption of these FRS or INT FRS did not result in any substantial changes to the Company's accounting policies nor any significant impact on these financial statements.

The Company has not applied any new standard or interpretation that has been issued but is not yet effective. The adoption of these FRSs, INT FRSs and amendments to FRSs will have no material impact on the financial statements of the Company in the period of their initial adoption.

(b) *Currency Translation*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in United States Dollars, which is the Company's functional and presentation currency.

Transactions in a currency other than the functional currency ("Foreign Currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange ruling at the balance sheet date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items, and on translating monetary items at the balance sheet date are recognized in the profit and loss account.

Exchange differences arising on the re-translation of non-monetary items carried at fair value are included in profit & loss account except for differences arising on the re-translation of non-monetary items in respect of which gains and losses are recognized directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognized in equity.

(c) *Deferred Taxation*

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax are charged or credited to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

(d) Preliminary Expenses

Preliminary expenses are fully written off as and when they are incurred.

(e) Trade and Other Payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method.

(f) Provisions

Provisions are recognized when the company has a present obligation (Legal or constructive) as a result of a past event, it is probable that outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the income statement as interest expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in the income statement for the period the changes in estimates arise.

(g) Revenue Recognition

Revenue from the sales of goods are recognized when the company has transferred significant risk and rewards of ownership of goods to the customer which generally coincides with their delivery and acceptance. Contract settlement income is recognised upon closure of commodity contracts. Interest income is recognised on a time proportion basis using effective interest method.

(h) Impairment of Non-Financial Assets

The carrying amounts of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its estimated recoverable amount. Recoverable amount is defined as the higher of value in use and net selling price.

Impairment loss are charged to the profit and loss account unless it reverses a previous revaluation in which case it will be charged to equity.

An impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount or when there is an indication that the impairment loss recognized for the asset no longer exist or decreases.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized.

A reversal of an impairment loss on a revalued asset is credited directly to equity under the heading revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognized as an expense in the profit and loss account, a reversal of that impairment loss is recognized as income in the profit and loss account.

(i) Cash and Cash Equivalentents

Cash and cash equivalentents represent cash in hand and at bank,

(j) Critical Accounting Estimates & Judgments

Estimates and judgments are continually evaluated and are based on historical and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Key Source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Assessment of allowance for doubtful receivables

The Company assesses at each balance sheet date whether there is objective evidence that trade receivables have been impaired. Impairment loss is calculated based on a review of the current status of existing receivable and historical collections experience. Such allowances are adjusted periodically to reflect the actual and anticipated experience.

(k) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the instance of new equity instruments are taken into equity as a deduction, net of tax, from the proceeds.

(l) Trade and Other Receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance is recognized in the income statement.

(m) Derivative Financial Instruments

The Company enters into a variety of derivative financial instruments to manage its market risk exposure. Further details of derivative financial instruments are disclosed in Note 12 to the financial statements.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Derivatives not designated into an effective hedge relationship are classified as a current asset or a current liability.

(n) Inventories

Inventories consist of trading inventories are stated at the lower of cost and net realisable value on first-in first-out basis.

2. GENERAL

The financial statements of **MAURIGO PTE. LTD.** for the year ended 31 March 2008 were authorized for issue in accordance with a resolution of the directors on

The company is a non exempt private limited liability company, incorporated and domiciled in Singapore with its registered address at 371 Beach Road #17-10, Singapore 199597.

The principal activity of the company is that of general wholesale trade, including general importers and exporters.

There has been no significant change in the nature of this activity during the financial year.

3. REVENUE	2008 US\$	2007 US\$
Sales	70,447,603	–
Contract Settlement Income	594,404	–
Freight & Dispatch Income	6,252	–
	71,048,259	–

4. ULTIMATE HOLDING COMPANY

Gokul Refoil & Solvent Ltd, a company incorporated in India, is the company's immediate as well as ultimate holding company.

5. TAXATION	2008 US\$	2007 US\$
Current Taxation	361,695	–
Deferred Taxation	–	–
	361,695	–

The income tax expense/(savings) varied from the amount of income tax expense/(savings) determined by applying the Singapore income tax rate of 18% (2007:18%) to profit/(loss) before income tax as a result of the following differences:

	2008 US\$	2007 US\$
Profit/(Loss) before Tax	2,119,723	(7,624)
Income tax expense/(savings) at statutory rate	381,550	(1,372)
Non-allowable items	–	1,372
Tax exemption	(19,855)	–
Total income tax expense/(savings)	361,695	–

6. SHARE CAPITAL

	2008 US\$	2007 US\$
<i>Issued & Fully Paid:</i>		
100,001 (2007 : 1)		
Ordinary Shares	100,001	1

The holders of ordinary shares are entitled to receive dividends as and when declared by the company. All ordinary shares carry one vote per share without restriction.

7. CASH & CASH EQUIVALENTS

	2008 US\$	2007 US\$
Cash in Hand	1	1
Cash at Bank	1,079,466	–
	–	1
Cash and Cash Equivalents	1,079,467	1

8. TRADE AND OTHER PAYABLES

	2008 US\$	2007 US\$
Trade Payables	19,316,193	–
Accrued Operating Expenses	6,128	7,624
Amount Owing To Holding Company (a)	178,308	–
Amount Owing to Related Company (b)	65,000	–
	<u>19,565,629</u>	<u>7,624</u>

a) Amount Owing To Holding Company

These refer to unsecured advances from the holding company and are interest free and repayable on demand.

b) Amount Owing to Related Company

These refer to unsecured advances from a subsidiary of the holding company and are interest free and repayable on demand.

9. PROVISION FOR TAXATION

	2008 US\$	2007 US\$
Balance at beginning of year	–	–
Current financial year's tax expense on profit (see note 5)	361,695	–
	<u>361,695</u>	<u>–</u>

10. PROFIT/(LOSS) BEFORE TAX

	2008 US\$	2007 US\$
This is determined after charging the following:		
Audit Fee	6,856	330
Preliminary Expenses Written Off	–	6,621

11. RELATED PARTY TRANSACTIONS

The following transactions between the company and its holding company took place during the year:

	2008 US\$	2007 US\$
Sales	64,700,699	–

12. DERIVATIVE FINANCIAL INSTRUMENTS

	2008 US\$	2007 US\$
Commodity Contracts Receivables	861,250	–
Commodity Contracts Payable	37,500	–

At 31 March 2008, the Company has outstanding non-deliverable commodity contracts in respect of crude palm oil at fixed prices to limit the risk arising from the fluctuation of crude palm oil prices. The notional amounts of these crude palm oil commodity forward purchase and sales contracts were approximately US\$5,888,750 (2007:Nil) and US\$5,025,000(2007:Nil) respectively and with maturity dates ranging from 1 April 2008 to 30 June 2008. The Company did not adopt hedge accounting in respect of these crude palm oil commodity contracts.

The fair values of crude palm oil commodity contracts are based on quoted market prices for equivalent instruments at the balance sheet date provided by financial institutions.

The commodity contracts are classified as held-for-trading.

13. OTHER OPERATING INCOME

	2008 US\$	2007 US\$
Fair Value Gain on Commodity Contracts	823,750	—
Bank Guarantee Deposit Interest	26,830	—
	850,580	—

14. TRADE AND OTHER RECEIVABLES

	2008 US\$	2007 US\$
Trade Receivables (a)	273,142	—

(a) Trade Receivables

Included in trade receivables is an amount of US\$264,390 (2007 :NIL) which is owing by the holding company.

15. FAIR VALUE

The carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their respective net fair values due to their short term nature.

16. CURRENCY RISK

All assets and liabilities are denominated in United States Dollar.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the company's financial instruments are interest rate risk, liquidity risk, foreign currency risk, credit risk and market risk. The board reviews and agrees policies for managing each of these risks and they are summarized below:

Interest Rate Risk

The Company has no significant interest-bearing assets. The Company places surplus funds with reputable banks.

Liquidity Risk

In the management of liquidity risk, the Company monitors and maintains a level of cash and bank balances deemed adequate by the Company to finance its operations and mitigate the effects of fluctuations in cash flows.

The Company also finances its trading activities through the use of banking facilities.

Foreign Currency Risk

The Company's exposure to foreign currency risk is minimal as most transactions are denominated in United States dollar.

Credit Risk

The Company involves the risk that counterparties may be unable to meet the terms of their agreements. The Company has no major concentration of credit risk.

Market Risk

Market risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices. The Company's exposure to market risk relates to its trading activities of commodities. The Company monitors market closely to ensure that the risk exposure to the volatility of the commodities is kept minimum.

18. FINANCE COST

	2008 US\$	2007 US\$
Late Payment Interest	12,014	-

19. INVENTORIES

	2008 US\$	2007 US\$
Crude Palm Oil - At Cost	19,601,370	-

20. SUBSEQUENT EVENTS

After the balance sheet date, the company has created a charge in favour of a bank on the company's current assets including receivables and a negative lien to obtain a working capital facility of USD10 Million.

21. COMPARATIVE FIGURES

The Comparative figures for 2007 cover a period from 1 September 2006 to 31 March 2007.



GOKUL REFOILS AND SOLVENT LIMITED

GOKUL REFOILS AND SOLVENT LIMITED

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

ATTENDANCE SLIP

Fifteenth Annual General Meeting of the Members of the Company to be held on Saturday, 13th September, 2008 at 11.00 A.M. at State Highway No 41, NR. SUJANPUR PATIA, SIDHPUR – 384151 NORTH GUJARAT

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 **Fifteenth Annual General Meeting** of the Members of the Company to be held on Saturday, 13th September, 2008 at 11.00 A.M. at State Highway No 41, NR. SUJANPUR PATIA, SIDHPUR – 384151 NORTH GUJARAT and at any adjournment thereof.

In witness where of

I /We have signed on this day of2008.

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.

**THIS PAGE HAS BEEN
INTENTIONALLY LEFT BLANK**