



SERVING QUALITY,  
DERIVING GROWTH

**ANNUAL REPORT**  
**2017 - 2018**

## Chairman's Message

From the desk of Chairman



It gives me great pleasure to share with you an update on the performance of your Company for the Financial Year 2017-18. Gokul Agro Resources Limited is one of the leading FMCG Companies of India with International presence. What sets us apart is the constant efforts that we put to serve our Customers with the products that match their level of satisfaction.

India stands out as a promising economy and is expected to remain the fastest growing large economy, as it benefits from robust consumption. We further strive to provide products that meet Consumer's satisfaction. Adding value added products and expanding existing capacities are priority objectives not only in India, but also in Singapore. Given the new opportunities and challenges, we remain optimistic for better future.

As I look ahead into the near and long-term prospects, I feel confident and positive. This year GARL has achieved new milestones by setting up Value added products like Sunflower Oil, Ricebran Oil, Mustard Oil and new Automated Packaging which will

Thank You.

increase its bottom line in the year's to come.

Despite these challenges like the Goods and Services Tax (GST), demonetization and substantial increase in Import Duty, the Company continued to maintain sustainable and high-paced growth.

Gokul Agro Resources Limited (GARL) has set up new examples of entrepreneurial spirit by breaking the barriers of conformity. In the Financial Year 2017-18 GARL has achieved Net Profit of Rs. 1,289.94 Lacs and turnover of Rs. 4,28,253.82 Lacs. Tremendous efforts have been made to witness GARL as one of the leading edible oil Industries in the Country.

I would like to extend my gratitude for the incredible support that you all have extended throughout the journey of developing Gokul Agro Resources Limited (GARL) as India's one of the Leading Corporates in the edible oils and allied products sector.

I want to thank our customers, partners and shareholders for their continued trust. And I want to thank our employees for their commitment, energy and irrepressible drive to always improve our capability.

## CONTENTS

Corporate Information	2
Financial Highlights	3
Notice of Annual General Meeting	4
Directors' Report	9
Annexures:	
- Extract of Annual Return – Form MGT 9	15
- Secretarial Audit Report – Form MR 3	20
- Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo	22
- Information u/s 197 of the Companies Act, 2013	24
- Form AOC 1	25
- Management Discussion and Analysis Report	26
- Corporate Governance Report	28
CEO / CFO Certificate	37
Independent Auditors' Report on Standalone Financial Statements	38
Notes on Standalone Financial Statements	43
Standalone Financial Statements	50
Independent Auditors' Report on Consolidated Financial Statements	86
Notes on Consolidated Financial Statements	90
Consolidated Financial Statements	91
Attendance Slip	125
Proxy Form – Form No. MGT 11	125

## Corporate Information

CIN - L15142GJ2014PLC080010

### Board of Directors:

Mr. Kanubhai Thakkar	Chairman & Managing Director
Mr. Jayesh Thakkar	Jt. Managing Director
Dr. Ashutosh Bhambhani	Whole-time Director
Mr. Keyoor Bakshi	Independent Director
Mr. Pankaj Kotak	Independent Director
Ms. Pooja Yadav	Independent Director

### Management Team:

Mr. Hitesh Thakkar	CEO
Mr. Manish Kella	CFO
Mr. Dipak Thakkar	Director (EXIM)

### Company Secretary & Compliance Officer:

Ms. Chinar Jethwani

### Board Committees:

#### Audit Committee

Mr. Keyoor Bakshi	Chairman
Mr. Pankaj Kotak	Member
Ms. Pooja Yadav	Member
Mr. Jayesh Thakkar	Member

#### Nomination & Remuneration Committee

Mr. Pankaj Kotak	Chairman
Mr. Keyoor Bakshi	Member
Ms. Pooja Yadav	Member

#### Stakeholders' Relationship Committee

Ms. Pooja Yadav	Chairman
Mr. Mr. Pankaj Kotak	Member
Mr. Jayesh Thakkar	Member
Ms. Chinar Jethwani	Investor Relation Officer

### Statutory Auditors:

M/s. Surana Maloo & Co.,  
Chartered Accountants,  
2<sup>nd</sup> Floor, Aakashganga Complex,  
Parimal Under Bridge,  
Near Suvidha Shopping Center,  
Paldi, Ahmedabad- 380007

### Secretarial Auditors:

M/s Samdani Shah and Kabra  
Company Secretaries  
808, Shiromani Complex,  
Opp. Ocean Park,  
S. M. Road, Satellite,  
Ahmedabad- 380015

### Cost Auditors:

M/s Priyank Patel & Associates,  
Cost Accountants  
02-A, First Floor, Madhav Complex,  
Nr. R. C. Technical Institute, Ghatlodia,  
Ahmedabad- 380061

### Registered Office:

Gokul Agro Resources Limited  
B – 402, Shapath Hexa, Nr. Ganesh Meridian,  
Opp. Gujarat High Court, Sola, Ahmedabad – 380 060

### Gandhidham Plant:

Gokul Agro Resources Limited  
Survey No. 76/1/P1, 80, 89, 91  
Meghpar– Borichi, Galpadar Road,  
Nr. Sharma Resort,  
Ta. Anjar, Dist. Kutch– 370 110

### Registrar & Transfer Agents:

M/s Link Intime India Pvt. Ltd  
506-508, Amarnath Business Centre-1,  
(ABC-1), Besides Gala Business Centre,  
Near St. Xavier's College Corner,  
Off C. G. Road, Ellisbridge,  
Ahmedabad 380006

### Bankers:

State Bank of India  
Union Bank of India  
Punjab National Bank  
The Jammu & Kashmir Bank Ltd.  
Central Bank of India  
Bank of India  
Bank of Baroda  
IndusInd Bank  
UCO Bank

## FINANCIAL HIGHLIGHTS

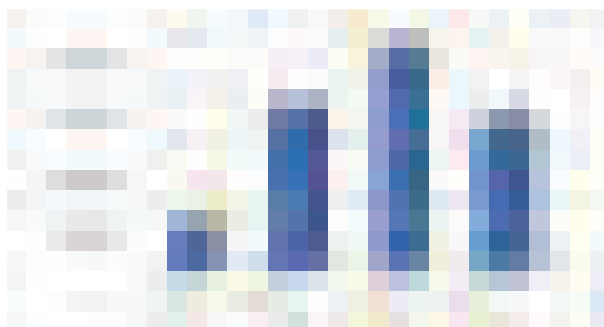
REVENUE (₹ in Lakhs)



EBIT (₹ in Lakhs)



NET PROFIT (₹ in Lakhs)



EPS (in ₹)



\* Data positioned for FY 2014-15 are for 3 months i.e. from 01.01.2015 to 31.03.2015 (01.01.2015 – being the Appointed Date as per the Scheme of Amalgamation sanctioned by Hon'ble High Court of Gujarat in the matter of Demerger of Gokul Refoils and Solvent Ltd. and Gokul Agro Resources Ltd.)

## NOTICE

NOTICE is hereby given that the 4<sup>th</sup> Annual General Meeting of the Members of Gokul Agro Resources Limited will be held on Friday, September 28, 2018 at 10:30 AM at GWALBHOG, Opp. Decathlon, Visat-Tapovan Road, Nr. Tapovan Circle, Chandkheda, Ahmedabad – 382 424 to transact the following Businesses:

### Ordinary Business:

1. To receive, consider and adopt Audited Balance Sheet as at March 31, 2018, the Statement of Profit and Loss for the year ended on that date and Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Jayesh Kanubhai Thakkar (DIN 03050068), who retires by rotation and being eligible offers himself for re – appointment.

### Special Business:

3. To consider and if thought fit, to pass, the following resolution as Ordinary Resolution:

**“RESOLVED THAT** pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force, and subject to the approval of shareholders in the ensuing Annual General Meeting and such other statutory approvals as may be required, Mr. Kanubhai J. Thakkar be and is hereby re-appointed as the Managing Director of the Company for a further period of 5 years with effect from July 01, 2018.”

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s Priyank Patel & Associates, Cost Accountants, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019, amounting to ₹ 45,000/- (Rupees Forty Five Thousand only) as also the payment of applicable tax and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**By order of the Board of Directors**

**Date :** August 14, 2018

**Place :** Ahmadabad

**Chinar Jethwani**  
**Company Secretary**

### Regd. Office:

B-402, Shapath Hexa,  
Nr. Ganesh Meridian,  
Opp. Gujarat High Court, Sola,  
Ahmedabad – 380 060  
CIN-L15142GJ2014PLC080010

## NOTES:

1. The Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013 in respect of Item No. 3 and 4 of the notice is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking appointment and re-appointment as Director under Item No. 2 of the Notice, are also annexed.
2. MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. THE INSTRUMENT APPOINTING THE PROXY MUST BE DEPOSITED AT THE COMPANY’S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.
4. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or M/s Link Intime India Private Limited for assistance in this regard. In case shares held in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP).
5. Members, Proxies and Authorized Representatives are requested to bring their copy of Annual Report at the Meeting.
6. The Register of Members and Share Transfer Books of the Company will be closed from September 21, 2018 to September 28, 2018 (both days inclusive) for the purpose of Annual General Meeting.
7. Pursuant to the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form may submit the same to M/s Link Intime India Private Limited, Registrar and Transfer Agent. Members holding shares

in electronic form may submit the same to their respective depository participant.

8. Register of Directors and Key Managerial Personnel of the Company and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
9. The Register of Contracts and Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
10. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2017-18 will also be available on the Company's website viz. [www.gokulagro.com](http://www.gokulagro.com).
11. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
12. The Board of Directors has appointed Mr. Chirag Shah of M/s. Chirag Shah & Associates, Practicing Company Secretaries (Membership No. FCS 5545) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process as well as the voting through Poll Paper at the AGM, in a fair and transparent manner.
13. The Procedure and instructions for remote e-voting are as under:
  - (i) The voting period begins on Tuesday, September 25, 2018 at 9.00 am and ends on Thursday, September 27, 2018 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 21, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Gokul Agro Resources Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you

dissent to the Resolution.

- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app - “m - Voting” for e voting . m - Voting app is available on Apple , Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xix) **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### Contact Details:

Company : Gokul Agro Resources Limited  
 Regd. Office : B-402, Shapath Hexa,  
 Nr. Ganesh Meridian,  
 Opp. Gujarat High Court, Sola,  
 Ahmedabad – 380 060  
 CIN-L15142GJ2014PLC080010  
 E-mail ID : [chinar.cs@gokulagro.com](mailto:chinar.cs@gokulagro.com)  
 E-voting Agency: Central Depository Services (India) Limited  
 Name of Official: Mr. Rakesh Dalvi | Designation – Manager  
 Address : 25th Floor, A Wing, Marathon Futurex,  
 Mafatlal Mills Compound, NM Joshi Marg,  
 Lower Parel (E), Mumbai - 400 013  
 E-mail ID : [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)  
 Phone : 1800225533  
 Scrutinizer : Chirag Shah & Associates  
 Practicing Company Secretary  
 E-mail ID : [pcschirag@gmail.com](mailto:pcschirag@gmail.com)

#### EXPLANATORY STATEMENT

Pursuant to Section 102 (1) of the Companies Act, 2013

##### Item No. 3

Mr. Kanubhai Thakkar had been re – appointed as Managing Director of the Company on May 28, 2018 w.e.f July 01, 2018 for a period of 5 years. The term of office of Mr. Kanubhai Thakkar as Managing Director of the Company is due to expire on June 30, 2018. The present proposal is to seek the shareholders’ for re – appointment of Mr. Kanubhai Thakkar as the Managing Director in terms of applicable provision of Companies Act, 2013. The Board of Directors of the Company (the ‘Board’), at its meeting held on May 28, 2018 has, subject to the approval of shareholders, has re – appointed Mr. Kanubhai Thakkar for a further period of 5 years from July 01, 2018.

The payment of remuneration has already been approved by Nomination & Remuneration Committee in its meeting held on May 15, 2018 & subsequently by the Board of Director in its Board Meeting held on May 28, 2018. Therefore the Board proposes to seek approval of the Shareholders of the Company, approving the payment of remuneration as under:

1	Salary	a) ₹ 15,00,000/- per month with effect from 1st July, 2018 Salary shall be revised as under: b) ₹ 18,00,000/- per month with effect from 1st April, 2019 c) ₹ 21,00,000/- per month with effect from 1st April, 2020 d) ₹ 24,00,000/- per month with effect from 1st April, 2021 e) ₹ 27,00,000/- per month with effect from 1st April, 2022
2	Commission	Commission not exceeding 1% of the profits of the Company subject to the provisions of the Companies Act, 2013.

3	Perquisites	The appointee will be also allowed the perquisites as under:
(i)	Housing	The Company shall provide free furnished accommodation. The value of benefit will be determined as per the Income Tax Rules.
(ii)	Gas, Electricity, Water and Furnishings	Besides house as Mentioned above, the expenditure on gas, electricity, water and furnishing will be borne by the Company and the market value will be evaluated as per Income Tax Rules, 1962.
(iii)	Medical Expenses	Reimbursement of medical expenses (including insurance premium for medical and hospitalization policy, if any) incurred for self and family, subject to a ceiling of one month's salary or three months' salary over a period of three years, as per Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.
(iv)	Leave Travel Concession	Leave Travel Concession for self and family, once a year, incurred in accordance with the Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.
(v)	Personal Accident Insurance	The annual premium on a policy shall not exceed ₹ 15,000.
(vi)	Provident Fund & Superannuation Fund	Contribution to Provident Fund and Superannuation Fund, as per Rules of the Company, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
(vii)	Leave & Encashment of Leave	As per Rules & Regulations of the Company.
(viii)	Gratuity/Contribution to Gratuity Fund	As per Rules & Regulations of the Company.
(ix)	Use of Car & Telephones	Company maintained car with driver for use on Company's business, telephone at residence and cellular phone provided by the Company will not be considered as perquisite. However, personal long distance calls and use of car for private purposes shall be borne by the Director.
(x)	Sweeper, Gardener, Watchman, Personal Attendant	Monthly Payments / Salaries made to Sweeper, Gardener, Watchman and Personal Attendant
(xi)	Club Fees	Fees of clubs subject to maximum of Two club excluding admission and life membership fees.
(xii)	Reimbursement of Expenses	Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company, as per Rules & Regulations of the Company.
4	Other Terms	The total remuneration for any year shall not exceed 5% of the profits of the Company as calculated in accordance with Section 198 of the Companies Act, 2013 as existing or modified or re-enacted from time to time.
5	In the event of Loss or Inadequacy of Profits	Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid, subject to Incentive / Commission being restricted to 100% of annual salary and applicable provisions of Schedule V to the Companies Act, 2013. Note: (a) Net profits for this purpose shall be as per computation of Net Profits under Sections 198 of the Companies Act, 2013. (b) The remuneration package is well within the overall limit prescribed under Schedule V to the Companies Act, 2013, which permits the Company to provide for an overall remuneration, not exceeding 10% of the Net Profits in any year, to all its Directors.

#### Item No. 4

The Board has approved the appointment and remuneration of M/s Priyank Patel & Co., Cost Accountants, Ahmedabad as Cost Auditor to conduct the audit of cost records maintained by the Company in respect of edible oil products for the financial year ending March 31, 2019 at a remuneration of ₹ 45,000/- plus service tax and out of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2019.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

**Details of Directors seeking Appointment and Re-appointment at the ensuing Annual General Meeting.**

<b>Particulars</b>	<b>Mr. Jayesh K. Thakkar</b>
DIN	03050068
Date of Birth	December 15, 1989
Date of Appointment	April 01, 2018
Qualification	Mechanical Engineering and Masters in Management.
Experience and Achievements	Mr. Jayesh K. Thakkar has done Mechanical Engineering from BITS, Pilani, UAE and Masters in Management and Strategy from The London School of Economics and Political Science, London. He was awarded Merit Scholarship for B.E. (Hons.) in Mechanical Engineering from the Birla Institute of Science & Technology, UAE. During his studies at London, he had been a Member of Management & Strategy, Finance Society and Alternative Investment Society at LSE. He has overall experience of more than 5 years in Mechanical Department with the reputed Corporates in UAE and in Corporate Planning field with Gokul Group. He has been actively looking after the business of the Company and Future Planning and Strategies Formulation for the Company.
Directorship / Partnership in other Companies / LLPs	2
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit Committee and Stakeholders' Committee)	NIL
No. of Shares held in the Company	6,23,765
<b>Particulars</b>	<b>Mr. Kanubhai J. Thakkar</b>
DIN	00315616
Date of Birth	April 28, 1962
Date of Appointment	April 01, 2018
Qualification	Metrics
Experience and Achievements	Mr. Kanubhai Thakkar started as a commodity trader and has about 3 decades of experience in edible oils. He is the recipient of the "Oil Man of the Year" award in the year 2005 from 'Globoil India'. 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 Company. He was instrumental in setting up & developing a subsidiary in Mauritius to establish a presence in global market. Under his able leadership our Company is expanding its Gandhidham plant. Presently he is the Chairman of Western Zone Solvent Extractors' Association of India and an office bearer of various committees like; SEA International Oil and Oilmeal Trade Council, SEA Imports Vegetable Oil Processors Council, SEA Castorseed and Oil Promotion Council.
Directorships in other Companies	1
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit Committee and Stakeholders' Committee)	NIL
No. of Shares held in the Company	2,73,58,788

By order of the Board of Directors

**Date :** August 14, 2018

**Place :** Ahmedabad

**Chinar Jethwani**  
Company Secretary

**Regd. Office:**

B-402, Shapath Hexa,  
Nr. Ganesh Meridian,  
Opp. Gujarat High Court, Sola,  
Ahmedabad – 380 060  
CIN-L15142GJ2014PLC080010

## DIRECTORS' REPORT

To,  
The Members,  
Gokul Agro Resources Limited.

We are pleased to present the Annual Report on the affairs of the Company along with the Audited Financial Statements and Auditor's Report for the year ended on March 31, 2018.

### 1. Financial Highlights:

Highlights of Financial Results for the year are as under.

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Revenue from Operations	4,28,253.82	4,27,074.24	5,06,343.87	4,31,296.50
Operating & Other Income	1,070.47	2,142.73	1,073.16	2,081.21
Total Revenue	4,29,324.29	4,29,216.97	5,07,417.03	4,33,377.71
Profit Before Interest, Depreciation, Exceptional Items and Taxes (EBIDTA)	11,193.37	10,441.66	6,409.17	6,972.30
Interest and Financial Cost	6,682.60	5,335.60	11,761.48	10,492.26
Depreciation and Amortization	2,766.82	2,070.38	2,771.16	2,070.38
Profit/Loss Before Tax (PBT)	1,743.95	3,035.68	2,019.91	3,077.51
Provision of Taxation including Deferred Tax Liability / (Assets)	454.01	1,077.02	473.66	1,077.02
Share of Loss from Associate Company	-	-	-	-
Profit After Tax (PAT)	1,289.94	1,958.66	1,546.25	2,000.50
Other Comprehensive Income	-0.94	60.32	-50.49	35.45
Total other Comprehensive Income	1,289.00	2,018.98	1,495.76	2,035.95
Earnings Per Share (EPS) before exceptional item	0.98	1.49	1.17	1.52
Earnings Per Share (EPS) after exceptional item	0.98	1.49	1.17	1.52

### 2. Company's Performance:

On consolidated basis, the total income of the Company for the Year under Review is ₹ 5,07,417.03 Lakhs as compared to ₹ 4,33,377.71 Lakhs in the previous year. Net Profit after Tax stood at ₹ 1,546.25 Lakhs as compared to Net Profit of ₹ 2,000.50 Lakhs in the Previous Year.

On standalone basis, the total income of the Company for the Year under Review is ₹ 4,29,324.29 Lakhs as compared to ₹ 4,29,216.97 Lakhs in the previous year. Net Profit after Tax stood at ₹ 1,289.94 Lakhs as compared to Net Profit of ₹ 1,958.66 Lakhs in the Previous Year.

### 3. Dividend:

Your Directors wish to conserve resources for future expansion and growth of the Company. Hence, no Dividend has been declared by the Directors during the Financial Year 2017-18.

### 4. Transfer to General Reserves:

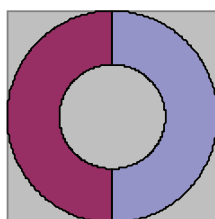
No amount is apportioned from Profit and Loss Account and transferred to any Reserve Account in Financial Year 2017-18.

### 5. Website:

As per Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has maintained a functional website namely "www.gokulagro.com" containing basic information about the Company. Eg. Details of business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company. The contents of the said website are updated on regular basis.

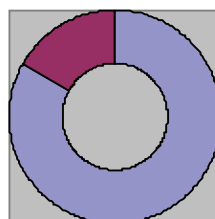
## 6. Board of Directors and Key Managerial Personnel:

### Composition of Board



■ Executive Director - 3  
■ Non-Executive Director - 3

### Gender Diversify



■ Male Director - 5  
■ Female Director - 1

### Appointment and Cessation of Directors:

The tenure of Mr. Kanubhai Thakkar as a Managing Director of the Company was expiring on June 30, 2018. Hence, it was proposed to the Board of Directors of the Company, in their meeting held on May 28, 2018, to reappoint him for a further tenure of 5 years w.e.f. July 1, 2018 subject to approval of the shareholders of the Company in the ensuing Annual General Meeting pursuant to Section 196 of Companies Act, 2013.

The reappointment of Mr. Kanubhai Thakkar as Managing Director of the Company w.e.f. July 1, 2018 is proposed for approval of the Shareholders of the Company pursuant to Section 203 of the Companies Act, 2013.

Mr. Jayesh Thakkar, Jt. Managing Director, retires by rotation and being eligible, offered himself for re-appointment.

Mr. Keyoor Bakshi, Ms. Pooja Yadav and Mr. Pankaj Kotak - Independent Directors of the Company have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as an Independent Director during the year.

Name	DIN	Designation
Mr. Kanubhai Thakkar	00315616	Chairman & Managing Director
Mr. Jayesh Thakkar	03050068	Jt. Managing Director
Dr. Ashutosh Bhambhani	07163125	Whole time Director
Mr. Keyoor Bakshi	00133588	Independent Director
Ms. Pooja Yadav	07522176	Independent Director
Mr. Pankaj Kotak	07809016	Independent Director

### Board Meetings:

The Board consists of six members as on March 31, 2018, two of them are Promoters and Executive Directors, One of them is a Whole-time Director, three of them are Independent Directors including a Woman Director.

The Board met 4 times during the Financial Year 2017-18 on,

May 05, 2017	August 11, 2017	November 13, 2017	February 14, 2018
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Notices of the meeting with the agenda along with necessary details were sent to the Directors in time. The data of attendance record of the Directors at the Board Meetings held during the Financial Year ended on March 31, 2018 and their directorships with any other Company is given here below.

Name of Director	No. of Board Meeting Held	No. of Board Meeting Attended	No. of Directorships in other Indian Public Companies
Mr. Kanubhai Thakkar	04	04	1
Mr. Jayesh Thakkar	04	04	0
Dr. Ashutosh Bhambhani	04	03	0
Mr. Keyoor Bakshi	04	04	6
Ms. Pooja Yadav	04	04	0
Mr. Pankaj Kotak	04	04	0

### Committees of Board:

Your Company has several Committees which have been established as a part of best Corporate Governance Practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Anti-Sexual Harassment Committee

A detailed note on the Committees with respect to composition, meeting, powers, and terms of reference is provided under the Corporate Governance Report section in this Report.

#### **7. Declaration by Independent Directors:**

The Company has obtained necessary declarations from each Independent Director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013. The terms and conditions of the Independent Directors are incorporated on the website of the Company as per Regulation 46(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 at <http://www.gokulagro.com/others/>

#### **8. Details of Key Managerial Personnel:**

Mr. Kanubhai Thakkar - Managing Director, Mr. Jayesh Thakkar - Jt. Managing Director, Dr. Ashutosh Bhambhani - Whole-time Director, Mr. Hitesh Thakkar - Chief Executive Officer, Mr. Manish Kella - Chief Finance Officer and Ms. Chinara Jethwani - Company Secretary of the Company are the Key Managerial Personnel for the Financial Year 2017-18 as per the provisions of the Section 203 of the Companies Act, 2013 and are holding office after the commencement of the Companies Act, 2013.

Mr. Kanubhai Thakkar is re-appointed as Chairman & Managing Director and designated as Key Managerial Personnel for a further tenure of 5 years pursuant to Section 203 of the Companies Act, 2013 w.e.f July 1, 2018.

None of the personnel resigned during the year under the review.

#### **9. Human Resource Development:**

The Company continued to make significant progress on strengthening HR Processes and Practices to build organization for current as well as future sustainability during the year. The Company focuses on providing individual development and growth in a professional work culture that ensures high performance. The Company has concentrated on enhancing capability of employees that ultimately helps achieving better standards of operations. The Company organizes various Seminars for the upgradation of Employees. Moreover, to enhance the skills of Employees various Training programs are also arranged by the Company.

#### **10. Adequacy of Internal Control System:**

The Company has proper and adequate system of internal controls which ensures that all assets are safeguarded against loss from unauthorized use or disposition and all the transaction are authorized, recorded and reported correctly. Regular internal audits and checks are carried out to provide assurance that the responsibilities at various levels are discharged effectively and that adequate systems are in existence. The management continuously reviews the internal control systems and procedure for efficient conduct of business.

#### **11. Corporate Social Responsibility Committee, Policy and Initiatives taken during the year and reasons for not spending the money:**

The Company has constituted CSR Committee and CSR Policy is duly adopted by the Company as per the regulatory norms. GARL considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society.

GARL CSR initiatives are on the focus areas approved by the Board benefitting the community. However, the Company has just embarked on the journey of ascertained CSR programs.

For this reason, during the year, the Company has not spent on the CSR activities as prescribed under the Companies Act, 2013. The CSR activities are scalable with few new initiatives that may be considered in future and moving forward the Company will endeavor to spend the complete amount on CSR activities in accordance with the statutory requirements.

#### **12. Subsidiary, Joint-Venture and Associate Companies:**

As on March 31, 2018, the Company has one Subsidiary Company namely Maurigo Pte. Ltd., Singapore and one Step Down Subsidiary namely Riya International Pte. Ltd., Singapore.

A separate statement containing the salient features of the financial statements of Subsidiary Company in the prescribed Form AOC-1 forms part of Consolidated Financial Statements in compliance with Section 129 (3) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014. The said form also highlights the financial performance of the subsidiary company included in the consolidated financial statements of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements of the Subsidiary Company are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public Holidays upto the date of Annual General Meeting ('AGM'). Any member desirous of obtaining a copy of the said Financial Statements may write to the Company Secretary at the Registered Office of the Company. The Financial Statements including the Consolidated Financial Statements and all other documents required to be attached to this report have been uploaded on the website of the Company at [www.gokulagro.com](http://www.gokulagro.com).

### 13. Deposits:

Pursuant to Section 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, the Company has not accepted or renewed any public deposits during the year.

### 14. Auditors:

#### Statutory Auditors

M/s. Surana Maloo & Co., Chartered Accountants (Firm Registration No. 112171W), are the Statutory Auditors of the Company. Members of the Company at the First Annual General Meeting held on September 8, 2015 had approved the appointment of M/s. Surana Maloo & Co., Chartered Accountants (Firm Registration No. 112171W) as the Statutory Auditors for a period of 5 financial years i.e., upto the conclusion of 6th Annual General Meeting to be held in the year 2020.

#### Cost Auditors

As per Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit & Auditors) Rules, 2014 the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. In this connection, the Board of Directors of the Company has, on the recommendation of the Audit Committee, approved the appointment of M/s Priyank Patel & Associates, Cost Accountants, Ahmedabad (Firm Registration No. 103676) as the Cost Auditors of the Company for the year ending March 31, 2018, at a remuneration as may be decided by the Board of Directors. M/s Priyank Patel & Associates, Cost Accountants, Ahmedabad have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the past several years under the provisions of the Companies Act, 2013.

#### Secretarial Auditors

The Board, pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, had appointed M/s Samdani Shah & Kabra, Company Secretaries, as the Secretarial Auditors of the Company to conduct the Secretarial Audit as per the provisions of the said Act for the Financial Year 2017-18. The Secretarial Audit Report for the FY 2017-18 is annexed to this Directors' Report.

The Company has appointed M/s Chirag Shah & Associates, Company Secretaries, as Secretarial Auditor of the Company in the Board Meeting dated May 28, 2018 to conduct Secretarial Audit for the Financial Year 2018-19.

### 15. Vigil Mechanism:

The Company has established a vigil mechanism and accordingly framed and adopted a Whistle Blower Policy. The policy enables the employees to report instances of unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct to the management. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safeguards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. No whistle blower has been denied access to the Audit Committee of the Board. The Whistle Blower Policy/Vigil Mechanism is available on the website of the Company.

### 16. Prevention of Sexual Harassment of Women at Workplace:

There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### 17. Management Discussion and Analysis Report:

Your attention is drawn to the perception and business outlook of your management for your Company for current year and for the industry in which it operates including its position and perceived trends in near future. The Management Discussion and Analysis Report, as required under Regulations 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 with the Stock Exchange is attached and forms part of this Directors' Report.

### 18. Auditors' Report and Secretarial Auditors' Report:

The Auditors' Report and Secretarial Auditors' Report do not contain any qualifications, reservations or adverse remarks. Report of the Secretarial Auditor is given as an Annexure which forms part of this report.

Maintenance of Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 is required by the Company and accordingly such accounts and records are made and maintained.

#### 19. Particulars of Loans, Guarantees and Investments:

Details of Loans, Guarantees and Investments by Company under the provisions of Section 186 of the Companies Act, 2013, during the year under review, are provided in Notes to the Standalone Financial Statements.

#### 20. Material Events that have occurred after the Balance Sheet date:

The address of Registered Office of the Company is changed to Office No. 801 to 805, Dwarkesh Business Hub, Opp. Visamo Society, Survey No. 126/1, B/h Atishay Belleview, Motera, Ahmedabad - 380 005 from B-402, Shapath Hexa, Opp. Gujarat High Court, Nr. Ganesh Meridian, Sola, Ahmedabad - 380 060 w.e.f. September 1, 2018.

#### 21. Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to departures, if any;
- That such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the annual financial statements are prepared on a going concern basis;
- That proper internal financial controls were in place and that such internal financial controls were adequate and were operating effectively;
- That proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2017-18.

#### 22. Familiarization Program for Independent Directors:

The Directors were introduced to all the Board members and the senior management personnel as Chief Finance Officer, Company Secretary and various Department Heads individually to know their roles in the organization and to understand the information which they may seek from them while performing their duties as a Director. The Company shall conduct Periodical Meetings and make presentation to Familiarized Independent directors with the Strategy, Operations and Functions of the Company. The details regarding Familiarization Program for Independent Directors have been disclosed on the Website of the Company under the link mentioned below:

<http://www.gokulagro.com/wp-content/uploads/2016/02/5.-Familiarization-Program-for-Independent-Director.pdf>

#### 23. Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015; the Board has carried out Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board Composition and Structure, Effectiveness of Board Processes, Information and Functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the Composition of Committees, Effectiveness of Committee Meetings, etc.

The Board in consultation with the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role. In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting that followed the Meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

#### 24. Related Party Disclosure:

##### Transactions with Related Party:

All the Related Party Transactions entered into during the financial year were on arm's length basis and were in ordinary course of business. The Company has not entered into any transactions with Related Parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Thus, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

#### 25. Risk Management:

The Company has formulated the Risk Management Policy which indicates Company's standards for risk taking while conducting business and to provide an easy-to-access guide any time you have a question. The Risk Management Committee will currently cover Market Risk, Credit Risk, Process Risk and other risks as detailed in these documents. Each risk is covered within this Policy. This Policy will apply across all products, throughout the firm.

#### 26. Corporate Governance:

The Company is committed to the adoption of best Corporate Governance practices and the management is of the view that a good Corporate Governance policy is one which results in the control of the Company in a regular manner, which makes management transparent, ethical, accountable and fair resulting in enhanced shareholders' value. The management is pleased to provide detailed disclosures of specific matters forming part of guidelines for Corporate Governance. The said report forms part of the Annual Report.

#### 27. Extracts of Annual Return:

As required under the provisions of sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules 2014, the Extract of Annual Return in Form No. MGT 9 forms part of this report.

#### 28. Disclosure Requirements:

As per SEBI Listing Regulations, Corporate Governance Report with Auditors' Certificate thereon and Management Discussion and Analysis are attached, which forms part of this report.

#### 29. Conservation of Energy, Technology Absorption and Foreign Exchange Earning / Outgo:

Information relating to Conservation of Energy, Technology and Foreign Earning and Outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 forms part of this annual report.

#### 30. Particular of Employees:

The ratio of remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Annual Report.

The details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 is not applicable as there is no employee (except Managing Director, CFO, CEO and CS) in the Company employed throughout the financial year with salary above ₹ 102 Lakhs per annum or employed in part of the financial year with average salary above ₹ 8.5 Lakhs per month.

Further, there is no employee employed throughout the financial year or part thereof, who was in receipt of remuneration of in aggregate is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds, by himself or along with his spouse and dependent children, not less than two percent (2%) of the Equity Shares of the Company.

#### 31. Acknowledgements:

The members of the Board of Directors wish to place on record their sincere appreciation for the devoted services rendered by all the employees and the continued co-operation and confidence of shareholders. The Board expresses their sincere thanks to the Bankers, Government and Semi-Government Authorities, Esteemed Customers, Suppliers, Business Associates and all other well wishers for their consistent contribution at all levels to ensure that the Company continues to grow and excel.

**For & By order of the Board,  
Gokul Agro Resources Ltd.**

Date : August 14, 2018  
Place : Ahmedabad

**Kanubhai J. Thakkar**  
Chairman and Managing Director  
DIN-00315616

**Jayesh K. Thakkar**  
Jt. Managing Director  
DIN-03050068

## FORM NO. MGT-9

Extract of Annual Return as on the  
Financial Year ended March 31, 2018

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

### I. REGISTRATION AND OTHER DETAILS:

Sr. No.	Particulars	Details
1	CIN	L15142GJ2014PLC080010
2	Registration Date	July 3, 2014
3	Name of the Company	Gokul Agro Resources Limited
4	Category / Sub-category of the Company	Public Company Limited by Shares/ Indian Non-Government Company
5	Address of Registered Office & Contact Details	B – 402, Shapath Hexa, Nr. Ganesh Meridian, Opp. Gujarat High Court, Sola, Ahmedabad – 380 060
6	Whether Listed Company	Yes, BSE and NSE
7	Name, Address and Contact Details of Registrar & Transfer Agent, if any	Link Intime India Pvt. Ltd., 5 <sup>th</sup> Floor, 506 to 508, Amarnath Business Center - I (ABC-I), Nr. St. Xavier's College Corner, Off C G Road, Navrangpura, Ahmedabad-380009 Phone No.: 079-26465179 Fax No.: 079-26465179 E-mail: ahmedabad@linkintime.co.in

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Manufacture of Edible / Non-Edible Oils and Fats	104	100%

### PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Maurigo Pte Ltd.	-	Subsidiary	100	2(87)(ii)
2	Riya International Pte Ltd.	-	Step - down Subsidiary	100	2(87)(ii)

### III. SHARE HOLDING PATTERN: (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (April 01, 2017)				No. of Shares held at the end of the year (March 31, 2018)				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>Shareholding of Promoter and Promoter Group</b>									
Indian									
Individual/HUF	7,85,82,606	-	7,85,82,606	59.58	7,85,82,606	-	7,85,82,606	59.58	-
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.(s)	-	-	-	-	-	-	-	-	-
Bodies Corp.	1,70,62,500	-	1,70,62,500	12.94	1,70,62,500	-	1,70,62,500	12.94	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	9,56,45,106	-	9,56,45,106	72.52	9,56,45,106	-	9,56,45,106	72.52	-
Foreign	-	-	-	-	-	-	-	-	-
NRIs Individuals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year (April 01, 2017)				No. of Shares held at the end of the year (March 31, 2018)				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
Other Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (1)+(2)</b>	9,56,45,106	-	9,56,45,106	72.52	9,56,45,106	-	9,56,45,106	72.52	-
<b>Public Shareholding</b>									
<b>Institutions</b>									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI	10,00,000	-	10,00,000	0.76	10,00,000	-	10,00,000	0.76	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	10,00,000	-	10,00,000	0.76	10,00,000	-	10,00,000	0.76	-
<b>Non- institutions</b>	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Indian	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-
Individuals	-	-	-	-	-	-	-	-	-
i. Individual shareholders holding nominal share capital upto ₹ 2 lakh	33,01,323	60,515	33,61,838	2.55	64,45,888	9,290	64,55,178	4.89	-
ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	97,61,896	-	97,61,896	7.40	73,34,929	-	73,34,929	5.56	-
Others (specify)									
i. HUF	1,07,337	-	1,07,337	0.08	20,21,934	-	20,21,934	1.53	-
ii. NRI	10,98,089	-	10,98,089	0.83	2,20,447	-	2,20,447	0.17	-
iii. Office Bearers	10,393	-	10,393	0.01	10,253	-	10,253	0.01	-
iv. Clearing Member	19,28,612	-	19,28,612	1.46	9,44,750	-	9,44,750	0.72	-
v. Bodies Corporate	1,89,81,729	-	1,89,81,729	14.39	1,82,62,403	-	1,82,62,403	13.85	-
<b>Sub-total (B)(2)</b>	3,51,89,379	-	3,52,49,894	26.73	3,52,40,604	-	3,52,49,894	26.73	-
<b>Total Public Shareholding (B)= (1)+(2)</b>	3,61,89,379	-	3,62,49,894	27.48	3,62,40,604	-	3,62,49,894	27.48	-
<b>Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	13,18,34,485	60,515	13,18,95,000	100.00	13,18,85,710	9,290	13,18,95,000	100.00	-

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2017)			Shareholding at the end of the year (March 31, 2018)			% change in shareholding during the year
		No. of shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Balvansinh Rajput	1,22,64,849	9.30	-	1,22,64,849	9.30	-	-
2	Kanubhai Thakkar	2,73,58,788	20.74	11.38	2,73,58,788	20.74	11.38	-
3	Bhikhiben Rajput	1,89,52,500	14.37	-	1,89,52,500	14.37	-	-
4	Manjulaben Thakkar	1,84,65,000	14.00	-	1,84,65,000	14.00	-	-
5	Dharmendrasinh Rajput	9,17,704	0.70	-	9,17,704	0.70	-	-
6	Jayesh Thakkar	6,23,765	0.47	-	6,23,765	0.47	-	-
7	Profitline Securities Private Limited	91,87,500	6.97	-	91,87,500	6.97	-	-
8	Shantiniketan Financial Services Private Limited*	78,75,000	5.97	-	78,75,000	5.97	-	-

\* Shantiniketan Financial Services Private Limited has been merged into Jashodaben Commodities Private Limited and subsequently converted into Jashodaben Commodities LLP w.e.f March 31, 2017.

iii) Change in Promoters' Shareholding

There are no changes in the Promoter's shareholding during the Financial Year 2017-18.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding at the beginning of the year/ Date of Allotment (April 01, 2017)		Cumulative Shareholding end of the year (March 31, 2018)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Anand Rathi Global Finance Limited	92,50,010	7.01	79,93,171	6.06
2	Mentor Capital Limited	40,41,339	3.06	29,40,885	2.23
3	Kaizen Comtrade LLP	-	-	20,00,000	1.52
4	Shriram Credit Company Limited	16,30,465	1.24	12,00,175	0.91
5	Ashapura Tradecom Private Limited	11,84,691	0.90	11,84,691	0.90
6	Parth Commodity Services Private Limited	10,53,933	0.80	10,53,933	0.80
7	General Insurance Corporation of India	10,00,000	0.76	10,00,000	0.76
8	Manishaben Vijay Kela	6,56,927	0.50	6,56,927	0.50
9	Vishal Gopal Das Rathi	6,50,000	0.50	6,50,000	0.50
10	Thakkar Sanjay K	-	-	5,43,807	0.41

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Shareholder	Date	Reason	Shareholding at the beginning of the year April 1, 2017		Cumulative Shareholding at the end of the year March 31, 2018	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Kanubhai Thakkar Chairman and Managing Director	01.04.2017	-	2,73,58,788	20.14	2,73,58,788	20.14
		31.03.2018	-	-	-	2,73,58,788	20.14
2	Mr. Jayesh Thakkar Jt. Managing Director	01.04.2017	-	6,23,765	0.47	6,23,765	0.47
		31.03.2018	-	-	-	6,23,765	0.47
3	Mr. Ashutosh Bhambhani Whole-time Director	01.04.2017	-	705	0.01	705	0.01
		31.03.2018	-	-	-	705	0.01

#### IV. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ In Lakhs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	25,865.28	2,500.00	-	28,365.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>25,865.28</b>	<b>2,500.00</b>	<b>-</b>	<b>28,365.28</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	1,69,992.59	1,500.00	-	
Reduction	1,67,114.90	-	-	
Net Change	2,877.69	1,500.00	-	
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	28,742.97	4,500.00	-	33,242.97
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>28,742.97</b>	<b>4,500.00</b>	<b>-</b>	<b>33,242.97</b>

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Managing Director / Whole-time Director			Total Amount
		Mr. Kanubhai Thakkar	Mr. Jayesh Thakkar	Dr. Ashutosh Bhambhani	
1.	Gross Salary	138.84	83.27	14.68	236.79
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	138.84	83.27	14.68	236.79
	<b>Ceiling as per the Act</b>	<b>174.38</b>			<b>174.38</b>

B. Remuneration to other Directors:

Independent Directors (₹ in Lakhs)

Particulars of Remuneration	Name of Directors			Total Amount
	Mr. Keyoor Bakshi	Mr. Pankaj Kotak	Ms. Pooja Yadav	
Fee for attending Board / Committee Meetings	0.31	0.31	0.31	0.93
Commission	-	-	-	-
Others, please specify	-	-	-	-
<b>Total</b>	<b>0.31</b>	<b>0.31</b>	<b>0.31</b>	<b>0.93</b>

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Total			Total
		CEO	CFO	CS	
		Mr. Hitesh Thakkar	Mr. Manish Kella	Ms. Chinar Jethwani	
1.	Gross salary	37.82	29.36	5.91	73.09
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>37.82</b>	<b>29.36</b>	<b>5.91</b>	<b>73.09</b>

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

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

 For & By order of the Board,  
Gokul Agro Resources Ltd.

 Date : August 14, 2018  
Place : Ahmedabad

 Kanubhai J. Thakkar  
Chairman and Managing Director  
DIN-00315616

 Jayesh K. Thakkar  
Jt. Managing Director  
DIN-03050068

## ANNEXURE TO THE DIRECTORS' REPORT

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

**GOKUL AGRO RESOURCES LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GOKUL AGRO RESOURCES LIMITED (hereinafter referred to as the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the GOKUL AGRO RESOURCES LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by GOKUL AGRO RESOURCES LIMITED ("the Company") for the financial year ended on 31.03.2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not Applicable during Audit Period**);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable during Audit Period**);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable during the Audit Period**); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable during the Audit Period**);
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (J) Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:
  1. Food Safety and Standards Authority of India
  2. The Prevention of Food and Adulteration Act 1954
  3. The Edible Oils Packaging (Regulation) Order, 1998
  4. Essential Commodities Act, 1955 (in relation to food)
  5. Food Safety And Standards (Packaging And Labeling) Regulations, 2011
  6. Weights and Measurement Act, 1976
  7. Legal Metrology Act, 2009

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India:
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations: None

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**We further report that** during the reporting Period Company has passed following special resolution –

1. To designate Mr. Dipak K. Thakkar as a Director (EXIM), not being a member of the Board of Directors of the Company and revise his remuneration

**Chirag Shah**  
**Partner**  
**Samdani Shah & Kabra**  
**FCS No. 5545**  
**C P No.: 3498**

**Place : Ahmedabad**  
**Date : August 14, 2018**

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**'Annexure A'**

**TO,**  
**THE MEMBERS,**  
**GOKUL AGRO RESOURCES LIMITED**

Our Secretarial Audit Report of even date is to be read along with this letter.

**Management's Responsibility**

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place : Ahmedabad**  
**Date : August 14, 2018**

**Chirag Shah**  
**Partner**  
**Samdani Shah & Kabra**  
**FCS No. 5545**  
**C P No.: 3498**

# ANNEXURE TO THE DIRECTORS' REPORT

PARTICULARS UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 FOR THE YEAR ENDED ON MARCH 31, 2018

## A) CONSERVATION OF ENERGY:

- Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- Additional investments and proposals, if any, being implemented for reduction in consumption of energy: Manufacturing process improvements to reduce overall cycle.
- Impact of measures a) and b) above for reduction of energy consumption and consequent impact on the cost of production of goods: As mentioned in Form-A.
- Total energy consumption and energy consumption per unit of production: As mentioned in Form-A.

## B) TECHNOLOGY ABSORPTION:

Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore no technology absorption is required.

## C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

Particulars	Year ended 2017-2018	Year ended 2016-2017
1. Total Foreign Exchange used	2,67,599.19	2,68,643.16
2. Total Foreign Exchange earned	89,015.34	70,499.06

## FORM-A for disclosure of particulars with respect of Conservation of Energy:

(₹ in Lakhs)

A	POWER & FUEL CONSUMPTION	2017-2018	2016-2017
1.	Electricity		
	Purchased Units (in Lakhs)	265.22	232.56
	Total Cost (₹ Lakhs)	2,145.37	1,896.26
	Rate/unit (₹)	8.09	8.15
	Purchased through IEX for open Access		
	Purchased Units (in Lakhs)	NIL	NIL
	Total Cost (₹ Lakhs)	NIL	NIL
	Rate/Unit (₹)	NIL	NIL
2.	Generation through Captive Power facilities		
	Through Stream turbine (units in Lakhs)	42.37	47.25
	Total cost of lignite (₹ Lakhs)	691.34	743.64
	Cost /Unit (₹)	16.32	15.74
3.	Own Generation		
	Through diesel generating units (in Lakhs)	0.02	0.09
	Units generated per liter of diesel Oil	3.51	3.28
	Cost / Unit (₹)	18.60	18.29
	Through Wind Mill effective units (in Lakhs)	51.00	82.78
	Cost/ Unit (₹)	6.98	6.78

CONSUMPTION OF OTHER FUEL		2017-2018	2016-2017
1.	Lignite for Boilers		
	Quantity in Tons	45,929.00	44,718.00
	Total Cost (₹ Lakhs)	1,669.35	1,392.96
	Average rate per ton (₹)	3,634.63	3,115.00
2.	Furnace Oil (other than for Electricity)		
	Quantity in KL	NIL	NIL
	Total cost (₹ Lakhs)	NIL	NIL
	Average rate per liter (₹)	NIL	NIL
CONSUMPTION PER METRIC TON OF PRODUCTION			
1.	Electricity	323.91	363.97
2.	Lignite	356.42	410.10
3.	Diesel oil/ Furnace oil	0.06	0.32

# ANNEXURE TO THE DIRECTORS' REPORT

[Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 (q) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- The ratio of remuneration of each Director to the median remuneration of the employee of the Company for the Financial Year 2017-18 and the percentage of increase in remuneration of each Director, CFO, CEO, CS in the Financial Year 2017-18;

(₹ in Lakhs)

Name of Director / KMP	Remuneration of Director / KMP for the FY 2017-18	% increase in remuneration in the FY 2017-18	Ratio of Remuneration to median remuneration of employees
<b>Executive Director:</b>			
Mr. Kanubhai Thakkar (CMD)	138.84	36.37	74.25
Mr. Jayesh Thakkar (Jt. MD)	83.27	52.99	44.53
Mr. Ashutosh Bhambhani (WTD)	14.68	42.39	7.85
<b>Key Managerial Personnel:</b>			
Mr. Hitesh Thakkar (CEO)	37.82	7.66	20.22
Mr. Manish Kella (CFO)	29.36	13.98	15.70
Ms. Chinar Jethwani (CS)	5.91	17.00	3.16
Mr. Ashok Manocha*	6.54	N. A.	-
Mr. Dipak Thakkar#	83.23	269.50	44.51

\* Date of Appointment – 18.12.2017

\* Date of Cessation – 04.06.2018

# Date of Appointment – 01.04.2017

- The median remuneration of employees of the Company during the year under review was ₹ 1.87 Lakhs.
- The increase in remuneration of Directors and Key Managerial Personnel during the Financial Year 2017-18 is provided in the table above.
- The percentage increase in the median remuneration of employees of the Company during the Financial Year: N.A.
- The number of permanent employees on the rolls of Company: 553 as on March 31, 2018.
- Percentage increase over decrease in the market quotations of shares of the Company in comparison to the rate at which the Company came out with the last public offer: N.A.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:  
The increase in the remuneration of median employees of the Company is in relation with the industrial standards of similar field.
- The Company affirms remuneration is as per the Remuneration Policy of the Company.

# ANNEXURE TO THE DIRECTORS' REPORT

## FORM NO. AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures  
(Pursuant to first proviso to Sub-Section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Part "A": Subsidiaries

(₹ in Lakhs)

Sr. No.	1	2
Name of the subsidiary	Maurigo Pte Limited	Riya International Pte Ltd.
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2018	March 31, 2018
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	US\$	US\$
Exchange Rate	1 US\$ = 65.08 INR	1 US\$ = 65.08 INR
Share Capital	1,301.60	2,017.48
Reserves & Surplus	1,139.04	611.87
Total assets	3,570.29	7,637.11
Total Liabilities	1,129.65	5,007.76
Investments	2,399.60	N.A.
Turnover	18,812.80	1,70,106.16
Profit before taxation	31.08	256.81
Provision for taxation	-	-
Profit after taxation	28.44	238.97
Proposed Dividend	N.A.	N.A.
% of shareholding	100% by Gokul Agro Resources Ltd.	100% by Maurigo Pte. Limited (WOS of Gokul Agro Resources Limited)

1. Names of subsidiaries which are yet to commence operations - N.A.

2. Names of subsidiaries which have been liquidated or sold during the year. - N.A.

Note : The Company has no Associate Companies and Joint Ventures, therefore Part B relating to Associates and Joint Ventures is not applicable.

**Kanubhai J. Thakkar**  
Chairman and Managing Director

**Manish P. Kella**  
Chief Finance Officer

**Jayesh K. Thakkar**  
Jt. Managing Director

**Chinar R. Jethwani**  
Company Secretary

**ANNEXURE TO THE DIRECTORS' REPORT****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****🔗 Industry Structure & Development:**

The edible oil industry worldwide is in good health as the rising population, disposable income and increasing demand has made sure that edible and cooking oil industry continue to perform efficiently and operate for a long time in the future. The global edible oil industry produces, imports and exports throughout the year and the major consumer countries rely heavily on their domestic production and imports. India is one of the largest producers and exporters of the edible oil across the continent and the world. The climatic conditions in India favor growing a variety of seeds from which oil can be extracted, they are called oil seeds. The growing population and the varied dietary habits of different and diverse demographics have ensured a thriving market for edible oil industry in the country and in Asia.

Statistically, oilseeds in India account for over 5% of the Gross National Product (GNP) and 14% of the country's area accounts for cultivation of crops. Some of the major oilseeds grown are Castor, Groundnut, Linseed, Niger, Rapeseed, Mustard, Safflower, Sesame and Sunflower. India produces 10 percent of the world's oilseeds and the cooking oil production industry in China expanded rapidly in recent years and that is mainly due to the increased industry capacity and high levels of domestic demand. Cooking oil consumption in China is expected to maintain the trend of rigid growth.

The National council of Applied Economic Research has projected the demand for edible oils under three scenarios on the basis of per capita income growing annually by 4%, 5% and 6%. Under the low growth scenario, the demand was to rise to 22.8 million tones, under medium growth scenario to 25.9 million tones and under high growth scenario to 29.4 million tons in the near future. The edible oil industry is largely dominated by the bulk segment. Unbranded segment accounts for anywhere between 80% and 90% of the total consumption. Imports are taking place in two forms-refined and crude oil. A large part of the crude oil gets sold as unbranded oil. The share of raw oil, refined oil and vanaspati in the total edible oil market is estimated at 35%, 55% and 10% respectively. With growing quality consciousness and plummeting price differences between packaged and non-packaged edible oils, the packaged edible oil sector will capture 50% of the market share in coming years.

**🔗 Opportunities and Threats:****Opportunities:**

The external environmental analysis may reveal certain new opportunities for profit and growth. Such opportunities may include:

- Promoters' rich experience in the industry
- Leading brand base
- Integrated and Modern State of the Art refinery set up
- Extensive Marketing and Distribution Network

**Threats:**

Changes in external environmental also may present threats to the firm. Such threats may include:

- Shifts in customer tastes away from the Company's products
- Emergence of substitute products
- New regulations
- Increased trade barriers

**🔗 Audit and Internal Controls:**

GARL has well-established processes and clearly-defined roles and responsibilities for people at various levels. This, coupled with adequate internal information systems embedded in business automation software, ensures proper information flow for the decision-making process. Adherence to these processes is ensured through frequent internal audits. The Executive Committees monitors business operations through regular reviews of performance vis-à-vis budgets. An extensive program of internal audit conducted by the internal audit team, reviewed by the Audit Committee, and requisite guidelines and procedures augment the internal controls. The internal control system is designed to ensure that financial and other records are reliable for preparing financial statements and other information. These procedures ensure that all transactions are properly reported and classified in the financial records.

## ✧ Risk Management

The Company has a well-defined process in place to ensure appropriate identification and treatment of risks. Risk identification exercise is inter-woven with the annual planning cycle which ensures both regularity and comprehensiveness. The identification of risk is done at strategic, business, operational and process levels. While the mitigation plan and actions for risks belonging to strategic, business and key critical operational risks driven by senior leadership, for rest of the risks, operating managers drive the conception and subsequent actioning of mitigation plans.

The key strategic, business and operational risks which are significant in terms of their impact to the overall objectives of the Company along with status of mitigation plans are periodically presented and discussed in the Board Meetings. The Company, through its risk management process, aims to contain the risks within its appetite. There are no risks which in opinion of the Board threaten the operations and existence of the Company.

## ✧ Financial Review:

### Revenues (Sales and Other Operating Income):

(in Lakhs)

Particulars	FY 2017-18	FY 2016-17	% Change
Sale of products with excise duty	5,01,479.56	4,24,917.76	18.01
Other operating revenues	4,864.31	6,378.73	(23.74)
<b>Total</b>	<b>5,06,343.87</b>	<b>4,31,296.50</b>	<b>17.40</b>

### Material Cost:

Particulars	FY 2017-18	FY 2016-17	% Change
Crude Oils	1,63,768.44	1,65,857.26	(1.25)
Oil Seeds	1,08,389.57	1,11,624.24	(2.89)
<b>Total</b>	<b>2,72,158.01</b>	<b>2,77,481.49</b>	<b>(1.91)</b>

### Employee Benefits Expense:

Particulars	FY 2017-18	FY 2016-17	% Change
Salary, wages and Bonus	2,050.31	1,609.42	27.39
Contribution to PF and Other Funds	110.74	84.70	30.75
Staff welfare expenses	33.22	24.18	37.39
<b>Total</b>	<b>2,194.27</b>	<b>1,718.31</b>	<b>27.70</b>

### Interest and Finance Cost:

Particulars	FY 2017-18	FY 2016-17	% Change
Interest on Borrowings	4,690.36	3,369.88	39.18
Other borrowing costs	1,882.41	1,443.43	30.41
Applicable net gain/loss on foreign currency transactions and translation	397.65	531.06	(25.12)
<b>Total</b>	<b>6,970.41</b>	<b>5,344.37</b>	<b>30.42</b>

### Human Assets:

The Company continued to make significant progress on strengthening HR Processes and Practices to build organization for current as well as future sustainability during the year. The Company focuses on providing individual development and growth in a professional work culture that ensures high performance. The Company has concentrated on enhancing capability of employees that ultimately helps achieving better standards of operations. The Company organizes various Seminars for the upgradation of Employees. Moreover, to enhance the skills of Employees various Training programs are also arranged by the Company.

## ANNEXURE TO THE DIRECTORS' REPORT CORPORATE GOVERNANCE REPORT

### Statement on Company's Philosophy on Code of Governance:

Gokul Agro Resources Limited believes in an ethically driven business management. Your Company is committed to values aimed at enhancing its wealth generating capacity. Your Company ensures good conduct of business by taking ethical business decisions. It constantly works on achieving commitment to values, meeting stakeholders' expectations and long-term sustainability. Your Company believes that it is crucial to manage Company affairs in a fair and transparent manner which will gain and retain the trust of our stakeholders.

We consider it as our inherent responsibility to disclose timely and accurate information regarding our Financials and performance, as well as the leadership and governance of the Company. It constantly strives to adopt emerging best practices being followed worldwide.

Your Company not only adheres to the prescribed Corporate Governance practices as per Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, but it is also committed to sound Corporate Governance principles and practices. Stakeholders' interests are considered, before making any business decision.

A report on compliance with principles of corporate governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

- Board of Directors:**

Your Company's Composition of Board of Directors is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of your company has an appropriate mix of Executive and Non-Executive Directors to maintain its independence. The Board periodically evaluates the need for change in its composition and size.

#### Composition of Board

As on March 31, 2018, the Board of Directors of the Company comprised of 6 (Six) Members i.e. Mr. Kanubhai Thakkar is the Chairman & Managing Director - Executive Director of your Company. Mr. Jayesh Thakkar, Jt. Managing Director - Executive Director, Mr. Ashutosh Bhambhani, Whole-time - Executive Director and Mr. Keyoor Bakshi, Mr. Pankaj Kotak and Ms. Pooja Yadav as Independent Directors having renowned professionalism and experience in Corporate fields which enable them to contribute effectively to your Company and enhance the quality of Board's decision-making process.

None of the Directors on the Board hold directorships in more than 10 Public Companies (as specified in Section 165 of the Companies Act, 2013 ("the Act")) or act as an Independent Director in more than 7 listed companies or 3 listed companies in case he/she serves as a Whole-Time Director in any listed company (as specified in Regulation 25 of SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, none of the Directors on the Board is a member of more than 10 committees and chairman of more than 5 committees (as specified in Regulation 26 of SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the Indian public limited companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2018 have been made by the Directors.

- Independent Directors**

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149(6) of the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013.

The maximum tenure of Independent Directors is in compliance with the Act. The Company has on its Board, eminent Independent Directors who have brought in independent judgement to Board's deliberations including issues of strategy, risk management and overall governance. They have played a pivotal role in safeguarding the interests of all stakeholders.

The terms and conditions for appointment of the Independent Directors are disclosed on the website of the Company.

- Board Procedures and flow of information**

The Agenda for the meetings of the Board and its Committees are circulated in advance to the Directors to ensure sufficient time is provided to Director to prepare for the meetings.

The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings. The draft minutes of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standards and then, the minutes are entered in the minutes book within 30 (thirty) days of the conclusion of the meetings, subsequent to incorporation of the comments, if any, received from the Directors.

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on March 31, 2018 are given herein below. Other directorships do not include directorships of Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act. Chairmanships/Memberships of Board Committees shall include Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee.

Name	DIN	Designation	Category
Mr. Kanubhai Thakkar	00315616	Chairman & Managing Director	Executive & Non-Independent
Mr. Jayesh Thakkar	03050068	Jt. Managing Director	Executive & Non-Independent
Dr. Ashutosh Bhambhani	07163125	Whole-time Director	Executive & Non-Independent
Mr. Keyoor Bakshi	00133588	Independent Director	Non-Executive & Independent
Ms. Pooja Yadav	07511176	Independent Director	Non-Executive & Independent
Mr. Pankaj Kotak	07809016	Independent Director	Non-Executive & Independent

The details of attendance at Board Meetings held during the financial year 2017-18 and at the Annual General Meeting of the Company are detailed below.

Name	Date of Appointment	No. of Board Meeting during the year 2017-18		Whether attended last AGM held on September 17, 2017	No. of Directorships in other Indian Public Companies	No. of Chairmanships/ Memberships in other Indian Public Companies	
		No. of Board Meeting Held	No. of Board Meeting Attended			Chairman ships	Member ships
*Mr. Kanubhai Thakkar	03.07.2014	04	04	Yes	1	0	0
Mr. Jayesh Thakkar	09.06.2016	04	04	Yes	0	0	0
Dr. Ashutosh Bhambhani	09.06.2016	04	03	Yes	0	0	0
Mr. Keyoor Bakshi	09.06.2016	04	04	Yes	6	3	2
Mr. Pankaj Kotak	05.05.2017	04	04	Yes	0	0	0
Ms. Pooja Yadav	09.06.2016	04	04	Yes	0	0	0

\* Original Date of Appointment of Mr. Kanubhai Thakkar was July 3, 2014. He was appointed as a Managing Director of the Company on June 30, 2015 for tenure of THREE years. The term expired on June 30, 2018. He is re-appointed as the Managing Director for a further term of five years w.e.f. July 1, 2018 by the Board of Directors in their meeting held on May 27, 2018 subject to the ratification by the shareholders in the ensuing general meeting.

Four Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days.

The dates on which the said meetings were held:

May 05, 2017	August 11, 2017	November 13, 2017	February 14, 2018
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The necessary quorum was present for all the meetings held during the Financial Year 2017-18.

During the year 2017-18, information as mentioned in Schedule II Part A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, has been placed before the Board for its consideration.

#### Independent Directors' Meeting

- Schedule IV of the Companies Act, 2013 and the Rules thereunder mandate that the Independent Directors of the Company to hold at least one meeting in a year, without the attendance of non-Independent Directors. At such meetings, the Independent Directors, inter alia, review the performance of (i) Chairman, Non-Independent Directors and the Board as a whole, (ii) Chairman of the Company taking into account views of Executive/Non-Executive Directors and (iii) assessing the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties. During the year, one meeting of the Independent Directors was held on March 28, 2018.

- The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.
- Details of equity shares of the Company held by the Directors as on March 31, 2018 are given below:

Name	Category	No. of Shares
Mr. Kanubhai Thakkar	Chairman & Managing Director	2,73,58,788
Mr. Jayesh Thakkar	Jt. Managing Director	6,23,765
Dr. Ashutosh Bhambhani	Whole-time Director	705

#### Committees of Board

The Board has constituted various Committees to focus on specific areas and to make informed decisions.

Committees of the Board are as under:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee

#### **A. Audit Committee:**

##### **I. Brief Description of terms of reference**

The powers, role and terms of reference of the Audit Committee are in line with the provisions of Section 177 of the Act, Regulation 18 and Part C of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee ensures that the Company is taking appropriate measures to achieve the prudent balance between risk and reward in both ongoing and new business activities, reviews strategic decisions of the Company.

##### **II. Composition**

The Audit Committee of the Company comprises of 4 Directors, namely Mr. Keyoor Bakshi (Independent Director), Mr. Pankaj Kotak (Independent Director), Ms. Pooja Yadav (Independent Director) and Mr. Jayesh Thakkar (Jt. Managing Director).

The Committee members possess sound knowledge of Accounts, Finance, Audit, Governance and legal matters. Senior staff from Accounts/Finance Department and Internal Auditor attend all Audit Committee meetings.

##### **III. Meeting and attendance during the year**

The dates on which the Audit Committee meetings were held:

May 05, 2017	August 11, 2017
November 13, 2017	February 14, 2018

The gap between two Meetings did not exceed one hundred and twenty days. Necessary quorum was present for all the meetings.

Name	Designation	Position in Committee	No. of Meetings during the year 2017-18	
			Held	Attended
Mr. Keyoor Bakshi	Independent Director	Chairman	4	4
Mr. Pankaj Kotak	Independent Director	Member	4	4
Ms. Pooja Yadav	Independent Director	Member	4	4
Mr. Jayesh Thakkar	Jt. Managing Director	Member	4	4

#### **B. Nomination and Remuneration Committee:**

##### **I. Brief Description of terms of reference**

The terms of reference of the Nomination and Remuneration Committee are in line with the provisions of Section 178 of the Act and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee has been vested with the authority to, inter alia, recommend nominations for Board membership, develop and recommend policies with respect to composition of the Board commensurate with the size, nature of the business and operations of the Company, establish criteria for selection of Board Members with respect to competencies, qualifications, experience, track record, integrity, devise appropriate succession plans and determine overall compensation policies of the Company.

In addition to the above, the Committee's role includes identifying persons who may be appointed in senior management in accordance with the criteria laid down recommending to the Board their appointment and removal.

The Committee also carries out a separate exercise to evaluate the performance of individual Directors. Feedback is sought by way of structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. Performance evaluation is carried out based on the responses received from the Directors.

The performance evaluation of Independent Directors is based on various criteria including experience and expertise, independent judgement, ethics and values, adherence to the corporate governance norms, interpersonal relationships, attendance and contribution at meetings etc.

## II. Composition

The Nomination and Remuneration Committee comprises of 3 Directors, namely Mr. Keyoor Bakshi (Independent Director), Mr. Pankaj Kotak (Independent Director), Ms. Pooja Yadav (Independent Director). The Committee's composition, objectives and terms of reference meet with requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## III. Meeting and attendance during the year

The dates on which the said meetings were held:

May 05, 2017	August 11, 2017
November 13, 2017	February 14, 2018

The gap between two Meetings did not exceed one hundred and twenty days.

Name	Designation	Position in Committee	No. of Meetings during the year 2017-18	
			Held	Attended
Mr. Keyoor Bakshi	Independent Director	Member	4	4
Mr. Pankaj Kotak	Independent Director	Chairman	4	4
Ms. Pooja Yadav	Independent Director	Member	4	4

## C. Stakeholders' Relationship Committee:

### I. Brief Description of terms of reference

The terms of reference of the Stakeholders' Relationship Committee are in line with the provisions of Section 178 of the Act and Part D of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Stakeholders' Relationship Committee is primarily responsible for redressal of Shareholders' / Investors' / Security holders' grievances including complaints related to transfer of shares, non-receipt of declared dividends, annual reports etc.

### II. Composition

The Stakeholders' Relationship Committee comprises of 3 Directors namely, Mr. Pankaj Kotak (Independent Director), Ms. Pooja Yadav (Independent Director) and Mr. Jayesh Thakkar (Jt. Managing Director). The Committee's constitution, objectives and terms of reference are in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations read with Section 178 of the Act, 2013.

### III. Meeting and attendance during the year

The dates on which the said meetings were held:

April 03, 2017	July 04, 2017
October 03, 2017	January 16, 2018

The gap between two Meetings did not exceed one hundred and twenty days.

Name	Designation	Position in Committee	No. of Meetings during the year 2017-18	
			Held	Attended
Ms. Pooja Yadav	Independent Director	Chairman	4	4
Mr. Pankaj Kotak	Independent Director	Member	4	4
Mr. Jayesh Thakkar	Jt. Managing Director	Member	4	4

## D. Corporate Social Responsibility Committee:

### I. Brief Description of terms of reference

The terms of reference of the Committee are in line with the provisions of Section 135 of the Companies Act, 2013. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating, monitoring and implementing a framework in line with the Corporate Social Responsibility policy of the Company.

## II. Composition

The Corporate Social Responsibility Committee comprises of 3 Directors namely Mr. Pankaj Kotak (Independent Director), Mr. Kanubhai Thakkar (Chairman & Managing Director) and Mr. Jayesh Thakkar (Jt. Managing Director).

## III. Meeting and attendance during the year

The dates on which the said meetings were held:

December 28, 2017	March 26, 2018
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The attendance of the Members of the Corporate Social Responsibility Committee is as follow:

Name	Designation	Position in Committee	No. of Meetings during the year 2017-18	
			Held	Attended
Mr. Pankaj Kotak	Independent Director	Chairman	2	2
Mr. Kanubhai Thakkar	Chairman & Managing Director	Member	2	2
Mr. Jayesh Thakkar	Jt. Managing Director	Member	2	2

## • General Body Meetings

### A. Annual General Meetings

The date, time and venue of Annual General Meetings (AGMs) held during the last three years and the Special Resolutions passed thereat are as follows:

Financial Year	Day & Date	Venue	Time	No. Special Resolutions Passed
2014-15	Tuesday, September 8, 2015	'GOKUL HOUSE', 43, Shrimali Co-op. Housing Society Ltd., Opp. Shikhar Building, Navrangpura, Ahmedabad - 380 009	11:00 AM	1
2015-16	Friday, September 16, 2016	HOTEL EULOGIA INN, B/h. Silver Gardenia Apartments, Opp. Safal Vivan Bungalow, Near Gota Bridge, S.G. Highway, Ahmedabad - 382481	10:00 AM	1
2016-17	Monday, September 18, 2017	HOTEL PRAGATI - THE GRAND, Beside Zydus Hospital, Hebatpur Road, S.G. Highway, Thaltej, Ahmedabad - 380059	10:30 AM	1

## I. Special Resolution(s) passed through Postal Ballot

During the Financial Year 2017-18, No Special Resolution was passed through Postal Ballot.

## ➤ Other Disclosures:

### 1. Related Party Transactions

All Related Party Transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business and also in compliance with the applicable provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. During the Financial Year 2017-18, there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions were placed before the Audit Committee and also the Board for approval. The Company has formulated a policy on dealing with Related Party Transactions which specifies the manner of entering into Related Party Transactions. This policy has also been posted on the web site of the Company and can be accessed through web link <http://www.gokulagro.com/policies/>. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive in nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The statement is supported by a Certificate from CEO & CFO.

### 2. Details of Non- Compliance

During the last three years, no strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any other statutory authority on any matters related to capital markets during the last three years. The Company has also complied with the requirements of Corporate Governance Report of paras (2) to (10) mentioned in Part "C" of the Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) as appropriately in the Annual Report.

### 3. Compliance with Accounting Standards

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

### 4. Vigil Mechanism / Whistle Blower Policy

The Company has formulated Vigil Mechanism for Directors and employees of the Company to provide adequate safeguards against victimization of persons who use such mechanism and to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy in terms of provisions of Section 177(9) of the Companies Act, 2013 and Rules made there under and pursuant to Clause 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The said policy is available on Company's website i.e. <http://www.gokulagro.com/>

### 5. CEO & CFO Certification

The CEO and CFO have issued certificate pursuant to the provisions of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part B of Schedule II certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs.

### 6. Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company's business processes are on SAP and SAP-HR platforms and have a strong monitoring and reporting process resulting in financial discipline and accountability.

### 7. Code of Conduct

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all Senior Management Personnel. The Code of Conduct is available on the Company's website [www.gokulagro.com](http://www.gokulagro.com). All Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year under review. The declaration of Chairman and Managing Director is given below:

#### Declaration on Code of Conduct

Gokul Agro Resources Limited is committed to conducting its business in accordance with the applicable laws, Rules and Regulations and with the highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all directors, officers and employees.

I hereby certify that the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Ethics and Business conduct for the year 2017-18.

For, Gokul Agro Resources Limited

Date: 14.08.2018  
Place: Ahmedabad

Mr. Kanubhai Thakkar  
Chairman & Managing Director

### 8. Secretarial Audit for Reconciliation of Capital

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Practicing Company Secretary carried out the Share Capital Audit for all the applicable quarters of Financial Year 2017-18. The Audit Report confirms that there is no discrepancy in the issued, listed and paid-up capital of the Company.

### 9. Code for Prevention of Insider Trading Practices

The Company has formulated a comprehensive Code of Conduct for Prevention of Insider Trading for its designated persons, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. Also the Company, to enhance and improve governance, has adopted a tool from Link Intime India Private Limited 'Track-in Service' which helps avoiding insider trading and monitors abusive self-dealing.

### ➤ Means of Communication

Company's Quarterly Results are published in daily newspapers viz. Financial Express / Free Press Gujarat (English), Financial Express / Lok Mitra (Gujarati) and are also displayed on Company's Website <http://www.gokulagro.com/>

All Periodical Compliance Filings are electronically filed on BSE Listing Centre (Listing Portal of BSE Limited) and NEAPS (Listing Portal of National Stock Exchange of India Limited). The investor complaints are processed in a centralized web-based complaints redressal system. Centralized database of all complaints received, online upload of the Action Taken

Reports (ATRs) by the Company and online viewing by investors of actions taken on the complaint and its current status are updated / resolved electronically in the SEBI SCORES system.

## ➤ General Shareholders Information

### A. Company Registration Details

The Company is registered in the state of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L15142GJ2014PLC080010.

### B. Annual General Meeting

Corporate Identification No.	L15142GJ2014PLC080010
Registered Office	B-402, Shapath Hexa, Nr. Ganesh Meridian, Opp. Gujarat High Court, Sola, Ahmedabad - 380 060
Plant Address	Survey No. 76/1/P1, 80, 89, 91 Meghpar- Borichi, Galpadar Road, Nr. Sharma Resort, Ta. Anjar, Dist. Kutch- 370 110
Correspondence Details	Ms. Chinar Jethwani Company Secretary & Compliance Officer B-402, Shapath Hexa, Nr. Ganesh Meridian, Opp. Gujarat High Court, Sola, Ahmedabad - 380 060 Tel No. 079-67123500/01 Fax: 079-67123502 e-mail ID: chinarc.cs@gokulagro.com
Website Address	<b>www.gokulagro.com</b>
Registrar & Share Transfer Agent	<b>Name:</b> Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai-400 078. Tel: 022-25963838 Fax: 022-25946969 Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  <b>Ahmedabad Branch:</b> Address: 5th Floor, 506 to 508, Amarnath Business Center - I (ABC-I) Nr. St. Xavier's College Corner, Off. C G Road, Navrangpura, Ahmedabad - 380009 Phone No.: 079-26465179 Fax No.: 079-26465179 E-mail: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a>
Listing Details	<b>BSE Limited</b> 25th Floor, Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai - 400 001 <b>National Stock Exchange of India Limited</b> Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051
Stock Code	ISIN: INE314T01025 BSE Scrip Code: 539725 NSE Symbol: GOKULAGRO
Date and Time of 4th AGM	September 28, 2018 at 10.30 AM
Venue of 4th AGM	GWALBHOG, Opp. Decathlon, Visat - Tapovan Road, Nr. Tapovan Circle, Chandkheda, Ahmedabad - 382424.
Financial Year	April 1, 2017 to March 31, 2018
Book Closure Date	September 21, 2018 to September 28, 2018
e-voting Period	September 27, 2018 to be commenced at 9:00 AM to September 27, 2018 till 5:00 PM.

The Company hereby confirms that the Listing Fees as applicable for the financial Year 2017-18 has been paid to both the Stock Exchanges.

➤ Market price Data:

Month	BSE		NSE	
	High	Low	High	Low
March, 2018	26.50	18.55	26.65	18.30

➤ Distribution of Shareholding (Category wise) as on March 31, 2018 is as under:

Category	Total No. of Shares held		Total Shares	% of holding
	Demated Shares	Physical Shares		
Corporate Bodies (Promoter Co.)	1,70,62,500	-	1,70,62,500	12.94
Clearing Member	9,59,326	-	9,59,326	0.73
Other Bodies Corporate	1,82,60,051	-	1,82,60,051	13.84
Financial Institutions	10,00,000	-	10,00,000	0.76
Hindu Undivided Family	20,14,121	-	20,14,121	1.53
Non-Resident Indians	2,25,122	-	2,25,122	0.17
Office Bearers	10,253	-	10,253	0.01
Public	1,37,71,731	9,290	1,37,81,021	10.45
Promoters	3,96,23,637	-	3,96,23,637	30.04
Relatives of Promoters	3,89,58,969	-	3,89,58,969	29.53
<b>TOTAL</b>	<b>13,18,85,710</b>	<b>9,290</b>	<b>13,18,95,000</b>	<b>100.00</b>

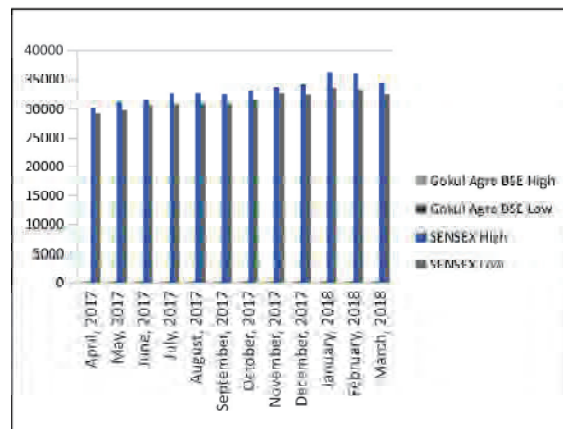
➤ Distribution of Shareholding by numbers of shares as on March 31, 2018 is as under:

No. of Shares	No. of Shareholders	% of Shares held	Total shares	Percentage of total
1 - 500	6,737	75.65	12,07,457	0.92
501 - 1000	1,048	11.77	9,07,811	0.68
1001 - 2000	449	5.05	7,19,970	0.55
2001 - 3000	185	2.08	4,87,887	0.37
3001 - 4000	95	1.07	3,43,134	0.26
4001 - 5000	97	1.08	4,69,130	0.36
5001 - 10000	147	1.65	11,11,035	0.84
10001 or above	148	1.65	12,66,48,576	96.02
<b>Total</b>	<b>8,906</b>	<b>100.00</b>	<b>13,18,95,000</b>	<b>100.00</b>

## Performance in comparison with broad based indices

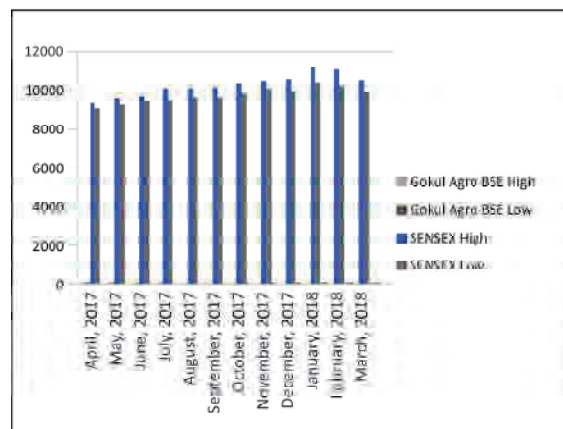
### Performance of the Company's shares on BSE in comparison to BSE SENSEX

Month	Gokul Agro		SENSEX	
	BSE			
	High	Low	High	Low
April, 2017	27.60	24.45	30,184.22	29,241.48
May, 2017	34.40	25.00	31,255.28	29,804.12
June, 2017	32.70	27.05	31,522.87	30,680.66
July, 2017	28.40	23.95	32,672.66	31,017.11
August, 2017	26.90	20.00	32,686.48	31,128.02
September, 2017	26.00	19.95	32,524.11	31,081.83
October, 2017	28.50	21.05	33,340.17	31,440.48
November, 2017	35.10	23.05	33,865.95	32,683.59
December, 2017	28.80	22.70	34,137.97	32,565.16
January, 2018	33.00	25.35	36,443.98	33,703.37
February, 2018	28.50	23.60	36,256.83	33,482.81
March, 2018	26.50	18.55	34,278.63	32,483.84



### Performance of the Company's shares on NSE in comparison to Nifty

Month	Gokul Agro		NIFTY	
	NSE			
	High	Low	High	Low
April, 2017	27.45	24.75	9,367.15	9,075.15
May, 2017	34.4	25.15	9,649.60	9,269.90
June, 2017	33.35	26.8	9,709.30	9,448.75
July, 2017	28.5	24	10,114.85	9,543.55
August, 2017	26	20.75	10,137.85	9,685.55
September, 2017	26.2	20.05	10,178.95	9,687.55
October, 2017	28.45	20.8	10,384.50	9,831.05
November, 2017	35.1	23.05	10,490.45	10,094.00
December, 2017	28.65	23.5	10,552.40	10,033.35
January, 2018	32.85	25	11,171.55	10,404.65
February, 2018	28.85	23.65	11,117.35	10,276.30
March, 2018	25.65	18.3	10,525.50	9,951.90



## CEO / CFO CERTIFICATE

To,  
The Board of Directors  
Gokul Agro Resources Limited

As required under the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II part B of the Listing Regulations, we hereby certify that;

1. We have reviewed financial statements and the cash flow statement of Gokul Agro Resources Limited for the year ended March 31, 2018 and to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - a) that there are no significant changes in internal control over financial reporting during the year;
  - b) that there are no significant changes in accounting policies during the year; and
  - c) that there are no instances of significant fraud of which we have become aware.

Date : August 14, 2018  
Place : Ahmedabad

Mr. Manish Kella  
Chief Finance Officer

Mr. Hitesh Thakkar  
Chief Executive Officer

## CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members,  
Gokul Agro Resources Limited

We have examined the compliance of conditions of Corporate Governance by Gokul Agro Resources Limited, for the year ended on March 31, 2018 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D, and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Regulations. 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For, Chirag Shah & Associates  
Company Secretaries

Date : August 14, 2018  
Place : Ahmedabad

Chirag Shah  
Proprietor  
Membership No: 5545

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members,  
Gokul Agro Resources Limited  
Ahmedabad

### Report on the Standalone Financial Statements

We have audited the accompanying Ind AS standalone financial statements of **Gokul Agro Resources Limited** ("the company"), (CIN-L15142GJ2014PLC080010) which comprises the Balance Sheet as at March 31, 2018, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity for the year then ended, summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS standalone financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS standalone financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS standalone financial statements based on our audit. While conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the Ind AS standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the Ind AS standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the Ind AS standalone financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the company as at March 31, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, We report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS standalone financial statement comply with the Indian Accounting Standards specified under section 133 of the Act.
  - (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The company does not have any pending litigations which would impact its financial position.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure B, a statement on the matters specified in the paragraph 3 and 4 of the Order.

**For, Surana Maloo & Co.**  
**Chartered Accountants**  
**Firm Registration No: 112171W**

**Date : May 28, 2018**  
**Place : Ahmedabad**

**Sunil Maloo**  
**Partner**  
**Membership No: 138564**

**Annexure-"A" to the Independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gokul Agro Resources Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Gokul Agro Resources Limited ("the company"), (CIN-L15142GJ2014PLC080010) as of March 31, 2018 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

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

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

**Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS standalone financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS standalone financial statements.

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

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Surana Maloo & Co.  
Chartered Accountants  
Firm Registration No: 112171W

Sunil Maloo

Partner

Membership No: 138564

Date : May 28, 2018

Place : Ahmedabad

## Annexure-"B" to the Independent Auditors' Report

A Statement on the matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 of **Gokul Agro Resources Limited** ("the Company"), (CIN-L15142GJ2014PLC080010) for the year ended on March 31, 2018, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets relating to the company.
- (b) The fixed assets have been physically verified during the year by the Management in accordance with program of physical verification, which in our opinion, provides for physical verification of all fixed assets at a reasonable intervals having regard to size of the Company and nature of fixed assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based upon the audit procedure performed and according to the records of the company, title deeds of few of the immovable properties transferred to the company under the scheme of the arrangement as approved by the Hon'ble High Court of Gujarat are still in the name of the Demerged Company "Gokul Refoils and Solvent Limited" and title deeds are in the process of transfer in the name of the Company.
- (ii) The Company management has conducted the physical verification of inventory at reasonable intervals and discrepancies noticed on verification were not material and have been properly dealt with in the books of accounts.
- (iii) The Company has granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.

Sr. No.	Name of the parties covered	Nature of Transactions
1	Gokul Refoils & Solvent Limited	Loan balance transferred to the company on account of demerger scheme approved by the High Court.
2	Gujarat Gokul Power Limited	
3	Gokul Overseas	

- (a) The terms and conditions of the grant of such loans are not prejudicial to the Company's interest.
- (b) The schedule of re-payment of principal and payment of interest has not been expressly stipulated as the same is considered to be on mutual demand.
- (c) As no re-payment schedule is expressly agreed, there is no overdue principal and interest.
- (iv) In respect of loans, investment, guarantee and security attracting the provisions of Section 185 and 186 of the Act have been complied with by the Company.
- (v) According to the information and explanations given to us the company has not accepted deposits from the public within the meaning of Sections 73 to 76 of the Act, and the rules framed there under. Therefore, the reporting requirements of paragraph 3 (v) of the Order, is not applicable.
- (vi) The company has made and maintained the cost records as prescribed by the Central Government under section 148(1) of the Act.
- (vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the company in respect of undisputed statutory dues of Central Excise, Service Tax, Sales Tax, Goods and Service Tax, Income Tax, Tax Deducted at Source, Tax Collected at Source, Professional Tax, Cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Service Tax, Goods and Service Tax, Income Tax, Tax Deducted at Source, Tax Collected at Source, Professional Tax, Cess and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of Central Excise, Service Tax, Sales Tax, Goods and Service Tax, Income Tax, Tax Deducted at Source and Tax Collected at Source, Professional Tax, which have not been deposited with the appropriate authorities on account of any dispute.  
Further as per the scheme of the demerger as approved by the High Court, the company shall be responsible for the any disputed statutory liability of the Gandhidham Undertaking if any payable by the demerged company.
- (viii) Based on our audit procedure and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to banks. The Company has not borrowed or raised any money from debenture holders during the year.
- (ix) The company has not raise any money by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the company.

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS standalone financial statements and as per the information and explanations given by the Management, we report that no material fraud on or by the Company has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a chit fund or a Nidhi/Mutual Benefit Fund/ Society. Therefore, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- (xiii) According to the information and explanation given to us and on the basis of our examination of the records of the company, transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable and also the details which have been disclosed in the Ind AS Standalone Financial Statements as required by the applicable accounting standard.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly reporting requirement of paragraph 3(xv) of the order is not applicable.
- (xvi) According to the information given and as explained to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

**For, Surana Maloo & Co.**  
**Chartered Accountants**  
**Firm Registration No: 112171W**

**Date : May 28, 2018**  
**Place : Ahmedabad**

**Sunil Maloo**  
**Partner**  
**Membership No: 138564**

**Note: - 1: Significant Accounting Policies and Notes forming part of the Accounts**

**Note: - 1 : CORPORATE INFORMATION**

Gokul Agro Resources Limited (the company) is a public limited company and listed on Bombay Stock Exchange (BSE) & National Stock Exchange (NSE), domiciled in India and incorporated under the provisions of the Companies Act, 2013. The company is engaged in business of Manufacturing & Trading of Edible & Non-Edible Oil, Meals and other Agro Products.

**Note: - 2 : BASIS OF PREPARATION**

a) Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. The transition from previous GAAP to Ind AS has been accounted for in accordance with the Ind AS 101 "First Time Adoption of Indian Accounting Standards", with April 1, 2016 being the transition date. In accordance with the Ind AS 101 "First time adoption of Indian Accounting Standard", the Company has presented a reconciliation [from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS] of total equity as at April 1, 2016, March 31, 2017 and Statement of Profit and Loss for the year ended March 31, 2017 (Refer Note 50 for information on how the company has adopted Ind AS).

b) Functional and presentation currency

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

c) Basis of measurement

The financial statements have been prepared on historical cost basis, except certain financial assets and liabilities which have been measured at fair value, defined benefits plan and contingent consideration. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle to be of 12 months for the purposes of current / non-current classification of assets and liabilities.

**Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**Note: -2A : USE OF ESTIMATES**

The preparation of financial statements requires the use of accounting estimates which, by definition, will often equal the actual results. Management also needs to exercise judgment in applying the group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be adjusted due to estimates and assumptions turning out to be different from those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

### Critical estimates and judgments

The areas involving critical estimates or judgments are:

- a) Estimation of current tax expense and payable – Refer accounting policies - 3.9
- b) Estimated useful life of property, plant & equipment and intangible assets – Refer accounting policies -3.1
- c) Estimation of defined benefit obligation – Refer accounting policies -3.8
- d) Estimation of fair values of contingent liabilities - Refer accounting policies -3.12
- e) Recognition of revenue - Refer accounting policies - 3.4
- f) Recognition of deferred tax assets for carried forward tax losses – Refer accounting policies -3.9
- g) Impairment of financial assets – Refer accounting policies - 3.2 &3.5

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

### **Note: -3 : SIGNIFICANT ACCOUNTING POLICIES**

#### **3.1 Property, plant and equipment:**

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and all other attributable cost of bringing the asset to working condition for intended use. Finance costs relating to borrowing funds attributable to acquisition of fixed assets are also included in the cost, for the period till such asset is put to use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognized separately as independent items and are depreciated over their estimated economic useful lives.

All other repair and maintenance costs are recognized in the statement of profit and loss as incurred unless they meet the recognition criteria for capitalization under Property, Plant and Equipment

#### Tangible Fixed Assets:

Depreciation on tangible assets is provided on the Straight-Line Method (SLM) over the useful life of the assets as prescribed under Schedule II to the Companies Act, 2013. In respect of the fixed assets purchased during the year, depreciation is provided on pro rata basis from the date on which such asset is ready to be put to use. On transition to Ind AS as on April 1, 2016, the Company has elected to measure its Property, Plant and Equipment at cost as per Ind AS.

#### Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses (if any).

An item of intangible asset initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the income statement when the asset is derecognized. Intangible fixed assets are amortized on straight line basis over their estimated useful economic life.

#### Capital Work- in- progress

Capital work- in- progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period are capitalized as a part of the construction cost to the extent to which these expenditures are attributable to the construction as per Ind AS-23 “Borrowing Costs”. Interest income earned on temporary investment of funds brought in for the project during construction period are set off from the interest expense accounted for as expenditure during the construction period.

#### **3.2 Impairment of non-financial assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures it on the basis of discounted cash flows of next five years' projections estimated based on current prices. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

### 3.3 Foreign Currency Transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

#### Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of transaction.

#### Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are measured in terms of historical costs denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

#### Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognized as income or as expenses in the year in which they arise. All other exchange differences are recognized as income or as expenses in the period in which they arise.

Transactions covered under forward contracts are accounted for at the contracted rate. All export proceeds have been accounted for at a fixed rate of exchange at the time of raising invoices. Foreign exchange fluctuations as a result of the export sales have been adjusted in the statement of profit and loss account and export proceeds not realized at the balance sheet date are restated at the rate prevailing as at the balance sheet date.

### 3.4 Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically,

- (i) Sale of goods is recognized on transfer of significant risk and rewards of ownership which is generally on shipment and dispatch to customers. Sale up to June 2017 is inclusive of excise duty but exclusive of VAT and after that due to introduction of GST, sale from 1<sup>st</sup> July, 2017 to 31<sup>st</sup> March, 2018 doesn't include GST.
- (ii) Revenue/Loss from bargain settlement of goods is recognized at the time of settlement of transactions.
- (iii) Export benefits/Value added tax benefits are recognized as Income when the right to receive credit as per the terms of the scheme is established and there is no significant uncertainty regarding the claim.
- (iv) For all debt instruments measured either at amortized cost or at fair value through other comprehensive income [OCI], interest income is recorded using the effective interest rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument [for example, prepayment, extension, call and similar options] but does not consider the expected credit losses.
- (v) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- (vi) Share of profit and loss from partnership firm is recognized when company's right/obligation to receive/pay is established.
- (vii) Dividend income from investments is recognized when the Company's right to receive payment is established which is generally when shareholders approve the dividend.

### 3.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **A. Financial Assets**

##### **a. Initial recognition and measurement:**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognized on the settlement date, trade date, i.e., the date that the Company settle commits to purchase or sell the asset.

**b. Subsequent measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

**i. Debt instruments at amortized cost:**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" [SPPI] on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate [EIR] method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

**ii. Debt instruments at fair value through other comprehensive income [FVTOCI]:**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The asset is held with objective of both - for collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income [OCI]. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss [FVTPL]:**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**iv. Equity instruments measured at fair value through other comprehensive income [FVTOCI]:**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has made such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**c. Derecognition:**

A financial asset is primarily derecognized when:

- i. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement~ and either [a] the Company has transferred substantially all the risks and rewards of the asset, or [b] the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- ii. The Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

**B. Financial liabilities:**

**a. Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**b. Subsequent measurement:**

The measurement of financial liabilities depends on their classification, as described below:

**i. Financial liabilities at fair value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied for liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

**ii. Loans and borrowings:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**iii. Financial guarantee contracts:**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

**c. Derecognition:**

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

**C. Reclassification of financial assets:**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses [including impairment gains or losses] or interest.

**D. Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### 3.6 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted [unadjusted] market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### 3.7 Inventories

Inventories are valued at the lower of cost or net realizable value except Raw Material, which is valued at the cost. The cost is determined by weighted average method. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

### 3.8 Retirement benefits

Retirement benefit costs for the year are determined on the following basis:

- (i) Company provides for Retirement Benefits in the form of Gratuity. Such Benefits are provided for as at Balance Sheet date, based on the valuation made by independent actuaries. Company has taken Group Gratuity Policy of LIC of India and Premium paid is recognized as expenses when it is incurred. Actuarial gains or loss in respect of Gratuity are charged to Profit & Loss Account and OCI based on the actuary valuation report.
- (ii) Provident fund is accrued on monthly basis in accordance with the terms of contract with the employees and is deposited with the Statutory Provident Fund. The Company's contribution is charged to profit and loss account.
- (iii) Company also provides for Leave Encashment as at Balance Sheet date, based on the valuation made by independent actuaries

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset

### 3.9 Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the Company operates. Current tax items are recognized in correlation to the underlying transaction either in P&L, OCI or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized on the basis of reasonable certainty that the company will be having sufficient future taxable profits and based on the same the DTA has been recognized in the books.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

### 3.10 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs which are not specifically attributable to the acquisition, construction or production of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a weighted average capitalization rate. The weighted average rate is taken of the borrowing costs applicable to the outstanding borrowings of the company during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized cannot exceed the amount of borrowing costs incurred during that period.

### 3.11 Earnings per equity share

Basic earnings per share is calculated by dividing the net profit or loss from continuing operation and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

### 3.12 Provisions, Contingent Liabilities and Contingent Assets:

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.

A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are renewed at each balance sheet date.

### 3.13 Cash and Cash Equivalents

Cash and cash equivalent comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 3.14 Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

## Balance Sheet as at 31<sup>st</sup> March, 2018

(₹ in Lakhs)

Particulars	Note No.	As at the end of 31 <sup>st</sup> March, 2018	As at the end of 31 <sup>st</sup> March, 2017	As at the Beginning of 31 <sup>st</sup> March, 2016
<b>I. ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	4	22,196.69	17,769.81	13,486.12
(b) Capital work-in-progress	4	1,031.09	1,492.66	3,306.97
(c) Intangible Assets	4	13.62	24.15	30.37
(d) Financial Assets				
(i) Investments	5	930.75	930.75	930.75
(ii) Loans	6	18.48	14.85	-
(iii) Other Financial Assets	7	350.30	532.26	367.91
(e) Other Non-Current Assets	8	547.08	757.64	223.97
(f) Deferred tax Assets (Net)	20	-	-	163.56
<b>Current assets</b>				
(a) Inventories	9	41,386.47	35,231.89	36,957.95
(b) Financial Assets				
(i) Investments	10	1,089.66	18.50	2,523.30
(ii) Trade receivables	11	34,486.10	36,132.72	23,549.99
(iii) Cash and Cash Equivalents	12	6,509.24	18,115.87	14,785.88
(iv) Bank Balance other than (iii) above	12	5,674.12	5,322.89	9,981.16
(v) Loans	13	2,451.61	2,333.65	6,952.04
(vi) Others	14	389.47	786.62	495.96
(c) Other current assets	15	7,881.62	7,077.56	11,197.64
<b>TOTAL</b>		<b>1,24,956.32</b>	<b>1,26,541.83</b>	<b>1,24,953.56</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	16	2,637.90	2,637.90	2,637.90
(b) Other Equity	17	17,817.28	16,528.29	14,509.30
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	18	4,644.32	3,280.72	121.17
(b) Provisions	19	69.24	51.75	39.16
(c) Deferred tax liabilities (Net)	20	342.56	262.01	-
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	21	28,598.65	25,084.56	22,386.79
(ii) Trade Payables	22	66,726.18	75,008.14	83,106.21
(iii) Other Financial Liabilities	23	2,711.25	1,689.10	208.39
(b) Other Current Liabilities	24	990.93	888.11	1,500.55
(c) Provisions	25	418.01	1,111.25	444.09
<b>TOTAL</b>		<b>1,24,956.32</b>	<b>1,26,541.83</b>	<b>1,24,953.56</b>
Significant accounting policies and notes forming part of Financial Statements.	1 to 50			
<b>For and On Behalf of the Board</b>		<b>As per our report of even date attached</b>		
<b>Kanubhai J. Thakkar</b> Chairman & Managing Director		<b>For Surana Maloo &amp; Co.</b> Chartered Accountants FRN-112171W		
<b>Jayeshkumar K. Thakkar</b> Jt. Managing Director		<b>Sunil Maloo</b> Membership No:138564		
<b>Manish P. Kella</b> Chief Financial Officer				
<b>Chinar R. Jethwani</b> Company Secretary				
<b>28th May, 2018</b> <b>Ahmedabad</b>		<b>28th May, 2018</b> <b>Ahmedabad</b>		

## Statement of Profit and Loss for the Period ended 31<sup>st</sup> March, 2018

(₹ in Lakhs)

Particulars	Note No.	For the Period ended 31 <sup>st</sup> March, 2018	For the Period ended 31 <sup>st</sup> March, 2017
I. Revenue From Operations	26	4,28,253.82	4,27,074.24
II. Other Income	27	1,070.47	2,142.73
<b>III. Total Revenue</b>		<b>4,29,324.29</b>	<b>4,29,216.97</b>
IV. Expenses:			
Cost Of Materials Consumed	28	3,56,354.89	3,04,217.66
Purchases Of Stock-In-Trade	29	45,314.43	1,00,496.52
Changes In Inventories Of Finished Goods, Work-In-Progress And Stock-In-Trade	30	794.05	-2,879.29
Excise Duty On Sales		332.78	917.27
Employee Benefits Expense	31	2,019.64	1,677.34
Finance Cost	32	6,682.60	5,335.60
Depreciation And Amortization Expense	4	2,766.82	2,070.38
Other Expenses	33	13,315.12	14,345.82
<b>Total Expenses</b>		<b>4,27,580.34</b>	<b>4,26,181.29</b>
<b>V. Profit/(Loss) Before Tax</b>		<b>1,743.95</b>	<b>3,035.68</b>
VI. Tax Expense:			
(1) Current Tax		372.43	658.54
(2) Deferred Tax Liability/(Assets)		80.54	418.47
(3) (Excess)/Short Provision Of Earlier Years		1.04	-
<b>VII. Profit/ (Loss) For The Period</b>		<b>1,289.94</b>	<b>1,958.67</b>
VIII. Other comprehensive Income / (Expenses)			
Other Comprehensive Income/(Expenses) to be reclassified to profit or loss in subsequent periods:		-	-
Other Comprehensive Income/(Expenses) not to be reclassified to profit or loss in subsequent periods:			
- Re-measurement gains/(losses) on defined benefit plans		-0.94	60.32
<b>Other Comprehensive Income/(Expenses) for the year, net of taxes</b>		<b>-0.94</b>	<b>60.32</b>
<b>IX. Total other comprehensive income</b>		<b>1,288.99</b>	<b>2,018.99</b>
Earnings per Equity Share: (Face Value ₹ 2 Per Share)			
(1) Basic In Rupees		0.98	1.49
(2) Diluted In Rupees		0.98	1.49
Significant accounting policies and notes forming part of Financial Statements.	1 to 50		
<b>For and On Behalf of the Board</b> <b>Kanubhai J. Thakkar</b> Chairman & Managing Director <b>Jayeshkumar K. Thakkar</b> Jt. Managing Director <b>Manish P. Kella</b> Chief Financial Officer <b>Chinar R. Jethwani</b> Company Secretary <b>28th May, 2018</b> <b>Ahmedabad</b>		<b>As per our report of even date attached</b>  <b>For Surana Maloo &amp; Co.</b> Chartered Accountants FRN-112171W  <b>Sunil Maloo</b> Membership No:138564  <b>28th May, 2018</b> <b>Ahmedabad</b>	

## Cash Flow Statement for the year ended on 31<sup>st</sup> March, 2018

(₹ in Lakhs)

Particulars	For the Period ended 31 <sup>st</sup> March, 2018	For the Period ended 31 <sup>st</sup> March, 2017
<b>A. Cash Flow From Operating Activities</b>		
Net Profit Before Taxation And Extraordinary Items	1,743.01	3,096.00
<b>Adjustment For :-</b>		
Depreciation	2,766.82	2,070.38
Loss/(Profit) On Sale Of Fixed Assets-Net	12.92	-3.47
Interest Income	-1,023.73	-2,026.01
Interest Paid	4,656.40	3,369.97
Gain On Sale Of Mutual Fund	-49.49	-82.86
Provision For Retirement Benefits	17.48	12.60
Profit from Partnership firm	-	-15.76
Dividend Income	-0.35	-0.14
Provision For Doubtful Debts	-	-
<b>Total</b>	<b>6,380.06</b>	<b>3,324.71</b>
<b>Operating Profit ( Loss) Before Working Capital Changes</b>	<b>8,123.06</b>	<b>6,420.71</b>
<b>Adjustment For :-</b>		
(Increase)/ Decrease In Trade Receivables	1,646.61	-12,582.73
(Increase)/ Decrease In Loans & Advances & Other Current Assets	947.65	4,067.21
(Increase)/ Decrease In Other Bank Balances	-351.30	4,339.55
(Increase)/ Decrease In Inventories	-6,154.59	1,726.07
Increase/ (Decrease) In Trade Payables & Others	-8,657.12	-8,024.85
<b>Cash Generated From Operations</b>	<b>-4,445.68</b>	<b>-4,054.05</b>
Direct Tax Paid	-667.47	-692.34
<b>Cash Flow Before Extraordinary Items</b>	<b>-5,113.16</b>	<b>-4,746.39</b>
Extraordinary Items	-	-
<b>Net Cash From Operating Activities</b>	<b>-5,113.16</b>	<b>-4,746.39</b>
<b>B. Net Cash Flow From Investment Activities</b>		
Purchase Of Fixed Assets	-6,748.00	-4,534.73
(Purchase)/Disposal Of Current Investment	-1,071.16	2,504.80
Proceeds From Sale Of Fixed Assets	13.48	4.65
Interest Received	1,073.39	2,129.22
Gain On Sale Of Mutual Fund	49.49	82.86
Profit from Partnership firm	-	15.76
Dividend Income	0.35	0.14
Loans To Others Corporate	64.40	-
Loan To Subsidiary /Associates	-191.33	4,621.96
<b>Net Cash From Investment Activities</b>	<b>-6,809.37</b>	<b>4,824.66</b>

## Cash Flow Statement for the year ended on 31st March, 2018

(₹ in Lakhs)

Particulars	For the Period ended 31 <sup>st</sup> March, 2018	For the Period ended 31 <sup>st</sup> March, 2017
<b>C. Cash Flows From Financing Activities</b>		
Interest Paid	-4,995.22	-3,409.26
Proceeds from Term Loan	2,686.57	4,000.00
(Repayment) of Long term Loans	-889.55	-36.78
(Repayment)/Acquisition of Short term borrowings	3,514.09	2,697.77
<b>Net Cash From Financial Activities</b>	<b>315.89</b>	<b>3,251.73</b>
<b>Net Increase /(-) Decrease In Cash And Cash Equivalents</b>	<b>-11,606.64</b>	<b>3,330.00</b>
<b>Opening Balance In Cash And Cash Equivalents</b>	<b>18,115.87</b>	<b>14,785.88</b>
<b>Closing Balance In Cash And Cash Equivalents</b>	<b>6,509.24</b>	<b>18,115.87</b>
<b>Reconciliation of cash and cash equivalent with Balance sheet</b>		
cash and cash equivalent as per Balance sheet	12,503.30	23,758.63
Less : Fixed Deposits Having Maturity of More than Three Months not considered as cash and cash equivalent	5,994.06	5,642.76
<b>Closing Balance In Cash And Cash Equivalents</b>	<b>6,509.24</b>	<b>18,115.87</b>
<b>As Per Our Report of Even Date</b>		
Notes On Cash Flow Statement:		
1. The Above Statement Has Been Prepared Following The "Indirect Method" As Set Out In Accounting Standard 3 On Cash Flow Statement Issued By The Institute Of Chartered Accountants Of India.		
2. Cash And Cash Equivalents consists of Cash on hand, balances with Bank, Fixed Deposits having maturity of less than Three months (Refer Note No. 12)		
<b>For and On Behalf of the Board</b>		<b>As per our report of even date attached</b>
<b>Kanubhai J. Thakkar</b> Chairman & Managing Director		<b>For Surana Maloo &amp; Co.</b> Chartered Accountants FRN-112171W
<b>Jayeshkumar K. Thakkar</b> Jt. Managing Director		<b>Sunil Maloo</b> Membership No:138564
<b>Manish P. Kella</b> Chief Financial Officer		
<b>Chinar R. Jethwani</b> Company Secretary		
<b>28th May, 2018</b> <b>Ahmedabad</b>		<b>28th May, 2018</b> <b>Ahmedabad</b>

# Statement of Changes in Equity for the year ended 31st March, 2018

## A. Equity Share Capital

For the year ended 31st March, 2018

Balance as at 1st April, 2017	Changes during the year	Balance as at 31st March, 2018
2,637.90	-	2,637.90

For the year ended 31st March, 2017

Balance as at 1st April, 2016	Changes during the year	Balance as at 31st March, 2018
2,637.90	-	2,637.90

## B. Other Equity

For the year ended 31st March, 2018

Particulars	Capital Reserve	Retained Earnings	FVOCI	Total Equity
Balance as at 1st April, 2017	12,737.90	3,797.86	58.40	16,594.17
Adjustment Pertaining to IND-AS Transition	-	-65.88	-	-65.88
Adjusted Opening Balance as at 1st April, 2017	12,737.90	3,731.98	58.40	16,528.29
Profit/(Loss) for the year	-	1,289.94	-	1,289.94
Transfer from / to	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-
- Remeasurements gain/(loss) on defined benefit plans	-	-	-0.94	-0.94
<b>Balance as at 31st March, 2018</b>	<b>12,737.90</b>	<b>5,021.92</b>	<b>57.46</b>	<b>17,817.28</b>

For the year ended 31st March, 2017

Particulars	Capital Reserve	Retained Earnings	FVOCI	Total Equity
Balance as at 1st April, 2016	12,737.90	1,773.31	-1.92	14,509.30
Profit/(Loss) for the year	-	1,958.67	-	1,958.67
Transfer from / to	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-
- Remeasurements gain/(loss) on defined benefit plans	-	-	60.32	60.32
<b>Balance as at 31st March, 2017</b>	<b>12,737.90</b>	<b>3,731.98</b>	<b>58.40</b>	<b>16,528.29</b>

For and On Behalf of the Board

**Kanubhai J. Thakkar**

Chairman & Managing Director

**Jayeshkumar K. Thakkar**

Jt. Managing Director

**Manish P. Kella**

Chief Financial Officer

**Chinar R. Jethwani**

Company Secretary

28th May, 2018

Ahmedabad

As per our report of even date attached

**For Surana Maloo & Co.**

Chartered Accountants

FRN-112171W

**Sunil Maloo**

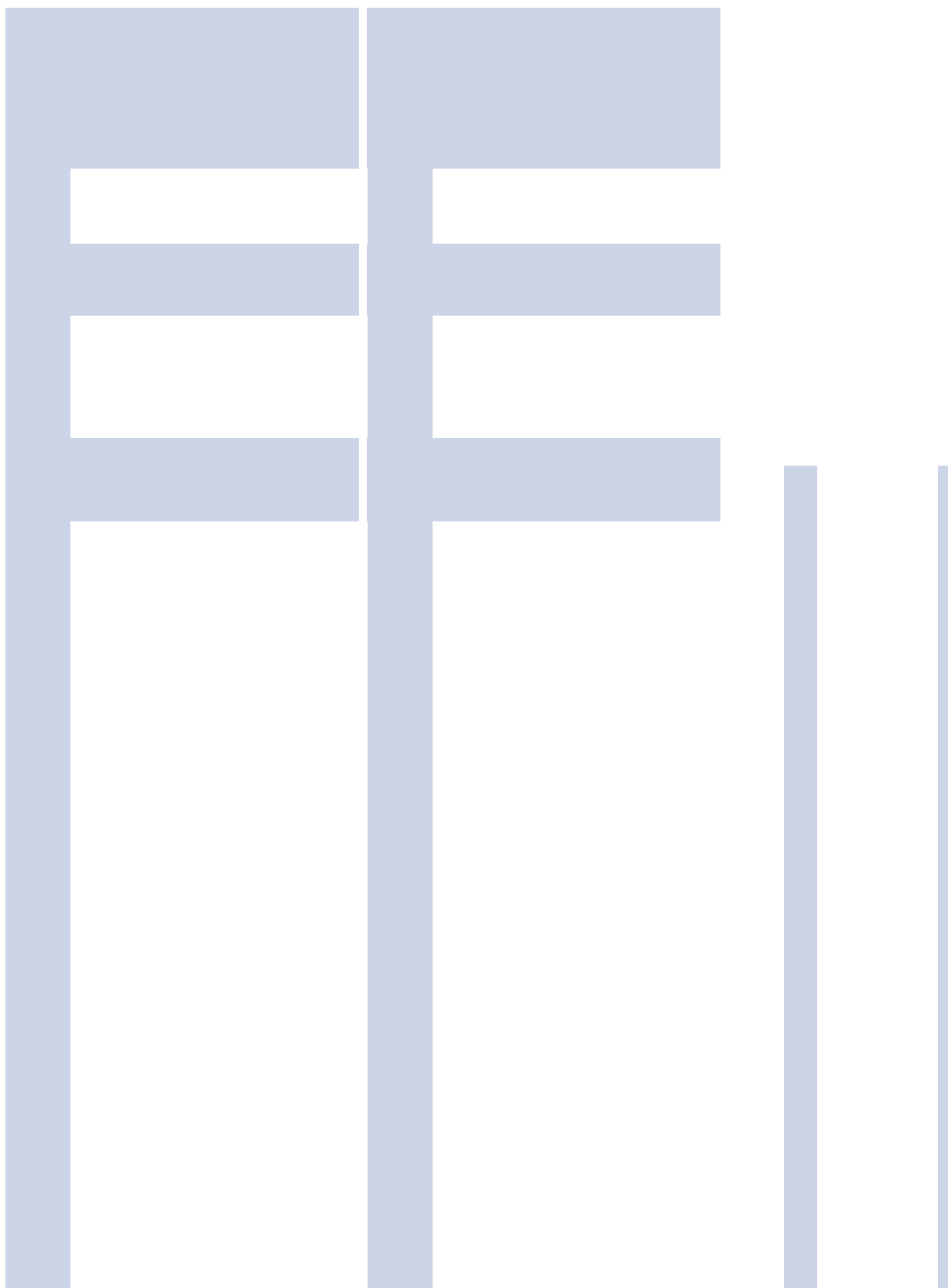
Membership No:138564

28th May, 2018

Ahmedabad

(₹ in Lakhs)

Note-4 : Property, Plant & Equipment



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