

CHAIRMAN'S MESSAGE

BALVANTSINH RAJPUT

Dear Stakeholders,

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

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

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

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

Global Economy and GDP outlook for 2019-20

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

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

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



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

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

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

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

Sincerely
Yours

Balvantsinh Rajput
Chairman