

Press Release

For Immediate Release

Gokul Refoils with GMDC to set up Rs 460 crore, 80 MW thermal power project near Surat

July 13, 2010, Ahmedabad: Gokul Refoils & Solvent Ltd today announced that the company along with Gujarat Mineral Development Corporation (GMDC) is planning to set up a 80 MW lignite based thermal power station near Tadkeshwar district of Surat in the equity stake ratio of 74:26.

The project is being developed on 61 hectares land, which is already acquired and total project cost is estimated at about Rs.460 crore. The project cost will be funded by combination of debt and equity in the proportion of 70:30. The plant capacity is divided in parts of 55 MW that would be supplied to GMDC (20 MW) and Gokul Group (35 MW) and the balance 25 MW capacity will be available for sale to Gujarat Urja Vikas Limited (GUVNL) and other parties.

GMDC has committed 100% raw material supply to the project which is the big advantage as other future power projects are restricted by lack of fuel supply because of current scarcity of domestic coal allocation. Gokul Refoils & Solvent limited and GMDC both would be beneficial in terms of cost savings as the captive user would derive power from the project at Rs.3.40 per unit as against the grid rate of Rs.5.50 per unit.

As a step forward, both Gokul Group and GMDC have principally agreed to enhance the size of power project to 135 MW from 80 MW.

About Gokul Refoils & Solvents Ltd (BSE code: 532980, NSE: 16705)

Gokul Refoils and Solvent Limited (GRSL) is one of India's leading FMCG Companies with international presence, dealing in edible oils such as Soya bean oil, Cottonseed oil, Palm oil (Palmolein), Sunflower oil, Mustard oil, Groundnut oil, Vanaspati and Industrial oils such as Castor Oil. It is an ISO 9001:2000 Certified Company with a wide customer base spread globally. The company has set up offices in Singapore and Mauritius to facilitate its international trading operations and has an extensive marketing and distribution network for its popular brands "Gokul" and "Zaika" across 20 states in India. With a loyal customer base in various countries across continents, GRSL supplies products to United States, South Korea, European Union, China, Singapore, Indonesia, Malaysia and Vietnam. The company owns four production plants equipped with latest equipment and technology in the states of Gujarat and West Bengal in India.