

**N.K.  
Industries Ltd**

9<sup>th</sup> November, 2019

<b>To,</b> <b>National Stock Exchange of India Limited</b> Exchange Plaza, Plot C-1, 'G' Block, ISB Centre, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051. <b>Company Code No. NKIND</b>	<b>To,</b> <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. <b>Company Code No. 519494</b>
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Dear Sir/Madam,

**Sub: Submission of Standalone and Consolidated Unaudited Financial Results for the half year ended on 30<sup>th</sup> September, 2019**

The Board of Directors at their meeting held today approved the Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended on 30<sup>th</sup> September, 2019.

Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, we are enclosing herewith the following documents for submission:

1. Unaudited Standalone & Consolidated Financial Results with the Statement of Assets and Liabilities for the half year ended on September 30, 2019.
2. The Limited Review Reports on the Standalone and Consolidated Financial Results for the half year ended on September 30, 2019.
3. Standalone and Consolidated Statement of Cash Flow for the half year ended on 30<sup>th</sup> September, 2019.

The meeting of Board of Directors of the Company commenced at 11:30 A.M and the meeting concluded at 3:40 p.m.

Thanking You.  
**Yours faithfully,**  
**N K INDUSTRIES LIMITED**

**Ms. TRUSHA SHAH**  
**(Company Secretary & Compliance Officer)**



Regd. Office : 7th Floor,  
Popular House, Ashram Road,  
Ahmedabad - 380 009.  
India.

Phone : 91-79-66309999  
Fax : 91-79-26589214  
E-mail : nkil@nkproteins.com

Plant : 745, Kadi-Thor Road,  
Kadi - 382 715. Dist. Mehsana (N.G.)  
Tele : (02764) 242613, 263884  
(M) : 9879544820, 8980002783/84  
Email : nkilkadi@yahoo.co.in

CIN No. : L91110GJ1987PLC009905

**Independent Auditors Review Report on the Half yearly Unaudited  
Financial Results of the Company pursuant to the Regulation 33 of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015, as  
amended**

Review Report to,

The Board of Directors

**N.K. INDUSTRIES LIMITED,  
Ahmedabad.**

We have reviewed the accompanying statement of unaudited standalone financial results of **N.K.INDUSTRIES LIMITED** (the "company") for the half year ended 30<sup>th</sup> September, 2019. (the "statement") attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing obligations & Disclosure Requirements) Regulation, 2015, (the Regulation) as amended, read with SEBI circular No.CIR/CFD/CMD1/44/2019 dated March 29, 2019. (the Circular)

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013, as amended read with relevant rules issued there under and other accounting principles generally accepted in India, read with the circular is the responsibility of the Company's Management and approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the statement based on our review.



We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

### **Basis of Qualified Opinion**

1. The Company had entered into financial arrangement with National Spot Exchange Ltd (NSEL) through trading and Clearing Member, N.K. Proteins Private Ltd (erstwhile N. K. Proteins Limited (NKPL) (Group Company) by way of purchase and sales of various goods up to financial year 2012-13. The trade payables and trade receivables arising out of the said transactions through National Spot Exchange Limited (NSEL) from the concerns other than the group concerns are subject to confirmations by the respective parties/NSEL and reconciliations/adjustments, if any. Further, NSEL has suspended the trading on 31.07.2013, as per the directions issued by the Government of India, Ministry of Consumer Affairs. NSEL has initiated recovery proceedings against the group company NKPL and also against the company by filing a civil suit in the Hon'ble High Court of Mumbai for an alleged amount of around Rs.937 crores plus interest and the said proceedings are pending as on date. Further, the Home department, Government of Maharashtra has issued a notification under the Maharashtra Protection of Interest of Depositors (in financial establishments)-Act, 1999 (MPID Act) attaching the Land, Building & Plant & Machinery of the company located at Kadi , Gujarat. The company had challenged the notification issued by Home department of Maharashtra before Hon'ble Gujarat High Court which was disposed off vides its order dated 29<sup>th</sup> March 2017. The company preferred a Special Leave



Petition before the Hon'ble Supreme Court of India against the order of Hon'ble Gujarat High Court and The Hon'ble Supreme Court of India had disposed off the Special Leave Petition on 17<sup>th</sup> April, 2017 with a observation to file an application before Hon'ble Bombay High Court, Mumbai, and as informed by the management, the company has filed petition before the Hon'ble Bombay High Court in June 2017 which is pending .Besides the above, the company has also filed its objections against the attachment notification before the Designated Special MPID Court, Mumbai. In view of the above that the matter is subjudice, and the alleged liability /claim are not accepted by the company ,we are unable to quantify the final liability and its impact if any, on the loss of the company for the half year ended on 30<sup>th</sup> September , 2019.

2. The Directorate of Enforcement, Government of India has initiated proceedings against the company under section 5(1) of the prevention of Money Laundering Act, 2002, along with group company NKPL, and by virtue of the provisional attachment order dated 10/03/2015, attached the assets of the company comprising of Land, building, plant and machinery situated at Survey Nos.719, 720, 721, 732/1, 732/2, 733, 741, 743, 744, 745, Kadi Thol Road, Village Kadi Kasba , taluka- Kadi, District Mehsana-382715 Gujarat. As explained to us, The Company has preferred an appeal before the Hon'ble Appellate Tribunal under the Prevention of Money laundering Act, 2002 against the order of Adjudicating Authority.

Further.The Director of Enforcement (hereinafter referred to as ED), Government of India had initiated proceedings of search/seizure on 30.05.2018 on the group company NKPL, the promoters of the company Shri Nilesh Patel and Shri Nimish Patel, one of the family member as well as on the company and thereafter on 29.06.2018, the ED, Government of India, had preferred an application u/s 17(4) of the Prevention of Money Laundering Act, 2002 before the Adjudicating Authority, New Delhi, vide it's a Application No. OA/236 of 2018 against the company as well as group company NKPL and the promoters for retention of the seized properties and for continuation



of order of freezing the properties, till finalization of the proceedings, of the properties mentioned in the application u/s 17(4) of the PMLA Act, 2002. The company along with Group Company and promoters challenged the show cause notice issued by the adjudicating authority New Delhi, before the Hon'ble High Court of Delhi and the Hon'ble High Court has set aside the said show cause notice. The Director of Enforcement has attached assets of the company, group company NKPL and the promoters of the company by issuing a fresh show cause notice dated 30/08/2018 and the company has filed an appeal before PMLA Appellate Tribunal, Delhi .

In view of the above that the matter is subjudice, and the alleged liability /claim are not accepted by the company ,we are unable to quantify the final liability and its impact if any, on the loss of the company for the half year ended on 30<sup>th</sup> September , 2019.

3. The Government of Maharashtra, (at the instance of Economic wing offence Mumbai), has filed supplementary Charge sheet dated 25<sup>th</sup> December, 2018 under the various sections of IPC AND MPID Act. against the company and its chairman Shri Nimish Patel. Further MPID Court on the basis of above supplementary charge sheet has issued summons dated 19<sup>th</sup> March,2019 against the company asking them to remain present on 26<sup>th</sup> April 2019.The Company has complied with the said summons and the matter was adjourned to 7<sup>th</sup> November,2019 and further adjourned to 15<sup>th</sup> February,2020. Thus, in view of the fact that the said criminal proceedings which have been initiated, inter alia, against the company and its Chairman Shri Nimish Patel are pending, we are unable to ascertain/quantify the final liability, if any, that may arise from the said criminal proceedings and therefore we are unable to quantify its impact, if any, on the loss of the company for the half year ended on 30.09.2019.



Based on our review conducted as above, *except as mentioned in qualified opinion*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (“Ind AS”) as specified under Section 133 of Companies Act, 2013 as amended, read with relevant rules issued there under and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular including the manner in which it is to be disclosed, or that it contains any material misstatement

#### **EMPHASIS OF MATTER**

- 1. The company is having accumulated losses (after taking into account the balance of reserves) of Rs 342.24 Crores as at 30.9.2019 and the net worth of the company is negative. However, as per the business plan and future cash flow projections submitted by the management to us and accepted by us. The Company is making sincere efforts for the revival of the Business & the management is confident to recover the losses through improved profitability in foreseeable future. Therefore no provision for the impairment has been made and accounts for the year have been prepared on “going concern basis.” Further the above projections also contains business plan/ projected cash flow prepared by the management and accepted by us with respect to the subsidiaries company, the management is confident to also revive the operations of the loss making subsidiary companies, hence no provision for impairment in the fair value of the investment made in the said subsidiary companies has been made in the books of accounts.**
- 2. During the half year ended on 30<sup>th</sup> September 2019, the management has made provision for Doubtful Capital Advance of Rs 3.96 Crores, since in view of management; it is difficult to recover the said capital advances.**



***Our report is not modified in respect of this matter of Emphasis.***

**OTHER MATTERS**

- I) Balances of Trade receivables, Loans & Advances & Trade payables are subject to confirmation from respective parties.
- II) The closing stock as at 30.09.2019 is as taken, valued and certified by the Management.

Our Conclusion is not modified in respect of other matters.

Place: AHMEDABAD

FOR PARIKH & MAJMUDAR  
CHARTERED ACCOUNTANTS  
FRNNO 107525W

DATE: 09.11.2019



*(Signature)*  
(C.A Dr Hiten Parikh)  
PARTNER

M.No.40230

UDIN: 19040230AAAALT6014

# N.K. Industries Limited

Registered Office: 7th Floor, Popular House, Ashram Road, Ahmedabad - 380 009.

Works : 745, Kadi-Thor Road, KADI-382715 Dist.Mehsana (North Gujarat)

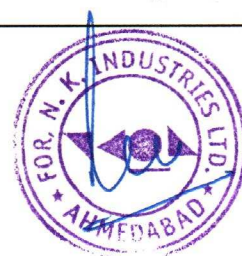
## Standalone Unaudited Financial Results For The Half Year Ended On 30<sup>th</sup> September, 2019

CIN: L91110GJ1987PLC009905, Phone: 91-79-66309999, Email: nkil@nkproteins.com

Part I		(°) In Lakhs, except per Share data					
	Particulars	Standalone					
		Quarter Ended on			Cummulative		Yearly
		30/09/2019 Unaudited	30/06/2019 Unaudited	30/09/2018 Unaudited	30/09/2019 Unaudited	30/09/2018 Unaudited	31/03/2019 Audited
1	<b>Income from operations</b>						
	(a) Net Sales / Income From Operations (net of Excise Duty)	146.60	9,517.98	22,592.63	9,664.58	31,625.91	49,631.11
	(b) Other Operating Income	14.00	60.17	133.80	74.17	225.66	427.41
	<b>Total Income (1)</b>	<b>160.60</b>	<b>9,578.16</b>	<b>22,726.42</b>	<b>9,738.75</b>	<b>31,851.56</b>	<b>50,058.52</b>
2	<b>Expenses</b>						
	a) Cost of materials consumed	-	7,659.45	23,169.32	7,659.45	31,109.67	46,209.61
	b) Purchase of stock-in-trade	(0.00)	0.46	1,138.65	0.46	1,865.24	1,914.82
	c) Changes in inventories of finished goods, work-in-progress and stock in trade	91.64	1,084.51	(2,353.87)	1,176.15	(3,083.65)	(1,181.29)
	d) Excise Duty and Service Tax	-	-	-	-	-	-
	e) Employee benefits expenses	8.60	47.95	231.91	56.55	468.35	904.80
	f) Finance Cost	0.10	0.34	0.06	0.44	0.43	4.48
	g) Depreciation and amortisation expenses	143.20	141.50	168.25	284.71	333.61	671.41
	h) Other expenses	9.87	689.64	511.13	699.52	1,325.36	4,342.88
	<b>Total Expenditure</b>	<b>253.43</b>	<b>9,623.84</b>	<b>22,865.44</b>	<b>9,877.27</b>	<b>32,019.00</b>	<b>52,866.72</b>
3	<b>Profit / (Loss) before exceptional item (1-2)</b>	<b>(92.83)</b>	<b>(45.68)</b>	<b>(139.01)</b>	<b>(138.52)</b>	<b>(167.43)</b>	<b>(2,808.20)</b>
4	Exceptional Items	-	-	-	-	-	-
5	<b>Profit / (Loss) before tax (3-4)</b>	<b>(92.83)</b>	<b>(45.68)</b>	<b>(139.01)</b>	<b>(138.52)</b>	<b>(167.43)</b>	<b>(2,808.20)</b>
6	Tax expense	(482.91)	(93.83)	34.15	(576.74)	46.50	879.69
7	i) Current Tax	-	-	-	-	-	-
8	ii) Deferred Tax	(482.91)	(93.83)	34.15	(576.74)	46.50	879.69
9	<b>Profit / (Loss) for the period (5-6)</b>	<b>(575.74)</b>	<b>(139.51)</b>	<b>(104.86)</b>	<b>(715.26)</b>	<b>(120.93)</b>	<b>(1,928.52)</b>
	<b>Other Comprehensive Income (OCI)</b>						
i	items that will not be reclassified to Profit & Loss	(0.51)	(0.51)	(4.90)	(1.02)	(9.70)	(2.11)
ii	Income taxes relating to items that will not be reclassified to profit or loss	0.16	0.16	-	0.32	-	0.66
iii	items that will be reclassified to Profit or Loss	-	-	-	-	-	-
iv	Income taxes relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
10	<b>Total Other Comprehensive Income (Net of Tax)</b>	<b>(0.35)</b>	<b>(0.35)</b>	<b>(4.90)</b>	<b>(0.70)</b>	<b>(9.70)</b>	<b>(1.45)</b>
	<b>Total Comprehensive Income for the period (9+10)</b>	<b>(576.09)</b>	<b>(139.86)</b>	<b>(109.76)</b>	<b>(715.97)</b>	<b>(130.63)</b>	<b>(1,929.97)</b>
11	Paid-Up Equity Share Capital of Rs. 10 Each	600.99	600.99	600.99	600.99	600.99	600.99
i	Earnings per share (for continuing operation) (of `10/- each):						
	(a) Basic	(9.58)	(2.32)	(1.74)	(11.90)	(2.01)	(32.09)
	(b) Diluted	(9.58)	(2.32)	(1.74)	(11.90)	(2.01)	(32.09)
ii	Earnings per share (for discontinued operation) (of `10/- each):						
	(a) Basic	(9.58)	(2.32)	(1.74)	(11.90)	(2.01)	(32.09)
	(b) Diluted	(9.58)	(2.32)	(1.74)	(11.90)	(2.01)	(32.09)

**Notes:**

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 9th November, 2019, and are published in accordance with the SEBI (LODR) Regulations, 2015.
2. As the Company has only one business segment, disclosure under Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.
3. The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the second quarter of the respective financial years.
4. During the period ended on 30th September, 2019, the Company had three Wholly Owned Subsidiaries viz. M/s. Banpal Oilchem Private Limited and M/s. N.K.Oil Mills Private Limited and M/s. Tirupati Retail (India) Private Limited whose accounts have been consolidated herewith.





5. The Auditors' report on the standalone financial results for the year ended on 31st March, 2019 contains qualification regarding transactions entered by company during f.y. 2012-13 through trading and clearing member with NSEL. With respect to the said qualification it is to be submitted that National spot Exchange Limited (NSEL) has served a notice to N K Proteins Private Limited (Formerly known as N K Proteins Limited) who was a Trading and Clearing Member at NSEL and N K Industries Limited was only a client Company of Trading Member i.e. N K Proteins Limited. As regards, the balances of trade receivables and trade payables arising out of the transactions through NSEL platform, the same cannot be confirmed pursuant to the pendency of litigations and as the matter is still pending before the respective authorities. Further, the Home Department, Government of Maharashtra has issued a notification under the MPID Act, 1999 securing the attachment of Land & Building and Plant & Machinery of the Company. Against this the Company had challenged the notification issued by Home department, Government of Maharashtra, before the Hon'ble High Court of Gujarat. The Hon'ble Gujarat High Court had disposed off the application of the Company vide its order dated 29th March 2017. Against the said order the Company had preferred a Special Leave Petition before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court of India had disposed off the Special Leave Petition on 17/04/2017, with an observation to file an application before the Hon'ble Bombay High Court. The Company has filed petition before the Hon'ble Bombay High Court in June 2017. Besides the above, the Company has also filed its objections against the attachment notification before the Designated Spl MPID Court, Mumbai. The matter is sub-judice.

6. The Auditors' report on the standalone financial results for the year ended on 31st March, 2019 contains qualification regarding proceedings initiated by the Directorate of Enforcement under the Prevention of Money Laundering Act, 2002. With respect to the said qualification it is hereby clarified that the Company has preferred an appeal before the Hon'ble Appellate Tribunal under the Prevention of Money Laundering Act, 2002. The matter is sub-judice.

7. With regard to search and seizure carried out by the Directorate of Enforcement, Government of India on 30.05.2018 on the group company NKPPL, the Company along with group Company and Promoters challenged the show cause notice issued by the adjudicating authority New Delhi, before the Hon'ble High Court of Delhi and the Hon'ble High Court has set aside the show cause notice. Further against the attachment of the assets of the Company, the Company has issued fresh show cause dated 30/08/2018 and the Company has filed an appeal before the PMLA Appellate Tribunal, Delhi.

8. The Government of Maharashtra has filed supplementary charge sheet dated 25th December, 2018, under the MPID Act against the Company and the Chairman. The Company has complied with all the summons under the said charge sheet and the matter was adjourned to 7th November, 2019 and is further adhocured to 15th February, 2020.

9. The above consolidated figures have been prepared in accordance with the principles and procedres as set out in Accounting Standard-19 on Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.

PLACE : AHMEDABAD  
09th November,2019



For, N.K. Industries Limited

  
Niles K. Patel (DIN: 00244115)  
Managing Director

**Standalone Statement of Assets and Liabilities for the half year ended on 30th September, 2019**

S.No.	PARTICULARS	Note No.	30-Sep-2019	31-Mar-2019
			Unaudited	Audited
	1	2	3	4
	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
a)	Property, Plant and Equipment	8	13 233.85	13 492.31
b)	Capital work-in-progress	8	536.37	534.26
c)	Investment Property			
d)	Goodwill			
e)	Other Intangible assets	8	.32	.32
f)	Intangible assets under development			
g)	Biological Assets other than bearer plants			
h)	Financial Assets			
(i)	Investments	9	176.86	176.86
(ii)	Trade receivables	10		
(iii)	Loans	11	6 682.64	6 682.65
(iv)	Security Deposits			
i)	Deferred tax assets (net)		1 629.58	2 206.01
j)	Other non-current assets	12	4 825.05	5 229.29
<b>2)</b>	<b>Current assets</b>			
a)	Inventories	13	353.36	2 358.46
b)	Financial Assets			
(i)	Investments			
(ii)	Trade receivables	14	1 889.37	3 236.39
(iii)	Cash and cash equivalents	15	61.16	587.60
(iv)	Bank balances other than (iii) above	16	48.29	48.29
(v)	Loans	17	185.23	204.71
(vi)	Others (to be specified)			
c)	Current Tax Assets (Net)			
d)	Other current assets	18	72.40	135.35
	<b>TOTAL ASSETS</b>		<b>29 694.47</b>	<b>34 892.50</b>
	<b>EQUITY &amp; LIABILITIES :</b>			
	<b>EQUITY:</b>			
a)	Equity Share capital	1	600.99	600.99
b)	Other Equity	2	(34 223.68)	(33 507.72)
	<b>LIABILITIES :</b>			
<b>1)</b>	<b>Non-Current Liabilities</b>			
a)	Financial Liabilities			
(i)	Borrowings			
(ii)	Trade payables	3		
(a)	Due to Micro and Small Enterprises		-	-
(b)	Due to other than Micro and Small Enterprises		62 609.99	62 609.99
(iii)	Other financial liabilities (other than those specified in item (b), to be			
b)	Provisions	4	331.30	306.89
c)	Deferred tax liabilities (Net)			
d)	Other non-current liabilities			
<b>2)</b>	<b>Current liabilities</b>			
a)	Financial Liabilities			
(i)	Borrowings			
(ii)	Trade payables	5		
(a)	Due to Micro and Small Enterprises		1.61	60.14
(b)	Due to other than Micro and Small Enterprises		209.39	4 665.70
(iii)	Other financial liabilities (other than those specified in item (c)			
b)	Other current liabilities	6	96.37	96.29
c)	Provisions	7	68.51	60.22
d)	Current Tax Liabilities (Net)			
	<b>Total Equity and Liabilities</b>		<b>29 694.47</b>	<b>34 892.50</b>



# N. K. INDUSTRIES LIMITED

## Standalone Cash Flow Statement for the Half year ended on 30th september, 2019

(Amt in Rs.)

Particulars	30th Sep 2019	30th Sep 2019	30th Sep 2018	30th Sep 2018
<b>A. CASH FLOW ARISING FROM ACTIVITIES:</b>				
Net Profit/(Loss) After Tax and Extra Ordinary Items		(139,54,080)		(177,13,328)
Adjustment for :				
Depreciation and Amortisation Expenses		284,70,789		333,60,700
Loss / (Gain) on Sale and Discard of Fixed Assets		-		-
Interest Income		(13,73,103)		(54,69,584)
Finance Cost		44,178		42,613
<b>Operating Profit/(Loss) before Working Capital Changes</b>		<b>131,87,784</b>		<b>102,20,401</b>
Adjustment for :				
(Increase)/Decrease in Trade and other receivables	1429,45,230		3869,85,720	
(Increase)/Decrease in Inventories	2005,10,778		(3430,39,815)	
Increase/(Decrease) in Trade Payables	(4482,05,974)	(1047,49,966)	(466,18,501)	(26,72,597)
Cash Generated from operating Activities		(915,62,182)		75,47,804
Income Tax Paid		-		-
<b>Net Cash Generated from Operating Activities</b>		<b>(915,62,182)</b>		<b>75,47,804</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Adjustment for :				
Acquisition of Fixed Assets	-		(117,40,181)	
Changes in non current assets	404,25,418		(5,01,409)	
Interest Income	13,73,103		54,69,584	
Proceeds from Sale of Fixed Assets	-		-	
Acquisition of Investment	-	417,98,521	-	(67,72,006)
<b>Net Cash used in Investing Activities</b>		<b>417,98,521</b>		<b>(67,72,006)</b>
<b>C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:</b>				
Borrowing	-		-	
Interest Paid	(44,178)		(42,613)	
Net Cash used in Financial Activities		(44,178)		(42,613)
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>		<b>(498,07,839)</b>		<b>7,33,185</b>
<b>Cash &amp; Cash equivalent at the beginning of the year</b>		<b>635,88,984</b>		<b>80,28,005</b>
<b>Cash &amp; Cash equivalent at the Close of the year</b>		<b>137,81,145</b>		<b>87,61,190</b>
		<b>(498,07,839)</b>		<b>7,33,185</b>
<b>Note: Cash and Cash Equivalents Includes:</b>				
a) Cash on hand		1,18,994		1,19,607
b) Balance with Banks in Current account		59,97,381		40,57,879
c) Balance with Banks in fixed deposit less than 12 months		48,28,574		45,83,703
		<b>109,44,950</b>		<b>87,61,190</b>

These accompanying notes are an integral part of these financial Statements

Notes:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IndAS 7) statement of cash flows

This is the Cash flow Statement referred to in our report of even date.

Place: Ahmedabad  
09th November, 2019



for and on behalf of the Board of Directors of

**N.K. Industries Ltd.**

*Nilesh K. Patel*  
**Nilesh K. Patel**  
Managing Director

Din -00244115



Review Report to,

The Board of Directors

**N.K. INDUSTRIES LIMITED,  
Ahmedabad.**

We have reviewed the accompanying statement of unaudited consolidated financial results of **N.K.INDUSTRIES LIMITED** (the "company") and its subsidiaries (the parent and its Subsidiaries together referred to as "the Group") for the half year ended 30<sup>th</sup> September, 2019. (the "statement") attached herewith, being submitted by the parent pursuant to the requirements of Regulation 33 of the SEBI (Listing obligations & Disclosure Requirements) Regulation, 2015, (the Regulation) as amended, read with SEBI circular No.CIR/CFD/CMD1/44/2019 dated March 29, 2019. (the Circular) .Attention is drawn to the fact that the consolidated figures for the corresponding quarter & half year ending September 30, 2018 as reported in these unaudited consolidated financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.

This statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013, as amended read with relevant rules issued there under and other accounting principles generally accepted in India, read with the circular is the responsibility of the Company's Management and approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the statement based on our review.



We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing obligations & Disclosure Requirements) Regulation, 2015, (the Regulation) as amended, to the extent applicable.

The statement includes the results of the following entities

Parent Company:

- i. N.K.INDUSTRIES LIMITED

Subsidiaries:

- i. Banpal Oilchem Private limited
- ii. NK Oil mills Private limited.
- iii. Tirupati Retail (India) Pvt Ltd.

Basis of Qualified Opinion

1. The Holding Company had entered into financial arrangement with National Spot Exchange Ltd (NSEL) through trading and Clearing Member, N.K. Proteins Private Ltd (erstwhile N. K. Proteins Limited (NKPL) (Group Company) by way of purchase and sales of various goods up to financial year 2012-13. The trade payables and trade receivables arising out of the said transactions through National Spot Exchange Limited (NSEL) from the concerns other than the group concerns are subject to confirmations by the respective parties/NSEL and reconciliations/adjustments, if any. Further, NSEL has suspended the trading on 31.07.2013, as per the directions issued by the Government of India, Ministry of Consumer



Affairs. NSEL has initiated recovery proceedings against the group company NKPL and also against the Holding company by filing a civil suit in the Hon'ble High Court of Mumbai for an alleged amount of around Rs.937 crores plus interest and the said proceedings are pending as on date. Further, the Home department, Government of Maharashtra has issued a notification under the Maharashtra Protection of Interest of Depositors (in financial establishments)-Act, 1999 (MPID Act) attaching the Land, Building & Plant & Machinery of the Holding company located at Kadi, Gujarat. The Holding company had challenged the notification issued by Home department of Maharashtra before Hon'ble Gujarat High Court which was disposed off vide its order dated 29<sup>th</sup> March 2017. The Holding company preferred a Special Leave Petition before the Hon'ble Supreme Court of India against the order of Hon'ble Gujarat High Court and The Hon'ble Supreme Court of India had disposed off the Special Leave Petition on 17<sup>th</sup> April, 2017 with a observation to file an application before Hon'ble Bombay High Court, Mumbai, and as informed by the management, the Holding company has filed petition before the Hon'ble Bombay High Court in June 2017 which is pending. Besides the above, the Holding company has also filed its objections against the attachment notification before the Designated Special MPID Court, Mumbai.

In view of the above that the matter is subjudice, and the alleged liability /claim are not accepted by the company we are unable to quantify the final liability and its impact if any, on the loss of the Holding company for the half year ended on 30<sup>th</sup> September, 2019.

2. The Directorate of Enforcement, Government of India has initiated proceedings against the Holding company under section 5(1) of the prevention of Money Laundering Act, 2002, along with group company NKPL, and by virtue of the provisional attachment order dated 10/03/2015, attached the assets of the Holding company comprising of Land, building, plant and machinery situated at Survey Nos.719, 720, 721, 732/1, 732/2, 733, 741, 743, 744, 745, Kadi Thol Road, Village Kadi Kasba, taluka- Kadi, District Mehsana-382715 Gujarat. As explained to us, The Holding Company has preferred an appeal before the Hon'ble



Appellate Tribunal under the Prevention of Money laundering Act, 2002 against the order of Adjudicating Authority.

Further, The Director of Enforcement (hereinafter referred to as ED), Government of India had initiated proceedings of search/seizure on 30.05.2018 on the group company NKPL, the promoters of the Holding company Shri Nilesh Patel and Shri Nimish Patel, one of the family member as well as on the Holding company and thereafter on 29.06.2018, the ED, Government of India, had preferred an application u/s 17(4) of the Prevention of Money Laundering Act, 2002 before the Adjudicating Authority, New Delhi, vide it's a Application No. OA/236 of 2018 against the company as well as group company NKPL and the promoters for retention of the seized properties and for continuation of order of freezing the properties, till finalization of the proceedings, of the properties mentioned in the application u/s 17(4) of the PMLA Act, 2002. The Holding company along with Group Company and promoters challenged the show cause notice issued by the adjudicating authority New Delhi, before the Hon'ble High Court of Delhi and the Hon'ble High Court has set aside the said show cause notice. The Director of Enforcement has attached assets of the Holding company, group company NKPL and the promoters of the Holding company by issuing a fresh show cause notice dated 30/08/2018 and the Holding company has filed an appeal before PMLA Appellate Tribunal, Delhi .

In view of the above that the matter is subjudice, and the alleged liability /claim are not accepted by the company we are unable to quantify the final liability and its impact if any, on the loss of the Holding company for the half year ended on 30<sup>th</sup> September , 2019.

3. The, Government of Maharashtra, (at the instance of Economic wing offence Mumbai ), has filed supplementary Charge sheet dated 25<sup>th</sup> December, 2018 under the various sections of IPC AND MPID Act. Against the Holding Company and its Chairman Shri Nimish Patel. Further MPID Court on the basis of above supplementary charge sheet has issued summons dated 19<sup>th</sup> March, 2019 against the holding



Holding company asking them to remain present on 26<sup>th</sup> April 2019. The Holding Company has complied with the said summons and the matter was adjourned to 7<sup>th</sup> November, 2019 and now further adjourned to 15<sup>th</sup> February, 2020. Thus, in view of the fact that the said criminal proceedings which have been initiated, inter alia, against the holding company and its Chairman Shri Nimish Patel are pending, we are unable to ascertain/quantify the final liability, if any, that may arise from the said criminal proceedings and therefore we are unable to quantify its impact, if any, on the loss of the Holding company for the half year ended on 30<sup>th</sup> September, 2019.

4. The Subsidiary Company Tirupati Retail (India) Pvt Ltd had entered into financial arrangement with National Spot Exchange Ltd (NSEL) through trading and Clearing Member, N.K. Proteins private Limited erstwhile N.K Proteins Limited (NKPL) (Group Company) by way of purchase and sales of various goods up to financial year 2012-13. The trade payables and trade receivables (now reflected under long term liabilities & other noncurrent assets) arising out of the transactions through National Spot Exchange Limited (NSEL) from the concerns other than the group concerns are subject to confirmations by the respective parties and reconciliations / adjustments, if any. Further, NSEL has initiated recovery proceedings against the group company viz. N.K. Proteins private Limited and Holding Company viz. N K Industries limited and also against the subsidiary Companies and the said proceedings are pending as on date. In view of the fact that the matter is sub-judice, and the alleged liability/Claim are not accepted by the said subsidiary company, we are unable to quantify the final liability and its impact if any, on the loss of the Consolidated Accounts.

Based on our review conducted as above, *except as mentioned in qualified opinion*, and based on the consideration referred to in paragraph below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition





and measurement principles laid down in Indian Accounting Standard (“Ind AS”) as specified under Section 133 of Companies Act, 2013 as amended, read with relevant rules issued there under and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular including the manner in which it is to be disclosed, or that it contains any material misstatement

### **EMPHASIS OF MATTER**

1. The Consolidated accounts reflects accumulated losses(after taking into account the balance of reserves of Rs 343.86 Crores as at 30.9.2019 and the net worth of the Consolidated accounts as well as Holding Company and Subsidiary Companies as at 30.09.2019 is negative. However, as per the business plan and future cash flow projections submitted by the management of the holding company to us and accepted by us. As informed by the management of the Holding Company, the Holding Company is making sincere efforts for the revival of the Business & the management is confident to recover the losses through improved profitability in foreseeable future. Therefore, provision for the impairment has not been provided for and accounts for the year have been prepared on “going concern basis.” Similarly, on the basis of the Certificate received from the respective auditors of the subsidiary company, the management of the said subsidiary companies is also making sincere efforts to revive the business and the management of the said Subsidiary companies is confident to recover the losses through improved profitability in foreseeable future. Therefore no provision for the impairment has been made in the books of subsidiary companies and in the consolidated accounts and accounts of the Holding and Subsidiary Companies as well as consolidated accounts for the year have been prepared on “ going concern basis.”



2. NSEL has initiated recovery proceedings against the group company N. K. Proteins Private Ltd and has made one of the Subsidiary Company viz. N. K. Oil Mills Pvt Ltd., a party to the said proceedings and these proceeding are pending as on date.
3. One the Subsidiary Company viz. Banpal Oil Chem Pvt Ltd , The Directorate of Enforcement, Government of India has initiated proceedings against the company under section 5(1) of the prevention of Money Laundering Act, 2002, and by virtue of the provisional attachment order dated 27.08.2014, attached the assets of the subsidiary company comprising of Factory Plant, Land, Building & Plant & Machinery of the company located at plot No. 144/64,65,66 of Chandisar Industrial Area. GIDC Mauje chandisar, Taluka-Palanpur, Dist- Banaskantha, Gujarat. As explained to us, The said Subsidiary company has preferred an appeal before the Hon'ble Appellate Tribunal under the Prevention of Money laundering Act, 2002. However, matter is subjudice, we are unable to quantify the liability and its impact if any, on the loss of the consolidated accounts.
4. On the basis of certificate received from the Management of Holding company, the holding company does not have any control on its joint Venture viz "AWN AGRO PRIVATE LIMITED" and hence no consolidation of the said joint venture is taken in to accounts while consolidation of accounts.
5. During the Half year ended on 30<sup>th</sup> September 2019, the management of the Holding company has made provision for Doubtful Capital Advance of Rs 3.96 Crores, since in view of management of the Holding company ; it is difficult to recover the said capital advances.

*Our report is not modified in respect of this matter of Emphasis.*



The accompanying unaudited consolidated financial results includes unaudited interim financial results and other unaudited financial information of two of the Subsidiaries which have not been reviewed by their auditors, whose interim financial statements reflect total Revenue of Rs 8.41 Crores and total net Profit after tax of Rs 0.23 Crore for the Half year ended Septemeber 30,2019 as considered in the unaudited consolidated financial results. These unaudited financial results and other unaudited financial information have been approved and furnished to us by the management. Our Conclusion, in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited financial results and other unaudited financial information.

Place: AHMEDABAD



DATE: 09.11.2019

FOR PARIKH & MAJMUDAR  
CHARTERED ACCOUNTANTS  
FRNNO 107525W

  
(C.A Dr Hiten Parikh)  
PARTNER  
M.No. 40230  
UDIN: 19040230AAAALU4290

# N.K.Industries Limited

Registered Office: 7th Floor, Popular House, Ashram Road, Ahmedabad - 380 009.

Works : 745, Kadi-Thor Road, KADI-382715 Dist.Mehsana (North Gujarat)

## Consolidated Unaudited Financial Results For The Half Year Ended On 30<sup>th</sup> September, 2019

CIN: L91110GJ1987PLC009905, Phone: 91-79-66309999, Email: nkil@nkproteins.com

Part I		( ) In Lacs, except per Share data					
	Particulars	Consolidated					
		Quarter Ended on			Cummulative		Year Ended
		30/09/2019 Unaudited	30/06/2019 Audited	30/09/2018 unaudited	30/09/2018 unaudited	30/09/2019 Unaudited	31/03/2019 Audited
1	<b>Income from operations</b>						
	(a) Net Sales / Income From Operations (net of Excise Duty)	532.66	9,917.95	23,068.58	32,610.88	10,450.61	51,591.73
	(b) Other Operating Income	46.23	90.85	137.62	231.49	137.07	447.50
	<b>Total Income (1)</b>	<b>578.88</b>	<b>10,008.80</b>	<b>23,206.20</b>	<b>32,842.37</b>	<b>10,587.68</b>	<b>52,039.23</b>
2	<b>Expenses</b>						
	a) Cost of materials consumed	-	7,680.18	31,109.67	31,109.67	7,680.18	46,188.88
		-	0.46	(6,394.66)	1,865.24	0.46	1,914.82
	c) Changes in inventories of finished goods, work-in-progress and stock in trade	66.82	1,109.59	(2,352.58)	(3,083.65)	1,176.41	(1,176.56)
	d) Excise Duty and Service Tax	-	-	-	-	-	-
	e) Employee benefits expenses	85.95	117.39	309.85	623.82	203.34	1,286.36
	f) Finance Cost	-	3.15	0.09	3.20	3.15	13.38
	g) Depreciation and amortisation expenses	152.00	150.22	178.60	354.20	302.22	712.45
	h) Other expenses	331.69	1,019.27	517.58	2,160.83	1,350.97	5,805.59
	<b>Total Expenditure</b>	<b>636.46</b>	<b>10,080.26</b>	<b>23,368.55</b>	<b>33,033.30</b>	<b>10,716.72</b>	<b>54,744.92</b>
3	<b>Profit/(Loss) before exceptional item (1-2)</b>	<b>(57.57)</b>	<b>(71.47)</b>	<b>(162.35)</b>	<b>(190.94)</b>	<b>(129.04)</b>	<b>(2,705.69)</b>
4	Exceptional Items	-	-	-	-	-	-
5	<b>Profit/(Loss) before tax (3-4)</b>	<b>(57.57)</b>	<b>(71.47)</b>	<b>(162.35)</b>	<b>(190.94)</b>	<b>(129.04)</b>	<b>(2,705.69)</b>
6	Tax expense	479.73	100.94	(34.15)	(46.50)	580.66	(840.74)
7	i) Current Tax	-0.70	9.70	-	-	9.00	54.55
8	ii) Deferred Tax	480.43	91.24	(46.50)	(46.50)	571.66	(895.30)
9	<b>Profit / (Loss) for the period (5-6)</b>	<b>(537.30)</b>	<b>(172.41)</b>	<b>(128.20)</b>	<b>(144.44)</b>	<b>(709.71)</b>	<b>(1,864.95)</b>
	<b>Other Comprehensive Income (OCI)</b>						
i	items that will not be reclassified to Profit & Loss	(0.51)	(0.51)	(4.90)	(9.70)	(1.02)	(2.11)
ii	Income taxes relating to items that will not be reclassified to profit or loss	0.16	0.16	-	-	0.32	0.66
iii	items that will be reclassified to Profit or Loss	-	-	-	-	-	-
iv	Income taxes relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
10	Total Other Comprehensive Income (Net of Tax)	(0.35)	(0.35)	(4.90)	(9.70)	(0.70)	(1.45)
	<b>Total Comprehensive Income for the period (9+10)</b>	<b>(537.65)</b>	<b>(172.76)</b>	<b>(133.10)</b>	<b>(154.14)</b>	<b>(710.41)</b>	<b>(1,866.41)</b>
11	Paid-Up Equity Share Capital of Rs. 10 Each	600.99	600.99	600.99	600.99	600.99	600.99
i	Earnings per share (for continuing operation) (of `10/- each):						
	(a) Basic	(8.95)	(2.87)	(2.21)	(2.56)	(11.82)	(31.06)
	(b) Diluted	(8.95)	(2.87)	(2.21)	(2.56)	(11.82)	(31.06)
ii	Earnings per share (for discontinued operation) (of `10/- each):						
	(a) Basic	(8.95)	(2.87)	(2.21)	(2.56)	(11.82)	(31.06)
	(b) Diluted	(8.95)	(2.87)	(2.21)	(2.56)	(11.82)	(31.06)

### Notes:

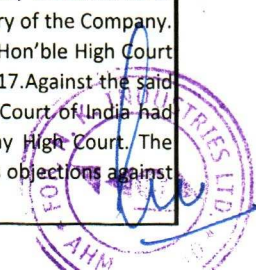
1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 28th April, 2018, and are published in accordance with the SEBI (LODR) Regulations, 2015.

2. As the Company has only one business segment, disclosure under Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

3. The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the second quarter of the respective financial years.

4. During the period ended on 30th September, 2019 year Company had three Wholly Owned Subsidiaries viz. M/s. Banpal Oilchem Private Limited and M/s. N.K.Oil Mills Private Limited and M/s. Tirupati Retail (India) Private Limited whose accounts have been consolidated herewith.

5. The Auditors' report on the standalone financial results for the year ended on 31st March, 2019 contains qualification regarding transactions entered by company during f.y. 2012-13 through trading and clearing member with NSEL. With respect to the said qualification it is to be submitted that National spot Exchange Limited (NSEL) has served a notice to N K Proteins Private Limited (Formerly known as N K Proteins Limited) who was a Trading and Clearing Member at NSEL and N K Industries Limited was only a client Company of Trading Member i.e. N K Proteins Limited. As regards, the balances of trade receivables and trade payables arising out of the transactions through NSEL platform, the same cannot be confirmed pursuant to the pendency of litigations and as the matter is still pending before the respective authorities. Further, the Home Department, Government of Maharashtra has issued a notification under the MPID Act, 1999 securing the attachment of Land & Building and Plant & Machinery of the Company. Against this the Company had challenged the notification issued by Home department, Government of Maharashtra, before the Hon'ble High Court of Gujarat. The Hon'ble Gujarat High Court had disposed off the application of the Company vide its order dated 29th March 2017. Against the said order the Company had preferred a Special Leave Petition before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court of India had disposed off the Special Leave Petition on 17/04/2017, with an observation to file an application before the Hon'ble Bombay High Court. The Company has filed petition before the Hon'ble Bombay High Court in June 2017. Besides the above, the Company has also filed its objections against the attachment notification before the Designated Spl MPID Court, Mumbai. The matter is subjudice.



6. The Auditors' report on the standalone financial results for the year ended on 31st March, 2019 contains qualification regarding proceedings initiated by the Directorate of Enforcement under the Prevention of Money Laundering Act, 2002. With respect to the said qualification it is hereby clarified that the Company has preferred an appeal before the Hon'ble Appellate Tribunal under the Prevention of Money Laundering Act, 2002. The matter is sub-judice.

7. With regard to search and seizure carried out by the Directorate of Enforcement, Government of India on 30.05.2018 on the group company NKPPL, the Company along with group Company and Promoters challenged the show cause notice issued by the adjudicating authority New Delhi, before the Hon'ble High Court of Delhi and the Hon'ble High Court has set aside the show cause notice. Further against the attachment of the assets of the Company, the Company has issued fresh show cause dated 30/08/2018 and the Company has filed an appeal before the PMLA Appellate Tribunal, Delhi.

8. The Government of Maharashtra has filed supplementary charge sheet dated 25th December, 2018, under the MPID Act against the Company and the Chairman. The Company has complied with all the summons under the said charge sheet and the matter was adjourned to 7th November, 2019 and is further adourned to 15th February, 2020.

9. With respect to the qualification no.4 it is to be submitted that National spot Exchange Limited (NSEL) has served a notice to N K Proteins Private Limited (Formerly known as N K Proteins Limited) who was a Trading and Clearing Member at NSEL and Tirupati Retail (India) Private Limited was only a client Company of Trading Member i.e. N K Proteins Limited. As regards, the balances of trade receivables and trade payables arising out of the transactions through NSEL platform, the same cannot be confirmed pursuant to the pendency of litigations and as the matter is still pending before the respective authorities. Also the recovery proceedings initiated against the Company are subjudice as on date.

8. The above consolidated figures have been prepared in accordance with the principles and procedrues as set out in Accounting Standard-19 on Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.

PLACE : AHMEDABAD  
09th November,2019



For, N.K. Industries Limited

  
Nilesh K. Patel (DIN: 00244115)  
Managing Director

**Consolidated Statement of Assets and Liabilities for half year ended as on 30th September, 2019**

Part II		(') In Lacs			
S.No.	Particulars	Note No.	30-Sep-2019	31-Mar-2019	
	<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>				
a)	Property, Plant and Equipment	8	13,537.01	13,812.98	
b)	Capital work-in-progress	8	536.37	534.26	
c)	Investment Property				
d)	Goodwill	8	8,236.24	8,236.24	
e)	Other Intangible assets				
f)	Intangible assets under development	8	0.32	0.32	
g)	Biological Assets other than bearer plants				
h)	Financial Assets				
(i)	Investments	9	8.53	8.53	
(ii)	Trade receivables	10	1,52,312.39	1,52,180.02	
(iii)	Loans	11	268.35	267.16	
(iv)	Other Financial Assets				
i)	Deferred tax assets (net)		1,726.43	2,297.78	
j)	Other non-current assets	12	3,482.35	4,375.09	
<b>2)</b>	<b>Current assets</b>				
a)	Inventories	13	379.63	2,385.57	
b)	Financial Assets				
(i)	Investments				
(ii)	Trade receivables	14	1,985.22	3,532.36	
(iii)	Cash and cash equivalents	15	90.14	605.30	
(iv)	Bank balances other than (iii) above	16	48.29	48.29	
(v)	Loans	17	121.78	158.61	
(vi)	Others (to be specified)				
c)	Current Tax Assets (Net)				
d)	Other current assets	18	62.60	51.51	
	<b>TOTAL ASSETS</b>		<b>1,82,795.66</b>	<b>1,88,494.01</b>	
	<b>EQUITY &amp; LIABILITIES :</b>				
	<b>EQUITY:</b>				
a)	Equity Share capital	1	600.99	600.99	
b)	Other Equity	2	(34,385.54)	(33,675.13)	
	<b>LIABILITIES :</b>				
<b>1)</b>	<b>Non-Current Liabilities</b>				
a)	Financial Liabilities				
(i)	Borrowings				
(ii)	Trade payables	3	2,15,485.41	2,15,482.46	
(iii)	Other financial liabilities (other than those specified in item (b), to be specified)				
b)	Provisions	4	311.73	306.89	
c)	Deferred tax liabilities (Net)				
d)	Other non-current liabilities				
<b>2)</b>	<b>Current liabilities</b>				
a)	Financial Liabilities				
(i)	Borrowings				
(ii)	Trade payables	5	190.37	4,722.12	
(iii)	Other financial liabilities (other than those specified in item (c))				
b)	Other current liabilities	6	485.18	941.25	
c)	Provisions	7	96.68	66.44	
d)	Current Tax Liabilities (Net)	7	10.84	49.00	
	<b>Total Equity and Liabilities</b>		<b>1,82,795.66</b>	<b>1,88,494.01</b>	



# N. K. Industries Limited

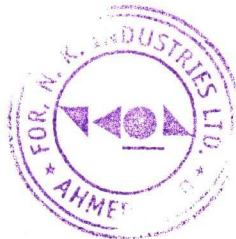
## Consolidated Cash Flow Statement for the half year ended on 30th September, 2019

(Amt in `)

Particulars	30th Sep 2019	30th Sep 2019	30th Sep 2018	30th Sep 2018
<b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES:</b>				
Net Profit/(Loss) After Tax and Extra Ordinary Items		(130,06,235)		(200,63,962)
Adjustment for :				
Depreciation and Amortisation Expenses		302,21,506		354,19,938
Loss / (Gain) on Sale and Discard of Fixed Assets		-		-
Interest Income		(14,41,102)		(55,50,144)
Finance Cost		3,14,891		3,19,868
<b>Operating Profit/(Loss) before Working Capital Changes</b>		<b>160,89,060</b>		<b>101,25,700</b>
Adjustment for :				
(Increase)/Decrease in Trade and other receivables	1572,88,076		253,55,102	
(Increase)/Decrease in Inventories	2005,93,806		(3417,84,290)	
Increase/(Decrease) in Trade Payables	(4995,73,900)	(1416,92,018)	3383,31,434	219,02,246
<b>Cash Generated from Operations</b>		<b>(1256,02,958)</b>		<b>320,27,946</b>
Income Tax Paid		(9,00,000)		
<b>Net Cash Generated from Operating Activities</b>		<b>(1265,02,958)</b>		
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Adjustment for :				
Acquisition of Fixed Assets	(28,36,195)		(117,40,181)	
Changes in non current assets	759,17,836		(2,97,188)	
Interest Income	14,41,102		55,50,144	
Proceeds from Sale of Fixed Assets	-		-	
Acquisition of Investment	-	745,22,742	-	(64,87,225)
<b>Net Cash used in Investing Activities</b>		<b>745,22,742</b>		<b>(64,87,225)</b>
<b>C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:</b>				
Proceed from Long Term Liabilities	7,79,284		(249,38,384)	
Interest Paid	(3,14,891)		(3,19,868)	
<b>Net Cash used in Financial Activities</b>		<b>4,64,394</b>		<b>(252,58,252)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>		<b>(515,15,822)</b>		<b>2,82,468</b>
<b>Cash &amp; Cash equivalent at the beginning of the year</b>		<b>653,58,576</b>		<b>112,08,211</b>
<b>Cash &amp; Cash equivalent at the Close of the year</b>		<b>138,42,754</b>		<b>114,90,679</b>
		<b>(515,15,822)</b>		<b>2,82,468</b>
<b>Note: Cash and Cash Equivalents Includes:</b>				
a) Cash on hand		6,95,785		6,05,328
b) Balance with Banks in Current account		83,18,395		63,01,648
c) Balance with Banks in fixed deposit less than 12 months		48,28,574		45,83,703
		<b>138,42,755</b>		<b>114,90,679</b>

As Explained to us in Note 43, as the consolidation has been effected in the current financial year and previous year figures have not been regrouped. The adjustment difference on cash flow arising out of such consolidation has been disclosed as "Adjustment in Consolidation (net)" in the Consolidated Cash Flow Statement.

Ahmedabad  
09th November, 2019



For and on behalf of N.K. Industries Ltd.

**Niles K. Patel**  
 Managing Director  
 Din-00244115