



**N.K.
Industries Ltd**

25th January, 2018

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

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on 25th January, 2018

In continuation to our communication dated 9th January, 2018, informing the date of Board Meeting. The Board of Directors of the Company at its meeting held today inter alia considered the following:

1. Approved the Unaudited Standalone Financial Results for the quarter ended on 31st December, 2017.
2. Took note of Limited Review Report on the said result as received from the Statutory Auditors of the Company.
3. Mr. Nimish Patel and Mr. Nilesh Patel were re-appointed as the Chairman and the Managing Director, respectively for a further term of 5 years w.e.f 1st April, 2018, subject to approval of members in the ensuing Annual General Meeting.

This intimation is issued in terms of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Board Meeting concluded at 4:30 P.M.

Kindly consider the same and take on your record.

Thanking You.

Yours Faithfully,

N K INDUSTRIES LIMITED

Ms. AKANKSHA SRIVASTAVA
(Company Secretary & Compliance Officer)



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Popular House, Ashram Road,
Ahmedabad - 380 009.
India.

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Kadi - 382 715. Dist. Mehsana (N.G.)
Tele : (02764) 242613, 263884
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**CHARTERED ACCOUNTANTS**

CA. (DR). HITEN PARIKH

M.Com., LL.B., FCA., Phd

CA. SANJAY MAJMUDAR

B.Com., LL.B., FCA

REVIEW REPORT

To the Board of Directors of **N.K.INDUSTRIES LIMITED**

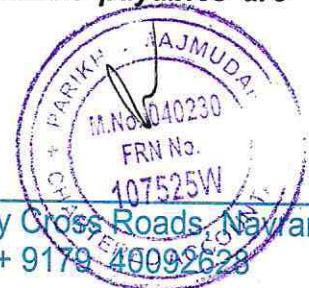
We have reviewed the accompanying statement of unaudited financial results ("the statement") of N.K.INDUSTRIES LIMITED "the company" for the Quarter ended 31st December 2017. attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing obligations & Disclosure Requirements) Regulation, 2015, read with SEBI circular No.CIR/CFD/FAC/62/2016 dated 05TH July, 2016.

This statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 25th January, 2018. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial information performed by the Independent Auditor" 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.

Without qualifying our opinion, we draw your attention to;

- I) The Company has not provided for Deferred Assets as there is no virtual Certainty of setting the same in near future.***
- II) The company had incurred huge losses in past years, and has also incurred loss in the quarter ended on 31st December, 2017 and the company's net worth is negative. In spite of this in view of the management, the accounts have been prepared on "Going Concern basis".***
- III) Balance of Trade receivables, Loans & Advances & Trade payables are subject to confirmation from respective parties.***



IV) *The closing stock as at 31.12.2017 is as taken, valued and certified by the Management.*

BASIS FOR QUALIFIED OPINION

1. i) 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 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 suspended the trading on 31.07.2013 ,as per the directions issued by the Government of India, Ministry of Consumer Affaris.NSEL has filed recovery proceedings against the group company NKPL and also against the company 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 has challenged the notification by Home department of Maharashtra before Hon'ble Gujarat High Court. The Hon'ble Gujarat High Court had disposed off the application of the Company vide its order dated 29th March 2017. 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 17th 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.Besides the above, the company has also filed its objections against the attachment notification before the Designated Spl MPID Court, Mumbai . In view of the fact that the matter is subjudice, we are unable to quantify the final liability and its impact if any, on the loss of the company for the quarter under review.



- ii) 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. However, matter is subjudice, we are unable to quantify the liability and its impact if any, on the profit or loss of the company

Except for the adjustments to the interim financial information that we might have become aware of had it not been for the situation described above , based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the Applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act,2013 and other accounting principles generally accepted in India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulation,2015 read with SEBI Circular No CIR/CFD/CMD 15/2015 Dated November 30,2015 and SEBI Circular No CIR/CFD/FAC/62/2016 Dated July,05,2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Date: 25/01/2018

Place: Ahmedabad



FOR PARIKH & MAJMUDAR
CHARTERED ACCOUNTANTS
FRNNO 107525W

C.A (Dr) Hiten Parikh
PARTNER
M.No. 040230

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)

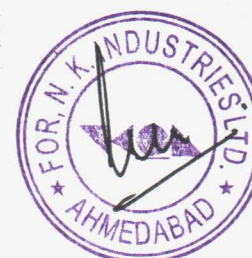
Unaudited Standalone Financial Results For The Quarter Ended On 31st December, 2017

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

| Part I | | (₹) In Lacs | | | | | |
|--------|--|------------------|-----------------|-----------------|-----------------------------|-----------------------------|-----------------------|
| | | Standalone | | | | | |
| | Particulars | Quarter Ended on | | | Cumulative | | |
| | | 31/12/2017 | 30/09/2017 | 31/12/2016 | 01/04/2017 to 31/12/2017 | 01/04/2016 to 31/12/2016 | 31/03/2017 Audited |
| 1 | Income from operations | | | | | | |
| | Revenue from Operations | 1,340.24 | 1,627.28 | 814.13 | 9,469.59 | 7,429.82 | 9,058.86 |
| | Other income | 12.18 | 4.86 | 121.16 | 27.49 | 138.25 | 181.24 |
| | Total Income (1) | 1,352.42 | 1,632.13 | 935.29 | 9,497.08 | 7,568.07 | 9,240.10 |
| 2 | Expenses | | | | | | |
| | a) Cost of materials consumed | - | - | - | - | - | - |
| | b) Purchase of stock-in-trade | - | 143.51 | - | 5,148.06 | 4,275.10 | 5,124.95 |
| | c) Changes in inventories of finished goods, work-in-progress and stock in trade | (0.00) | 408.90 | 88.51 | 297.14 | 333.93 | 83.89 |
| | d) Excise Duty and Service Tax | - | - | - | - | - | - |
| | e) Employee benefits expenses | 236.59 | 230.29 | 178.30 | 687.64 | 513.77 | 686.34 |
| | f) Finance cost | 0.04 | 0.00 | (0.01) | 0.05 | 0.04 | 0.05 |
| | g) Depreciation and amortisation expenses | 187.10 | 279.87 | 276.50 | 797.95 | 922.84 | 1,192.25 |
| | h) Other expenses | 932.36 | 709.46 | 585.73 | 3,062.75 | 2,084.28 | 2,761.03 |
| | Total Expense (2) | 1,356.09 | 1,772.02 | 1,129.03 | 9,993.58 | 8,129.96 | 9,848.51 |
| 3 | Profit/(Loss) before exceptional item and Tax (1-2) | (3.67) | (139.89) | (193.74) | (496.50) | (561.89) | (608.41) |
| 4 | Exceptional Items | - | - | - | - | - | - |
| 5 | Profit/(Loss) Before Tax (3 - 4) | (3.67) | (139.89) | (193.74) | (496.50) | (561.89) | (608.41) |
| 6 | Tax expense | - | - | - | - | - | - |
| 7 | i) Current Tax | - | - | - | - | - | - |
| 8 | ii) Deferred Tax | - | - | - | - | - | - |
| 9 | Profit / (Loss) for the Period (5 - 6) | (3.67) | (139.89) | (193.74) | (496.50) | (561.89) | (608.41) |
| | Other Comprehensive Income (OCI) | | | | | | |
| i | Items that will not be reclassified to Profit & Loss | 0.02 | 0.02 | 0.02 | 0.06 | - | 0.02 |
| ii | Income taxes relating to items that will not be reclassified to profit or loss | - | - | - | - | - | - |
| iii | Items that will be reclassified to Profit or Loss | - | - | - | - | - | - |
| iv | Income tax relating to items that will be reclassified to Profit or Loss | - | - | - | - | - | - |
| 10 | Total Other Comprehensive Income (Net of Tax) | 0.02 | 0.02 | 0.02 | 0.06 | - | 0.02 |
| | Total Comprehensive Income for the period (9+10) | (3.65) | (139.87) | (193.72) | (496.44) | (561.89) | (608.39) |
| 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 | (0.06) | (2.33) | (3.22) | (8.26) | (9.35) | (10.12) |
| | (b) Diluted | (0.06) | (2.33) | (3.22) | (8.26) | (9.35) | (10.12) |
| ii | Earnings per share (for discontinued operation) (of ₹10/- each) : | | | | | | |
| | (a) Basic | (0.06) | (2.33) | (3.22) | (8.26) | (9.35) | (10.12) |
| | (b) Diluted | (0.06) | (2.33) | (3.22) | (8.26) | (9.35) | (10.12) |

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 25th January, 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. Figures of the previous period/quarter have been regrouped/reclassified wherever necessary to make them comparable with figures of the quarter ended on 31st December, 2017.



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

Unaudited Standalone Financial Results For The Quarter Ended On 31st December, 2017
CIN: L91110GJ1987PLC009905, Phone: 91-79-66309999, Email: nkil@nkproteins.com

5. The Auditors' report on the standalone financial results for the quarter ended on 31st December, 2017 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 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 (*currently known as N K Proteins Private 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 courts. 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 a petition before the Hon'ble Bombay High Court and the matter is sub-judice.

6. The Auditors' report on the standalone financial results for the quarter ended on 31st December, 2017 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. The Company has adopted Ind AS (Indian Accounting Standards) from 1st April, 2017. The Figures for the Quarter ended on 31st December, 2016 are also Ind AS compliant. They have not been subject to Limited Review Audit. However, the management has exercised necessary due diligence to ensure that the Financial Result provides a true and fair view of the Company affairs. Reconciliation of net profit in accordance with Ind As is given hereunder:

Reconciliation of above mentioned results to those reported under previous GAAP are summarised as follows:

| Particulars | Quarter Ended on 31st December, 2017 |
|--|--------------------------------------|
| Net Profit after Tax for the period as per I-GAAP | -193.74 |
| Other Comprehensive Income/(Expense) | 0.02 |
| Total Comprehensive Income for the period as per Ind AS | -193.72 |

AHMEDABAD
25th January, 2018



For, N.K. Industries Limited


Nilesh K. Patel (DIN: 00244115)
Managing Director