N.K.
Industries Ltd

19th June, 2018

To,	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**	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. **Company Code No. 519494**

Dear Sir/Madam,

Sub: Annual Report – 2017-18

In accordance with the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the copy of Annual Report for the Financial Year 2017-18 duly approved and adopted by the Shareholders of the Company at the 30th Annual General Meeting held on Saturday, 16th June, 2018 at ATMA Hall, Ashram Road, Ahmedabad, Gujarat.

Kindly take the same on record.

Thanking You.

Yours faithfully,
For N K INDUSTRIES LIMITED

Akanksha

MS. AKANKSHA SRIVASTAVA
(Company Secretary & Compliance Officer)

FOR, N. K. INDUSTRIES LTD. AHMEDABAD

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

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Fax : 91-79-26589214
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CIN No. : L91110GJ1987PLC009905

N. K. Industries Ltd.

Nobody Understands Castor Oil Like Us...

ANNUAL REPORT

2017-18

Corporate Information

CIN L91110GJ1987PLC009905

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Mr. Nimish K. Patel DIN: 00240621	*Chairman & Managing Director*
Mr. Nilesh K. Patel DIN: 00244115	*Managing Director*
Mr. Hasmukh K. Patel DIN: 06587284	*Whole-Time Director*
Ms. Mridu Sharma DIN: 07591599	*Independent Woman Director*
Mr. Bhawani Singh Yadav DIN: 00323601	*Independent Director*
Mr. Jaimin V. Modi DIN: 00113689	*Independent Director* *(Resigned w.e.f. 16th March, 2018)*
Mr. Bharat J. Patel DIN: 00944269	*Independent Director* *(Resigned w.e.f. 9th March, 2018)*
Mr. Tushar H. Modi DIN: 08118621	*Additional Director* *(w.e.f. 28th April, 2018)*
Ms. Akanksha Srivastava	*Company Secretary*
Mr. Ashwin P. Patel	*Chief Financial Officer*
Mr. Priyam N. Patel	*Chief Executive Officer*

AUDITORS:

M/s Parikh & Majmudar,
Chartered Accountants,
Ahmedabad

REGISTRAR & TRANSFER AGENT:

Link Intime India Pvt. Ltd.
Ahmedabad

REGISTERED OFFICE:

7th Floor, Popular House,
Ashram Road, Ahmedabad - 380 009

FACTORY:

Thor Road, Kadi Village-382 715
District: Mehsana, Gujarat

BANKERS:

State Bank of India
HDFC Bank Limited
DENA Bank
Bank of Baroda
Axis Bank

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NOTICE to the 30th Annual General Meeting

Notice is hereby given that the 30th Annual General Meeting (AGM) of the members of **N. K. Industries Limited** will be held on Saturday, the 16th day of June, 2018, at 11.00 A.M. IST at ATMA Hall 1006, Ashram Road, Mill Officer's Colony, Vishalpur, Ellisbridge, Ahmedabad, Gujarat 380009, to transact the following business:

ORDINARY BUSINESS:

Item No. 1- Adoption of Financial Statements

To receive, consider and adopt the Standalone and Consolidated Audited Balance Sheets as at 31st March, 2018 and the Statements of Profit and Loss for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon.

Item No. 2 – Appointment of Director liable to retire by rotation

To appoint a Director in place of Mr. Hasmukh K. Patel (DIN: 06587284) Whole Time Director, who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 3 – Ratification of Appointment of Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s. Parikh and Majmudar, Chartered Accountants (Firm Registration No. 107525W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 31stAGM (i.e. for a period of one year).

RESOLVED FURTHER THAT the Auditors be paid remuneration of ₹ 1 Lac p.a. (excluding out of pocket expenses and applicable rate of taxes)"

SPECIAL BUSINESS:

Item No. 4 – To approve the remuneration of Cost Auditors for the year 2018-19

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. N.D. Birla & Co. , Cost Accountants, appointed as Cost Auditors by the Board of Directors, to conduct the audit of the cost records of the Company for the financial year 2018-19, be paid a remuneration of ₹50,000 (excluding out of pocket expenses and applicable rate of taxes).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts and take all such steps as may be necessary or expedient to give effect to this resolution."

Item No.5– To approve the related party transactions of the Company under Section 188 of the Companies Act, 2013

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

"**RESOLVED THAT** pursuant to the provisions of Section 188 r.w. Rule 15 (3) of the Companies (Meetings of Board and its powers) Rules, 2014 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to enter into related party transactions with the respective parties and for the maximum amounts per annum, as mentioned herein below:

Nature of transaction as per Section 188 of the Companies Act, 2013	Name of Director/KMP who is interested and nature of their relationship	Name of the related party	Estimated Maximum Amount
Job Work Arrangement/ Purchase/Sales of various goods	Mr. Nimish K Patel, Chairman and Managing Director, Mr. Nilesh K. Patel, Managing Director, of the Company are common Directors.	N K Proteins Private Limited	₹ 400 crores

"RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company."

Item No. 6 – To re-appoint Mr. Nimish Keshavlal Patel (DIN: 00240621) as Chairman and Managing Director of the Company

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

"**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof, or any other

law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), permission(s) and approval(s) and as are agreed to by the Board of Directors (hereinafter referred to as the Board's Report, which term shall unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorized by the Board in this behalf), consent of the members be and is hereby accorded to the appointment of Mr. Nimish K. Patel (DIN: 00240621), as the Chairman and Managing Director of the Company for a period of five years with effect from 1st April, 2018 on terms and conditions as set out below:

I. Remuneration:

The Remuneration shall be as per the limits approved by the members of the Company at the Annual General Meeting held on 26th September, 2015 by passing a special resolution, which was ₹5 Lakhs p.m.as per the provisions of Schedule V of the Companies Act, 2013.

II. Perquisites:

a. Contribution to Provident Fund and 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.

b. Leave and Encashment of Leave:

As per rules of the Company.

c. Gratuity and/or contribution to Gratuity fund

As per rules of the Company.

d. Leave Travel Concession:

As per the rules of the Company.

Item No. 7 – To re-appoint Mr. Nilesh Keshavlal Patel (DIN: 00244115) as Managing Director of the Company

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

"**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof, or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), permission(s) and approval(s) and as are agreed to by the Board of Directors (hereinafter referred to as the Board's Report, which term shall unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorized by the Board in this behalf), consent of the members be and is hereby accorded to the appointment of Mr. Nilesh K. Patel (DIN: 00244155), as the Managing Director of the Company for a period of five years with effect from 1st April, 2018 on terms and conditions as set out below:

III. Remuneration:

The Remuneration shall be as per the limits approved by the members of the Company at the Annual General Meeting held on 26th September, 2015 by passing a special resolution, which was ₹5 Lakhs p.m.as per the provisions of Schedule V of the Companies Act, 2013.

IV. Perquisites:

a. Contribution to Provident Fund and 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.

b. Leave and Encashment of Leave:

As per rules of the Company.

c. Gratuity and/or contribution to Gratuity fund

As per rules of the Company.

d. Leave Travel Concession:

As per the rules of the Company.

Item No. 8 – To appoint Mr. Tushar H. Doshi (DIN: 08118621) as an Independent Director

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

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV of the Companies Act, 2013 (including any statutory modification(s) re-

enactment thereof for the time being in force), and any other applicable provisions, Mr. Tushar H. Doshi (DIN: 08118621), who had been appointed as an Additional Director in the meeting of the Board of Directors held on 28 April, 2018 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the ensuing Annual General Meeting of the Company and in respect of whom, the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Tushar H. Doshi (DIN: 08118621) as a candidature for the office of the Independent Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years w.e.f 16th June, 2018, and whose office shall not be liable to retire by rotation"

For and on behalf of the Board of Directors

Sd/-
Nimish K. Patel
Chairman & Managing Director

Date : 28thApril, 2018
Place : Ahmedabad

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IN THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. 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.

2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility of voting through electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 10.

3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a Certified Copy of the Board Resolution authorizing their representative to attend and vote on their behalf a the meeting.

4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

5. Members are requested to bring attendance slip along with their copy of Annual Report to the meeting.

6. In case of joint holders attending the meeting, only such holder who is higher in the order of names will be entitled to vote.

7. The Share Transfer Books and Register of Members of the Company will remain closed from Saturday, the 9th June, 2018 to Saturday, the 16th June, 2018, both days inclusive.

8. Members are advised to avail nomination facility as well as Dematerialization facility with the Company.

9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

10. Information and other instructions relating to e-voting are as under:

    In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and clause 35B of the listing agreement, the Company is pleased to provide to its facility to the exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting')

    The instructions for shareholders voting electronically are as under:

    (i) The voting period begins on 13th June, 2018 at 09:00 A.M. and ends on 15th June, 2018 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 9th June, 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.

(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 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) • 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.
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. • 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).

(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 the relevant <Company Name: N K Industries 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 IOS, Android &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.comand register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORYSTATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

In respect of Item No. 4:

The Board, on the recommendation of Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2019. The remuneration fixed is ₹50,000/- (excluding out of pocket expenses and applicable rate of taxes).

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 as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members 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 remuneration payable to the Cost Auditors for the financial year ending March 31, 2019.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in this Resolution.

The Board recommends the Ordinary Resolutions as set out at Item No. 4 of the Notice for approval by the members.

In respect of Item No. 5:

Approval for entering into Related Party Transactions by the Company

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and in case such contract or arrangement exceeds the limits as mentioned under rule 15 of The Companies (Meetings of Boards and its Powers) Rules, 2014, prior approval of the shareholders by way of a Ordinary Resolution must be obtained.

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the aforesaid related party.

The support and services being extended by the Company to its other Group Companies are in relation to business enhancement and for building up robust practices and processes towards the benefit of all the Companies.

The respective agreements are entered on arm's length basis and all factors relevant to the respective contracts have been considered by the Board. The Copies of the above mentioned existing agreements shall be available for inspection by the members at the Registered Office of the Company during the normal business hours on all working days upto the date of Annual General Meeting of the Company.

The Board of Directors recommends the resolution set forth in item No. 5 for approval of the Members.

Mr. Nimish K. Patel (DIN: 00240621) and Mr. Nilesh K. Patel (DIN: 00244115) are interested in the said resolution.

Except this no other Director or Key Managerial Personnel or their relatives are concerned or interested in this resolution except to the extent their respective shareholding in the Company.

Item No.6:

Mr. Nimish K. Patel (DIN: 00240621) was previously appointed as Chairman for a period of five years w.e.f 1st April, 2013. He has successfully completed his tenure of appointment.

Mr. Nimish K. Patel (DIN: 00240621) has an experience of almost 3 decades in the field of castor oil and its derivatives, under his leadership and guidance the Company is able to survive in this competitive scenario and is also growing its turnover and profits by concentrating on new technological advancements and other cost saving methods.

The Board of Directors of the Company at their meeting held on 25th January, 2018, considered and decided to appoint Mr. Nimish K. Patel (DIN: 00240621) for a further period of 5 years w.e.f 1st of April, 2018.

The Remuneration Package as approved by the remuneration committee of the Board is forming part of the Resolution under Item No. 6 of the Agenda of this meeting. Mr. Nimish K. Patel's (DIN: 00240621) appointment as Chairman on the Board of the Company was on the basis of his being liable to retire by rotation and he is eligible to seek re-appointment at the Annual General Meeting in which he retires.

In terms of provisions of the Companies Act, 2013, consent of the shareholders is required for re-appointment of Mr. Nimish K. Patel (DIN: 00240621), as Chairman and Managing Director of the Company. The Board recommends the resolution as set forth in Item No. 6 for approval of members as an Ordinary Resolution. A copy of Board Resolution and the appointment letter issued to Mr. Nimish K. Patel (DIN: 00240621) will be available for inspection during business hours on all working days at the registered office of the Company.

Mr. Nilesh K. Patel (DIN: 00244115) and Mr. Nimish K. Patel (DIN: 00240621) are interested in the said resolution. Except them no other Director or Key Managerial Personnel or their relatives are concerned or interested in this resolution except to the extent their respective shareholding in the Company.

Item No.7:

Mr. Nilesh K. Patel (DIN: 00244115) was previously appointed as Managing Director for a period of five years w.e.f 1st April, 2013. He has successfully completed his tenure of appointment. He is largely responsible for the efficient operations of the Company and its day to day production activities.

At this crucial juncture where the Company is striving to overcome its accumulated past years losses, the continued services of Mr. Nilesh K. Patel (DIN: 00244115) are considered essential for successful running of the Company.

The Board of Directors of the Company at their meeting held on 25th January, 2018, considered and decided to appoint Mr. Nilesh K. Patel (DIN: 00244115) for a further period of 5 years w.e.f 1st of April, 2018.

The Remuneration Package as approved by the remuneration committee of the Board is forming part of the Resolution under Item No. 7 of the Agenda of this meeting. Mr. Nilesh K. Patel's (DIN: 00244115) appointment as Managing Director on the Board of the Company was on the basis of his being liable to retire by rotation and he is eligible to seek re-appointment at the Annual General Meeting in which he retires.

In terms of provisions of the Companies Act, 2013, consent of the shareholders is required for re-appointment of Mr. Nilesh K. Patel (DIN: 00244115), as Managing Director of the Company. The Board recommends the resolution as set forth in Item No. 7 for approval of members as an Ordinary Resolution. A copy of Board Resolution and the appointment letter issued to Mr. Nilesh K. Patel (DIN: 00244115) will be available for inspection during business hours on all working days at the registered office of the Company.

Mr. Nilesh K. Patel (DIN: 00244115) and Mr. Nimish K. Patel (DIN: 00240621) are interested in the said resolution. Except them no other Director or Key Managerial Personnel or their relatives are concerned or interested in this resolution except to the extent their respective shareholding in the Company.

Item No.8:

The Board appointed Mr. Tushar H. Doshi (DIN: 08118621) as an Additional Director of the Company at the meeting held on 12th November, 2016 in compliance with the requirements of Section 161(1) of the Companies Act, 2013.

As per section 160 of the Companies Act, 2013, a special notice has been received from one of the shareholders of the Company proposing name of Mr. Tushar H. Doshi (DIN: 08118621) as Independent Director of the Company shall not be liable to retire by rotation.

In the opinion of the Board, Mr. Tushar H. Doshi (DIN: 08118621) fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as an Independent Director and he is independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. Tushar H. Doshi (DIN: 08118621) as an Independent Directors is now being placed before the Members for their approval.

Mr. Tushar H. Doshi (DIN: 08118621) is interested in this Resolution since it relates to his appointment as an Independent Director of the Company.

The Board recommends the resolution as set forth in item no. 8 for approval of members as an ordinary resolution.

Except this, no other Director or Key Managerial Person or their relatives are concerned or interested in this resolution except to the extent of their respective shareholding in the Company.

For and on behalf of the Board of Directors

Sd/-
Nimish K. Patel
Chairman & Managing Director

Date : 28thApril, 2018
Place : Ahmedabad

ANNEXURE TO THE NOTICE

Disclosure pursuant to SEBI Listing Regulations with regard to the Directors seeking Appointment\Re-appointment at the forthcoming Annual General Meeting (Refer Item No. 6, 7 and 8) of the Notice:

BRIEF PROFILE OF MR. NIMISH K. PATEL

As the Chairman of the Company, Mr. Nimish Keshavlal Patel is responsible for driving growth and differentiations across portfolio at N K Industries Limited. He is closely involved in the expansion projects which involve technical advancements in the area of production.

As an entrepreneur, Mr. Nimish K. Patel has over three decades of experience in oil industry. He had won an award for excellent performance in export from Ministry of Commerce (MOC), Government of India (GOI), presented by Honorable President Shankar Dayal Sharma.

Further, Mr. Nimish Patel had also received the award for the "Second Highest Processor of castor seed Oilcake" for the year 2002-03 by the hands of Shri Rajnath Singh, the then Hon'ble Union Minister for Agriculture at Solvent Extractors Association (SEA) Award Function on 20th September 2003.

Name	**Mr. Nimish Keshavlal Patel (DIN: 00240621)**
Date of Birth	19/11/1960
Date of appointment	01/04/2008
Qualification	Graduation
Directorships held in other companies	N K Oil Mills Private Limited Banpal Oilchem Private Limited N K Proteins Private Limited The Solvent Extractors Association of India
No. of Memberships/Chairmanships of committees of other companies	N.A
Number of Equity Shares held in the Company	104557

BRIEF PROFILE OF MR. NILESH K. PATEL

As a proficient mentor and leader, Mr. Nilesh Patel has nurtured the Company since the day of its inception. In his career of over 3 decades, he has created a high-end technical team of experts that is driving the company to its success journey. He is closely involved in material procurement process as one of the core areas for a company dealing in Oil Industry.

Mr. Nilesh Keshavlal Patel being the Managing Director is responsible for observing the overall management and growth of the Company.

Further Details of Mr. Nilesh K. Patel:

Name	**Mr. Nilesh Keshavlal Patel (DIN: 00244115)**
Date of Birth	23rd March, 1965 – (53 Years)
Date of Original Appointed on	19/08/1987
Qualification	B.A
Directorships held in other companies	N K Oil Mills Private Limited Banpal Oilchem Private Limited N K Proteins Private Limited The Solvent Extractors Association of India
No. of Memberships/Chairmanships of committees of other companies	N.A
Number of Equity Shares held in the Company	104557

BRIEF PROFILE OF MR. TUSHAR H. DOSHI

Mr. **Mr. Tushar H. Doshi** is a science graduate (batch of 1976 to 1980) in chemistry from MG Science College, Ahmedabad. He also holds a Masters Degree in Pharmaceuticals from St Xavier's College, Ahmedabad since 1981-82. He is having vast experience of over 35 years in area of water treatment plants, RO Plant, Chemicals etc. He has held the position of Director in Ahmedabad Co-operative Bank for 10 Years. He has also been a Director and served for 10 years in Gujarat Vaypari Mahamandal Sahakari Audyogik Vasahat Limited. The Management of the Company is confident that **Mr. Tushar H. Doshi** will make significant contributions to the growth & profitability of the Company.

Further Details of Mr. Tushar H. Doshi:

Name	**Mr. Tushar H. Doshi (DIN: 08118621)**
Date of Birth	1st November, 1959 – (58 Years)
Re-Appointed/Appointed on	28th April, 2018 (Additional Director)
Qualification	Masters in Pharmaceuticals
Directorships held in other companies	NIL
No. of Memberships/Chairmanships of committees of other companies	NIL

BOARD'S REPORT

To,
The Members,

Your Directors are pleased to present the 30th Annual Report along with the Standalone and Consolidated Audited Financial Statements of your Company for the Financial Year ended on March 31, 2018.

OVERVIEW OF THE ECONOMY

According to the survey commissioned by The Solvent Extractors Association of India (SEA), an estimated record yield jump of 37% in the year 2017-18 is set to push castor seed production in the country by around 34% which quantifies around 1.43 million tonnes.

The Indian Agribusiness Systems Ltd, known as Agriwatch, conducted the field crop survey for SEA for castor growing regions such as Gujarat, Rajasthan, Andhra Pradesh and Telangana, of which Gujarat holds the highest share with 90% of total production.

A Castor production estimate for the new season has seen a significant increase of 30% on account of record yield across the country. Among the states, Gujarat registered a 5.3% rise in sowing area. As a result, castor seed production in the state stands at an estimated 1.22 million tonnes, up by 42% rise over last year's estimate of 0.86 million tonnes.

The Company is focused on producing the basic and special castor oil grades. The Company is also engaged in trading of castor oil derivatives mainly HCO which the Company get it done on job work basis. The Company is also manufacturing other derivatives viz.12 HSA and ricionic acid. The Company has a capacity to crush over 27000 MT of castor seed per month. It is currently (March 2018) operating with crushing capacity of castor seed excess of 24000 MT per month.

(Note: The data mentioned herein above are provided as available from statistics provided in public domain on the website of The Solvent Extractors Association of India and from news articles.)

FINANCIAL RESULTS

The Company has adopted Indian Accounting Standards (Ind AS) from 1st April, 2017. The figures for the Year ended 31st March, 2017 (previous year) are also Ind AS compliant.

The financial highlights are depicted below:

(₹ In Lakhs)

PARTICULARS	Standalone		Consolidated	
	Year Ended 31.03.2018	Year Ended 31.03.2017	Year Ended 31.03.2018	Year Ended 31.03.2017
Revenue from operations	11,283.75	9058.86	13,406.37	10805.73
Other Income	61.18	181.24	91.91	188.85
Total Income	11,344.92	9,240.10	13,498.28	10994.58
Total Expenditure	10,630.65	8,658.72	12,699.04	10367.15
Profit / (Loss) before Finance Cost, Depreciation & Amortization and Tax Expenses	714.27	581.38	799.24	627.43
Finance Cost	0.84	0.05	11.18	0.13
Depreciation & Amortization	969.48	1,192.25	1023.56	1,260.92
Profit Before Tax	(256.05)	(610.92)	(235.50)	(633.62)
Tax Expense				
(i) Current Tax	-	-	24.93	5.91
(ii) Deferred Tax	35.56	(147.07)	54.17	(156.22)
Total Tax (i+ii)	35.56	(147.07)	79.10	(150.32)
Profit after Tax	(291.60)	(463.85)	(314.61)	(483.31)
Other Comprehensive Income	(19.39)	0.08	(19.39)	0.08
Total Comprehensive Income	(310.99)	(463.77)	(334)	(483.39)

Note: The above figures are extracted from the standalone and consolidated financial statements.

PERFORMANCE HIGHLIGHTS

The key aspects of revenue and profits for the financial year 2017-18 from the Company's Standalone and Consolidated Financial Results are as follows:

REVENUE STANDALONE

Our total income on a Standalone basis increased to ₹ 11,283.75 Lakhs from ₹ 9058.86 Lakhs in the previous year at a growth rate of 25%. Net loss for the year decreased from ₹ (463.77) Lakhs to ₹ (310.99) Lakhs in the current year.

REVENUE CONSOLIDATED

Our total income on a consolidated basis increased to ₹ 13,406.37 Lakhs from ₹ 10,805.72 Lakhs in the previous year. Net loss for the year decreased from ₹ (483.23) Lakhs to ₹ (333.99) Lakhs in the current year.

SUBSIDIARY/ JOINT VENTURE COMPANIES

Your Company had three wholly owned subsidiaries as on 31st March, 2018. The Board of Directors also reviewed the affairs of the subsidiary companies. In accordance with the provisions of Section 129(3) of the Companies Act, 2013, we have prepared Consolidated Financial Statements of the Company and its Subsidiaries, which forms part of this Annual Report. The accounts of Joint Venture i.e. AWN Agro Private Limited has not been consolidated for the current year. The reason for non-consolidation is due to discontinuation of control on the management and financial affairs of the Joint Venture Company.

Further a statement containing the salient features of the financial statements of our Subsidiary Companies and Joint Venture Company in the prescribed format **AOC-1** is appended as **"Annexure-A"**to the Board's report.

SHARE CAPITAL

The paid up Equity Share Capital of the Company as at March 31, 2018 stood at ₹ 6,00,99,000. During the year under review, the Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2018, none of the Directors of the Company hold any instruments convertible into equity shares of the Company.

DIVIDEND AND RESERVES

Your Directors express their inability to recommend any dividend for the year 2017-18 owing to accumulated losses of the Company. In view of this, your Company was unable to transfer any funds to the Reserves and Surplus Account.

DEPOSITS

The Company has neither invited nor accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 from the public during the year ended March 31, 2018. There were no unclaimed or unpaid deposits as on March 31, 2018.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188.

All related party transactions entered into during FY 2017-18 were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All related party transactions are placed before the Audit Committee for review and approval of the Committee and also to the Board for approval. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on the Company's website.

The details of related party transactions entered into by the Company are provided in Form **AOC-2** given as **"Annexure B"** of Board's Report. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. The Company has developed a Related Party Transactions Policy through Standard Operating Procedures for the purpose of identification and monitoring of such transactions.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

There are no material changes and commitment affecting the financial position of the Company occurred between the end of the financial year and date of this report.

CORPORATE GOVERNANCE

All the mandatory provisions of Corporate Governance as prescribed in Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were not applicable to the Company during the F.Y. 2017-18 as it falls under the exemption as provided under Regulation 15 of SEBI Listing Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORTS

In terms of the Regulation 34(e) read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, MDA covering details of Risks and Concerns, Internal Control Systems and their Adequacy, Discussion on Financial

Performance with respect to Operational Performance etc. for the year under review is set out in this Annual Report as **"Annexure C"**.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed as **"Annexure D"**

Further no employee of the Company was employed during the year drawing remuneration exceeding the limits as prescribed under Rule 5(2) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence the information under Rule 5(2) is not applicable.

BOARD DIVERSITY

The Company recognizes and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates.

The Board of Directors has also adopted a policy on Board Diversity which sets out the approach to diversify the Board of Directors. The Board Diversity Policy is available at our website: http://www.nkindustriesltd.com/governance.html

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has granted loans to its wholly owned subsidiaries however the same is exempted from the requirements of Section 186 of the Companies Act, 2013. Apart from the said loans no other loans or guarantees were provided during the year under review within the purview of section 186 of the Companies Act, 2013. The details of the investments made by Company are given in the notes to investments in the financial statements.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from each Independent Director of the Company under section 149 (7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in section 149 (6) of the Companies Act, 2013.

BOARD EVALUATION

The Companies Act, 2013 states that the formal annual evaluation needs to be made by Board of its own performance and that of its Committees and individual Directors, Schedule IV of the Companies Act, 2013 states that performance evaluation of the Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the Directors and the entire Board was conducted based on the criteria and framework adopted by the Board.

The Board approved the evaluation results as allotted by the Nomination and remuneration committee. The Companies Act, 2013 states that the formal annual evaluation needs to be made by board of its own performance.

APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152(6) of the Companies Act and Articles of Association, Mr. Hasmukh K. Patel (DIN: 06587284) Whole Time Director of the Company, shall retire by rotation and being eligible offers himself for reappointment at the ensuing Annual General Meeting of the Company.

Further during the year under review the following changes occurred in the composition of Board and Key Managerial Personnel of the Company:

1. Dr. Bharat J. Patel (DIN: 00944269) and Mr. Jaimin V. Modi (DIN: 00113689) resigned as Independent Directors of the Company w.e.f 9th March, 2018 and 16th March, 2018 respectively.
2. During the year under review, Mr. Priyam N. Patel was appointed as the Chief Executive Officer of the Company w.e.f. 10th June, 2017.
3. The tenure of Mr. Nimish Keshavlal Patel (DIN: 00240621) and Mr. Nilesh Keshavlal Patel (DIN: 00244115) as Chairman and Managing Director of the Company expired on 31st March, 2018. They were further appointed for a period of 5 (five) consecutive years as the Chairman and Managing Director of the Company respectively w.e.f 1st April, 2018 by the Board of Directors of the Company in the meeting held on 25th January, 2018.

Approval of members of the Company is required for the said appointment, which is made part of the notice convening the ensuing Annual General Meeting of the Company.

BOARD MEETINGS/ DETAILS OF OTHER MEETINGS

The Board of the Company is endlessly focused for the growth and expansion of the Company. It is further involved to strategize the optimum utilization of the available resources and to reduce cost so as to improve the profitability of the Company and also to generate additional opportunities to increase overall performance of the Company.

The Management of the Company is also striving towards becoming a 100% compliant entity and to improve its investor relations by sharing latest and correct information with its stakeholders and thereby creating a transparent atmosphere.

The Board met 5 times during the year under review viz. on 8th May, 2017, 10th June, 2017, 12th August, 2017, 11th November, 2017 and 25th January, 2018. The Board held one meeting in each quarter and the gap between any two meetings was not more than one hundred and twenty days as prescribed under the Companies Act, 2013.

Details of the Directors, their positions, attendance record at Board meetings and last Annual General Meeting held and convened during the financial year are as follows:

Sr. No.	Name of directors	Designation	Number of Meetings Attended / Total Meetings held during the year 2017-18	Attended AGM 22nd July, 2017
1.	Mr. Nimish K. Patel	Chairman and Managing Director	4/5	√
2.	Mr. Nilesh K. Patel	Managing Director	5/5	√
3.	Mr. Hasmukh K. Patel	Whole Time Director	5/5	√
4.	Dr. Bharat J. Patel*	Independent Director	3/5	√
5.	Mr. Jaimin Modi*	Independent Director	5/5	√
6.	Mr. Bhawani Singh Yadav	Independent Director	5/5	√
7.	Ms. Mridu Sharma	Independent Women Director	5/5	√

* Dr. Bharat J. Patel (DIN: 00944269) and Mr. Jaimin V. Modi (DIN: 00113689) resigned as Director of the Company w.e.f 9th March, 2018 and 16th March, 2018 respectively.

INDEPENDENT DIRECTORS' MEETING

As per Schedule IV of the Companies Act, 2013, a separate meeting of Independent Director was held on 5th March, 2018 at 11.30 A.M. at registered office of the company situated at Ahmedabad to discuss the agenda items as required under the Companies Act, 2013.

COMMITTEES MEETING

As on 31st March, 2018 the Board had four committees i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee. All committees are properly constituted with proper composition of Independent Directors as mentioned in relevant provisions of Companies Act, 2013.

During the under review, Mr. Bharat J. Patel (DIN: 00944269) and Mr. Jaimin V. Modi (DIN: 00113689) resigned as an Independent Directors of the Company w.e.f 9th March, 2018 and 16th March, 2018 respectively, consequently, the Board reconstituted the committees of the Board in the Board Meeting held on 19th April, 2018.

A. AUDIT COMMITTEE AND ITS MEETINGS:

Audit Committee met 4 times during the year under review on 6th May, 2017, 12th August, 2017, 11th November, 2017 and 25th January, 2018.

Constitution of Audit Committee was as per the following:

Sr. No.	Name of the Director	Status in Committee	Nature of Directorship	Total Meetings Attended/ Total Meetings Held
1.	Mr. Jaimin Modi (Upto 16th March, 2018)	Chairman & Member	Independent Director	4/4
2.	Dr. Bharat J. Patel (Upto 9th March, 2018)	Member	Independent Director	2/4
3.	Mr. Nilesh K. Patel	Member	Managing Director	4/4
4.	Mr. Bhawani S. Yadav (w.e.f. 19th April, 2018)	Chairman & Member	Independent Director	-
5.	Ms. Mridu Sharma (w.e.f. 19th April, 2018)	Member	Independent Director	-

B. NOMINATION AND REMUNERATION COMMITTEE AND ITS MEETINGS:

Nomination and Remuneration Committee met 3 times during the year under review on 6th May, 2017, 29th May, 2017 and 22nd January, 2018.

Constitution of Nomination and Remuneration Committee was as per the following:

Sr. No.	Name of the Director	Status in Committee	Nature of Directorship	Total Meetings Attended/ Total Meeting Held
1.	Mr. Jaimin Modi (Upto 16th March, 2018)	Chairman & Member	Independent Director	3/3
2.	Dr. Bharat J. Patel (Upto 9th March, 2018)	Member	Independent Director	2/3
3.	Mr. Nimish K. Patel (upto 31st March, 2018)	Member	Managing Director	3/3
4.	Mr. Nilesh K. Patel (w.e.f. 19th April, 2018)	Member	Managing Director	-
5.	Mr. Bhawani S. Yadav (w.e.f. 19th April, 2018)	Chairman & Member	Independent Director	-
6.	Ms. Mridu Sharma (w.e.f. 19th April, 2018)	Member	Independent Director	-

C. STAKEHOLDERS RELATIONSHIP COMMITTEE AND ITS MEETING:

Stakeholders Relationship Committee met 4 times during the year under review on 5th May, 2017, 11th August, 2017, 10th November, 2017 and 24th January, 2018.

Constitution of Stakeholders Relationship Committee was as per the following:

Sr. No.	Name of the Director	Status in Committee	Nature of Directorship	Total Meetings Attended/ Total Meetings Held
1.	Mr. Jaimin Modi (Upto 16th March, 2018)	Chairman & Member	Independent Director	4/4
2.	Mr. Hasmukh K. Patel (upto 19th April, 2018)	Member	Whole Time Director	4/4
3.	Ms. Mridu Sharma	Member	Independent Director	4/4
4.	Mr. Bhawani S. Yadav (w.e.f. 19th April, 2018)	Chairman & Member	Independent Director	-
5.	Mr. Nilesh K. Patel (w.e.f. 19th April, 2018)	Member	Managing Director	-

D. DISSOLUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board of Directors in its meeting held on 19th April, 2018 decided to dissolve the Corporate Social Responsibility Committee (CSR) as the provisions of Section 135 r.w. Schedule VII of the Companies Act, 2013 are not applicable to the Company as on date.

E. OTHER INFORMATION RELATED TO BOARD COMMITTEES:

Name of the Committee	Highlights of Duties, Responsibilities and Activities
Audit Committee	• All recommendations made by the audit committee during the year were accepted by the Board. • The Company has adopted the Vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. • In accordance with the requirements of the Companies Act, 2013, the Company has formulated policies on related party transactions. The policies, including the Vigil Mechanism Policy, are available on our website:- http://www.nkindustriesltd.com/Governance.html
Nomination and Remuneration Committee	• The committee oversees and administers executive compensation, operating under a written charter adopted by our Board of Directors. • The committee has designed and continuously reviews the compensation program for our Directors with business objectives and to link compensation with the achievement of measurable performance goals. • The nomination and remuneration committee has framed the nomination and remuneration policy. The said policy is available on the website of the Company http://www.nkindustriesltd.com/Governance.html
Stakeholders Relationship Committee	• The Committee reviews and ensures to redress investor grievances. • The Committee noted that all the grievances of the shareholders during the year have been resolved.
Corporate Social Responsibility Committee*	• The Board has laid out the Company's policy on Corporate Social Responsibility (CSR) but due to inadequate profit, the Company was unable to carry out any activities. • The CSR policy is available on our Company's website http://www.nkindustriesltd.com/Governance.html

***Note: Corporate Social Responsibility Committee dissolved w.e.f. 19th April, 2018.**

NOMINATION AND REMUNERATION POLICY

The Policy of the Company on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, Independency of a Director and other matters provided under sub-section (3) of section 178 of The Companies Act, 2013, adopted by the board is available on the website i.e. http://www.nkindustriesltd.com/governance.html.

We affirm that the remuneration paid to the Directors is as per the term laid out in the Nomination and remuneration policy and as approved by the members of the company.

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Clause (c) of Sub-Section (3) of Section 134 of the Companies Act, 2013, which states that—

a) in the preparation of the annual accounts for the year ending March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates 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 and loss of the company for that period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the annual accounts on a going concern basis;

e) the Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and

f) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

AUDITORS

i. Statutory Auditors

M/s Parikh and Majmudar, Chartered Accountants, (Firm Registration No: 107525W), were appointed as the Statutory Auditors of the Company for a consecutive period of 5 years from 26th AGM till the conclusion of 31st AGM subject to ratification at each AGM.

The Company has obtained written consent from them and a certificate to the effect that ratification of their appointment if made at the ensuing AGM will be in accordance with the provisions of Section 139 of the Companies Act, 2013 and such conditions as may be prescribed.

The members are requested to consider the matter of ratification of appointment of Auditors and also to fix their remuneration.

There are certain qualifications made by the Auditors in their Standalone Report for which the Board of Directors hereby give its comments/explanation as under:

i. 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 this, the Company has also filed its objections against the attachment notification before the Designated Special MPID Court, Mumbai the matter is subjudice.

ii. With respect to point no.2 of qualified opinion of Auditors Report, 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.

In addition to the above, the Auditors have made observations under the head "Emphasis of Matter", reply to the said observations is as under:-

1. Though the net worth of the company is negative the company is making sincere efforts for the revival of the business of the company whereby it is making continues efforts to increase the volumes as well as to generate comprehensive margins and thereby revive the business.

2. During the year under review, the Income Tax Department has raised a demand of ₹86 Lakhs on the Company for the Assessment Year 2014-15 making the demand of ₹ 132.86 crores in aggregate. The said matter being disputed is still pending before the Income Tax Authorities. In this regard, the Income Tax Authorities have also attached the properties of the Company against the said demand as mentioned in the Auditors in their Report.

3. With respect to the survey carried out u/s 133 of the income tax act in 1999 and in response to the orders passed by 1st Appellate authority and 2nd Appellate Authority subsequently with respect to survey proceedings the company preferred Application to the Hon'ble High Court of Gujarat which was disposed off by the Hon'ble Court vide its order dated 20/06/2016 after giving relief on certain ground and dismissing certain ground. The Said order was challenged on before the Hon'ble Supreme Court which was dismissed by the Hon'ble Supreme Court vide order dated 16th January, 2017. The company has already provided for interest and tax in earlier years towards the said demand. It is further stated that the Order of Hon'ble Gujarat High Court is pending to be received from the department. Once the order is passed the net effect will be a refund to the company and hence there is no need to make any further provision in the books of accounts.
4. The demand raised by the Sales Tax Authorities is explained vide Note No. 36. The said sales tax demand is disputed in view of the fact that the Company has preferred an appeal before the appellate authority and the Company has shown the said liability as Contingent Liability under Note No. 24 of the notes forming part of the Accounts. In this view the Company has not made any provision for the said disputed liability.
5. As explained by the Auditors in their report at point no. 5 the Company has sent letters obtaining confirmation of balances to various parties but due to non-receipt of replies the balances of parties, customers as well as various loans and advances given are still awaited.
6. As reported by the Auditors the Ministry of Corporate Affairs (MCA) has filed a suit against the company and its officers u/s 383A(1A), 372A(9), 58A(6)(A)(I) of the Companies Act, 1956 for the year 2016. Further to clarify in this regard the Company has still not received any legal communication of the prosecutions filed by the ministry. The matter is still subjudice.

The qualification made by the Auditors in their Consolidated Report for which the Board of Directors hereby give its comment/explanation as under:

iii. The National Spot Exchange Limited (NSEL) has initiated recovery proceedings against the Group Company N K Proteins Private Limited (Formerly known as 'N K Proteins Limited') who was a trading and clearing member at NSEL. As regards the said recovery proceedings initiated by NSEL and has made Tirupati Retail (India) Pvt. Ltd. a party to the said proceedings, the matter is subjudice and still pending before the respective Authorities.

Their report on Consolidated Financial Statements emphasizes on some additional points which the management has to reply as under:

1. As explained earlier at point no. i above, N K Proteins Private Limited (N K Proteins Limited) was a trading cum clearing member of National Spot Exchange (NSEL). In the said matter NSEL has filed a recovery suit in Bombay High Court against N K Proteins Private Limited and others. N K Oil Mills Private Limited was neither a trading member nor a client of N K Proteins Private Limited. In this regard a Notice of Motion is filed before the Hon'ble Bombay High Court on behalf of N K Oil Mills Private Limited and the matter is sub-judice
2. The Home Department, Maharashtra has through notification under the Maharashtra Protection of Interest of Depositors Act, 1999, attached the properties of Banpal Oilchem Private Limited as mentioned by the Auditors. The said notification is challenged by the Company before the Hon'ble High Court of Gujarat and the matter is sub-judice.
3. The Directorate of Enforcement had through a provisional attachment order dated 27/08/2014, attached the assets of the Company, however the Company has challenged the said attachment order before the PMLA Appellate Tribunal, New Delhi and the matter is sub-judice.
4. Income tax department has attached the properties mentioned in the Emphasis of Matter against the outstanding tax demands pertaining to FY 2007-08 to FY 2012-13. With respect to the said outstanding demands it is stated that all the demands are disputed demands and has been challenged by the company at various appellate forums. The subsidiary company is hopeful of obtaining favourable order from the appellate authorities. On receipt of the favorable order the demand would be deleted and attachment shall vacate.
5. In view of the fact that the Management of our Company do not have any control in the Joint Venture viz. AWN Agro Pvt. Ltd and as per the exemption provided under the provisions of the Companies Act, 2013 and the Accounting standard 21 & 27, consolidation of the accounts of AWN Agro Pvt. Ltd. is not required with our company.
6. The order was passed under section 143(3) r.w.s. 142(A) of the Income Tax Act, 1961(the IT Act) the said order is passed without appreciating the facts of the case. The subsidiary company being aggrieved by the said order has preferred an appeal before CIT (Appeals). Also the orders u/s 179 of the Income Tax Act, 1961 are passed on the Directors of the Company, which is passed without appreciating the facts as the demand is contingent and highly debatable. The Directors are in the process of challenging the impugned order at appropriate forum. Further, the Company is hopeful of getting the favourable orders from the CIT (Appeals).

   Clarification with regard to the remark in point no. (i)(c) of the CARO (Report) annexed with the Auditors Report on standalone financial statements.

   i. With reference to the said remark it is to be clarified that the Company is in process of transferring the properties as mentioned by the Auditors in their report in its name.

ii. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed, M/s Riddhi Khaneja & Associates, Practicing Company Secretary (ACS- 35651, CP No. 17397) Ahmedabad to conduct a Secretarial Audit of the Company's Secretarial and related records for the year ended 31st March, 2018.

The Report on the Secretarial Audit for the year ended 31st March, 2018 is annexed herewith as "**Annexure E"** to this Board's Report. There were no qualifications/ observations in the report.

iii. Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules 2014, the Cost Audit records maintained by the Company are required to be audited by Cost Accountant. On the recommendations of the Audit Committee, the Board of Directors of the Company had appointed M/s. N D Birla & Co., Cost Accountants, Ahmedabad as the Cost Auditors of the Company to carry out audit of Cost Accounting Records of the Company which was filed by the Company within the stipulated time during the year 2017-18.

The Board of Directors on the recommendation of the Audit Committee has appointed M/s. N D Birla & Co., Cost Accountants, Ahmedabad as the Cost Auditors of the Company to carry out audit of cost accounting records of the Company for the financial year 2018- 19. As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening Annual General Meeting.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

The Hon'ble Gujarat High Court had disposed off the application of the Company filed against the attachment notification issued by the Home Department, Government of Maharashtra dated 29/03/2017. Against this the Company preferred a Special Leave Petition before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court had disposed off the said SLP on 17/04/2017 with a observation to file an application before Hon'ble Bombay High Court. Further the Company has filed the petition before the Hon'ble Mumbai High Court against the said attachment notification, as well as without prejudice filed objection before the Hon'ble MPID Court, Mumbai.

EXTRACTS OF ANNUAL RETURN

The details forming part of the extracts of Annual return in form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as **"Annexure-F"** and forms integral part of this report.

CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of the Companies Act, 2013 "Corporate Social Responsibility" (CSR), was not applicable to the Company during the year under review. Therefore, the Board of Directors decided to dissolve the Corporate Social Responsibility Committee (CSR) in its meeting held on 19th April, 2018.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism/ Whistle Blower Policy to report genuine concerns or grievances. The Vigil Mechanism has been placed on the Website of the Company http://www.nkindustriesltd.com/vigilmechanism.html.

INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence the Company has appointed Independent Internal Auditor M/s. ADPRDP & Associates, Chartered Accountants to submit Internal Audit reports to the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Auditor, Audit Committee undertakes corrective action, if any in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions, if any, thereon are presented to the Audit Committee of the Board.

ENVIRONMENT, HEALTH AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company is committed to health and safety of its employees, contractors and visitors. The Company is conducting operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

INDUSTRIAL RELATIONS

The Company is committed to nurturing, enhancing and retaining top talent through superior Learning and Organizational Management. During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

STATUTORY INFORMATION

i. Conservation of Energy:

a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.

b) No specific investment has been made in reduction in energy consumption.

c) As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

d) Since the Company does not fall under the list of industries, which should furnish this information in Form-A as annexed to the aforesaid Rules, the question of furnishing the same does not arise.

ii. 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.

iii. Foreign Exchange Earning and Outgo:

During the period under review the foreign exchange earnings and outflow was as follows:

Year 2017-18	Amount in ₹
Foreign Earnings	-
Foreign Outflow	-

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with Indian Accounting Standards (Ind AS) 110 issued by the Ministry of Corporate Affairs, forms part of this Annual Report.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

RISK MANAGEMENT POLICY

All the mandatory provisions of Corporate Governance as prescribed in Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to your Company as the Company does not fall under the criteria of its applicability pursuant to Regulation 15 of SEBI Listing Regulations. However, all the Provisons, Rules and Regulations under the Companies Act, 2013 related to the Corporate Governance are applicable to the extent and have been comply by the Company.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from the Company's customers, vendors, bankers, auditors, investors and government bodies during the year under review.

Your Directors place on record their appreciation of the contributions made by employees at all levels.

For and on behalf of the Board

sd/-
Nimish K. Patel
Chairman & Managing Director
DIN: 00240621

Date : 28th April, 2018
Place : Ahmedabad

ANNEXURE-A

Form AOC-1

Statement containing salient features of the financial statements of subsidiaries/associate/joint ventures:

PART "A": Subsidiaries

1.	**Subsidiary No. :**	**1**
2.	Name of the Subsidiary:	N K Oil Mills Private Limited
3.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period:	N.A
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:	N.A
5.	Share Capital:	561680
6.	Reserves & Surplus:	(14,89,87,034)
7.	Total Assets:	2,39,31,823
8.	Total Liabilities:	17,23,57,176
9.	Investments:	7,64,609
10.	Turnover:	19,60,65,274
11.	Profit before Taxation:	13,83,855
12.	Provision for Taxation:	–
13.	Profit after taxation:	6,77,036
14.	Proposed Dividend:	Nil
15.	% of shareholding:	100%

1.	**Subsidiary No. :**	**2**
2.	Name of the Subsidiary:	Banpal Oilchem Private Limited
3.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period.	N.A
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	N.A
5.	Share Capital:	2,02,70,000
6.	Reserves & Surplus:	(10,73,54,258)
7.	Total Assets:	4,59,89,105
8.	Total Liabilities:	13,30,73,364
9.	Investments:	Nil
10.	Turnover:	16,197,339
11.	Profit before taxation:	6,74,488
12.	Provision for taxation:	–
13.	Profit\Loss after taxation:	(29,70,993)
14.	Proposed Dividend:	Nil
15.	% of shareholding:	100%

1.	**Subsidiary No. :**	**3**
2.	Name of the Subsidiary:	Tirupati Retail (India) Private Limited
3.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period.	N.A
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	N.A
5.	Share Capital:	10,00,000
6.	Reserves & Surplus:	(59,45,55,234)
7.	Total Assets:	15,60,45,14,593
8.	Total Liabilities:	16,19,80,69,828
9.	Investments:	60,000
10.	Turnover:	Nil
11.	Profit\Loss before taxation:	(6,065)
12.	Provision for taxation:	Nil
13.	Profit\Loss after taxation:	(6,065)
14.	Proposed Dividend:	Nil
15.	% of shareholding:	100%

For and on behalf of the Board

Mr. Nimish K. Patel **Chairman & Managing Director** **DIN: 00240621**	Mr. Nilesh K. Patel **Managing Director** **DIN: 00244115**	Mr. Ashwin P. Patel **Chief Financial Officer**	Ms. Akanksha Srivastava **Company Secretary**

PART "B": Associates and Joint Venture

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associates / Joint Ventures	Latest audited Balance Sheet Date	Shares of Associate/ Joint Ventures held by the Company on the year end			Description of how there is significant influence	Reason why the Associate / Joint Venture is not conso-lidated	Networth attributable to share-holding as per latest audited balance sheet	Profit/ (Loss) for the year
			No.	Amount of investment in Associates/ Joint Ventures	Extent of holding %				
1	AWN Agro Private Limited	March 31, 2018	2,50,05,000	25,00,50,000	50%	N.A	* Refer note below	N.A	N.A

**Note: The reason for non consolidation is due to discontinuation of control of the management and financial affairs of the JV Company "AWN Agro Private Limited". The exemption for such discontinuation from consolidation of accounts is provided under the Indian Accounting Standards 110.*

For and on behalf of the Board

Mr. Nimish K. Patel **Chairman & Managing Director** **DIN: 00240621**	Mr. Nilesh K. Patel **Managing Director** **DIN: 00244115**	Mr. Ashwin P. Patel **Chief Financial Officer**	Ms. Akanksha Srivastava **Company Secretary**

ANNEXURE-B

Form No. AOC-2

(Pursuant to clause (h) of subsection (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements enter into by the company with related parties referred to in subsection (1) of section 188 of the companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangement or transactions not at arm's length basis: N.A.
2. Details of material contracts or arrangement or transactions at arm's length basis:
   a) Name(s) of related party and nature of relationship: N K Proteins Private Limited-Group Company
   b) Nature of contracts/arrangement/transactions: Job work Agreement
   c) Duration of contract/arrangement/transactions: Thirty-six months (From 1st April, 2016 upto 31st March, 2019)
   d) Salient terms of the contracts or arrangements or transactions including the value, if any:
      - N. K. Industries has offered to undertake the crushing of castor seeds and conversion into Oil and Hydrogenated Castor Oil (HCO) for and behalf of N.K. Proteins Private Limited at its Kadi factory on job work basis.
      - This Agreement is effective from 1st April, 2016 to 31st March, 2019.
   e) Date(s) of approval by the Board, if any : 21.05.2016 and it was further ratified on 28.04.2018
   f) Amount paid as advances, if any: N.A.

Note: Form shall be signed by the person who has signed the Board's Report.

For or on behalf of the Board

sd/-
Nimish K. Patel
Chairman & Managing Director
DIN: 00240621

Date : 28th April, 2018
Place : Ahmedabad

ANNEXURE-C

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY OVERVIEW

The key factor contributing to the growth of the global market for castor oil include increasing demand for sustainable and biodegradable products due to the shift of the industry towards diminishing dependence on petrochemicals. India accounts for 91-93% of world exports of castor oil and thereby enjoying dominant position in the World Castor Scenario.

RISK AND CONCERNS

The Company is exposed due to disparity resulting into pressure on margin. Moreover non-availability of funds due to sickness of the unit and poor market conditions affects the quick turnaround. However, the Management is aware of the said problems & therefore has designed the system to address the same.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate system of internal control across all functions such as purchase, sale, acquitions of fixed assets, cash & bank. Job work is carried out within the time schedule. The Company has set up an Audit Committee comprising of Non-Executive Independent Directors. The Company has also appointed the firm of Chartered Accountants to carry out Internal Audit, Where one of their function is to review the Internal Control system regularly, with a view to further strengthen the same.

STANDALONE PERFORMANCE

The analysis of standalone performance of the Company is given below:

The profit of the Company before providing for finance cost and depreciation was ₹ 714.27 Lakhs as against previous year profit of ₹ 581.38 Lakhs.

OTHER INCOME

The other income is lower at ₹ 61.18 Lakhs as against ₹ 181.24 Lakhs in the previous year.

Finance Cost is higher at ₹ 0.84 Lakhs as against ₹ 0.05 Lakhs in the previous year.

Depreciation (Including amortization) is lower at ₹ 969.48 Lakhs as against ₹ 1,192.25 Lakhs in the previous year.

Other Comprehensive Income is ₹ (19.39) Lakhs as compared to ₹ 0.08 Lakhs in the previous year.

Net loss during the year (After tax) stood at ₹ (310.99) Lakhs as against ₹ (463.77) Lakhs in the previous year.

MANPOWER:

The Management is continuously trying to see that the unit runs on job work basis as well as direct sales. Once the funds are available, it will help to enhance the utilization of its capacity and thereby create further employment.

"ANNEXURE-D"

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the Financial Year 2017-18:

Sr. No.	Name of the Director/ KMP and Designation	Remuneration of Director/ KMP for the financial year 2017-18 (in ₹)	% increase in Remuneration in the Financial Year 2017-18	Ratio of remuneration of each Director to the median employee of the Company
1	Mr. Nimish K. Patel (Chairman & Managing Director)	30,00,000	-	19:1
2	Mr. Nilesh K. Patel (Managing Director)	30,00,000	-	19:1
3	Mr. Hasmukh K. Patel (Whole Time Director)	7,28,000	25%	4.7:1
4	Mr. Jaimin Modi (Independent Director)	Nil	-	N.A
5	Dr. Bharat J. Patel (Independent Director)	Nil	-	N.A
6	Ms. Mridu Sharma (Independent Director)	Nil	-	N.A
7	Mr. Bhawani Singh Yadav (Additional Director)	Nil	-	N.A
8	Mr. Ashwinbhai P. Patel (Chief Finance Officer)	6,00,000	-	N.A
9	Ms. Akanksha A. Srivastava (Company Secretary)	2,64,000	27%	N.A

ii. **The median remuneration of employees of the Company during the year under review was ₹ 155460.**

iii. **Increase in remuneration of Directors and Key Managerial Personnel during the financial year 2017-18 is as per the table above.**

iv. **The average percentage increase in the median remuneration of employees of the Company during the financial year: 14%**

v. **The number of permanent employees on the rolls of Company:** 279 as on March 31, 2018.

vi. **The explanation on the relationship between average increase in remuneration and Company performance:** The increase in the remuneration of median employees of the Company is in relation with the industrial standards of similar field.

vii. **Comparison of the remuneration of the key managerial personnel against the performance of the Company:**

Increase in the remuneration of KMP as per the existing industry standards.

viii. **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:**

(In Lakhs)

Particulars	As at 31/03/2018 (Current Year)	As at 31/03/2017 (Previous Year)
Market Capitalization	2884.75	3401.60
Price Earnings Ratio	(9.28)	(7.33)

ix. **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.

x. **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:**

As shown in the above table : (i) .

xi. **Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:**

As the Company is having huge accumulated losses there was no increase in the remuneration of Key Managerial Personnel of the Company during the year under review.

xii. **The key parameters for any variable component of remuneration availed by the Directors:** N.A.

xiii. **The median ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:** N.A

xiv. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:** The Company affirms remuneration is as per the Nomination and Remuneration Policy of the Company.

ANNEXURE-E

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
N K INDUSTRIES LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **N K INDUSTRIES LIMITED** (hereinafter called 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 N K INDUSTRIES LIMITED (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 N K INDUSTRIES 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, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ***(Not Applicable during the Audit Period)****;*

   (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 Requirement) Regulation, 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. Prevention of Food and Adulteration Act
      3. The Edible Oils Packaging (Regulation) Order, 1998
      4. Essential Commodities Act, 1955 (in relation to food)
      5. Packaging and Labeling Regulations
      6. Weights and Measurement Act
      7. Legal Metrology Act
      8. Gujarat Pollution Control Board (Environment Pollution Act)

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 Exchanges, - BSE Limited, National Stock Exchange of India Limited,

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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 audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Riddhi Khaneja
Proprietor
Riddhi Khaneja & Associates
M. No. 35651 C P No.: 17397

Place : Ahmedabad
Date : 28.04.2018

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

'Annexure A'

To,
The Members
N K INDUSTRIES LIMITED

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

Management's Responsibility

Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

Auditor's Responsibility is limited to the following:

1. We have followed the audit practices and process as considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification as done on test basis is to reasonably ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. In respect of Laws, Rules and Regulations other than those specifically mentioned in our report above, we have limited our review, analysis and reporting up to process and system adopted by the Company for compliance with the same and have not verified detailed compliance, submissions, reporting under such laws etc. nor verified correctness and appropriateness thereof including financial records and books of account of the Company.
3. Wherever required, we have obtained the management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

Disclaimer

1. 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.

Riddhi Khaneja
Proprietor
Riddhi Khaneja & Associates
M. No. 35651 C P No.: 17397

Place : Ahmedabad
Date : 28.04.2018

"ANNEXURE F"

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

(As on the financial year ended on 31st March, 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:

CIN:	L91110GJ1987PLC009905
Foreign Company Registration Number/GLN	N.A
Registration Date [DDMMYY]	19/08/1987
Category of the Company	Public Company
Sub Category of the Company	Limited by Shares
Whether shares listed on recognized Stock Exchange(s) If yes, details of stock exchanges where shares are listed	Yes **Sr. No.** / **Stock Exchange Name** / **Code** 1 / Bombay Stock Exchange / 519494 2 / National Stock Exchange / NKIND
AGM details:	
Whether extension of AGM was granted – Yes / No. (If yes, provide reference number , date of approval letter and the period upto which extension granted)	NO
If Annual General Meeting was not held, specify the reasons for not holding the same	NA
NAME AND REGISTERED OFFICE ADDRESS OF COMPANY:	
Company Name	**N K INDUSTRIES LIMITED**
Address	**7th Floor, Popular House, Ashram Road,**
Town / City	**Ahmedabad**
State	**Gujarat**
Pin Code:	**380 009**
Country Name :	**India**
Country Code	
Telephone (With STD Area Code Number)	91-79-66309999
Fax Number :	91-79-66309913
Email Address	nkil@nkproteins.com
Website	www.nkindustriesltd.com
Name of the Police Station having jurisdiction where the registered office is situated	Navrangpura, Police Station
Address for correspondence, if different from address of registered office:	N.A
Name and Address of Registrar & Transfer Agents (RTA):- Full address and contact details to be given.	
Registrar & Transfer Agents (RTA):-	Link Intime India Private Limited
Address	506-508, Amarnath Business Centre, Near St. Xavier's College Corner, Off CG Road, Navrangpura.
Town / City	Ahmedabad
State	Gujarat
Pin Code:	380009
Telephone (With STD Area Code Number)	079-30002684
Fax Number :	079-26465179
Email Address	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	Castor Seed Oil (Job Work)	15153090	51.47%
2	12 HSA	15153090	19.82%
3	Refined Cotton Seed Oil	15153090	10.90%
4	Wash Cotton Seed Oil	15153090	13.74%

III. 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	AWN AGRO PRIVATE LIMITED	U15143GJ2011PTC064651	A Joint Venture Company	50%	2(6)
2	N K OIL MILLS PRIVATE LIMITED	U15201GJ1994PTC022669	Subsidiary Company	100%	2(87)(ii)
3	BANPAL OILCHEM PRIVATE LIMITED	U15201GJ1996PTC030702	Subsidiary Company	100%	2(87)(ii)
4	TIRUPATI RETAIL (INDIA) PRIVATE LIMITED	U52190GJ2007PTC050409	Subsidiary Company	100%	2(87)(ii)

IV 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 - 2017				No. of Shares held at the end of the year-2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter and Promoter Group									
[1] Indian									
a) Individuals/ HUF	3139926	0.00	3139926	52.25	3139926	0.00	3139926	52.25	0.00
b) Central Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) State Govt.(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Any Other (Specify)									
d)Bodies Corp.	630265	0.00	630265	10.49	902826	0.00	902826	15.02	4.54
e) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total shareholding of Promoter(A) (1)	**3770191**	**0.00**	**3770191**	**62.73**	**4042752**	**0.00**	**4042752**	**67.27**	**4.54**
[2] Foreign									
a) Individuals (Non-Resident Individuals/ Foreign	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year - 2017				No. of Shares held at the end of the year-2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Foreign Portfolio Investor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Any Other (Specify)									
Sub Total (A) (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total shareholding of Promoter and Promoter Group (A) (1) + (A) (2)	**3770191**	**0.00**	**3770191**	**62.73**	**4042752**	**0.00**	**4042752**	**67.27**	**4.54**
B. Public Shareholding									
[1]Institutions									
a) Mutual Funds/UTI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Alternate Investment Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Foreign Venture Capital Investors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Foreign Portfolio Investor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Financial Institutions/ Banks	0.00	1300	1300	0.02	0.00	1300	1300	0.02	0.00
g) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Provident Funds/ Pension Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Any Other (Specify)									
Sub-total (B) (1)	**0.00**	**1300**	**1300**	**0.02**	**0.00**	**1300**	**1300**	**0.02**	**0.00**
[2] Central Government/ State Government (s) / President of India									
Sub-total (B) (2)	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Category of Shareholders	No. of Shares held at the beginning of the year - 2017				No. of Shares held at the end of the year-2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[3] Non-Institutions									
a) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹1 lakh.	505598	566884	1072482	17.85	532174	566640	1098814	18.28	0.43
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh.	730782	34636	765418	12.74	528659	20680	549339	9.14	-3.6
b) NBFCs registered with RBI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Employee Trusts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Overseas Depositories (holding DRs)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Any Other (Specify)									
Hindu Undivided Family	71302	0.00	71302	1.19	28154	0.00	28154	0.47	-0.72
Non Resident Indians (Non Repat)	650	0.00	650	0.01	752	0.00	752	0.01	0.00
Non Resident Indians (Repat)	3300	600	3900	0.07	3100	600	3700	0.06	-0.01
Clearing Member	15548	0.00	15548	0.26	17048	0.00	17048	0.28	0.02
Bodies Corporate	300109	9000	309109	5.14	259041	9000	268041	4.46	-0.68
Sub-total (B)(3)	**1627289**	**611120**	**2238409**	**37.25**	**1368928**	**596920**	**1965848**	**32.70**	**-4.55**
Total Public Shareholding (B)= (B)(1)+(B)(2)+ (B)(3)	**1627289**	**612420**	**2239709**	**37.27**	**1368928**	**598220**	**1967148**	**32.72**	**-4.55**
Total (A)+(B)	**5397480**	**612420**	**6009900**	**100.00**	**5411680**	**598220**	**6009900**	**100.00**	**0.00**

Category of Shareholders	No. of Shares held at the beginning of the year - 2017				No. of Shares held at the end of the year-2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Non Promoter-Non Public									
[1] Custodian/ DR Holder	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
[2] Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total (A+B+C)	**5397480**	**612420**	**6009900**	**100.00**	**5411680**	**598220**	**6009900**	**100.00**	**0.00**

ii) Shareholding of Promoters (Including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 2017			Share holding at the end of the year -2018			% change in share holding 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	Ashita Nilesh Patel	1273889	21.20	0.00	1273889	21.20	0.00	0.00
2	Sonalben Nimish Patel	1151570	19.16	0.00	1151570	19.16	0.00	0.00
3	N K Proteins Private Limited	367302	6.11	0.00	367302	6.11	0.00	0.00
4	NKPL Realty LLP	262963	4.38	0.00	535524	8.91	0.00	4.54
5	Nimish Keshavlal Patel	134123	2.23	0.00	134123	2.23	0.00	0.00
6	Priyanshi Nilesh Patel	106900	1.78	0.00	106900	1.78	0.00	0.00
7	Nilesh Keshavlal Patel (HUF)	104557	1.74	0.00	104557	1.74	0.00	0.00
8	Nimish Keshavlal Patel (HUF)	104557	1.74	0.00	104557	1.74	0.00	0.00
9	Priyam Nilesh Patel	84516	1.41	0.00	84516	1.41	0.00	0.00
10	Venushree Nimish Patel	84160	1.40	0.00	84160	1.40	0.00	0.00
11	Vedanshee Nimish Patel	73100	1.22	0.00	73100	1.22	0.00	0.00
12	Nilesh Keshavlal Patel	20954	0.35	0.00	20954	0.35	0.00	0.00
13	Darshanbhai Baldevbhai Patel	1600	0.03	0.00	1600	0.03	0.00	0.00
	TOTAL	**3770191**	**62.73**	**0.00**	**4042752**	**67.27**	**0.00**	**4.54**

iii) Change in Promoters' (Including Promoter Group) Shareholding

Sr. No.	Name of Shareholder and type of Transaction	Shareholding at the beginning of the Year-2017		Transactions during the Year		Cumulative Shareholding at the end of the Year-2018	
		No. of shares held	% of total shares of the company	Date of transactions	No. of Shares	No. of shares	% of total shares of the company
1.	Ashita Nilesh Patel	1273889	21.20	0.00	0.00	1273889	21.20
	At the end of the Year	**1273889**	**21.20**	**0.00**	**0.00**	**1273889**	**21.20**
2.	Sonalben Nimish Patel	1151570	19.16	0.00	0.00	1151570	19.16
	At the end of the Year	**1151570**	**19.16**	**0.00**	**0.00**	**1151570**	**19.16**
3.	N. K. Proteins Private Limited	367302	6.11	0.00	0.00	367302	6.11
	At the end of the Year	**367302**	**6.11**	**0.00**	**0.00**	**367302**	**6.11**
4.	NKPL Realty LLP	262963	4.38	1st April, 2017 to 31st March 2018	272561 (4.54%)	535524	8.91
	Transaction of Purchase	-	-		-	-	-
	At the end of the Year	**262963**	**4.38**		**272561 (4.54%)**	**535524**	**8.91**
5.	Nimish Keshavlal Patel	134123	2.23	0.00	0.00	134123	2.23
	At the end of the Year	**134123**	**2.23**	**0.00**	**0.00**	**134123**	**2.23**
6.	Priyanshi Nilesh Patel	106900	1.78	0.00	0.00	106900	1.78
	At the end of the Year	**106900**	**1.78**	**0.00**	**0.00**	**106900**	**1.78**
7.	Nimishbhai Keshavlal Patel	104557	1.74	0.00	0.00	104557	1.74
	At the end of the Year	**104557**	**1.74**	**0.00**	**0.00**	**104557**	**1.74**
8.	Nilesh Keshavlal Patel	104557	1.74	0.00	0.00	104557	1.74
	At the end of the Year	**104557**	**1.74**	**0.00**	**0.00**	**104557**	**1.74**
9.	Priyam Nilesh Patel	84516	1.41	0.00	0.00	84516	1.41
	At the end of the Year	**84516**	**1.41**	**0.00**	**0.00**	**84516**	**1.41**
10.	Venushree Nimishbhai Patel	84160	1.40	0.00	0.00	84160	1.40
	At the end of the Year	**84160**	**1.40**	**0.00**	**0.00**	**84160**	**1.40**
11.	Vedanshee Nimishbhai Patel	73100	1.22	0.00	0.00	73100	1.22
	At the end of the Year	**73100**	**1.22**	**0.00**	**0.00**	**73100**	**1.22**
12.	Nileshbhai Keshavlal Patel	20954	0.35	0.00	0.00	20954	0.35
	At the end of the Year	**20954**	**0.35**	**0.00**	**0.00**	**20954**	**0.35**
13.	Darshanbhai Baldevbhai Patel	1600	0.03	**0.00**	**0.00**	1600	0.03
	At the end of the Year	**1600**	**0.03**	**0.00**	**0.00**	**1600**	**0.03**

iv) Shareholding Pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	No. of shares	% of total Shares of the company
1	**INDUBEN AMBALAL**				
	At the beginning of the year	298396	4.96	298396	4.96
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (Eg. Allotment/Transfer/ Bonus/Sweat Equity etc.)	-	-	-	-
	At the end of the year	**298396**	**4.96**	**298396**	**4.96**
2	**MEHTA SECURITIES LIMITED**				
	At the beginning of the year	149800	2.49	149800	2.49
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (Eg. Allotment/Transfer/ Bonus/Sweat Equity etc.)	-	-	-	-
	At the end of the year	**149800**	**2.49**	**149800**	**2.49**
3	**FRANY TUSHAR PATEL**				
	At the beginning of the year	48563	0.81	48563	0.81
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (Eg. Allotment/Transfer/ Bonus/Sweat Equity etc.)	Purchase of 32631Equity Shares made on 21st April, 2017	0.54	81194	1.35
	At the end of the year	**81194**	**1.35**	**81194**	**1.35**
4	**PRRATEK PATEL**				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (Eg. Allotment/Transfer/ Bonus/Sweat Equity etc.)	Purchase of 53015 Equity Shares made on 26th May, 2017	0.88	53015	0.88
	At the end of the year	**53015**	**0.88**	**53,015**	**0.88**

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	No. of shares	% of total Shares of the company
5	**PRAHALLADBHAI KISHANCHAND SEWANI**				
	At the beginning of the year	561	0.0093	561	0.0093
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (Eg. Allotment/Transfer/Bonus/Sweat Equity etc.)				
	At the end of the year	41124	0.68	**41124**	**0.68**
6	**JAPRO ENGINEERING PRIVATE LIMITED**				
	At the beginning of the year	35850	0.60	35850	0.60
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (Eg. Allotment/Transfer/ Bonus/Sweat Equity etc.)	-	-	-	-
	At the end of the year	35850	0.60	**35850**	**0.60**

Date	No. of Shares	Cumulative during the year	Cumulative %
14 Jul 2017	1560	2121	0.0353
21 Jul 2017	(600)	1521	0.0253
28 Jul 2017	(650)	871	0.0145
25 Aug 2017	(803)	68	0.0011
15 Sep 2017	3114	3182	0.0529
22 Sep 2017	1859	5041	0.0839
29 Sep 2017	(2751)	2290	0.0381
06 Oct 2017	(1150)	1140	0.0190
27 Oct 2017	1606	2746	0.0457
10 Nov 2017	(400)	2346	0.0390
17 Nov 2017	(1659)	687	0.0114
24 Nov 2017	(271)	416	0.0069
15 Dec 2017	22974	23390	0.3892
29 Dec 2017	3850	27240	0.4533
05 Jan 2018	1679	28919	0.4812
12 Jan 2018	3082	32001	0.5325
02 Feb 2018	500	32501	0.5408
09 Feb 2018	817	33318	0.5544
16 Feb 2018	802	34120	0.5677
23 Feb 2018	1872	35992	0.5989
09 Mar 2018	(690)	35302	0.5874
23 Mar 2018	2213	37515	0.6242
31 Mar 2018	3609	41124	0.6843

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	No. of shares	% of total Shares of the company
7	**MAHENDRAKUMAR DEVISING DESAI**				
	At the beginning of the year	32900	0.55	32900	0.55
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (Eg. Allotment/Transfer/ Bonus/Sweat Equity etc.)	-	-	-	-
	At the end of the year	32900	0.55	**32900**	**0.55**
8	**MEHTA INTEGRATED FINANCE LTD**				
	At the beginning of the year	32771	0.54	32771	0.54
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (Eg. Allotment/Transfer/ Bonus/Sweat Equity etc.)	Sell of 500 Equity Shares made on 9th March, 2018	0.008	32271	0.54
	At the end of the year	32271	0.536	**32271**	**0.54**
9	**SHREE HARIKRUPA AGRI PRODUCTS PVT LTD**				
	At the beginning of the year	68172	1.13	68172	1.13
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (Eg. Allotment/Transfer/ Bonus/Sweat Equity etc.)				

Date	No. of Shares	Cumulative during the year	Cumulative %
07 Jul 2017	(1000)	67172	1.1177
14 Jul 2017	(2881)	64291	1.0698
21 Jul 2017	(1780)	62511	1.0401
28 Jul 2017	(995)	61516	1.0236
04 Aug 2017	(561)	60955	1.0142
11 Aug 2017	(685)	60270	1.0028
18 Aug 2017	(200)	60070	0.9995
25 Aug 2017	(2887)	57183	0.9515
01 Sep 2017	(3610)	53573	0.8914
01 Dec 2017	(25000)	28573	0.4754
15 Dec 2017	(5000)	23573	0.3922

	At the end of the year	23573	0.39	**23573**	**0.39**
10	**GOMTIBEN KALIDAS PATEL**				
	At the beginning of the year	22030	0.37	22030	0.37
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (Eg. Allotment/Transfer/ Bonus/Sweat Equity etc.)	-	-	-	-
	At the end of the year	22030	0.37	22030	0.37

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**NIMISH KESHAVLAL PATEL** (CHAIRMAN & MANAGING DIRECTOR)				
	At the beginning of the year				
	Individual Holding	134123	2.23	134123	2.23
	As a member of HUF	104557	1.74	104557	1.74
	Total	**238680**	**3.97**	**238680**	**3.97**
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year				
	Individual Holding	134123	2.23	134123	2.23
	As a member of HUF	104557	1.74	104557	1.74
	Total	**238680**	**3.97**	**238680**	**3.97**
2	**MR. NILESH KESHAVLAL PATEL** (MANAGING DIRECTOR)				
	At the beginning of the year				
	Individual Holding	20954	0.35	20954	0.35
	As a member of HUF	104557	1.74	104557	1.74
	Total	**125511**	**2.09**	**125511**	**2.09**
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year				
	Individual Holding	20954	0.35	20954	0.35
	As a member of HUF	104557	1.74	104557	1.74
	Total	**125511**	**2.09**	**125511**	**2.09**
3	**DR. BHARAT J PATEL*** (INDEPENDENT DIRECTOR)				
	At the beginning of the year				
	Individual Holding	196	0.003	196	0.003
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	**196**	**0.003**	**196**	**0.003**
4	**MR. HASMUKH K PATEL** (WHOLE TIME DIRECTOR)				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	**MR. JAIMIN MODI*** (INDEPENDENT DIRECTOR)				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	**-**	**-**	**-**	**-**
6	**MR. ASHWINBHAI P PATEL** (CHIEF FINANCE OFFICER)				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
7	**MS. MRIDU SHARMA** (INDEPENDENT WOMEN DIRECTOR)				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
8	**MR. BHAWANI SINGH YADAV** (INDEPENDENT DIRECTOR)				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
9	**MS. AKANKSHA SRIVASTAVA** (COMPANY SECRETARY)				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

Note: Mr. Bharat J. Patel (DIN: 00944269) and Mr. Jaimin V. Modi (DIN: 00113689) resigned as Director of the Company w.e.f 9th March, 2018 and 16th March, 2018 respectively.

V) Indebtedness of the Company including interest outstanding/ accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I) Principal Amount	-	-	-	-
II) Interest due but not paid	-	-	-	-
III) Interest accrued but not due	-	-	-	-
Total (I+II+III)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Nimish K. Patel	Nilesh K. Patel	Hasmukh K. Patel	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,00,000	30,00,000	7,28,000	67,28,000
	(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)	**30,00,000**	**30,00,000**	**7,28,000**	**67,28,000**
	Ceiling as per the Act	30,00,000	30,00,000	30,00,000	-

Note: The members of the Company in the meeting held on 26th September, 2015 approved the remuneration of managing directors at the rate of ₹5.00 Lakhs p.m. However due to continuing losses of the Company remuneration at the rate of ₹2.50 Lakhs p.m. was paid during the year under review.

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Dr. Bharat J. Patel*	Mr. Jaimin Modi*	Ms. Mridu Sharma	Mr. B.S. Yadav	
1	Independent Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

*Note: Mr. Bharat J. Patel (DIN: 00944269) and Mr. Jaimin V. Modi (DIN: 00113689) resigned as Director of the Company w.e.f 9th March, 2018 and 16th March, 2018 respectively.

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary & Compliance Officer	Chief Executive Officer	Chief Financial Officer	Total
		Ms. Akanksha Srivastava	Mr. Priyam Patel*	Mr. Ashvin Patel	
1	Gross salary	2,70,000	9,70,000	6,00,000	18,40,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,70,000	9,70,000	6,00,000	18,40,000
	(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	**2,70,000**	**9,70,000**	**6,00,000**	**18,40,000**

* *Mr. Priyam N. Patel was appointed as the Chief Executive Officer of the Company w.e.f. 10th June, 2017.*

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)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Sd/-
Nimish K. Patel
Chairman & Managing Director
DIN: 00240621

Date : 28th April, 2018
Place : Ahmedabad

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF N.K INDUSTRIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of **M/s N.K INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Statement of Cash flows, the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information. (herein after referred to as "Standalone Ind AS financial statements").

Management's Responsibility for the Standalone 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 Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 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 Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on 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 there under.

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing, as 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 Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 Standalone Ind AS 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 Directors, as well as evaluating the overall presentation of the standalone Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Standalone Ind AS Financial Statements.

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 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 Affairs. 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 High Court of Gujarat. The Hon'ble Gujarat High Court had disposed

off the application of the Company vides 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 year under review. (Refer Note no 32 of Standalone Financial Statements).

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. However, matter is subjudice, we are unable to quantify the liability and its impact if any, on the loss of the company for the year under review. (Refer Note no 33 of Standalone Financial Statements).

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph the aforesaid Standalone Ind AS 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, of the state of affairs of the Company as at 31st March, 2018, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

OTHER MATTER

The Comparative financial information of the Company for the year ended 31st March 17 and the transition date opening balance sheet as at 1 April, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us and our reports for the years ended 31 March 2017 and 31 March 2016 dated 08th May 2017 and 21st May,2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

Emphasis of Matters

1. We draw attention to Note 29 to the Standalone Financial Statements and according to the same , the company is having accumulated losses of Rs 315.78 Crores as at 31.3.2018 and the net worth of the company is negative However, 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."

2. Attention is invited to note 34 of the Standalone Financial Statements which states that the Income Tax Department had carried out survey u/s 133 of the Income tax Act, 1961(the IT Act) on the company along with other group companies during FY 2013-14 and had ordered a special audit of the books of the company u/s 142(2A) of the IT Act, 1961, for AY 2011-12 & A.Y 12-13. The department had raised a demand of Rs 133 Crores (Rs 6.63 Crores for A.Y 10-11, Rs57.07 crores for A.Y 11-12, Rs 60.33 Crores for A.Y 12-13, Rs 7.97 Crores for A.Y 2013-14& Rs. 0.86 Crores for A.Y.2014-15) on the company for the aforesaid assessment years and the said demand has been disputed by the company and the company has initiated appellate proceedings before appropriate authorities. The said amount has been shown as contingent liability under Note No. 24 of the notes forming part of accounts. Further ,Income tax department has passed an attachment order on 22.04.2015 & 14.08.15 by which it has attached properties of the company in pursuant to a demand, the details of the properties attached which are in the name of company is as under:

   - 803, Manas Complex, Opp Star Bazaar, Nr Jodhpur Cross road, Satellite, Ahmedabad 380015.
   - 603, Manas Complex, Opp Star Bazaar, Nr Jodhpur Cross road, Satellite, Ahmedabad 380015.
   - Land, 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.
   - Factory Building Situated at survey No 745, Kadi Thol Road, Village Kadi Kasba , taluka- Kadi, District Mehsana-382715

3. Attention is invited to note 26 of the Standalone Financial Statements and according to which a Search & Seizure action U/S 132 of the Income Tax Act took place on 24.2.99. The Income Tax department had raised demand of ₹ 33.12 Crores vide the block assessment Order dt. 30.4.2001. In case of the Company, the Hon'ble Income Tax Appellate Tribunal (ITAT), Ahmedabad has subsequently given partial relief to the extent of ₹ 28.84 Crores. The company had preferred an appeal before the Hon'ble High Court of Gujarat against the order of Hon'ble ITAT, Ahmedabad. The Hon'ble Gujarat High Court vide its order dated 20th June, 2016 had given partial relief on some of the grounds and had also dismissed some of the grounds of the company. Against the grounds dismissed by Hon'ble High Court of Gujarat, the company had further preferred an appeal before Hon'ble Supreme Court of India, and the Hon'ble Supreme Court of India vide order dated 16th January, 2017 had dismissed the appeal of the Company. The Company had already provided an amount of ₹ 2.88 Crore against the grounds dismissed by Hon'ble ITAT, Ahmedabad during F.Y 2002-03 as well as ₹ 1.27 Crores was provided in the books of accounts for the Assessment year in question for the interest payable up to 31-03-2005 during F.Y 2004-05. However in view of the management and on the basis of the Judgment of the Hon'ble Gujarat High Court, the amount provided/paid by the company towards total demand shall result in refund to the company. Pending effect of the various orders of adjudicating authorities by the Income Tax Department, the Company is yet to provide final entries in its books of accounts even during the year under review. In view of non availability of order of the appeal effects from the Income Tax Department, we are unable to opine on the same.

4. Attention is invited to note 36 of the Standalone Financial Statements and according to which the Sales Tax Department has completed the assessment proceedings for various assessment years and raised demand of ₹ 5554.43 Lakhs for the earlier financial years. The company has not made any provision for the above demand raised by the sales tax authority in its books of accounts as in view of the Management, the said demand shall not withstand before the Appellate Authorities and the company has already preferred an appeal before the appellate authority which is still pending. In view of the above, the said amount has been shown as contingent liability under Note No. 24 of the notes forming part of accounts.

5. Attention is invited to Note 41 of the Standalone Financial Statements which states that the balance confirmation from the suppliers, customers as well as to various loans or advances given have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables, trade payables as well as loans and advances have been taken as per the books of accounts submitted by the company and are subject to confirmation from the respective parties.

6. As per the information obtained from the website of the Ministry of Corporate Affairs (MCA), a suit has been filed against the company and its officers u/s 383A(1A), 372A(9), 58A(6)(A)(I) of the Companies Act, 1956 for the year 2016. As informed by the management, the company is having basic information about such suit filed as reflected on the website of the MCA. However, the company does not have any communication of such proceedings against the company and its officers. As the matter is still subjudice, we are unable to quantify the final liability and its impact, if any, on the company and its officers. (Refer Note No 37 of the standalone financial statements)

   Our opinion is not qualified on the above matters.

Report on Other Legal and Regulatory Requirements

1. 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-"A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, 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) The matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company

   (e) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder

(f) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) 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 B" and

(h) 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 has disclosed the impact of pending litigations on its financial position in its Financial Position as referred to in Note no.24 to the Standalone Ind AS Financial Statements.

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.

FOR PARIKH & MAJMUDAR
CHARTERED ACCOUNTANTS
FRNNO 107525W

(C.A Dr Hiten Parikh)
PARTNER
M.No.40230

Place : AHMEDABAD
Date : 28.04.2018

REFERRED TO IN PARAGRAPH "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF N.K.INDUSTRIES LIMITED:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets with effect from 1st April 2008 onwards.

(b) According to the information and explanations given to us, the fixed assets are verified by the management, during the year in a phased periodical manner which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us and the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising of the immovable properties of land and building which are freehold, are held in the name of the company as at the balance sheet date except the following properties whose titles have not been still conveyed in the name of the company having total carrying value of ₹ 18.86 Lakhs as at 31st March,2018.

(₹ In lakhs)

Sr. No.	Description of the property	Status of ownership	Carrying value
1.	Premises located at Thirthjal Complex, Ahmedabad	Title of the property is in the name of the director and yet not conveyed in the name of the company. As stated by the Management, as the cooperative society in which the property is held does not allow the company to hold the assets in its name.	5.38
2.	Land situated at Sr. No. 719, Vil, kadi Taluka Kadi, Dist. Mehsana in the State of Gujarat	In the subject land, Registered power of attorney of the land in question is in the name of Shri Ashwin Patel, CFO, on behalf of the company and necessary stamp duty has been fully paid, yet titles are to be conveyed in the name of the company.	5.49
3.	Land situated at Sr. No. 720, Vil, kadi. Taluka Kadi, Dist. Mehsana in the State of Gujarat	Unregistered Agreement to sale in the name of the company. Competent authority has ordered for payment of premium which is yet to be paid. Titles are not conveyed in the name of the company.	1.85
4.	Land situated at Sr. No. 721, Vil, kadi. Taluka Kadi, Dist. Mehsana in the State of Gujarat	In the subject land, Registered power of attorney of the land in question is in the name of Shri Ashwin Patel, CFO, on behalf of the company and necessary stamp duty has been fully paid, yet titles are to be conveyed in the name of the company.	3.19
5.	Land situated at Sr. No. 741, Vil, kadi. Taluka Kadi, Dist. Mehsana in the State of Gujarat	In the subject land, no agreement entered with the company. However, unregistered power of attorney is in the name of Mr Kamlesh Patel on behalf of the company. The titles have not been conveyed in the name of the company.	2.93
6.	Land situated at Sr. No. 742, Vil, kadi. Taluka Kadi, Dist. Mehsana in the State of Gujarat	In the subject land, no agreement entered with the company. However, unregistered power of attorney is in the name of Mr Kamlesh Patel, on behalf of the company. The titles have not been conveyed in the name of the company.	

(ii) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. The discrepancies noticed on verification between physical stocks and the books of accounts are not material.

(iii) During the year, the company has granted loans secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. (the Act).

a) During the year the Company has granted interest bearing loan two subsidiary companies covered in the register maintained u/s 189 of the Companies Act,2013(the Act) The loans granted during the earlier financial years to the parties covered in the register maintained u/s 189 of the Companies Act, 2013 (the Act) are interest free. The terms of arrangements do not stipulate any repayment schedule and the loan is repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the company in respect of repayment of the principal amount.

b) In respect of the said loans, there are no overdue amounts

(iv) On the basis of Information and explanations given to us and also In view of the legal opinion obtained from an expert, the company has broadly complied with the provisions of Section 185 and 186 with respect to the investment made & Loans Given.(Please refer the note no.27b of the notes forming parts of the financial statements).

(v) The Company has not accepted any deposits from the public during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore the provisions of the Clause 3(v) of the order are not applicable to the company.

(vi) We have broadly reviewed the books of accounts maintained by the company in respect of products where pursuance to the rules made by the Central Government of India, the maintenance of Cost records has been prescribed under sub section (1) of section 148 of Companies Act 2013 and we are of the opinion that prima facie, the prescribed accounts & records have been maintained. We have however, not made a detailed examination of the records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, ESIC, income-tax, sales tax, Goods & Service tax, value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues have been generally 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 provident fund, ESIC, income tax, sales tax, Goods & Service tax,value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues were in arrears as at 31 March 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 due of duty of excise, service tax , Goods & Service Tax and duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us, the following dues of income tax, sales tax & value added tax have not been deposited by the company on account of disputes.

Name of the statue	Nature of Dues	Amount (₹) (Net of payment)	Financial year to which the amount relates	From where the dispute is pending
Income Tax Act,1961	Corporate Tax	663.83 Lakhs	FY 2009-10	Commissioner of Income Tax(Appeals) -IX
Income Tax Act,1961	Corporate Tax	5543 Lakhs	FY 2010-11	Income Tax Appellate Tribunal Ahmedabad
Income Tax Act,1961	Corporate Tax	6033 Lakhs	FY 2011-12	The Company is in Process of filing Appeal with Income Tax Appellate Tribunal Ahmedabad
Income Tax Act,1961	Corporate Tax	797.60 Lakhs	FY 2012-13	Commissioner of Income Tax(Appeals) -IX
Income Tax Act,1961	Corporate Tax	41.66 Lakhs	FY 2005-06	Commissioner of Income Tax(Appeals) -IX
Income Tax Act,1961	Corporate Tax	86.00 Lakhs	FY 2013-14	Commissioner of Income Tax(Appeals) -IX
Income Tax Act,1961	Corporate Tax (Penalty)	2625.03 Lakhs	FY 2010-11	Commissioner of Income Tax(Appeals) -IX
Guj. Sales Tax	Sales Tax	130.88 Lakhs	F.Y. 2008-09	Joint. Commissioner of Commercial Tax, Appeal-I, Ahmedabad
Guj. Sales Tax	Sales Tax	5423.55 Lakhs (Net of payments)	F.Y. 1989-90, 1990-91, 1997-98 to 2001-02, & 2006-07	Sales Tax Tribunal / Commercial Tax Officer
Guj. Sales Tax	Sales Tax	3080.51 Lakhs	FY 2013-14	The Company is in process of filing the appeal with competent authority.

(viii) According to information & explanations given to us, The company does not have any borrowings from Banks, Financial institutions, Government or debenture holders during the year, Accordingly, paragraph 3 (viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(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 and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(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.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR PARIKH & MAJMUDAR
CHARTERED ACCOUNTANTS
FRNNO 107525W

(C.A Dr Hiten Parikh)
PARTNER
M.No.40230

Place : AHMEDABAD
Date : 28.04.2018

Annexure B to the Independent Auditor's Report off Even Date on the Financial Statements of N.K. Industries Limited

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 **M/s N.K INDUSTRIES LIMITED** ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ('ICAI'). 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, including adherence to company's policies, 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 Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent 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 & 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 31st March 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 PARIKH & MAJMUDAR
CHARTERED ACCOUNTANTS
FRNNO 107525W

(C.A Dr Hiten Parikh)
PARTNER
M.No.40230

Place : AHMEDABAD
Date : 28.04.2018

Balance Sheet as at March 31, 2018

Amt in ₹

S.No.	Particulars	Note No.	31-Mar-2018	31-Mar-2017	01-Apr-2016
	ASSETS				
1	**Non-current assets**				
a)	Property, Plant and Equipment	8	1 38 72 92 803	1 41 19 51 994	1 51 30 44 362
b)	Capital work-in-progress	8	5 42 22 773	2 25 32 128	28 57 989
c)	Investment Property				
d)	Goodwill				
e)	Other Intangible assets				
f)	Intangible assets	8	35 076	38 784	49 650
g)	Biological Assets other than bearer plants				
h)	Financial Assets				
(i)	Investments	9	1 88 38 854	1 87 38 854	1 87 33 854
(ii)	Trade receivables	11	-	4 09 57 125	4 09 57 125
(iii)	Loans	10	66 82 63 420	66 83 64 707	67 38 63 912
i)	Deferred tax assets (net)		13 25 66 333	13 61 22 066	12 14 14 692
j)	Other non-current assets	11a	51 70 66 778	50 36 94 580	50 69 32 876
2)	**Current assets**				
a)	Inventories	12	4 73 27 049	7 61 01 370	6 34 21 385
b)	Financial Assets				
(i)	Investments				
(ii)	Trade receivables	13	39 46 13 459	35 73 68 589	34 03 15 418
(iii)	Cash and cash equivalents	14	29 405	1 17 745	24 75 677
(iv)	Bank balances other than (iii) above	14	79 98 599	85 53 859	75 43 047
(v)	Loans	15	2 68 26 172	33 57 189	1 26 81 369
(vi)	Others (to be specified)				
c)	Current Tax Assets (Net)				
d)	Other current assets	15a	40 55 752	69 02 611	6 04 866
	TOTAL ASSETS		**3 25 91 36 473**	**3 25 48 01 603**	**3 30 48 96 224**
	EQUITY & LIABILITIES :				
	EQUITY:				
a)	Equity Share capital	1	6 00 99 000	6 00 99 000	6 00 99 000
b)	Other Equity	2	(315 77 74 862)	(312 66 76 023)	(308 02 76 295)
	LIABILITIES :				
1)	**Non-Current Liabilities**				
a)	Financial Liabilities				
(i)	Borrowings				
(ii)	Trade payables	3	6 26 09 98 700	6 26 14 48 700	6 26 43 10 360
(iii)	Other financial liabilities (other than those specified in item (b), to be specified)				
b)	Provisions	4	2 71 92 203	2 59 37 383	2 49 87 664
c)	Deferred tax liabilities (Net)				
d)	Other non-current liabilities				
2)	**Current liabilities**				
a)	Financial Liabilities				
(i)	Borrowings				
(ii)	Trade payables	5	5 05 58 908	1 59 17 630	2 93 15 635
(iii)	Other financial liabilities (other than those specified in item (c)				
b)	Other current liabilities	6	1 16 80 743	1 50 45 396	40 26 891
c)	Provisions	7	63 81 781	30 29 518	24 32 969
d)	Current Tax Liabilities (Net)				
	TOTAL EQUITY AND LIABILITIES		**3 25 91 36 473**	**3 25 48 01 603**	**3 30 48 96 224**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached.

For, PARIKH & MAJMUDAR
Chartered Accountants
Firm's Registration Number:107525W

CA DR HITEN PARIKH
Partner
Membership No.040230
Ahmedabad
28th April,2018

For and on behalf of the Board of Directors of N K Industries Limited

Nimish K. Patel
Chairman & Managing Director
Din-00240621

Nilesh K. Patel
Managing Director
Din -00244115

Ashwin P. Patel
Chief Financial Officer

Akanksha Srivastava
Company Secretary

Ahmedabad
28th April,2018

Statement of Profit & Loss for the year ended on March 31, 2018

Amt in ₹

S. No.	PARTICULARS	NOTE NO.	For the Year ended on 31-Mar-2018	For the Year ended on 31-Mar-2017
I	Revenue from Operations	16	1,128,374,729	905,886,129
II	Other Income	17	6,117,658	18,123,868
III	Total Income (I + II)		1,134,492,387	924,009,997
IV	**EXPENSES**			
	Cost of Materials consumed		-	-
	Purchases of stock-in-trade	18	500,749,952	512,495,230
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	19	29,713,932	8,389,352
	Employee benefits expense	20	92,894,605	68,639,992
	Finance costs	21	84,133	4,504
	Depreciation and amortization expense	8	96,948,128	119,224,860
	Other expenses	22	439,706,189	276,348,073
	Total expenses (IV)		**1,160,096,939**	**985,102,011**
V	**Profit/(loss) before exceptional items and tax (I- IV)**		**(25,604,551)**	**(61,092,014)**
VI	Exceptional Items		-	-
VII	**Profit/(loss) before tax (V-VI)**		**(25,604,551)**	**(61,092,014)**
VIII	**Tax expense:**			
1	Current tax		-	-
2	Deferred tax		(3,555,733)	14,707,374
3	Excess/(Short) Provision Of Earlier Years		-	-
4	MAT Credit Entitlement		-	-
IX	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**(29,160,285)**	**(46,384,640)**
X	**Profit/(loss) from discontinued operations**		**-**	**-**
XI	Tax expense of discontinued operations		-	-
XII	**Profit/(loss) from Discontinued operations (after tax) (X-XI)**		**-**	**-**
XIII	**Profit/(loss) for the period (IX+XII)**		**(29,160,285)**	**(46,384,640)**
XIV	Other Comprehensive Income		-	-
A (i)	Items that will not be reclassified to profit or loss		(1,938,554)	7,814
(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	-
B(i)	Items that will be reclassified to profit or loss		-	-
(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-
XV	**Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**(31,098,839)**	**(46,376,826)**
XVI	Earnings per equity share (for continuing operation):			
1	Basic:		(4.85)	(7.72)
2	Diluted:		(4.85)	(7.72)
XVII	Earnings per equity share (for discontinue operation):			
1	Basic:		(4.85)	(7.72)
2	Diluted:		(4.85)	(7.72)
XVIII	Earnings per equity share(for discontinued & continuing operations)			
1	Basic:		(4.85)	(7.72)
2	Diluted:		(4.85)	(7.72)

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached.

For, PARIKH & MAJMUDAR
Chartered Accountants
Firm's Registration Number:107525W

CA DR HITEN PARIKH
Partner
Membership No.040230

Ahmedabad
28th April,2018

For and on behalf of the Board of Directors of N K Industries Limited

Nimish K. Patel
Chairman & Managing Director
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Ashwin P. Patel
Chief Financial Officer

Akanksha Srivastava
Company Secretary

Ahmedabad
28th April,2018

STATEMENT SHOWING CHANGES IN EQUITY

A Equity Share Capital

Particulars	Amount
Balance as at 1st April, 2016	60099000
Changes during the year	-
Balance as at 31st March,2017	60099000
Changes during the year	-
Balance as at 31st March,2018	60099000

B Other Equity

Amt in ₹

Particulars	Revaluation Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Reserve	Other Comprehensive Income	Total Equity Attributable to Equity Holders of the company
Balance as of April 1, 2016	**1,58,85,65,815**	**9,02,97,000**	**10,38,073**	**(5,05,45,86,218)**	**17,40,25,339**		**(3,20,06,59,991)**
Adjustment of Deferred Tax Asset created in the opening reserves				12,14,14,692			12,14,14,692
Adjustment of Grautuity in OCI for FY 15-16				-		(10,30,996)	(10,30,996)
Revised Balance as on April 1, 2016	1,58,85,65,815	9,02,97,000	10,38,073	(4,93,31,71,526)	17,40,25,339	(10,30,996)	(3,08,02,76,295)
Revaluation Surplus						-	-
Net Income of the year				(4,63,84,640)		7,814	(4,63,76,826)
Acturial Gain or loss						-	-
Income Tax effect						-	-
Fair Value of Non current Investment						-	-
Balance as of April 1, 2017	**1,58,85,65,815**	**9,02,97,000**	**10,38,073**	**(4,97,95,79,068)**	**17,40,25,339**	**(10,23,182)**	**(3,12,66,76,023)**
Prior period of 16-17							
Revaluation Surplus						-	-
Net Income of the year				(2,91,60,285)		(19,38,554)	(3,10,98,839)
Acturial Gain or loss						-	-
Income Tax effect						-	-
Fair Value of Non current Investment						-	-
Balance as of April 1, 2018	**1,58,85,65,815**	**9,02,97,000**	**10,38,073**	**(5,00,87,39,353)**	**17,40,25,339**	**(29,61,736)**	**(3,15,77,74,862)**

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

(Amt in ₹)

Particulars	31-Mar-2018	31-Mar-2018	31-Mar-2017	31-Mar-2017
Cash Flow Operating Activities:				
Net Profit After Tax and Extra Ordinary Items		(2,56,04,551)		(6,10,92,014)
Adjustment for :				
Depreciation & write off		9,69,48,128		11,92,24,860
(Profit)/loss on sale of assets		5,30,098		-
Interest received		(32,29,371)		(33,45,761)
Interest paid		84,133		4,504
		6,87,28,437		**5,47,91,589**
Adjustment for :				
Trade receivables(including loans and advances)	(5,78,66,994)		(2,04,93,995)	
Inventories	2,87,74,322		(1,26,79,985)	
Trade Payable (including other current laiblities)	3,54,33,709	63,41,037	(60,80,359)	(3,92,54,339)
Cash Generated from operating Activities		7,50,69,473		1,55,37,250
Less: Income Tax Paid		-		-
Cash flow before extra ordinary item		7,50,69,473		1,55,37,250
Other Comprehensive (Income) / expenses		19,38,554		(7,814)
Net Cash Flow from operating Activities		**7,31,30,919**		**1,55,45,064**
Cash Flow From Investing Activities:				
Purchase of Fixed Assets	(10,74,90,495)		(3,77,95,766)	
Changes in non current assets	2,76,86,214		1,75,67,325	
Interest received	32,29,371		33,45,761	
Proceeds from Sale of Fixed Assets	29,84,525		-	
Purchase /Sale of investment	(1,00,000)	(7,36,90,386)	(5,000)	(1,68,87,680)
Net Cash Flow from Investing Activities		**(7,36,90,386)**		**(1,68,87,680)**
Cash Flow From Financing Activities:				
Proceeds from Borrowing	-		-	
Interest Paid	(84,133)		(4,504)	
Net Cash used in Financial Activities		**(84,133)**		**(4,504)**
Net increase/(decrease) in cash and cash equivalents		**(6,43,600)**		**(13,47,120)**
Cash & Cash equivalent as at 01st April		86,71,604		1,00,18,724
Cash & Cash equivalent as at 31st March		**80,28,005**		**86,71,604**
Note: Cash and Cash Equivalents Includes:				
a) Cash on hand		29,405		1,17,745
b) Balance with Banks in Current account		35,83,183		43,55,075
c) Balance with Banks in fixed deposit less than 12 months		44,15,416		41,98,784
		80,28,005		**86,71,604**

As per our report of even date attached.

For and on behalf of the Board of Directors of N K Industries Limited

For, PARIKH & MAJMUDAR
Chartered Accountants
Firm's Registration Number:107525W

CA DR HITEN PARIKH
Partner
Membership No.040230

Ahmedabad
28th April,2018

Nimish K. Patel
Chairman & Managing Director
Din-00240621

Nilesh K. Patel
Managing Director
Din -00244115

Ashwin P. Patel
Chief Financial Officer

Akanksha Srivastava
Company Secretary

Ahmedabad
28th April,2018

SIGNIFICANT ACCOUNTING POLICIES

DISCLOSURE OF ACCOUNTING POLICIES

1. CORPORATE INFORMATION:

The company is incorporated under the Indian Companies Act, 1956/2013, having its registered office situated at 7th Floor, Popular House, Ashram Road, Ahmedabad. The company is engaged in manufacturing of castor oil and other allied products including its derivatives viz. 12 HAS, ricionic acid, etc. and is also engaged in trading of castor oil derivatives, mainly Hydrogenated Caster Oil (HCO), which the company is getting done on job work basis through outside parties. As explained by the management, in manufacturing castor oil and its derivatives also the company is presently focussing on job work activities due to working capital crunch. As per the details given by the management, the company is having a crushing capacity of castor seeds of more than 27,000 MT per month and it is utilising more than 75% of its capacity.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

A) Basis of preparation and compliance with Ind AS

i. For all periods upto and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013.

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 (collectively, "Ind ASs") with effect from April 1, 2016 and the Company is required to prepare its financial statements in accordance with Ind ASs for the year ended on March 31, 2018. These financial statements as and for the year ended March 31, 2018 (the "Ind AS Financial Statements") are the first financial statements, the Company has prepared in accordance with Ind AS.

ii. The Company had prepared a separate set of financial statements for the year ended March 31, 2017 and March 31, 2016 in accordance with the Accounting Standards referred to in section 133 of the Companies Act, 2013 (the "Audited Previous GAAP Financial Statements"), which were approved by the Board of Directors of the Company on 8th May 2017 and 21st May 2016 respectively. The management of the Company has compiled the Special Purpose Comparative Ind AS Financial Statements using the Audited Previous GAAP Financial Statements and made required Ind AS adjustments. The Audited Previous GAAP Financial Statements, and the Special purpose Comparative Ind AS Financial Statements, do not reflect the effects of events that occurred subsequent to the respective dates of approval of the Audited Previous GAAP Financial Statements.

iii. The Company has followed the provisions of Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), in preparing its opening Ind AS Balance Sheet as of the date of transition, i.e. April 1, 2016. In accordance with Ind AS 101, the Company has presented reconciliations of Shareholders' equity under Previous GAAP and Ind ASs as at March 31, 2017, and April 1, 2016 and of the Profit/ (Loss) after Tax as per Previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2017.

iv. These financial statements were approved for issue by the Board of Directors on April 28, 2018.

B) Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

Fair value measurement

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value for measurement and /or disclosure purpose in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36, if any.

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

C) Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency.

All financial information presented in Rupees has been presented in full figures.

D) Recent Accounting pronouncements:

Appendix B to Ind AS 21, Foreign Currency Transactions and Advance consideration : On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Account Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign Currency Transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in foreign currency.

The Amendment will come into effect from April 1, 2018. The Company has evaluated the effect of this on the financial statements and there is no impact since there are no foreign currency transactions in the business of this company in the year under consideration.

Ind AS 115 – Revenue from Contracts with customers : On March 28, 2018, Ministry of Corporate Affairs has notified the Ind AS 115, Revenue from Contracts with customers. The Core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company does not have any contractual terms with customers as its sole customer is a group company N.K. Proteins Private Limited for which the company under review performs jobwork for castor seeds. Hence the question of adoption of this standard does not arise.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has applied following accounting policies to all periods presented in the Ind AS Financial Statement.

a) Revenue Recognition

Revenue comprises of all economic benefits that arises in the ordinary course of activities of the Company which result in increase in Equity other than increases relating to contributions from equity participants. Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty.

Goods and service tax is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

Revenue from sales is recognized when all significant risks and rewards of ownership of the commodity sold are transferred to the customer, which generally coincides with delivery. Revenues from sale of by- products are included in revenue. Inter-transfers, other benefits passed on the customer in kind etc are expensed in Statement of Profit and Loss.

b) Property, Plant and Equipment

a. Property, plant and equipment [PPE]

All PPE are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses relating to the acquisition, trail run expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met. Thus the policy of the company is that subsequent costs are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that the future economic benefits associated with the items will flow to the entity and the cost of the same can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipments are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part 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 derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed periodically and adjusted prospectively, if appropriate.

b. Capital work in progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during the trial period is credited to capital work in progress.

c. Depreciation

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life (determined by the management based on technical estimates), as follows:

The estimated useful lives of assets are as follows:

Buildings	30-60 Years
Plant and equipments	15-40 Years
Furniture and Fixtures	5-10 Years
Vehicles	8-10 Years
Office equipments	5 Years

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit derived from such costs. The carrying amount of the remaining previous overhaul cost is charged to the statement of profit and loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

c) Intangible assets

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

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

d) Financial instruments

- **Financial Assets:**

  The company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortised cost.

The Company measures all equity instruments in subsidiaries at cost initially and also on subsequent recognition.

The company measures all quoted equity instruments other than in subsidiaries at fair value on initial and subsequent recognition. Changes in fair value of quoted instruments in equity shares are shown as profit/loss on fair valuation of investments in Statement of Profit and Loss. Currently there are no quoted investments.

Trade Receivables represents receivables for goods sold by the company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date. They are recognized initially and subsequent measured at amortized cost.

The company assesses the expected credit losses associated with its assets carried at amortized cost. Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the provision for such impairment loss allowance is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to profit and loss.

A financial asset is derecognized only when the company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non-Current /Long-term investments. Current investments are carried at lower of cost or market value on individual investment basis. Non-current investments are considered at cost, unless there is an "other than temporary" decline in value, in which case adequate provision is made for the diminution in the value of investments.

- **Financial Liabilities**

  Borrowings are initially recognized and subsequently measured at amortized cost, net of transaction costs incurred. The transaction costs is amortized over the period of borrowings using the effective interest method in Capital Work in Progress upto the commencement of related plant, property and Equipment and subsequently under finance costs in profit and loss account.

  Borrowings are removed from balance sheet when the obligations specified in the contract is discharged, cancelled or expired.

  Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

  Trade payables represent liabilities for goods and services provided to the company upto the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially and subsequently measured at amortized cost.

  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.

- **Equity**

  Equity shares are classified as equity.

  Provision is made for the amount of any dividend declared and dividend distribution tax thereon, being appropriately authorized and no longer at the discretion of the entity on or before the end of the reporting period but not distributed at the end of the reporting period.

e) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

f) Borrowing Costs

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 asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences if any, to the extent regarded as an adjustment to the borrowing costs.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowings costs eligible for capitalisation.

g) Impairment of Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's

recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

h) Inventories

Inventories are valued at the lower of cost and net realisable value except scrap and by products which are valued at net realisable value.

Costs incurred in bringing the inventory to its present location and conditions are accounted for as follows:

- Stores & Spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

  Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

i) Accounting For Taxes On Income

Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

j) Deferred tax

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 to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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 utilised. 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 is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income. As such, deferred tax is also recognized in other comprehensive income.

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 and the deferred taxes relate to the same taxable entity and the same taxation authority.

k) Employee benefit schemes

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Post Employment and Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions of the defined benefit obligation are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

l) Provision for liabilities and charges, Contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent Liabilities are disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.

m) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

n) Prior Period items

Under Ind AS 8, adjustments to material prior period errors are made retrospectively by restating the comparative amounts for the prior periods presented and restating retained earnings at the beginning of the earliest period presented, in the first set of financial statements after the error is discovered.

o) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

p) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

The company made following estimates in accordance with Ind AS as at the date of transition as these were not required under previous GAAP. These are to be applied as and when the relevant item is recognized in the Financial Statements :

(i) Quoted investments in Equity Shares carried at fair value through Profit and Loss;

(ii) Derivative financial instruments if any carried at fair value

(iii) Impairment of Trade Receivables based on expected credit loss model.

q) Related Party Transactions:

A related party is a person or entity that is related to the reporting entity preparing its financial statements

a) A person or a close member of that person's family is related to a reporting entity if that person; has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies; (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others); (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member); (iii) Both entities are joint ventures of the same third party; (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity; (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; (vi) The entity is controlled or jointly controlled by a person identified in (a); (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Disclosure of related party transactions as required by the accounting standard is furnished in the Notes on Financial Statements.

r) Current And Non-Current Classification:

The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".

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

An asset is current when it is (a) expected to be realised or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realised within twelve months after the reporting period; (d) Cash and 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.

An liability is current when (a) it is expected to be settled in normal operating cycle; (b) it is held primarily for the purpose of trading; (c) it is due to be discharged within twelve months after the reporting period; (d) 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.

1. FIRST-TIME ADOPTION OF IND AS:

These are company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out herein have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP).

Following notes explains the effect of transition from previous GAAP to Ind AS on the company's financial position, financial performance and cash flows.

1.1 Carrying value of Property, Plant and Equipment:

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. The company has elected to apply to measure all of its property, plant and equipment, and intangible assets at their previous GAAP carrying value.

1.2 Carrying value of Intangibles:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets as at 1st April, 2016 measured as per previous GAAP and use that carrying value as the deemed cost of the intangible assets.

In the year under review, there is only one intangible – computer software – for which the management has estimated a useful life of 5 years and the same is amortized on straight-line basis.

1.3 Estimates:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

1.4 Fair Valuation of Investments:

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value, except in case of investments in subsidiaries where an option to carry at cost less impairment is available.

Accordingly, equity investments in subsidiaries have been carried at cost and the company has availed the option of cost less provision for impairment.

1.5 Expected Credit Loss Model for Trade Receivables:

Ind AS 109 requires adjustment for expected credit loss while making provision for doubtful debts. No such adjustment was required under the previous GAAP. In the year under review the management contends that there is not going to be any expected credit loss in the trade receivable balance and hence the transaction value is taken as book value on the transition date.

1.6 Actuarial gain/(loss) on Defined Benefit plans for Employee Benefits:

Under Ind AS, the change in defined benefit liability is split into changes arising out of service and interest cost and changes arising out of remeasurements. Changes due to service and interest cost are to be recognised in Profit and Loss account and the changes arising out of re-measurements are to be recognised directly in Other Comprehensive Income (OCI). As such, actuarial loss on valuation of Gratuity of Rs.10,30,996 as on transition date has been recognised in OCI with corresponding credit to retained earnings. Actuarial loss for the year ended 31 March 2017 is Rs. 7814 has been recognised in OCI instead of Employee benefit expenses.

1.7 Deferred Tax:

As per Ind AS, Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date. On transition date, certain adjustments were made by charge/ credit to profit and loss account. The tax effect of such adjustments resulting into deferred tax asset of Rs. 147.07 Lakhs has been recognised by credit to retained earnings. This is on account of the fact that upto this period, deferred tax asset on unabsorbed depreciation and brought forward losses were not recognized since as per the consideration of "Prudence" under AS 22 as well as Ind AS 12, the same is not permitted. Now, as per the management contention, there is a reasonable and virtual certainty that sufficient future taxable income shall be available against which such deferred tax assets can be realized. The virtual certainty has been established on the basis of speedy reduction of current losses.

The deferred tax asset created in the opening reserves are reversed beginning immediately from the FY 2016-17.

1.8 Fair Valuation of Loans and Advances:

Under Ind AS, fair valuation is required for in case of loans and advances such as Capital advances and security deposits. In case of capital advances, fair valuation is not required as the advances are non-refundable and shall only be adjusted against supply of fixed assets. Although the company has recognized provision for diminution for the amount of loans that are not expected to be realized. Security deposits are paid for electricity. Hence, since interest rate is as per the market rate, all such loans and advances are carried at transaction value.

1.9 Prior Period Items :

This company has recorded a prior period error in the FY 2016-17 pertaining to the year FY 2015-16. Hence the same is adjusted in the opening reserves of the Balance Sheet as at 1-4-2016. Moreover, the prior period error with respect to the FY 2016-17, which was to be recorded in FY 2017-18, has been adjusted under the head Other Admin Expenses in the Statement of Profit or Loss.

Notes to Standalone Financial Statements

1 Share Capital

a Details of Share Capital

Particulars	31-Mar-2018		31-Mar-2017		01-Apr-2016	
	No. of Shares	₹	No. of Shares	₹	No. of Shares	₹
Authorized						
Preference Share Capital						
500000 (P.Y.500000) Preference shares of ₹100 each	5 00 000	5 00 00 000	5 00 000	5 00 00 000	5 00 000	5 00 00 000
Equity Share Capital						
25000000 (P.Y 25000000) Equity Share of ₹ 10 Each	2 50 00 000	25 00 00 000	2 50 00 000	25 00 00 000	2 50 00 000	25 00 00 000
		30 00 00 000		**30 00 00 000**		**30 00 00 000**
Issued, Subscribed & Paid up						
6009900 (P.Y 6009900) Equity Share of ₹ 10 each	60 09 900	6 00 99 000	60 09 900	6 00 99 000	60 09 900	6 00 99 000
Total	**60 09 900**	**6 00 99 000**	**60 09 900**	**6 00 99 000**	**60 09 900**	**6 00 99 000**

b. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares

Particulars	31-Mar-2018		31-Mar-2017		01-Apr-2016	
	No. of Shares	₹	No. of Shares	₹	No. of Shares	₹
At the beginning of the period	60 09 900	6 00 99 000	60 09 900	6 00 99 000	60 09 900	6 00 99 000
Issued during the period						
Outstanding at the end of the period	**60 09 900**	**6 00 99 000**	**60 09 900**	**6 00 99 000**	**60 09 900**	**6 00 99 000**

c. Terms/rights attached to equity shares

The Company has only one class of shares i.e. equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends, if any, in indian rupees. The dividened, if proposed, by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.

In th event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Share holding details of the Company as at Balance Sheet date and name of persons holding more than 5% shares.

Name of Shareholder/ Company	31-Mar-2018		31-Mar-2017		01-Apr-2016	
	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%
Names of person holding more than 5% shares						
Ashita Nilesh Patel	12 73 889	21.20	12 73 889	21.20	12 73 889	21.20
Sonal Nimish Patel	11 51 570	19.16	11 51 570	19.16	11 51 570	19.16
N K Proteins Pvt. Ltd.	3 67 302	6.11	3 67 302	6.11	3 67 302	6.11
NKPL Realty LLP	5 35 524	8.91	-	-	-	-

e. The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares / disinvestment

f. The Company for the period of five years immediately preceeding the date of the Balance Sheet has not :

i. Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.

ii. Allotted fully paid up shares by way of bonus share.

iii. Bought back any class of shares.

2 Other Equity

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
General Reserves			
Opening Balance	10,38,073	10,38,073	10,38,073
Closing Balance	10,38,073	10,38,073	10,38,073
Security Premium Reserve			
Opening Balance	9,02,97,000	9,02,97,000	9,02,97,000
Closing Balance	9,02,97,000	9,02,97,000	9,02,97,000
Capital Reserve			
Opening Balance	17,40,25,339	17,40,25,339	17,40,25,339
Closing Balance	17,40,25,339	17,40,25,339	17,40,25,339
Revaluation Reserve (Note Below)			
Opening Balance	1,58,85,65,815	1,58,85,65,815	1,58,85,65,815
Deferred	-	-	-
Closing Balance	1,58,85,65,815	1,58,85,65,815	1,58,85,65,815
Other Comprehensive income			
Remeasurements of Defined Benefit Plans			
Balance as per last Financial year	(10,23,182)	(10,30,996)	
Adjustments during the year	(19,38,554)	7,814	(10,30,996)
Closing Balance	(29,61,736)	(10,23,182)	(10,30,996)
Surplus/(Deficit)			
Opening Balance	(4,97,95,79,068)	(4,93,31,94,428)	(5,03,13,26,536)
Adjustment on account INDAS Deferred Tax Asset			12,14,14,692
(+) Net Profit/(Net Loss) For the current year	(2,91,60,285)	(4,63,84,640)	(2,32,59,682)
Closing Balance	(5,00,87,39,353)	(4,97,95,79,068)	(4,93,31,71,526)
Total	**(3,15,77,74,862)**	**(3,12,66,76,023)**	**(3,08,02,76,295)**

Note : Company has created Revaluation Reserve by revaluing its Land, Building and Plant & Machinery on 31/03/2012 of Total ₹ 194,47,14,794. Revalution Reserve is not a free reserve. No dividend can be distributed out of such reserve.(Refer Note 31)

3 Other Long-Term Liabilities

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Trade Payables	6,26,09,98,700	6,26,14,48,700	6,26,43,10,360
Total	**6,26,09,98,700**	**6,26,14,48,700**	**6,26,43,10,360**

4 Long Term Provisions

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Provision for Employee Benefits			
Provision For Leave Benefit Account	21,65,577	19,90,786	15,71,668
Provision For Gratuity Account	79,75,041	68,95,013	63,64,411
Total (A)	**1,01,40,618**	**88,85,798**	**79,36,079**
Others			
Interest Payable On Block Assessment	1,47,58,294	1,47,58,294	1,47,58,294
Provision- Income Tax - Block Assessment	22,93,291	22,93,291	22,93,291
Total (B)	**1,70,51,585**	**1,70,51,585**	**1,70,51,585**
Total (A+B)	**2,71,92,203**	**2,59,37,383**	**2,49,87,664**

5 Trade Payables

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Total outstanding dues to Micro Enterprise and Small Enterprise	12,79,728	6,48,860	5,14,109
Total outstanding dues to Creditors Other Than Micro Enterprise and Small Enterprise (Refer Note No 44)	4,92,79,180	1,52,68,770	2,88,01,526
Total	**5,05,58,908**	**1,59,17,630**	**2,93,15,635**

6 Other Current Liabilities

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Other payables			
Expense payable	67,77,754	1,36,98,558	51,97,050
Statutory Liabilities	49,02,989	10,27,581	(12,20,012)
Advance Received from Customers	-	3,19,256	49,853
Total	**1,16,80,743**	**1,50,45,396**	**40,26,891**

7 Short-term Provisions

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Provision for employee benefits			
Bonus	23,99,449	17,09,690	14,83,250
Gratuity	31,55,338	10,80,028	5,30,602
Leave Encashment	8,26,994	2,39,799	4,19,118
	63,81,781	**30,29,518**	**24,32,969**

8 FIXED ASSETS

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Computer software	TOTAL
Cost of Assets									
As at 1st April 2016	95,27,08,833	44,84,54,565	1,33,34,77,775	1,68,88,216	87,82,347	1,18,91,009	42,15,585	6,31,556	2,77,70,49,886
Addition	-	68,68,222	98,24,579	83,392	8,56,676	3,18,357	1,70,400	-	1,81,21,626
Disposal / Adjustments	-	-	-	-	-	-	-	-	-
As at 31st March 2017	95,27,08,833	45,53,22,787	1,34,33,02,354	1,69,71,608	96,39,023	1,22,09,367	43,85,985	6,31,556	2,79,51,71,513
Addition	-	2,03,59,468	5,07,86,571	-	23,00,152	20,91,819	2,61,841	-	7,57,99,851
Disposal / Adjustments	-	-	37,71,669	-	-	-	-	-	37,71,669
As at 31st March 2018	**95,27,08,833**	**47,56,82,255**	**1,39,03,17,256**	**1,69,71,608**	**1,19,39,175**	**1,43,01,186**	**46,47,826**	**6,31,556**	**2,86,71,99,695**
Depreciation									
As at 1st April 2016	-	12,08,82,182	1,11,49,96,105	78,19,118	66,34,804	88,96,984	41,44,776	5,81,906	1,26,39,55,874
Charge for the year	-	2,60,50,544	8,97,54,928	12,54,008	7,82,000	13,20,639	51,875	10,866	11,92,24,860
Disposal / Adjustments									-
As at 31st March 2017	-	14,69,32,726	1,20,47,51,033	90,73,126	74,16,804	1,02,17,623	41,96,650	5,92,772	1,38,31,80,734
Charge for the period	-	2,64,88,068	6,55,53,492	12,65,760	11,56,283	23,72,465	1,08,351	3,708	9,69,48,128
Disposal / Adjustments	-	-	2,57,046	-	-	-	-	-	2,57,046
As at 31st March 2018	**-**	**17,34,20,795**	**1,27,00,47,479**	**1,03,38,886**	**85,73,087**	**1,25,90,088**	**43,05,001**	**5,96,480**	**1,47,98,71,816**
Net Block									
As at 31st March 2017	95,27,08,833	30,83,90,061	13,85,51,321	78,98,482	22,22,219	19,91,744	1,89,335	38,784	1,41,19,90,779
As at 31st March 2018	**95,27,08,833**	**30,22,61,460**	**12,02,69,777**	**66,32,722**	**33,66,088**	**17,11,098**	**3,42,825**	**35,076**	**1,38,73,27,879**
Capital work-in-progress									
As at 31st March 2017									2,25,32,128
As at 31st March 2018									**5,42,22,773**

9 Non Current Investments

The policy statement of the company with respect of accounting of non current investments is disclosed at para No. (e) of the Significant Accounting policies.

Summarized information of investments

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Investment in Equity instruments-unquoted			
Investment in Equity instruments	58,58,060	57,58,060	57,53,060
Investments in Equity of Joint Venture Company	25,00,50,000	25,00,50,000	25,00,50,000
Investments in Equity of Subsidiary Company	1,75,57,294	1,75,57,294	1,75,57,294
Investments in Government or Trust securities	23,500	23,500	23,500
Total	**27,34,88,854**	**27,33,88,854**	**27,33,83,854**
Less:			
Provision for diminution in the value of Investments	25,46,50,000	25,46,50,000	25,46,50,000
Total	**1,88,38,854**	**1,87,38,854**	**1,87,33,854**

A Details of Other Investments - Unquoted

Sr.	Name of the Body Corporate	No. of Shares		Amount (₹)	
		2017-18	2016-17	2017-18	2016-17
a	**Investment in Equity Instruments**				
	ACCURATE EXPORTS LTD. of ₹ 10 each	1,00,000	1,00,000	10,00,000	10,00,000
	FICON LEASE & FINANCE LTD. of ₹ 10 each	3,50,000	3,50,000	35,00,000	35,00,000
	HYTAISUN MAGNETICS LTD. of ₹ 10 each	10,000	10,000	1,00,000	1,00,000
		4,60,000	4,60,000	46,00,000	46,00,000
	Less:				
	Provision for diminution in the value of Investments	4,60,000	4,60,000	46,00,000	46,00,000
		-	-	-	-
	AHMEDABAD COMMODITY EXCHANGE LTD of ₹ 10 each	56,500	56,500	11,53,000	11,53,000
	THE BOMBAY COMMODITY EXCHANGE LTD of ₹ 10 each Share Application Money	500	500	5,000	5,000
	KALUPUR COMM.CO.OP.BANK of ₹ 10 each	6	6	60	60
	Investments in Subsidary Company				
	Banpal Oil Chem Pvt. Ltd . of ₹ 100 each	2,02,700	2,02,700	1,75,01,126	1,75,01,126
	N.K.Oil Mills Pvt. Ltd. of ₹ 10 each	56,168	56,168	56,168	56,168
	Tirupati Retail (India) Private Ltd of ₹ 10 each	1,00,000	-	1,00,000	-
	Joint Venture Investments				
	AWN AGRO PVT. LTD. of ₹ 10 each	2,50,05,000	2,50,05,000	25,00,50,000	25,00,50,000
		2,53,14,374	**2,52,64,374**	**26,88,65,354**	**26,87,65,354**
	Less: Provision for diminution in the value of Investments	2,50,05,000	2,50,05,000	25,00,50,000	25,00,50,000
	Sub-Total	**3,59,374**	**2,59,374**	**1,88,15,354**	**1,87,15,354**
b	**Investments in Government or Trust securities**				
	NATIONAL SAVINGS CERTIFICATE			23,500	23,500
	Total			**23,500**	**23,500**
	Grand Total			**1,88,38,854**	**1,87,38,854**

10 Long Term Loans and Advances

a Details of Long Term Loans and Advances

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Loans and advances to related parties			
Long term Loans and advances to wholly owned subsidiary	11,11,41,913	11,11,91,869	11,11,91,869
Long term Loans and advances to related parties -doubtful Unsecured, considered doubtful	-	-	-
Total	**11,11,41,913**	**11,11,91,869**	**11,11,91,869**
Less: Provision for doubtful advances	-	-	-
	11,11,41,913	**11,11,91,869**	**11,11,91,869**
Loans and advances to others			
Long term Loans and advances to others Unsecured, considered good	55,71,21,507	55,71,72,838	56,26,72,043
Long term Loans and advances to others -Doubtful	13,23,67,655	13,23,67,655	12,52,56,917
Total	**68,94,89,161**	**68,95,40,492**	**68,79,28,960**
Less: Provision for doubtful advances	13,23,67,655	13,23,67,655	12,52,56,917
Other loans and advances to others	55,71,21,507	55,71,72,838	56,26,72,043
Total	**66,82,63,420**	**66,83,64,707**	**67,38,63,912**

11 Trade Receivable (Non-Current)

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Trade receivables			
Unsecured, considered good	-	4,09,57,125	4,09,57,125
Unsecured, considered doubtful	56,81,20,747	52,71,63,622	52,71,63,622
	56,81,20,747	**52,71,63,622**	**52,71,63,622**
Less: Provision for doubtful debts	56,81,20,747	52,71,63,622	52,71,63,622
Total	**-**	**4,09,57,125**	**4,09,57,125**

11a Other Non-Current Assets

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Security Deposits			
Unsecured, considered goods	3,63,47,592	3,63,22,592	3,78,86,630
Capex Advance	30,46,37,314	30,42,24,095	30,22,73,345
Advance tax & Tds Receivable	6,67,77,664	5,38,43,684	3,92,16,086
Capital advances to wholly owned subsidiary	10,93,04,209	10,93,04,209	127556815
Total	**51,70,66,778**	**50,36,94,580**	**50,69,32,876**

12 Inventories

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
(As taken valued and Certified by Management)			
Traded Material	-	2,97,13,932	4,12,53,284
Stores and Spares	4,73,27,049	4,63,87,439	2,21,68,101
Total	**4,73,27,049**	**7,61,01,370**	**6,34,21,385**

13 Trade Receivable

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Outstanding for a period less than six months from the date they are due			
Unsecured, considered good Trade Receivable	38,33,18,971	29,54,55,624	26,25,02,852
Total (A)	**38,33,18,971**	**29,54,55,624**	**26,25,02,852**
Outstanding for a period exceeding six months from the date they are due			
Unsecured, considered good Trade Receivable	1,12,94,488	6,19,12,965	7,78,12,566
Total (B)	**1,12,94,488**	**6,19,12,965**	**7,78,12,566**
Total (A+B)	**39,46,13,459**	**35,73,68,589**	**34,03,15,418**

14 Cash and Bank Balance

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Cash and cash Equivalent			
Balances with banks	35,83,183	43,55,075	35,21,072
Cash on hand	29,405	1,17,745	24,75,677
Total	**36,12,589**	**44,72,820**	**59,96,750**
Other Cash Balance			
Bank deposits upto 12 months maturity	44,15,416	41,98,784	40,21,974
Total	**44,15,416**	**41,98,784**	**40,21,974**

15 Short-term Loans and Advances

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Short Term Loans and advances to others			
Unsecured, considered good	26,56,465	33,57,189	1,26,81,369
Short Term Loans and advances to Wholly Owned Subsidaries			
Unsecured, considered good	2,41,69,707	-	-
Total	**2,68,26,172**	**33,57,189**	**1,26,81,369**

15a Other Current Assets

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Prepaid expense	9,62,591	10,27,238	6,04,176
Balance with government authorities	72	40,69,248	690
Accrued Interest	30,93,089	18,06,125	-
Total	**40,55,752**	**69,02,611**	**6,04,866**

16 Revenue

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Sale of products		
Traded Goods Domestic	54,76,17,532	54,63,00,644
Traded Goods Export	-	-
	54,76,17,532	**54,63,00,644**
Operating Revenues		
Crushing Charges (TDS ₹115.58 (P.Y.₹73.50)Lakhs)	58,07,57,197	35,95,85,485
	58,07,57,197	**35,95,85,485**
Total	**1,12,83,74,729**	**90,58,86,129**

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Traded Goods Export		
Edible Oil	-	-
Non-Edible Oil	-	-
Total (A)	**-**	**-**
Traded Goods Domestic		
Edible Oil	27,80,63,222	21,15,82,404
Non-Edible Oil	26,67,02,833	33,27,17,957
Others	28,51,477	20,00,283
Total (B)	**54,76,17,532**	**54,63,00,644**
Total (A+B)	**54,76,17,532**	**54,63,00,644**

17 Other Income

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Interest Income (TDS ₹1.01(P.Y. ₹2.78)Lakhs)	32,29,371	33,45,761
Other non operating Income		
Misc. Income	2,89,589	8,69,638
Scrap Sales	14,18,105	15,82,530
Credit Bal.Written Back	-	1,11,86,039
Office Rent (TDS ₹0.71(P.Y. ₹0.67)	11,80,593	11,39,900
Total	**61,17,658**	**1,81,23,868**

18 Purchase of Trading Goods

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Purchase of Goods	49,39,24,140	50,82,92,460
Other direct purchase costs	68,25,812	42,02,770
Cost of Goods sold (Total A)	**50,07,49,952**	**51,24,95,230**

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Traded Goods		
Edible Oil	27,07,50,730	20,73,31,845
Non-Edible Oil	21,98,84,978	29,63,02,623
Others	1,01,14,244	88,60,763
(Total B)	**50,07,49,952**	**51,24,95,230**
Total (A+B)	**50,07,49,952**	**51,24,95,230**

Details Imported & Indigenous Trading Goods Purchased Amount in ₹

Particulars	For the Year ended on 31-Mar-2018		For the year ended on 31-Mar-2017	
	₹	%	₹	%
Imported Material Consumed	-	0.00%	-	0.00%
Indigenous Material Consumed	50,07,49,952	100.00%	51,24,95,230	100.00%
Total Material Consumed	**50,07,49,952**	**100.00%**	**51,24,95,230**	**100.00%**

19 Change in Inventory

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Ricinolic Acid		
Stock at the Begining of the financial year	96,491	19,41,216
Stock at the End of the financial year	-	96,491
	96,491	**18,44,725**
12HSA		
Stock at the Begining of the financial year	2,87,62,662	3,53,09,416
Stock at the End of the financial year	-	2,87,62,662
	2,87,62,662	**65,46,754**
Glycerine		
Stock at the Begining of the financial year	8,52,150	8,51,500
Stock at the End of the financial year	-	8,52,150
	8,52,150	**(650)**
Fly Ash		
Stock at the Begining of the financial year	2,628	1,152
Stock at the End of the financial year	-	2,628
	2,628	**(1,476)**
Total	**2,97,13,932**	**83,89,352**

20 Employee Benefits Expense

Employee Benefits Expense	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Salaries and incentives	8,39,84,323	6,23,16,802
Contributions to Provident Fund, FPF and other Funds	46,54,546	33,59,146
Gratuity fund contributions	14,77,675	12,95,063
Leave Encashment expenses	14,88,767	9,19,609
Staff welfare expenses	12,89,294	7,49,371
Total	**9,28,94,605**	**6,86,39,992**

As per Accounting Standard 19 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below :

I. Defined Contribution Plans:

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organization established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

(a) Provident Fund / Employees' Pension Fund

During the year, the Company has recognized the following amounts in the Profit & Loss Account:

Particulars	31-Mar-2018	31-Mar-2017
Employer's Contribution to Provident Fund / Employee's Pension Fund	46,54,546	33,59,146

II. Defined Benefit Plans - Non Funded

(a) Provision for Gratuity Liability

(b) Provision for Leave Encashment

In accordance with Accounting Standard- 15, relevant disclosures are as under:

(A) Changes in Defined Benefit Obligation: Amount in ₹

Particulars	Gratuity	
	2017-18	2016-17
Defined Benefit Obligation as at 1st April	79,75,041	68,95,013
Current Service Cost	8,88,319	7,46,220
Interest Cost	3,89,356	5,48,843
Benefits Paid	(2,60,891)	(2,07,221)
Actuarial (gain) / loss on Obligations	(2,83,324)	(7,814)
Defined Benefit Obligation as at 31st March	87,08,501	79,75,041

(B) Amount recognized in the Balance Sheet: Amount in ₹

Particulars	Gratuity	
	2017-18	2016-17
Defined Benefit Obligation as at 31st March	87,08,501	79,75,041
Fair Value of Plan Assets as at 31st March	-	-
Liability / (Asset) recognized in the Balance Sheet included in Current Liabilities and Provisions	87,08,501	79,75,041

(C) Expenses recognized in the Profit & Loss Account: Amount in ₹

Particulars	Gratuity	
	2017-18	2016-17
Current Service Cost	8,88,319	7,46,220
Interest Cost	3,89,356	5,48,843
Net actuarial (gain) / loss recognized in the period	(2,83,324)	(7,814)
Total Expenses recognized in the P & L Account included in Contribution to Provident and Other Funds	9,94,351	12,87,249

(D) Actuarial Assumptions:

In accordance with Accounting Standard- 15, actuarial valuation as at the year end was performed in respect of the aforesaid Defined Benefit Plans based on the following assumptions:

		31-Mar-2018	31-Mar-2017
(a)	Discount rate [per annum]	7.73%	7.39%
(b)	Expected Retirement age of employees [years]	58	58
(c)	Rates of leaving service – 2% (P.Y. 2%)	2%	2%
(d)	Expected Increase in Salary – 5% (P.Y. 5%)	5%	5%
(e)	Leave Availment Pattern, The balance leave is available for encashment on separation from the company.		
(f)	The estimates of future salary increases, considered in the actuarial valuation, taken on account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.		

(E) SENSITIVITY ANALYSIS

	31-Mar-2018	31-Mar-2017
Projected Benefit Obligation on Current Assumptions	1,11,30,379	79,75,041
Delt effect of +1% change in rate of discounting	(7,61,198)	(6,11,914)
Delt effect of -1% change in rate of discounting	8,73,325	7,03,583
Delt effect of +1% change in rate of salary increase	8,88,626	7,13,493
Delt effect of -1% change in rate of salary increase	(7,86,655)	(6,30,496)
Delt effect of +1% change in rate of employee turnover	1,74,215	1,18,303
Delt effect of -1% change in rate of employee turnover	1,95,687	(1,33,414)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occuirng at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated

Furthermore, in presenting the above sensitivity analysis the present value of the projected benefit obligation has been calculated using the unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(F) RISK ANALYSIS

Gratuity is a defined benefit plan and following are the risks associated with defined benefit plan :

Interest Rate risk

A fall in the discount rates which is linked to the G. Sec. rate will increase the present value of the liability requiring higher provision.

Salary Risk

The present value of defined benefit plan liability is calculated by reference to the future salaries of members.

As such, an increase in the salaries of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk

The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from owned funds.

Mortality Risk

Since the benefits under the pplan are not payable for life time and payable till retirement age only, plan does not have any longetivity risk.

21 Finance Cost

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Interest expense	4,058	826
Other borrowing costs	80,075	3,678
Foreign Exchange fluctuation	-	-
Total	**84,133**	**4,504**

22 Other Expenses

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Manufacturing Expenses		
Labour Charges	5,23,96,022	3,82,69,290
Loading-Unloading Expense	13,32,382	11,68,717
Power and Fuel	13,46,79,106	8,71,00,939
Repair to Plant and Machinery	1,29,62,095	79,99,608
Rates and taxes, excluding, taxes on income.	30,43,593	83,02,515
Consumption of Stores, Chemicals & Packing Materials	16,77,43,982	10,24,86,283
Other Manufacturing Expenses	36,16,933	11,69,479
Total Manufacturing Expenses	**37,57,74,113**	**24,64,96,831**
Administrative Expenses		
Loss on Sales of Fixed Assets	5,30,098	-
Bad Debts w/off	1,53,249	-
Telephone Expenses	4,49,476	4,39,941
Professional Fees	36,25,766	66,49,100
Auditors Remuneration*	1,18,000	1,15,000
Stationery and Printings	27,717	25,920
Travelling Expenses	1,82,330	13,93,618
Insurance	18,50,384	15,69,301
Provision for Doubtful Advances (Net)	4,09,57,125	85,48,590
Donation	1,500	7,500
Membership Fees	12,77,762	45,671
Repair and Maintenance - Others	7,25,216	10,68,066
Security Services	55,11,535	50,44,484
Vehicle Running-Repair Expense	14,93,935	12,99,056
Other Admin Expenses	64,25,450	34,89,930
Prior period expenses	-	-
Total Administrative Expenses	**6,33,29,542**	**2,96,96,177**

22 Other Expenses

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Selling and Distribution Expenses		
Transportation Expenses	4,05,285	1,49,723
Advertisement Expenses	1,80,350	5,341
Clearing Forwarding Expenses	16,899	-
Total Selling and Distribution Expenses	**6,02,534**	**1,55,064**
Total Other Expenses	**43,97,06,189**	**27,63,48,073**

23 *Auditors Remuneration Includes

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
As auditors - Statutory audit	75,000	75,000
Tax Audit	25,000	25,000
Certification fees & Other Services	-	-
Reimbursement of Expenses	-	-
Total	**1,00,000**	**1,00,000**

24 Other details to Balance Sheet

A Contingent Liabilities and Commitments

Particulars	31-Mar-2018 (₹ In Lakhs)	31-Mar-2017 (₹ In Lakhs)
Contingent Liabilities		
a. Claims against the Company, not acknowledged as debts (including interest and penalty)	17,401.03	-
- Disputed Sales Tax Demand Matter under Appeal	8,634.94	5,554.43
- Other Claims (without considering interest liability)	1,333.31	1,333.31
- Disputed Income Tax Demand Matter under Appeal (refer note 26 & 34)	15,790.12	13,243.99
- proceeding initiated by NSEL, Maharashtra Protection of Interest of Depositors (in financial establishments)-Act,and Directorate of Enforcement, Government of India (refer note 32 & 33)	Amount not ascertainable	Amount not ascertainable

Note:

a) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/ authorities.

b) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements.The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

25 The Previous year's figures have been regrouped reworked, rearranged and reclassified wherever necessary to make them comparable with current year figures.

26 Search & Seizure action U/S 132 of the Income Tax Act took place on 24.2.99. The Income Tax department had raised demand of ₹ 33.12 Crores vide the block assessment Order dt. 30.4.2001. In case of company, the Income Tax Appellate Tribunal (ITAT), Ahmedabad has subsequently given partial relief to the extent of ₹ 28.84 Crores. The company had preferred an appeal before the Hon'ble High Court of Gujarat against the order of Hon'ble ITAT, Ahmedabad. The Hon'ble Gujarat High Court vide its order dated 20th June,2016 had given partial relief on some of the grounds and had also dismissed some of the grounds of the company. Against the grounds dismissed by Hon'ble High Court of Gujarat, the company had further preferred an appeal before Hon'ble Supreme Court of India, and the Hon'ble Supreme Court of India vide order dated 16th January,2017 had dismissed the appeal of the Company. The Company had already provided an amount of ₹ 2.88 Crore against the grounds dismissed by Hon'ble ITAT, Ahmedabad during F.Y 2002-03 as well as ₹ 1.27 Crores was provided in the books of accounts for the Assessment year in question for the interest payable up to

31-03-2005 during F.Y 2004-05. However in view of the management and on the basis of the Judgment of the Hon'ble Gujarat High Court, the amount provided/paid by the company towards total demand shall result in refund to the company. Pending effect of the various orders of adjudicating authorities by the Income Tax Department, the Company is yet to provide final entries in its books of accounts even during the year under review.

27 a. No provision is made during the year for interest receivable on various advances amounting to ₹ 3001.21 Lakhs (P.Y. ₹ 3001.21 Lakhs) as the same are considered doubtful.

b. The Company has obtained a legal opinion from an expert and in view of the said opinion as the money has been given as loans and advances prior to the commencement of Companies Act, 2013,the provisions of Section 186(7) of the Companies Act, 2013 is not applicable.Further , based on the said legal opinion ,the Company has not provided any interest on the outstanding loans and advances of NK Oil Mills Pvt Ltd up to financial year 2017. This being a technical matter, Auditors have relied upon the opinion of the expert.

28 The Company is engaged in the business of manufacturing and selling the Refined Castor Oil and its derivatives. Thus there is solitary business segment of Oils. Therefore, segment wise information as required by AS-17 on "Segment Reporting" is not applicable.

29 The company is having accumulated losses of ₹ 315.78 Crores as at 31.3.2018 and the net worth of the company is negative. However, 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."

30 In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated, if realized, in the ordinary course of the business. The provisions for depreciation and all known liabilities are adequate. There are no contingent liabilities other than stated.

31 As per a guidance note to Schedule II of the Companies Act 2013 , Company has not transferred the amount equivalent to the additional depreciation on account of upward revaluation to general reserve, the whole amount will be transferred at the time of sale or disposal of the assets.

32 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 Affairs. 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 vides 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.

33 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.

34 The Income Tax Department had carried out survey u/s 133 of the Income tax Act, 1961(the IT Act) on the company along with other group companies during FY 2013-14 and had ordered a special audit of the books of the company u/s 142(2A) of the IT Act, 1961, for AY 2011-12 & A.Y 12-13. The department had raised a demand of ₹ 133 Crores (₹ 6.63 Crores for A.Y 10-11, ₹57.07 crores for A.Y 11-12, ₹ 60.33 Crores for A.Y 12-13, ₹ 7.97 Crores for A.Y 2013-14& ₹86.00 Lakhs for A.Y.2014-15) on the company for the aforesaid assessment years and the said demand has been disputed by the company and the company has initiated appellate proceedings before appropriate authorities. The said amount has been shown as contingent liability under Note No. 24 of the notes forming part of accounts. Further ,Income tax department has passed an attachment order on 22.04.2015 & 14.08.15 by which it has attached properties of the company in pursuant to a demand, the details of the properties attached which are in the name of company is as under:

1. 803, Manas Complex, Opp Star Bazaar, Nr Jodhpur Cross road, Satellite, Ahmedabad 380015.
2. 603 Manas Complex, Opp Star Bazaar, Nr Jodhpur Cross road, Satellite, Ahmedabad 380015.

3. Land, 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

4 Factory Building Situated at Survey No 745, Kadi Thol Road, Village Kadi Kasba , Taluka- Kadi, District Mehsana-382715

35 The company has received a notice from Income tax department for the attachment of its registered office at 7th Floor, Popular House, opp Sales India ,Ashram Road ,Ahmedabad 380009 with respect to demand raised by them as detailed in note 34 of the financial statements.

36 Sales Tax Department has completed the assessment proceedings for various assessment years and raised demand of ₹ 5554.43 Lakhs for the earlier financial years. The company has not made any provision for the above demand raised by the sales tax authority in its books of accounts as in view of the Management, the said demand shall not withstand before the Appellate Authorities and the company has already preferred an appeal before the appellate authority which is still pending. In view of the above, the said amount has been shown as contingent liability under Note No. 24 of the notes forming part of accounts.

37 As per the information obtained from the website of the Ministry of Corporate Affairs (MCA), a suit has been filed against the company and its officers u/s 383A(1A), 372A(9), 58A(6)(A)(I) of the Companies Act, 1956 for the year 2016. As informed by the management, the company is having basic information about such suit filed as reflected on the website of the MCA. However, the company does not have any communication of such proceedings against the company and its officers. matter is still subjudice.

38 **Other Informations - Profit and Loss Statement**

a Earnings per share

Particulars		For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Basic			
Profit attributable to equity shareholders	₹	(2,91,60,285)	(4,63,84,640)
Nominal Value of equity share	₹	10	10
Weighted average number of ordinary equity shares for Basic EPS	No.	60,09,900	60,09,900
Basic and Diluted EPS	₹	**(4.85)**	**(7.72)**

c Earnings in foreign currency

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
FOB VALUE OF EXPORTS	-	-

d Expenditure in foreign currency Nil (Prev. Year Nil)

39 **Related party disclosures**

Note: Related Parties have been identified by the management

A List of related parties

Key Managerial Personnel (KMP)		
1	Nimish K. Patel	Chairman & Managing Director
2	Nilesh K. Patel	Managing Director
3	Hasmukh K. Patel	(Whole Time Director)
4	Ashwin Patel	(Chief Finance Officer)
5	Priyam Patel	(Chief Execuitve officer w.e.f 10th June 2017)
6	Akanksha Srivastava	(Company Secretary)
Independent Directors		
1	Jaimin Virendra Modi (resigned on 16th March, 2018)	
2	Bharat Jayantilal Patel (resigned on 9th March, 2018)	
3	Mridu Sharma	
4	B.S.Yadav	

Name of Relatives of KMP/Directors		
1	Nimish K. Patel	Mrs. Sonalben N. Patel
		Mrs. Venushree N. Patel
		Mr. Amar Dhaduk
		Ms. Vedanshee N. Patel
2	Nilesh K. Patel	Mrs.Ashitaben Patel
		Mr.Priyam Patel
		Mrs.Panna P. Patel
		Mrs.Priyanshi Patel
		Mr. Deep Vadodaria
Firm/LLP in which directors/manager/his relative is a partner		
1	NKPL Realty LLP	
2	NKP Enterprise LLP	
3	Nimish K. Patel HUF	
4	Nilesh K. Patel HUF	
Private Company in which director/member or his relative is a member/director		
1	Adrenal Advertising and Promotions Private Limited	
2	N K Proteins Private Limited (Formerly known as N K Proteins Limited)	
3	Tirupati Proteins Private Limited	
Wholly owned Subsidiary Company of such Company		
1	N K Oil Mills Private Limited	
2	Banpal Oilchem Private Limited	
3	Tirupati Retail (India) Private Limited	

B Details of transactions with related party (₹ in Lakhs)

Sr	Name of party	Nature of Transaction	2017-18	2016-17
1	Ashwin P. Patel	Remuneration	6.00	6.00
2	Banpal Oil Chem Pvt Ltd	Loan given	91.59	75.59
3	Adrenal Advertisment Pvt Ltd	Purchases/ Services	-	0.08
4	N K Proteins Pvt. Ltd.	Purchases/ Services	5,569.51	6,840.77
5	N.K.P Enterprise LLP	Purchases/ Services	3.86	2.98
6	N K Proteins Pvt. Ltd.	Sales/Jobwork charges	11,412.26	3595.85
7	N K Oil Mills Pvt.Ltd	Loan given	150.10	-
8	Nilesh K. Patel	Remuneration	30.00	30.00
9	Nimish K. Patel	Remuneration	30.00	30.00
10	Hasmukh Patel	Remuneration	7.28	5.97
12	Monica Surjani	Remuneration	-	-
11	Heena Jain	Remuneration	-	1.11
13	Priyam Patel	Remuneration	9.70	-
14	Akanksha Srivastava	Remuneration	2.70	0.97

C Details of Closing Balances - Receivable/(Payable) (₹ in Lakhs)

Sr	Name of party	31-Mar-2018	31-Mar-2017	01-Apr-2016
1	N K Oil Mills Pvt.Ltd	1,261.52	1,111.42	1,111.92
2	N K Proteins Pvt. Ltd.	3,856.33	3,394.60	3,288.46
3	Banpal Oil Chem Pvt Ltd	1,284.37	1,199.98	1,275.57

40 The Company had entered into a joint venture arrangement by taking 50% Equity stake in AWN Agro Pvt. Ltd (JV Entity/ Company) and made an investment of ₹ 2500.50 Lakhs towards Equity Share Capital. As informed to us, because of huge loss incurred by the said entity. The Company has shown an amount of ₹ 2500.50 Lakhs invested in the share capital/ application money in the said joint venture company and ₹ 1748.65 Lakhs as loans and advances to the said JV entity aggregating to ₹ 4249.15 lakhs. and said amount has been considerd as doubtful and the company has made provision for the same. On the basis of certificate received from the Management of the company, the company does not have any control on its joint Venture "AWN AGRO PRIVATE LIMITED" .Hence no Disclosure as per AS-27 is required.

41 The balance confirmation from the suppliers, customers as well as to various loans or advances given have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables, trade payables as well as loans and advances have been taken as per the books of accounts submitted by the company and are subject to confirmation from the respective parties.

42 In the schedule of fixed assets, land and building have been shown in the name of the company. However, total carrying amount of ₹ 18.86 lakhs as on 31.03.2018, the title of the property has not been conveyed in the name of the company till the date of our audit.

43 **Micro, Small & Medium Enterprises**

As per the Micro, Small & Medium Development Act, 2006 and to the extent of the information available, amounts unpaid as at the year end together with the interest paid / payable, is as follows:

Particulars	2017-18	2016-17
The Principal Amount	12,79,728	6,48,860
Interest Paid under MSMED Act, 2006	NIL	NIL
Interest due (Other than 23.3 (b))	NIL	NIL
Interest accrued and unpaid	NIL	NIL
Interest due and payable till actual payment	NIL	NIL

44 **First Time Adoption of Ind AS**

Effects of Ind AS adoption on Balance Sheet as at 31st March, 2017 and 1st April, 2016

SN	Particulars	Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
			As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS	As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS
	ASSETS							
	Non- current Assets							
	Property, Plant and Equipment	a, i	1,41,19,51,994	-	1,41,19,51,994	1,51,30,44,362	0	1,51,30,44,362
	Capital work-in-progress		2,25,32,128	-	2,25,32,128	28,57,989	(0)	28,57,989
	Other Intangible assets		38,784	-	38,784	49,650	(0)	49,650
	Financial Assets			-			-	
	(i) Investments	b(i)	1,87,38,854	-	1,87,38,854	1,87,33,854	-	1,87,33,854
	(ii) Trade receivables	b(i)	4,19,05,169	(9,48,044)	4,09,57,125	4,18,80,828	(9,23,703)	4,09,57,125
	(iii) Loans	b(i)	1,17,30,89,753	(50,47,25,046)	66,83,64,707	1,19,06,81,417	(51,68,17,505)	67,38,63,912
	(iii) Others	b(i)		13,61,22,066	13,61,22,066		12,14,14,692	12,14,14,692
	Other non-current assets	b(i)		50,36,94,580	50,36,94,580		50,69,32,876	50,69,32,876
	Current assets			-			-	
	Inventories		7,61,01,370	-	7,61,01,370	6,34,21,385	0	6,34,21,385
	Financial Assets			-			-	
	(i) Investments		-	-		-	-	-
	(ii) Trade receivables		34,66,75,182	1,06,93,407	35,73,68,589	34,03,16,146	(728)	34,03,15,418

SN	Particulars	Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
			As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS	As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS
	(iii) Cash and cash equivalents	b(ii)	86,71,604	(85,53,859)	1,17,745	1,00,18,724	(75,43,047)	24,75,677
	(iv) Bank balances other than (iii) above	b(ii)	-	85,53,859	85,53,859	-	75,43,047	75,43,047
	(v) Loans		1,89,74,699	(1,56,17,510)	33,57,189	48,39,740	78,41,629	1,26,81,369
	Other current assets	b(i)	-	69,02,611	69,02,611	-	6,04,866	6,04,866
	Total Assets		**3,11,86,79,538**		**3,25,48,01,603**	**3,18,58,44,097**		**3,30,48,96,224**
	EQUITY AND LIABILITIES							
	EQUITY							
	(a) Equity Share capital		6,00,99,000	-	6,00,99,000	6,00,99,000	-	6,00,99,000
	(b) Other Equity	Equity Reco	(3,26,25,30,388)	13,58,54,365	(3,12,66,76,023)	(3,20,16,90,987)	12,14,14,692	(3,08,02,76,295)
	(c) Money received against share warrants	0		-	-	-	-	-
	LIABILITIES			-			-	
	Non-current liabilities			-			-	
	Financial Liabilities			-			-	
	(i) Borrowings	c	6 26 15 46 200	(6,26,15,46,200)	-	6 26 35 11 712	(6,26,35,11,712)	-
	(ii) Other Financial Liabilities	b(i)		6,26,14,48,700	6,26,14,48,700		6,26,43,10,360	6,26,43,10,360
	Provisions		2 59 37 383	-	2,59,37,383	2 49 87 664	-	2,49,87,664
	Deferred tax liabilities (Net)	g		-	-		-	-
	Other non-current liabilities	d, i	-	-	-	-	-	-
	Deferred Revenue			-			-	
	Current liabilities			-			-	
	Financial Liabilities			-			-	
	(i) Borrowings			-	-		-	-
	(ii) Trade payables			-			-	
	Total outstanding dues of micro enterprises and small enterprises		6 48 860	-	6,48,860	5 14 109	-	5,14,109
	Total outstanding dues of creditors other than micro enterprises and small enterprises		1 49 03 569	3,65,201	1,52,68,770	2 95 61 735	(7,60,209)	2,88,01,526
	(iii) Other financial liabilities	b(i)	-	-	-	-	-	-
	Other current liabilities	b(i)	1 50 45 396	-	1,50,45,396	64 27 895	(24,01,004)	40,26,891
	Provisions	b(i), c	30 29 518	-	30,29,518	24 32 969	-	24,32,969
	Current Tax Liabilities (Net)	b(i)	-	-	-	-	-	-
	Total Equity and Liabilities		**3,11,86,79,538**		**3,25,48,01,603**	**3,18,58,44,095**		**3,30,48,96,224**

45 RECONCILIATION

RECONCILIATION OF PROFIT AND LOSS ACCOUNT AS PER INDIAN GAAP AND IND AS

	Profit as per Indian GAAP as on 31-3-2017	(6,08,39,401)
Add:	Positive adjustments as per Ind AS	
	Deferred tax asset	1,47,07,374
	Gratuity amount transferred to OCI	
	Prior period expense of FY 2016-17	22,902
		(4,61,09,125)
Less:	Negative Adjustments as per Ind AS	
	Prior period expense of FY 2017-18	2,67,701
	Gratuity amount transferred to OCI	7,814
	Profit as per Ind AS as on 31-3-2017	**(4,63,84,640)**

As per our report of even date attached.

For, PARIKH & MAJMUDAR
Chartered Accountants
Firm's Registration Number:107525W

CA DR HITEN PARIKH
Partner
Membership No.040230

Ahmedabad
28th April,2018

For and on behalf of the Board of Directors of **N K Industries Limited**

Nimish K. Patel
Chairman & Managing Director
Din-00240621

Nilesh K. Patel
Managing Director
Din -00244115

Ashwin P. Patel
Chief Financial Officer

Akanksha Srivastava
Company Secretary

Ahmedabad
28th April,2018

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF N.K INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Ind As financial statements of **N.K.Industries Limited** (hereinafter referred to as " the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information. (herein after refereed to as "the consolidated financial statements")

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

While conducting the 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 there under.

We conducted our audit 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 Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated 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 Consolidated 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 Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors referred to in the 'Emphasis of Matter' & 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

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 transactions through National Spot Exchange Limited (NSEL) from the concerns other than the group concerns of the Holding Company are subject to confirmations by the respective parties and reconciliations/adjustments, if any. Further, NSEL has suspended the trading on 31.07.2013 and has initiated recovery proceedings against the group company NKPL and also against the Holding 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 Holding company had challenged the notification issued by Home department, Government of Maharashtra, before the Hon'ble High Court of Gujarat. The Hon'ble High Court of Gujarat had disposed off the application of the Holding Company vides its order dated 29th March 2017. The Holding 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 Holding company has filed petition before the Hon'ble Bombay High Court in June 2017.Besides the above, the holding 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 holding company for the year under review.. (Refer Note no 32 of Consolidated Financial Statements).

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 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.However, matter is subjudice, we are unable to quantify the liability and its impact if any, on the loss of the Consolidated Accounts for the year under review (Refer Note no 33 of Consolidated Financial Statements).

3. 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, we are unable to quantify the final liability and its impact if any, on the profit or loss of the Consolidated Accounts. (Refer Note no 40B of Consolidated Financial Statements).

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph the aforesaid Consolidated 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 Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and its consolidated losses, consolidated total comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

OTHER MATTER

The Comparative financial information of the Company for the year ended 31st March 17 and the transition date opening -- balance sheet as at 1 April 2016 included in these Consolidated Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us and our reports for the years ended 31 March 2017 and 31 March 2016 dated 08th May 2017 and 21st May,2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

Emphasis of Matters

1. We draw attention to Note 29 to the Consolidated financial statements which states that the Consolidated accounts reflects accumulated losses of Rs 318.09 Crores as at 31.3.2018 and the net worth of the Consolidated accounts as well as Holding Company and Subsidiary Companies as at 31.03.2018 is negative. 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. A) Attention is invited to note 34 of the Consolidated financial statements which states that the Income Tax Department had carried out survey u/s 133 of the Income tax Act ,1961(the IT Act) on the Holding company along with other group companies during FY 2013-14 and had ordered a special audit of the books of the company u/s 142 2A of the IT Act, 1961, for AY2010-11, A.Y 2011-12, A.Y 2012-13 ,A.Y 2013-14 & A.Y 2014-15. The department had raised a demand of Rs 133 Crores (Rs 6.63 Crores for A.Y 10-11, Rs57.07 crores for A.Y 11-12 , Rs 60.33 Crores for A.Y 12-13 & Rs 7.97 Crores for A.Y 2013-14 & Rs 0.86 Crores for AY 2014-15) on the holding company for the aforesaid assessment years and the said demand has been disputed by the holding company and the holding company has initiated appellate proceedings before appropriate authorities. The said amount has been shown as contingent liability under Note No. 23 of the notes forming part of consolidated accounts. Further ,Income tax department has passed an attachment order on 22.04.2015 & 14.08.15 by which it has attached properties of the holding company in pursuant to a demand, the details of the properties attached which are in the name of holding company is as under:

   - 803, Manas Complex, Opp Star Bazaar, Nr Jodhpur Cross road, Satellite, Ahmedabad 380015.
   - 603, Manas Complex, Opp Star Bazaar, Nr Jodhpur Cross road, Satellite, Ahmedabad 380015.
   - Land, 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
   - Factory Building Situated at survey No 745, Kadi Thol Road, Village Kadi Kasba , taluka- Kadi, District Mehsana-382715

3. B) Attention is invited to note 26 of the consolidated financial statements which states that a Search & Seizure action U/S 132 of the Income Tax Act took place on 24.2.99 on Holding Company. The Income Tax department had raised demand of Rs. 33.12 Crores vide the block assessment Order dt. 30.4.2001. In case of the Holding company, the Hon'ble Income Tax Appellate Tribunal (ITAT), Ahmedabad has subsequently given partial relief to the extent of Rs. 28.84 Crores. The Holding company had preferred as appeal before the Hon'ble High Court of Gujarat against the order of Hon'ble ITAT, Ahmedabad. Hon'ble Gujarat High Court vide its order dated 20th June,2016 had given partial relief on some of the grounds and had also dismissed some of the grounds of the company. Against the grounds dismissed by Hon'ble High Court of Gujarat, the Holding company had further preferred an appeal before Hon'ble Supreme Court of India, and the Hon'ble Supreme Court of India vide order dated 16th January,2017 had dismissed the appeal of the Holding Company. The Holding Company had provided an amount of Rs 2.88 Crore against the grounds dismissed by Hon'ble ITAT during F.Y 2002-03 as well as Rs 1.27 Crores was provided in the books of accounts for the Assessment year in question for the interest payable upto 31-03-2005 during F.Y 2004-05 However in view of the management of the Holding Company and on the basis of the Judgment of the Hon'ble Gujarat High Court, the amount provided/paid by the Holding company towards total demand shall result in refund to the Holding company Pending effect of the various orders of adjudicating authorities by the Income Tax Department, the Holding Company is yet to provide final entries in its books of accounts even during the year under review. In view of non availability of order of the appeal effects from the Income Tax Department, we are unable to opine on the same.

3. Attention is invited to note 37 of the Consolidated Financial Statements, 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.

4. Attention is invited to note 36 of the Consolidated Financial Statements which states that Sales Tax Department has completed the assessment for various assessment years and raised demand of Rs. 5554.43 Lakhs for the earlier years. The Holding company has not made any provision for the above demand raised by the sales tax authority as in view of the Management, the said demand shall not withstand before the Appellate Authorities and the said Holding company has preferred an appeal before the appellate authority. The said amount has been shown as contingent liability under Note No. 23 of the notes forming part of consolidated Financial Statements.

5. Attention is invited to Note 41 of the Consolidated financial statements which states that the balance confirmation from the suppliers, customers as well as to various loans or advances given have been called for of the Holding Company, but the same are awaited till date. In view of the same, it is to be stated that the balances of receivables, trade payables as well as loans and advances have been taken as per the books of accounts submitted by the Holding company and are subject to confirmation from the respective parties.

6. Attention in invited to Note No 35 of the Consolidated Financial Statements, where in case of one the Subsidiary Company viz. Banpal Oil Chem Pvt ltd , The Home Department, Government of Maharashtra has issued Notification dated 22.06.2015 under the Maharashtra Protection of Interest of Depositors (in financial establishments)-Act, 1999 (MPID

Act) for attaching the Factory Plant, Land, Building & Machinery of the company located at plot No. 144/64 of Chandisar Industrial Area. GIDC Mauje chandisar, Taluka-Palanpur, Dist- Banaskantha, Gujarat. As explained to us, The Company has filed its detailed Objections against the said attachment Notification before the Designated Court at Mumbai and as stated by the Management, the matter is subjudice.

7. Attention in invited to Note No 39 of the Consolidated Financial Statements, where in case of 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 profit or loss of the consolidated accounts.

8. Attention in invited to Note No 39 of the Consolidated Financial Statements, where in case of one the Subsidiary Company viz. Banpal Oil Chem Pvt ltd , ,Income tax department has passed an attachment order on 20.05.2016 by which it has attached properties of the subsidiary company in pursuant to a demand, the details of the properties attached which are in the name of subsidiary company and the details of which are as under:

   - Plot of land bearing Plot No 144/64, of Chandisar Industrial Area. GIDC Mauje chandisar, Taluka-Palanpur, Dist-Banaskantha,
   - Plot of land bearing Plot No 144/65, of Chandisar Industrial Area. GIDC Mauje chandisar, Taluka-Palanpur, Dist-Banaskantha,
   - Plot of land bearing Plot No 144/66, of Chandisar Industrial Area. GIDC Mauje chandisar, Taluka-Palanpur, Dist-Banaskantha,

   In view of the fact that the holding Company has challenged the assessment proceeding,The said amount has been shown as contingent liability under Note No. 23 of the notes forming part of consolidated financial statements.

9. Attention is invited to Note 40 of the Consolidated financial statements which states that, 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.

10. Attention is invited to note 42 of the Consolidated Financial Statements which states that the Income Tax Department had carried out Assessment Proceedings u/s 143(3) r.w.s 142(A) of the Income tax Act ,1961(the IT Act) for AY 2014-15 in respect of one of the Subsidiary Company viz. Tirupati Retail India Pvt Ltd. The department has raised a demand of Rs 821.93 Crores on the said subsidiary company for the said assessment year and the said demand has been disputed by the said subsidiary company and the said subsidiary company has initiated appellate proceedings before appropriate authorities. The said amount has been shown as contingent liability under Note No. 23 of the notes forming part of consolidated financial statement accounts. Further, Income tax department has passed an order u/s 179 of the Income tax Act, 1961 in the name of the Directors of the said Subsidiary company.

11. As per the information obtained from the website of the Ministry of Corporate Affairs (MCA), a suit has been filed against the Holding company and its officers u/s 383A(1A), 372A(9), 58A(6)(A)(I) of the Companies Act, 1956 for the year 2016. As informed by the management, the Holding company is having basic information about such suit filed as reflected on the website of the MCA. However, the Holding company does not have any communication of such proceedings against the Holding company and its officers. As the matter is still subjudice, we are unable to quantify the final liability and its impact, if any, on the Holding company and its officers.(Refer note no 25 of notes forming part of Consolidated financial Statements)

    Our opinion is not qualified on the above matters.

    Other Matter

    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, except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) The matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the group.

(e) in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(f) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of the subsidiary companies incorporated in India, none of the directors of the Group Companies, incorporated in India, is disqualified as on March 31, 2018 from being appointed as a Director in terms of Section 164(2) of the Act.

(g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A" ,which is based on the Auditors report of the company & its subsidiary companies incorporated In India.

(h) 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 Group has disclosed the impact of pending litigations on the consolidated financial position of the Group– Refer Note 23 to the consolidated financial statements in its consolidated financial statements as of March 31, 2018.

ii. The Group did not have any material foreseeable losses on long term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the holding Company and its subsidiaries incorporated in India.

For PARIKH & MAJMUDAR
CHARTEREDACCOUNTANTS
FRNNO 107525W

(C.A Dr Hiten Parikh)
PARTNER
M.No.40230

Place : AHMEDABAD
Date : 28.04.2018

Annexure A to the Independent Auditor's Report off Even Date on the Financial Statements of N.K.Industries Limited

Report on the Internal Financial Controls 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 M/s N.K. INDUSTRIES LIMITED ("the Company") and its subsidiary companies incorporated in India as at 31 March 2018 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies incorporated in India 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 ('ICAI'). 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, including adherence to company's policies, 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 Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditors of the subsidiary companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent 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 & according to the explanations given to us, the Holding Company and its subsidiary companies incorporated in India, have, 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 31st March 2018, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies incorporated in India 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.

Other Matter

Our aforesaid report under section 143(3)(i) of the act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to two subsidiary companies, incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For PARIKH & MAJMUDAR
CHARTEREDACCOUNTANTS
FRNNO 107525W

(C.A Dr Hiten Parikh)
PARTNER
M.No.40230

Place : AHMEDABAD
Date : 28.04.2018

Consolidated Balance Sheet as at March 31, 2018

Amt in ₹

S.No.	Particulars	Note No.	31-Mar-2018	31-Mar-2017	01-Apr-2016
	ASSETS				
1	**Non-current assets**				
a)	Property, Plant and Equipment	8	1 42 34 63 573	1 45 28 95 962	1 56 07 65 215
b)	Capital work-in-progress	8	5 42 22 773	2 25 32 128	28 57 989
c)	Investment Property				
d)	Goodwill	8	82 36 24 384	22 99 75 215	22 99 75 215
e)	Other Intangible assets				
f)	Intangible assets under development	8	35 076	38 784	49 650
g)	Biological Assets other than bearer plants				
h)	Financial Assets				
(i)	Investments	9	20 06 169	19 46 169	19 41 169
(ii)	Trade receivables	11	15 21 80 02 105	59 68 37 874	59 68 13 534
(iii)	Loans	10	2 66 37 344	2 57 22 023	4 12 87 869
(iv)	Other Financial Assets				
i)	Deferred tax assets (net)		14 01 82 366	14 55 99 758	12 99 77 345
j)	Other non-current assets	11a	37 77 36 585	37 33 36 124	36 30 86 356
2)	**Current assets**				
a)	Inventories	12	5 11 99 261	7 99 39 884	6 72 03 237
b)	Financial Assets				
(i)	Investments				
(ii)	Trade receivables	13	40 81 81 956	32 60 65 607	32 43 95 348
(iii)	Cash and cash equivalents	14	67 92 795	68 34 834	83 89 264
(iv)	Bank balances other than (iii) above	14	44 15 416	41 98 784	40 21 974
(v)	Loans	15	1 63 27 529	1 59 00 815	77 30 030
(vi)	Others (to be specified)				
c)	Current Tax Assets (Net)				
d)	Other current assets	15A	58 42 183	45 31 336	16 68 436
	TOTAL ASSETS		**18 55 86 69 513**	**3 28 63 55 300**	**3 34 01 62 630**
	EQUITY & LIABILITIES :				
	EQUITY:				
a)	Equity Share capital	1	6 00 99 000	6 00 99 000	6 00 99 000
b)	Other Equity	2	(318 08 72 618)	(314 74 73 757)	(309 90 74 870)
	LIABILITIES :				
1)	**Non-Current Liabilities**				
a)	Financial Liabilities				
(i)	Borrowings				
(ii)	Trade payables	3	21 57 80 80 210	6 30 40 78 328	6 30 95 45 882
(iii)	"Other financial liabilities (other than those specified in item (b), to be specified)"				
b)	Provisions	4	2 71 92 203	2 59 37 383	2 49 87 664
c)	Deferred tax liabilities (Net)				
d)	Other non-current liabilities				
2)	**Current liabilities**				
a)	Financial Liabilities				
(i)	Borrowings				
(ii)	Trade payables	5	4 79 99 751	2 06 57 470	2 98 93 424
(iii)	Other financial liabilities (other than those specified in item (c)				
b)	Other current liabilities	6	1 91 68 453	1 95 18 386	1 17 61 087
c)	Provisions	7	70 02 517	35 38 490	29 50 445
d)	Current Tax Liabilities (Net)				
	TOTAL EQUITY AND LIABILITIES		**18 55 86 69 513**	**3 28 63 55 300**	**3 34 01 62 630**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached.

For, PARIKH & MAJMUDAR
Chartered Accountants
Firm's Registration Number:107525W

CA DR HITEN PARIKH
Partner
Membership No.040230

Ahmedabad
28th April,2018

For and on behalf of the Board of Directors of N K Industries Limited

Nimish K. Patel
Chairman & Managing Director
Din-00240621

Nilesh K. Patel
Managing Director
Din -00244115

Ashwin P. Patel
Chief Financial Officer

Akanksha Srivastava
Company Secretary

Ahmedabad
28th April,2018

Consolidated Statement of Profit & Loss for the year ended on March 31, 2018

Amt in ₹

S. No.	PARTICULARS	NOTE NO.	For the Year ended on 31-Mar-2018	For the Year ended on 31-Mar-2017
I	Revenue from Operations	16	1,34,06,37,342	1,08,05,72,675
II	Other Income	17	91,90,687	1,88,85,472
III	Total Income (I + II)		**1,34,98,28,029**	**1,09,94,58,147**
IV	**EXPENSES**			
	Cost of Materials consumed		-	-
	Purchases of stock-in-trade	18	50,07,49,952	51,24,95,230
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress"	19	2,97,13,932	83,89,352
	Employee benefits expense	20	12,54,82,843	9,83,90,186
	Finance costs	21	11,17,849	13,040
	Depreciation and amortization expense	8	10,23,55,848	12,60,92,343
	Other expenses	22	61,39,57,879	41,75,16,253
	Total expenses (IV)		**1,37,33,78,303**	**1,16,28,96,404**
V	**Profit/(loss) before exceptional items and tax (I- IV)**		**(2,35,50,274)**	**(6,34,38,257)**
VI	Exceptional Items		-	-
VII	**Profit/(loss) before tax (V-VI)**		**(2,35,50,274)**	**(6,34,38,257)**
VIII	**Tax expense:**		**79,10,033**	**(1,50,31,556)**
1	Current tax		24,92,641	5,90,857
2	Deferred tax		54,17,392	(1,56,22,413)
4	MAT Credit Entitlement		-	-
IX	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**(3,14,60,307)**	**(4,84,06,701)**
X	**Profit/(loss) from discontinued operations**		**-**	**-**
XI	**Tax expense of discontinued operations**		**-**	**-**
XII	**"Profit/(loss) from Discontinued operations (after tax) (X-XI)"**		**-**	**-**
XIII	**Profit/(loss) for the period (IX+XII)**		**(3,14,60,307)**	**(4,84,06,701)**
XIV	**Other Comprehensive Income / (Expense)**		(19,38,554)	7,814
A (i)	Items that will not be reclassified to profit or loss		(19,38,554)	7,814
(ii)	Income tax relating to items that will not be reclassified to profit or loss			
B(i)	Items that will be reclassified to profit or loss		-	-
(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-
XV	**Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**(3,33,98,861)**	**(4,83,98,887)**
XVI	**Earnings per equity share (for continuing operation):**			
1	Basic:		(5.23)	(8.05)
2	Diluted:		(5.23)	(8.05)
XVII	**Earnings per equity share (for discontinued operation):**			
1	Basic:		(5.23)	(8.05)
2	Diluted:		(5.23)	(8.05)
XVIII	**Earnings per equity share(for discontinued & continuing operations)**			
1	Basic:		(5.23)	(8.05)
2	Diluted:		(5.23)	(8.05)

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached.

For, PARIKH & MAJMUDAR
Chartered Accountants
Firm's Registration Number:107525W

CA DR HITEN PARIKH
Partner
Membership No.040230
Ahmedabad
28th April,2018

For and on behalf of the Board of Directors of N K Industries Limited

Nimish K. Patel
Chairman & Managing Director
Din-00240621

Nilesh K. Patel
Managing Director
Din -00244115

Ashwin P. Patel
Chief Financial Officer

Akanksha Srivastava
Company Secretary

Ahmedabad
28th April,2018

STATEMENT SHOWING CHANGES IN EQUITY

A Equity Share Capital

Particulars	Amount
Balance as at 1st April, 2016	60099000
Changes during the year	-
Balance as at 31st March,2017	60099000
Changes during the year	-
Balance as at 31st March,2018	60099000

B Other Equity

Amt in ₹

Particulars	Revaluation Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Reserve	Capital Redemption Reserve	Other Comprehensive Income	Total Equity Attributable to Equity Holders of the company
Balance as of April 1, 2016	**1,58,85,65,815**	**9,02,97,000**	**10,38,073**	**(5,07,36,42,913)**	**17,40,25,339**	**2,58,120**	**-**	**(3,21,94,58,566)**
Adjustment of Deferred Tax Asset created in the opening reserves				12,14,14,692				12,14,14,692
Adjustment of Grautuity in OCI for FY 15-16							(10,30,996)	(10,30,996)
Revised Balance as on April 1, 2016	1,58,85,65,815	9,02,97,000	10,38,073	(4,95,22,28,221)	17,40,25,339	2,58,120	(10,30,996)	(3,09,90,74,870)
Revaluation Surplus								-
Net Income of the year				(4,84,06,701)			7,814	(4,83,98,887)
Acturial Gain or loss								-
Income Tax effect								-
Fair Value of Non current Investment								-
Balance as of April 1, 2017	**1,58,85,65,815**	**9,02,97,000**	**10,38,073**	**(5,00,05,66,980)**	**17,40,25,339**	**2,58,120**	**(10,23,182)**	**(3,14,74,73,758)**
Prior period of 16-17								
Revaluation Surplus								-
Net Income of the year				(3,14,60,307)			(19,38,554)	(3,33,98,861)
Acturial Gain or loss								-
Income Tax effect								-
Fair Value of Non current Investment								-
Balance as of April 1, 2018	**1,58,85,65,815**	**9,02,97,000**	**10,38,073**	**(5,03,20,27,287)**	**17,40,25,339**	**2,58,120**	**(29,61,736)**	**(3,18,08,72,618)**

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

(Amt in ₹)

Particulars	31-Mar-2018	31-Mar-2018	31-Mar-2017	31-Mar-2017
Cash Flow Operating Activities:				
Net Profit After Tax and Extra Ordinary Items		(2,54,88,828)		(6,34,30,443)
Adjustment for :				
Depreciation & write off		10,23,55,848		12,60,92,343
Provision for doubtful advances		-		-
(Profit)/loss on sale of assets		5,30,098		-
Interest received		(35,35,511)		(37,07,977)
Interest paid		11,17,849		13,040
		7,49,79,456		**5,89,66,963**
Adjustment for :				
Trade receivables(including loans and advances)	(8,38,53,910)		(1,32,54,605)	
Adjustment in Consolidation (net)	-		-	
Inventories	2,87,40,623		(1,27,36,647)	
Trade Payable (including other current laiblities)	3,04,56,375	(2,46,56,912)	78,65,253	(1,81,25,999)
Cash Generated from operating Activities		5,03,22,544		4,08,40,964
Less: Income Tax Paid		24,92,641		5,90,857
Cash flow before extra ordinary item		4,78,29,903		4,02,50,107
Extra ordinary items		-		-
Net Cash Flow from operating Activities		**4,78,29,903**		**4,02,50,107**
Cash Flow From Investing Activities:				
Purchase of Fixed Assets	(70,17,74,187)		(3,78,86,364)	
Changes in non current assets	(14,62,64,80,012)		67,93,430	
Interest received	35,35,511		37,68,105	
Proceeds from Sale of Fixed Assets	29,84,525		-	
Purchase /Sale of investment	(60,000)	(15,32,17,94,164)	(5,000)	(2,73,29,828)
Net Cash Flow from Investing Activities		**(15,32,17,94,164)**		**(2,73,29,828)**
Cash Flow From Financing Activities:				
Changes in non current liabilties	15,27,52,56,701		(1,42,84,859)	
Proceeds from Borrowing	-		-	
Interest Paid	(11,17,849)		(13,040)	
Net Cash used in Financial Activities		15,27,41,38,853		(1,42,97,899)
Net increase/(decrease) in cash and cash equivalents		**1,74,592**		**(13,77,620)**
Cash & Cash equivalent as at 01st April		1,10,33,619		1,24,11,238
Cash & Cash equivalent as at 31st March		**1,12,08,210**		**1,10,33,618**
Note: Cash and Cash Equivalents Includes:				
a) Cash on hand		5,85,799		9,61,877
b) Balance with Banks in Current account		62,06,996		58,72,957
c) Balance with Banks in fixed deposit less than 12 months		44,15,416		41,98,784
		1,12,08,210		**1,10,33,618**

As Explained to us in Note 43, as the consolidation ha 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.

As per our report of even date attached.

For, PARIKH & MAJMUDAR
Chartered Accountants
Firm's Registration Number:107525W

CA DR HITEN PARIKH
Partner
Membership No.040230
Ahmedabad
28th April,2018

For and on behalf of the Board of Directors of N K Industries Limited

Nimish K. Patel
Chairman & Managing Director
Din-00240621

Nilesh K. Patel
Managing Director
Din -00244115

Ashwin P. Patel
Chief Financial Officer

Akanksha Srivastava
Company Secretary

Ahmedabad
28th April,2018

SIGNIFICANT ACCOUNTING POLICIES

DISCLOSURE OF ACCOUNTING POLICIES

1. CORPORATE INFORMATION:

The company is incorporated under the Indian Companies Act, 1956/2013, having its registered office situated at 7th Floor, Popular House, Ashram Road, Ahmedabad. The company is engaged in manufacturing of castor oil and other allied products including its derivatives viz. 12 HAS, ricionic acid, etc. and is also engaged in trading of castor oil derivatives, mainly Hydrogentatic Caster Oil (HCO), which the company is getting done on job work basis through outside parties. As explained by the management, in manufacturing castor oil and its derivatives also the company is presently focussing on job work activities due to working capital crunch. As per the details given by the management, the company is having a crushing capacity of castor seeds of more than 27,000 MT per month and it is utilising more than 75% of its capacity.

NKIL is a part of the N.K. group which among others consists of other key players such as N.K.Oil Mills, Banpal Oil-Chem Pvt. Ltd. and Tirupati Retail Private Limited (TRPL) .The N.K. group is involved in the manufacturing and marketing of edible oils and is one of the market leaders in this industry in the state of Gujarat. The principle refining plant is located on the Kadi-Thor road, Dist Mehesana in the state of Gujarat. In addition, the group as a whole has three more refining plants at Changodar, Rajkot and Tramba in Gujarat, one in Rajasthan and one in Maharashtra.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

A) Basis of preparation and compliance with Ind AS

i. For all periods upto and including the year ended March 31, 2017, the financial statements were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013.

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 (collectively, "Ind ASs") have been adopted with effect from April 1, 2016 and the Company is required to prepare its financial statements in accordance with Ind ASs for the year ended March 31, 2018. These financial statements as and for the year ended March 31, 2018 (the "Ind AS Financial Statements") are the first financial statements, the Company has prepared in accordance with Ind AS.

ii. A separate set of financial statements for the year ended March 31, 2017 and March 31, 2016 have been prepared in accordance with the Accounting Standards referred to in section 133 of the Companies Act, 2013 (the "Audited Previous GAAP Financial Statements"), which were approved by the Board of Directors of the Company on 8th May 2017 and 21st May 2016 respectively. The management of the Company has compiled the Special Purpose Comparative Ind AS Financial Statements using the Audited Previous GAAP Financial Statements and made required Ind AS adjustments. The Audited Previous GAAP Financial Statements, and the Special purpose Comparative Ind AS Financial Statements, do not reflect the effects of events that occurred subsequent to the respective dates of approval of the Audited Previous GAAP Financial Statements.

iii. The provisions of Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101) have been followed, in preparing opening Ind AS Balance Sheet as of the date of transition, i.e. April 1, 2016. In accordance with Ind AS 101, the Company has presented reconciliations of Shareholders' equity under Previous GAAP and Ind ASs as at March 31, 2017, and April 1, 2016 and of the Profit/ (Loss) after Tax as per Previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2017.

iv. These financial statements were approved for issue by the Board of Directors on April 28, 2017.

B) Basis of consolidation

i. NKIL consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and associates. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates includes goodwill identified on acquisition.

ii. Companies included in Consolidation:

The Group's consolidated Financial Statements includes financial statements of the holding company N K Industries Limited as well as its three wholly owned subsidiaries which are as follows :

- N K Oil Mills
- Banpal Oil-Chem Private Limited
- Tirupati Retail Private Limited

C) Estimates and Judgements

Ind AS estimates as at 1st April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

D) Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

Fair value measurement

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value for measurement and /or disclosure purpose in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36, if any.

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

E) Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency.

All financial information presented in Rupees has been presented in full figures.

F) Recent Accounting pronouncements:

Appendix B to Ind AS 21, Foreign Currency Transactions and Advance consideration : On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Account Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign Currency Transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in foreign currency.

The Amendment will come into effect from April 1, 2018. The Group has evaluated the effect of this on the financial statements and there is no impact since there are no foreign currency transactions in the business of this company in the years under consideration.

Ind AS 115 – Revenue from Contracts with customers : On March 28, 2018, Ministry of Corporate Affairs has notified the Ind AS 115, Revenue from Contracts with customers. The Core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company does not have any contractual terms with customers as its sole customer is a group company N.K. Proteins Private Limited for which the company under review performs jobwork for castor seeds. Hence the question of adoption of this standard does not arise.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has applied following accounting policies to all periods presented in the Ind AS Financial Statement.

a) Revenue Recognition

Revenue comprises of all economic benefits that arises in the ordinary course of activities of the Company which result in increase in Equity other than increases relating to contributions from equity participants. Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty.

Goods and service tax is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

Revenue from sales is recognized when all significant risks and rewards of ownership of the commodity sold are transferred to the customer, which generally coincides with delivery. Revenues from sale of by- products are included in revenue. Inter-transfers, other benefits passed on the customer in kind etc are expensed in P&L Account.

b) Property, Plant and Equipment

a. Property, plant and equipment [PPE]

All PPE are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses relating to the acquisition, trail run expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met. Thus the policy of the company is that subsequent costs are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that the future economic benefits associated with the items will flow to the entity and the cost of the same can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipments are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part 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 derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed periodically and adjusted prospectively, if appropriate.

b. Capital work in progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to

the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during the trial period is credited to capital work in progress.

c. *Depreciation*

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life (determined by the management based on technical estimates), as follows:

The estimated useful lives of assets are as follows:

- Buildings 30-60 years
- Plant and equipments 15-40 years
- Furniture and fixtures 5-10 years
- Vehicles 8-10 years
- Office equipments 5 years

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit derived from such costs. The carrying amount of the remaining previous overhaul cost is charged to the statement of profit and loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

c) Intangible assets

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

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

d) Financial instruments

- Financial Assets:

The company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortised cost.

The Company measures all equity instruments in subsidiaries at cost initially and also on subsequent recognition.

The company measures all quoted equity instruments other than in subsidiaries at fair value on initial and subsequent recognition. Changes in fair value of quoted instruments in equity shares are shown as profit/loss on fair valuation of investments in Statement of Profit and Loss. Currently there are no quoted investments.

Trade Receivables represents receivables for goods sold by the company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date. They are recognized initially and subsequent measured at amortized cost.

The company assesses the expected credit losses associated with its assets carried at amortized cost. Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the provision for such impairment loss allowance is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to profit and loss.

A financial asset is derecognized only when the company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non-Current /Long-term investments. Current investments are carried at lower of cost or market value on individual investment basis. Non-current investments are considered at cost, unless there is an "other than temporary" decline in value, in which case adequate provision is made for the diminution in the value of investments.

- Financial Liabilities

  Borrowings are initially recognized and subsequently measured at amortized cost, net of transaction costs incurred. The transaction costs is amortized over the period of borrowings using the effective interest method in Capital Work in Progress upto the commencement of related plant, property and Equipment and subsequently under finance costs in profit and loss account.

  Borrowings are removed from balance sheet when the obligations specified in the contract is discharged, cancelled or expired.

  Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

  Trade payables represent liabilities for goods and services provided to the company upto the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially and subsequently measured at amortized cost.

  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.

- Equity

  Equity shares are classified as equity incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

  Provision is made for the amount of any dividend declared and dividend distribution tax thereon, being appropriately authorized and no longer at the discretion of the entity on or before the end of the reporting period but not distributed at the end of the reporting period.

e) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

f) Borrowing Costs

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 asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences if any, to the extent regarded as an adjustment to the borrowing costs.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowings costs eligible for capitalisation.

g) Impairment of Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

h) Inventories

Inventories are valued at the lower of cost and net realisable value except scrap and by products which are valued at net realisable value.

Costs incurred in bringing the inventory to its present location and conditions are accounted for as follows:

- Stores and Spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

i) Accounting For Taxes On Income:

Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised 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 to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilised.

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 assets to be utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is 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 the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income. As such, deferred tax is also recognized in other comprehensive income.

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 and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

j) Employee benefit schemes

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Post Employment and Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and are provided for on the basis of third party actuarial valuation, using the projected unit credit

method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions of the defined benefit obligation are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

k) Provision for liabilities and charges, Contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent Liabilities are disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.

l) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

m) Prior Period items

Under Ind AS 8, adjustments to material prior period errors are made retrospectively by restating the comparative amounts for the prior periods presented and restating retained earnings at the beginning of the earliest period presented, in the first set of financial statements after the error is discovered.

n) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

o) Use of Estimates and Judgments

The company made following estimates in accordance with Ind AS as at the date of transition as these were not required under previous GAAP. These are to be applied as and when the relevant item is recognized in the Financial Statements :

(i) Quoted investments in Equity Shares carried at fair value through Profit and Loss;

(ii) Derivative financial instruments if any are carried at fair value

(iii) Impairment of Trade Receivables based on expected credit loss model.

p) Related Party Transactions:

A related party is a person or entity that is related to the reporting entity preparing its financial statements

(a) A person or a close member of that person's family is related to a reporting entity if that person; has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies; (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others); (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member); (iii) Both entities are joint ventures of the same third party; (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity; (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; (vi) The entity is controlled or jointly controlled by a person identified in (a); (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Disclosure of related party transactions as required by the accounting standard is furnished in the Notes on Financial Statements.

q) Current And Non-Current Classification:

The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".

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

An asset is current when it is (a) expected to be realised or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realised within twelve months after the reporting period; (d) Cash and 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.

An liability is current when (a) it is expected to be settled in normal operating cycle; (b) it is held primarily for the purpose of trading; (c) it is due to be discharged within twelve months after the reporting period; (d) 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.

1. FIRST-TIME ADOPTION OF IND AS:

These are company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out herein have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP).

Following notes explains the effect of transition from previous GAAP to Ind AS on the company's financial position, financial performance and cash flows.

1.1 Carrying value of Property, Plant and Equipment:

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. The company has elected to apply to measure all of its property, plant and equipment, and intangible assets at their previous GAAP carrying value.

1.2 Carrying value of Intangibles:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets as at 1st April, 2016 measured as per previous GAAP and use that carrying value as the deemed cost of the intangible assets.

In the year under review, there is only one intangible – computer software – for which the management has estimated a useful life of 5 years and the same is amortized on straight-line basis.

1.3 Estimates:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

1.4 Fair Valuation of Investments:

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value, except in case of investments in subsidiaries where an option to carry at cost less impairment is available.

Accordingly, equity investments in subsidiaries have been carried at cost and the company has availed the option of cost less provision for impairment.

1.5 Expected Credit Loss Model for Trade Receivables:

Ind AS 109 requires adjustment for expected credit loss while making provision for doubtful debts. No such adjustment was required under the previous GAAP. In the year under review the management contends that there is not going to be any expected credit loss in the trade receivable balance and hence the transaction value is taken as book value on the transition date.

1.6 Actuarial gain/(loss) on Defined Benefit plans for Employee Benefits:

Under Ind AS, the change in defined benefit liability is split into changes arising out of service and interest cost and changes arising out of remeasurements. Changes due to service and interest cost are to be recognised in Profit and Loss account and the changes arising out of re-measurements are to be recognised directly in Other Comprehensive Income (OCI). As such, actuarial loss on valuation of Gratuity of Rs.10,30,996 as on transition date has been recognised in OCI with corresponding credit to retained earnings. Actuarial loss for the year ended 31 March 2017 is Rs. 7814 has been recognised in OCI instead of Employee benefit expenses.

1.7 Deferred Tax:

As per Ind AS, Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date. On transition date, certain adjustments were made by charge/ credit to profit and loss account. The tax effect of such adjustments resulting into deferred tax asset of Rs. 147.07 Lakhs has been recognised by credit to retained earnings. This is on account of the fact that upto this period, deferred tax asset on unabsorbed depreciation and brought forward losses were not recognized since as per the consideration of "Prudence" under AS 22 as well as Ind AS 12, the same is not permitted. Now, as per the management contention, there is a reasonable and virtual certainty that sufficient future taxable income shall be available against which such deferred tax assets can be realized. The virtual certainty has been established on the basis of speedy reduction of current losses.

The deferred tax asset created in the opening reserves are reversed beginning immediately from the FY 2016-17.

1.8 Fair Valuation of Loans and Advances:

Under Ind AS, fair valuation is required for in case of loans and advances such as Capital advances and security deposits. In case of capital advances, fair valuation is not required as the advances are non-refundable and shall only be adjusted against supply of fixed assets. Although the company has recognized provision for diminution for the amount of loans that are not expected to be realized. Security deposits are paid for electricity. Hence, since interest rate is as per the market rate, all such loans and advances are carried at transaction value.

1.9 Prior Period Items :

The holding company has recorded a prior period error in the FY 2016-17 pertaining to the year FY 2015-16. Hence the same is adjusted in the opening reserves of the Balance Sheet as at 1-4-2016. Moreover, the prior period error with respect to the FY 2016-17, which was to be recorded in FY 2017-18, has been adjusted under the head Other Admin Expenses in the Statement of Profit or Loss.

Similarly, one of the group companies Banpal Oil-Chem Pvt. Ltd. Has also incurred prior period expenditure to the extent of Rs. 45,040/- which was recorded in the FY 2016-17 and is pertaining to the a period belonging before the earliest period presented, and hence the same is adjusted against opening reserves of 1st April, 2016 as per the provisions of Ind AS.

Notes to Consolidated Financial Statements

1 Share Capital

a Details of Share Capital

Particulars	31-Mar-2018		31-Mar-2017		01-Apr-2016	
	No. of Shares	₹	No. of Shares	₹	No. of Shares	₹
Authorized						
Preference Share Capital						
500000 (P.Y.500000) Preference shares of ₹100 each	5,00,000	5,00,00,000	5,00,000	5,00,00,000	5,00,000	5,00,00,000
Equity Share Capital						
25000000 (P.Y 25000000) Equity Share of ₹ 10 Each	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
		30,00,00,000		**30,00,00,000**		**30,00,00,000**
Issued, Subscribed & Paid up						
6009900 (P.Y 6009900) Equity Share of ₹ 10 each	60,09,900	6,00,99,000	60,09,900	6,00,99,000	60,09,900	6,00,99,000
Total	**60,09,900**	**6,00,99,000**	**60,09,900**	**6,00,99,000**	**60,09,900**	**6,00,99,000**

b. **Reconciliation of shares outstanding at the beginning and at the end of the reporting period**

Equity Shares

Particulars	31-Mar-2018		31-Mar-2017		01-Apr-2016	
	No. of Shares	₹	No. of Shares	₹	No. of Shares	₹
At the beginning of the period	60,09,900	6,00,99,000	60,09,900	6,00,99,000	60,09,900	6,00,99,000
Issued during the period			-	-	-	-
Outstanding at the end of the period	**60,09,900**	**6,00,99,000**	**60,09,900**	**6,00,99,000**	**60,09,900**	**6,00,99,000**

c. **Terms/rights attached to equity shares**

The Company has only one class of shares i.e. equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends, if any, in indian rupees. The dividened, if proposed, by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.

In th event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. **Share holding details of the Company as at Balance Sheet date and name of persons holding more than 5% shares.**

Name of Shareholder/ Company	31-Mar-2018		31-Mar-2017		01-Apr-2016	
	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%
Names of person holding more than 5% shares						
Ashita Nilesh Patel	12,73,889	21.20	12,73,889	21.20	12,73,889	21.20
Sonal Nimish Patel	11,51,570	19.16	11,51,570	19.16	11,51,570	19.16
N K Proteins Pvt. Ltd.	3,67,302	6.11	3,67,302	6.11	3,67,302	6.11
NKPL Realty LLP	5,35,524	8.91	-	-	-	-

e. The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares / disinvestment

f. The Company for the period of five years immediately preceeding the date of the Balance Sheet has not :

i. Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.
ii. Allotted fully paid up shares by way of bonus share.
iii. Bought back any class of shares.

2 Other Equity

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
General Reserves			
Opening Balance	10,38,073	10,38,073	10,38,073
Closing Balance	10,38,073	10,38,073	10,38,073
Security Premium Reserve			
Opening Balance	9,02,97,000	9,02,97,000	9,02,97,000
Closing Balance	9,02,97,000	9,02,97,000	9,02,97,000
Capital Reserve			
Opening Balance	17,40,25,339	17,40,25,339	17,40,25,339
Capital Reserve due to Consolidation	-	-	-
Closing Balance	17,40,25,339	17,40,25,339	17,40,25,339
Capital redemption Reserve			
Opening Balance	2,58,120	2,58,120	2,58,120
	-	-	-
Closing Balance	2,58,120	2,58,120	2,58,120
Revaluation Reserve (Note Below)			
Opening Balance	1,58,85,65,815	1,58,85,65,815	1,58,85,65,815
	-	-	-
Closing Balance	1,58,85,65,815	1,58,85,65,815	1,58,85,65,815
Other Comprehensive income			
Remeasurements of Defined Benefit Plans	(10,23,182)	(10,30,996)	-
Balance as per last Financial year	(19,38,554)	7,814	(10,30,996)
Adjustments during the year	(29,61,736)	(10,23,182)	(10,30,996)
Surplus/(Deficit)			
Opening Balance	(5,00,06,34,922)	(4,95,22,28,221)	(4,90,99,11,844)
Less: Adjustment on a/c of Change in Useful life of Assets Current Year	-	-	-
(+) Net Profit/(Net Loss) For the current year	(3,14,60,307)	(4,84,06,701)	(4,23,16,377)
Closing Balance	(5,03,20,95,229)	(5,00,06,34,922)	(4,95,22,28,221)
Total	**(3,18,08,72,618)**	**(3,14,74,73,757)**	**(3,09,90,74,870)**

3 Other Long-Term Liabilities

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Trade Payables	21,57,63,93,997	6,30,23,92,115	6,30,78,59,669
Secuirty Deposit	16,86,213	16,86,213	16,86,213
Total	**21,57,80,80,210**	**6,30,40,78,328**	**6,30,95,45,882**

4 Long Term Provisions

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Provision for Employee Benefits			
Provision For Leave Benefits	21,65,577	19,90,786	15,71,668
Provision For Gratuity	79,75,041	68,95,013	63,64,411
Total (A)	**1,01,40,618**	**88,85,798**	**79,36,079**
Others			
Interest Payable On Block Assessment	1,47,58,294	1,47,58,294	1,47,58,294
Provision- Income Tax - Block Assessment	22,93,291	22,93,291	22,93,291
Total (B)	**1,70,51,585**	**1,70,51,585**	**1,70,51,585**
Total (A+B)	**2,71,92,203**	**2,59,37,383**	**2,49,87,664**

5 Trade Payables

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Trade Payables(other than acceptances)			
Total outstanding dues of Micro Enterprise and Small Enterprise	12,79,728	6,48,860	5,14,109
Total outstanding dues of creditors other than Micro Enterprise and Small Enterprise (Refer Note No. 43)	4,67,20,023	2,00,08,610	2,93,79,315
Total	**4,79,99,751**	**2,06,57,470**	**2,98,93,424**

6 Other Current Liabilities

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Other payables			
Expense payable	1,33,14,832	1,83,97,163	1,06,00,731
Statutory Liabilities	58,53,621	8,01,967	11,09,775
Advance Received from Customers	-	3,19,256	50,581
Total	**1,91,68,453**	**1,95,18,386**	**1,17,61,087**

7 Short-Term Provisions

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Provision for employee benefits			
Bonus	30,20,185	22,18,662	20,00,726
Gratuity	31,55,338	10,80,028	5,30,602
Leave Encashment	8,26,994	2,39,799	4,19,118
	70,02,517	**35,38,490**	**29,50,445**

8 FIXED ASSETS

Particulars	Freehold Land	Lease hold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Computer software	Goodwill on consolidation	TOTAL
Cost of Assets											
As at 1st April 2016	95,27,08,833	73,86,281	47,14,63,798	1,40,82,90,444	1,85,62,087	95,23,496	1,32,62,898	51,45,636	9,31,556	22,99,75,215	3,11,72,50,244
Addition	-	-	68,68,222	98,24,579	83,392	8,56,676	3,18,357	2,60,997	-	-	1,82,12,224
Disposal / Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2017	95,27,08,833	73,86,281	47,83,32,020	1,41,81,15,023	1,86,45,479	1,03,80,172	1,35,81,256	54,06,634	9,31,556	22,99,75,215	3,13,54,62,468
Addition	-	-	2,03,59,468	5,12,59,245	31,270	23,00,152	22,14,669	2,69,569	-	59,36,49,169	67,00,83,543
Disposal / Adjustments	-	-	-	37,71,669	-	-	-	-	-	-	37,71,669
As at 31st March 2018	**95,27,08,833**	**73,86,281**	**49,86,91,488**	**1,46,56,02,599**	**1,86,76,749**	**1,26,80,324**	**1,57,95,925**	**56,76,203**	**9,31,556**	**82,36,24,384**	**3,80,17,74,342**
Depreciation											
As at 1st April 2016	-	-	13,03,72,261	1,16,36,57,760	91,23,088	72,75,859	1,01,03,776	50,45,514	8,81,906	-	1,32,64,60,164
Charge for the year	-	-	2,72,05,519	9,52,81,263	13,52,184	8,17,009	13,72,371	53,131	10,866	-	12,60,92,343
Disposal / Adjustments											-
As at 31st March 2017	-	-	15,75,77,780	1,25,89,39,023	1,04,75,273	80,92,867	1,14,76,147	50,98,645	8,92,772	-	1,45,25,52,507
Charge for the period	-	-	2,75,53,811	6,97,33,529	13,38,163	11,78,835	24,09,462	1,38,341	3,708	-	10,23,55,848
Disposal / Adjustments	-	-	-	2,57,046	-	-	-	-	-	-	2,57,046
As at 31st March 2018	**-**	**-**	**18,51,31,591**	**1,32,84,15,506**	**1,18,13,435**	**92,71,702**	**1,38,85,609**	**52,36,986**	**8,96,480**	**-**	**1,55,46,51,309**
Net Block											
As at 31st March 2017	95,27,08,833	73,86,281	32,07,54,240	15,91,76,000	81,70,206	22,87,305	21,05,109	3,07,988	38,784	22,99,75,215	1,68,29,09,961
As at 31st March 2018	**95,27,08,833**	**73,86,281**	**31,35,59,897**	**13,71,87,093**	**68,63,314**	**34,08,622**	**19,10,316**	**4,39,216**	**35,076**	**82,36,24,384**	**2,24,71,23,032**
Capital work-in-progress											
As at 31st March 2017											2,25,32,128
As at 31st March 2018											**5,42,22,773**

9 Non Current Investments

The policy statement of the company with respect of accounting of non current investments is disclosed at para No. (e) of the Significant Accounting policies.

Summarized information of investments

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Investment in Equity instruments - Unquoted			
Investment in Equity instruments	59,37,930	59,37,930	59,32,930
Investments in Government or Trust securities	6,68,239	6,08,239	6,08,239
Investments in Equity of Joint Venture Company	25,00,50,000	25,00,50,000	25,00,50,000
Total	**25,66,56,169**	**25,65,96,169**	**25,65,91,169**
Less:			
Provision for diminution in the value of Investments	25,46,50,000	25,46,50,000	25,46,50,000
Total	**20,06,169**	**19,46,169**	**19,41,169**

A Details of Other Investments - Unquoted

Sr.	Name of the Body Corporate	No. of Shares		Amount (₹)		
		2017-18	2016-17	2017-18	2016-17	2015-16
a	**Investment in Equity Instruments**					
	ACCURATE EXPORTS LTD. of ₹ 10 each	1,00,000	1,00,000	10,00,000	10,00,000	10,00,000
	FICON LEASE & FINANCE LTD. of ₹ 10 each	3,50,000	3,50,000	35,00,000	35,00,000	35,00,000
	HYTAISUN MAGNETICS LTD. of ₹ 10 each	10,000	10,000	1,00,000	1,00,000	1,00,000
	Reliance Natural Resources Ltd.	20	20	38	38	38
	Reliance Industries Ltd.	162	162	2,792	2,792	2,792
	Reliance Energy Ltd.	6	6	392	392	392
	Reliance Communications Ltd	81	81	2,078	2,078	2,078
	Reliance Capital Ltd.	4	4	70	70	70
	Punjab Fibers Ltd.	100	100	30,000	30,000	30,000
	Hytaisun Magnetics Ltd.	1,300	1,300	1,30,000	1,30,000	1,30,000
	Powerflow Ltd.	200	200	5,000	5,000	5,000
	Meltron Semiconductor Ltd.	100	100	9,500	9,500	9,500
		4,61,973	**4,61,973**	**47,79,870**	**47,79,870**	**47,79,870**
	Less: Provision for diminution in the value of Investments	4,61,973	4,61,973	46,00,000	46,00,000	46,00,000
		-	-	1,79,870.00	1,79,870.00	1,79,870.00
	AHMEDABAD COMMODITY EXCHANGE LTD of ` 10 each	56,500	56,500	11,53,000	11,53,000	11,53,000
	KALUPUR COMM.CO.OP. BANK of ₹ 10 each	6	6	60	60	60
	Joint Venture Investments					
	AWN AGRO PVT. LTD. of ₹ 10 each	2,50,05,000	2,50,05,000	25,00,50,000	25,00,50,000	25,00,50,000
		2,50,61,506	**2,50,61,506**	**25,13,82,930**	**25,13,82,930**	**25,13,82,930**
	Less: Provision for diminution in the value of Investments	2,50,05,000	2,50,05,000	25,00,50,000	25,00,50,000	25,00,50,000
	Sub-Total	**56,506**	**56,506**	**13,32,930**	**13,32,930**	**13,32,930**
b	Investments in Government or Trust securities					
	NATIONAL SAVINGS CERTIFICATE			6,68,239	6,08,239	6,08,239
	Total			**6,68,239**	**6,08,239**	**6,08,239**
	Grand Total			**20,01,169**	**19,41,169**	**19,41,169**

10 Long Term Loans and Advances

a Details of Long Term Loans and Advances

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Advance to employees	1,47,562	8,45,426	7,76,432
Long-term Loans and advances to others			
Long term Loans and advances to others Unsecured, considered goods	2,64,89,782	2,48,76,597	4,05,11,437
Long term Loans and advances to others -Doubtful	13,23,67,655	13,23,67,655	12,52,56,917
Total	**15,88,57,437**	**15,72,44,252**	**16,57,68,353**
Less: Provision for doubtful advances	13,23,67,655	13,23,67,655	12,52,56,917
Other loans and advances to others	2,64,89,782	2,48,76,597	4,05,11,437
Total	**2,66,37,344**	**2,57,22,023**	**4,12,87,869**

11 Trade Receivables

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Trade receivables			
Unsecured, considered good	15,21,80,02,105	59,68,37,874	59,68,13,534
Unsecured, considered good doubtful	57,26,20,747	53,16,63,622	54,86,44,594
	57,26,20,747	**53,16,63,622**	**54,86,44,594**
Less: Provision for doubtful debts	57,26,20,747	53,16,63,622	54,86,44,594
	-	-	-
Total	**15,21,80,02,105**	**59,68,37,874**	**59,68,13,534**

11a Other Non-Current Assets

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Security Deposits			
Unsecured, considered goods	3,72,90,951	3,72,55,830	3,89,16,897
Capaex Advance	30,46,37,314	30,42,24,095	30,22,73,345
Balance with government authorities	2,06,524	82,01,917	61,87,748
Bank deposit with more than 12 months maturity	18,67,288	18,67,288	17,85,062
Advance tax & Tds Receivable	3,37,34,507	2,17,86,994	1,39,23,305
Total	**37,77,36,585**	**37,33,36,124**	**36,30,86,356**

12 Inventories

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
(As taken valued and Certified by Management)			
Traded Material	-	2,97,13,932	4,12,53,284
Spare Parts	4,28,56,231	3,99,55,565	1,67,95,304
Chemical Goods	83,43,031	1,02,70,388	91,54,649
Total	**5,11,99,261**	**7,99,39,884**	**6,72,03,237**

13 Trade Receivable

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Outstanding for a period less than six months from the date they are due			
Unsecured, considered good	39,68,87,469	27,48,46,049	24,65,82,782
	39,68,87,469	**27,48,46,049**	**24,65,82,782**
Outstanding for a period exceeding six months from the date they are due			
Unsecured, considered good	1,12,94,488	5,12,19,558	7,78,12,566
	1,12,94,488	**5,12,19,558**	**7,78,12,566**
Total	**40,81,81,956**	**32,60,65,607**	**32,43,95,348**

14 Cash and Bank Balance

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Cash and cash Equivalent			
Balances with banks	62,06,996	58,72,957	55,66,102
Cash on hand	5,85,799	9,61,877	28,23,161
Total	**67,92,795**	**68,34,834**	**83,89,264**
Other Cash Balance			
Bank deposits upto 12 months maturity	44,15,416	41,98,784	40,21,974
Total	**44,15,416**	**41,98,784**	**40,21,974**

15 Short-term Loans and Advances

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Advance tax & tds	-	-	-
Short Term Loans and advances to others			
Unsecured, considered good	1,63,27,529	1,59,00,815	77,30,030
Total	**1,63,27,529**	**1,59,00,815**	**77,30,030**

15a Other Current Assets

Particulars	31-Mar-2018 ₹	31-Mar-2017 ₹	01-Apr-2016 ₹
Prepaid expense	23,97,182	24,54,359	16,68,436
Accured Interest	34,45,001	20,76,977	-
Total	**58,42,183**	**45,31,336**	**16,68,436**

16 Revenue

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Sale of products		
Traded Goods Domestic	54,76,17,532	54,63,00,644
Traded Goods Export	-	-
	54,76,17,532	**54,63,00,644**
Operating Revenue		
Sale of Services	19,60,65,274	17,20,40,592
Commission income	-	7,696
Total	**74,36,82,806**	**71,83,48,932**
Crushing Charges (TDS ₹73.50 (P.Y.₹70.11)Lakhs)	59,69,54,536	36,22,23,743
Total	**1,34,06,37,342**	**1,08,05,72,675**

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Traded Goods Export		
Edible Oil	-	-
Non-Edible Oil	-	-
Total (A)	**-**	**-**
Traded Goods Domestic		
Edible Oil	27,80,63,222	21,15,82,404
Non-Edible Oil	26,67,02,833	33,27,17,957
Others	28,51,477	20,00,283
Total (B)	**54,76,17,532**	**54,63,00,644**
Total (A+B)	**54,76,17,532**	**54,63,00,644**

17 Other Income

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Interest Income (TDS ₹ 1.01(P.Y.₹2.78)Lakhs)	35,35,511	37,07,977
Other non Operating Revenue		
Long term capital gain	1,878	-
Misc. Income	17,54,600	1,24,55,065
Scrap Sales	27,18,105	15,82,530
Foreign Exchange fluctuation	-	-
Office Rent	11,80,593	11,39,900
Total	**91,90,687**	**1,88,85,472**

18 Purchase of Trading Goods

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Purchase of Goods	49,39,24,140	50,82,92,460
Other direct purchase costs	68,25,812	42,02,770
Cost of Goods sold (Total A)	**50,07,49,952**	**51,24,95,230**

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Traded Goods		
Edible Oil	27,07,50,730	20,73,31,845
Non-Edible Oil	21,98,84,978	29,63,02,623
Others	1,01,14,244	88,60,763
(Total B)	**50,07,49,952**	**51,24,95,230**
Total (A+B)	**50,07,49,952**	**51,24,95,230**

19 Change in Inventory

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Ricinolic Acid		
Stock at the Begining of the financial year	96,491	19,41,216
Stock at the End of the financial year	-	96,491
	96,491	**18,44,725**
12HSA		
Stock at the Begining of the financial year	2,87,62,662	3,53,09,416
Stock at the End of the financial year	-	2,87,62,662
	2,87,62,662	**65,46,754**
Glycerine		
Stock at the Begining of the financial year	8,52,150	8,51,500
Stock at the End of the financial year	-	8,52,150
	8,52,150	**(650)**
Fly Ash		
Stock at the Begining of the financial year	2,628	1,152
Stock at the End of the financial year	-	2,628
	2,628	**(1,476)**
Total	**2,97,13,932**	**83,89,352**

20 Employee Benefits Expense

Employee Benefits Expense	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Salaries and incentives	10,90,92,867	8,51,23,607
Contributions to Provident Fund, FPF and other Funds	48,24,281	34,95,334
Gratuity fund contributions	14,77,675	12,95,063
Leave Encashment expenses	14,88,767	9,19,609
Staff welfare expenses	85,99,253	75,56,571
Total	**12,54,82,843**	**9,83,90,186**

As per Accounting Standard 19 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below :

I. Defined Contribution Plans:

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organization established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

(a) Provident Fund / Employees' Pension Fund

During the year, the Company has recognized the following amounts in the Profit & Loss Account:

Particulars	31-Mar-2018	31-Mar-2017
Employer's Contribution to Provident Fund / Employee's Pension Fund	48,24,281	34,95,334

II. Defined Benefit Plans - Non Funded

(a) Provision for Gratuity Liability

(b) Provision for Leave Encashment

In accordance with Accounting Standard- 15, relevant disclosures are as under:

(A) Changes in Defined Benefit Obligation: Amount in ₹

Particulars	Gratuity	
	2017-18	2016-17
Defined Benefit Obligation as at 1st April	79,75,041	68,95,013
Current Service Cost	8,88,319	7,46,220
Interest Cost	3,89,356	5,48,843
Benefits Paid	(2,60,891)	(2,07,221)
Actuarial (gain) / loss on Obligations	(2,83,324)	(7,814)
Defined Benefit Obligation as at 31st March	87,08,501	79,75,041

(B) Amount recognized in the Balance Sheet: Amount in ₹

Particulars	Gratuity	
	2017-18	2016-17
Defined Benefit Obligation as at 31st March	87,08,501	79,75,041
Fair Value of Plan Assets as at 31st March	-	-
Liability / (Asset) recognized in the Balance Sheet included in Current Liabilities and Provisions	87,08,501	79,75,041

(C) Expenses recognized in the Profit & Loss Account:

Amount in ₹

Particulars	Gratuity	
	2017-18	2016-17
Current Service Cost	8,88,319	7,46,220
Interest Cost	3,89,356	5,48,843
Net actuarial (gain) / loss recognized in the period	(2,83,324)	(7,814)
Total Expenses recognized in the P & L Account included in Contribution to Provident and Other Funds	9,94,351	12,87,249

(D) Actuarial Assumptions:

In accordance with Accounting Standard- 15, actuarial valuation as at the year end was performed in respect of the aforesaid Defined Benefit Plans based on the following assumptions:

		31-Mar-2018	31-Mar-2017
(a)	Discount rate [per annum]	7.73%	7.39%
(b)	Expected Retirement age of employees [years]	58	58
(c)	Rates of leaving service – 2% (P.Y. 2%)	2%	2%
(d)	Expected Increase in Salary – 5% (P.Y. 5%)	5%	5%
(e)	Leave Availment Pattern, The balance leave is available for encashment on separation from the company.		
(f)	The estimates of future salary increases, considered in the actuarial valuation, taken on account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.		

(E) SENSITIVITY ANALYSIS

	31-Mar-2018	31-Mar-2017
Projected Benefit Obligation on Current Assumptions	1,11,30,379	79,75,041
Delt effect of +1% change in rate of discounting	(7,61,198)	(6,11,914)
Delt effect of -1% change in rate of discounting	8,73,325	7,03,583
Delt effect of +1% change in rate of salary increase	8,88,626	7,13,493
Delt effect of -1% change in rate of salary increase	(7,86,655)	(6,30,496)
Delt effect of +1% change in rate of employee turnover	1,74,215	1,18,303
Delt effect of -1% change in rate of employee turnover	1,95,687	(1,33,414)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occuirng at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated

Furthermore, in presenting the above sensitivity analysis the present value of the projected benefit obligation has been calculated using the unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(F) RISK ANALYSIS

Gratuity is a defined benefit plan and following are the risks associated with defined benefit plan :

Interest Rate risk

A fall in the discount rates which is linked to the G. Sec. rate will increase the present value of the liability requiring higher provision.

Salary Risk

The present value of defined benefit plan liability is calculated by reference to the future salaries of members.

As such, an increase in the salaries of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk

The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from owned funds.

Mortality Risk

Since the benefits under the pplan are not payable for life time and payable till retirement age only, plan does not have any longetivity risk.

21 Finance Cost

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Interest expense	9,13,259	5,026
Other borrowing costs	2,04,590	8,014
Total	**11,17,849**	**13,040**

22 Other Expenses

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Manufacturing Expenses		
Labour Charges	5,35,49,532	3,91,12,325
Loading-Unloading Expense	17,85,272	12,64,822
Power and Fuel	16,15,06,479	15,27,37,652
Vat Reversal	-	513
Repair to Plant and Machinery	1,33,27,032	82,91,529
Rates and taxes, excluding, taxes on income.	36,47,230	93,47,718
Consumption of Stores, Chemicals & Packing Materials	22,47,80,586	10,72,29,254
Other Manufacturing Expenses	36,27,083	11,72,684
Total Manufacturing Expenses	**46,22,23,214**	**31,91,56,496**
Administrative Expenses		
Loss on Sales of Fixed Assets	5,30,098	-
Telephone Expenses	5,78,350	5,73,120
Professional Fees	32,92,166	67,07,350
Auditors Remuneration*	2,09,150	1,99,500
Stationery and Printings	1,61,408	1,39,827
Travelling Expenses	2,79,033	15,20,544
Insurance	50,11,287	28,58,042
Provision for Doubtful Advances (Net)	4,09,57,125	6,13,679
Donation	1,500	7,500
Membership Fees	12,77,762	45,671
Repair and Maintenance - Others	7,96,723	14,07,601
Security Services	74,18,694	70,17,957
Vehicle Running-Repair Expense	2,66,64,205	2,47,15,413
Other Admin Expenses	89,54,635	44,33,198
Vehicle hire charges	3,73,83,519	3,29,27,216
Prior period expenses	-	-
Total Administrative Expenses	**13,35,15,654**	**8,31,66,619**

22 Other Expenses

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Selling and Distribution Expenses		
Transportation Expenses	1,80,21,762	1,51,87,798
Advertisement Expenses	1,80,350	5,341
Clearing Forwarding Expenses	16,899	-
Total Selling and Distribution Expenses	**1,82,19,011**	**1,51,93,139**
Total Other Expenses	**61,39,57,879**	**41,75,16,253**

*Auditors Remuneration Includes	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
As auditors - Statutory audit	1,34,500	1,34,500
Tax Audit	50,000	50,000
Certification fees & Other Services	-	-
Reimbursement of Expenses	-	-
Total	**1,84,500**	**1,84,500**

23 Other details to Balance Sheet

A Contingent Liabilities and Commitments

Particulars	31-Mar-2018 (₹ In Lakhs)	31-Mar-2017 (₹ In Lakhs)
Contingent Liabilities		
a. Claims against the Group, not acknowledged as debts (including interest and penalty)	17401.03	-
- Disputed Sales Tax Demand Matter under Appeal	8,634.94	5,554.43
- Other Claims (without considering interest liability)	1,333.31	1,333.31
- Disputed Income Tax Demand Matter under Appeal (refer note 26 & 34)	98,141.47	21,343.04
- proceeding initiated by NSEL, Maharashtra Protection of Interest of Depositors (in financial establishments)-Act,and Directorate of Enforcement, Government of India (refer note 32 & 33)	Amount not ascertainable	Amount not ascertainable

Note:

a) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/ authorities.

b) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements.The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

24 In the schedule of fixed assets, land and building have been shown in the name of the Holding company. However, total carrying amount of ₹ 18.86 lakhs as on 31.03.2017, the title of the property has not been conveyed in the name of the Holding company till the date of our audit.

25 As per the information obtained from the website of the Ministry of Corporate Affairs (MCA), a suit has been filed against the Holding company and its officers u/s 383A(1A), 372A(9), 58A(6)(A)(I) of the Companies Act, 1956 for the year 2016. As informed by the management, the Holidng company is having basic information about such suit filed as reflected on the website of the MCA. However, the Holding company does not have any communication of such proceedings against the Holding company and its officers. and the matter is still subjudice

26 *A Search & Seizure action U/S 132 of the Income Tax Act took place on 24.2.99 on Holding Company. The Income Tax department had raised demand of ₹ 33.12 Crores vide the block assessment Order dt. 30.4.2001. In case of Holding company, the Income Tax Appellate Tribunal (ITAT), Ahmedabad has subsequently given partial relief to the extent of ₹ 28.84 Crores. The Holding company had preferred as appeal before the Hon'ble High Court of Gujarat against the order of Hon'ble ITAT, Ahmedabad. Hon'ble Gujarat High Court vide its order dated 20th June,2016 had given partial relief on some of the grounds and had also dismissed some of the grounds of the company. Against the grounds dismissed*

by Hon'ble High Court of Gujarat, the Holding company had further preferred an appeal before Hon'ble Supreme Court of India, and the Hon'ble Supreme Court of India vide order dated 16th January,2017 had dismissed the appeal of the Holding Company. The Holding Company had provided an amount of ₹ 2.88 Crore against the grounds dismissed by Hon'ble ITAT during F.Y 2002-03 as well as ₹ 1.27 Crores was provided in the books of accounts for the Assessment year in question for the interest payable upto 31-03-2005 during F.Y 2004-05 However in view of the management of the Holding Company and on the basis of the Judgment of the Hon'ble Gujarat High Court, the amount provided/paid by the Holding company towards total demand shall result in refund to the Holding company Pending effect of the various orders of adjudicating authorities by the Income Tax Department, the Holding Company is yet to provide final entries in its books of accounts even during the year under review.

27 *No provision is made during the year for interest receivable in the books of Holding Companyon various advances amounting to ₹ 3001.21 Lakhs (P.Y. ₹ 3001.21 Lakhs) as the same are considered doubtful.*

28 *The Holding Company is engaged in the business of manufacturing and selling the Refined Castor Oil and its derivatives. Thus there is solitary business segment of Oils. Therefore, segment wise information as required by AS-17 on "Segment Reporting" is not applicable.*

29 *The Consolidated accounts reflects accumulated losses of ₹ 318.09 Crores as at 31.3.2018 and the net worth of the Consolidated accounts as well as Holding Company and Subsidiary Companies as at 31.03.2018 is negative. 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."*

30 *On the basis of certificate received from the Management of the Holding company, the holding company does not have any control on its joint Venture "AWN AGRO PRIVATE LIMITED" and hence the accounts of the said Joint Venture has not been Consolidated.*

31 *In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated, if realized, in the ordinary course of the business. The provisions for depreciation and all known liabilities are adequate. There are no contingent liabilities other than stated.*

32 *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 transactions through National Spot Exchange Limited (NSEL) from the concerns other than the group concerns of the Holding Company are subject to confirmations by the respective parties and reconciliations/adjustments, if any. Further, NSEL has suspended the trading on 31.07.2013 and has initiated recovery proceedings against the group company NKPL and also against the Holding 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 Holding 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 Holding Company vides its order dated 29th March 2017. The Holding 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 Holding company has filed petition before the Hon'ble Bombay High Court in June 2017.Besides the above, the holding company has also filed its objections against the attachment notification before the Designated Spl MPID Court, Mumbai.*

33 *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 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.*

34 *"Consolidated financial statements which states that the Income Tax Department had carried out survey u/s 133 of the Income tax Act ,1961(the IT Act) on the Holding company along with other group companies during FY 2013-14 and had ordered a special audit of the books of the company u/s 142 2A of the IT Act, 1961, for AY2010-11, A.Y 2011-12, A.Y 2012-13 ,A.Y 2013-14 & A.Y 2014-15. The department had raised a demand of Rs 133 Crores (Rs 6.63 Crores for A.Y 10-11, Rs57.07 crores for A.Y 11-12 , Rs 60.33 Crores for A.Y 12-13 & Rs 7.97 Crores for A.Y 2013-14 & Rs 86.00 Lakhs for AY 2014-15) on the*

holding company for the aforesaid assessment years and the said demand has been disputed by the holding company and the holding company has initiated appellate proceedings before appropriate authorities. The said amount has been shown as contingent liability under Note No. 23 of the notes forming part of consolidated accounts. Further ,Income tax department has passed an attachment order on 22.04.2015 & 14.08.15 by which it has attached properties of the holding company in pursuant to a demand, the details of the properties attached which are in the name of holding company is as under:

- *803, Manas Complex, Opp Star Bazaar, Nr Jodhpur Cross road, Satellite, Ahmedabad 380015.*
- *603, Manas Complex, Opp Star Bazaar , Nr Jodhpur Cross road, Satellite, Ahmedabad 380015.*
- *Land, 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"*

34a *The Holding company has received a notice from Income tax department for the attachment of its registered office at 7th Floor ,Popular house, opp sales india ,Ashram Road ,Ahmedabad 380009 with respect to demand raised by them as detailed in note 34 of the consolidated financial statements.*

35 *In case of one the Subsidiary Company viz. Banpal Oil Chem Pvt ltd , The Home Department, Government of Maharashtra has issued Notification dated 22.06.2015 under the Maharashtra Protection of Interest of Depositors (in financial establishments)-Act, 1999 (MPID Act) for attaching the Factory Plant, Land, Building & Machinery of the company located at plot No. 144/64 of Chandisar Industrial Area. GIDC Mauje chandisar, Taluka-Palanpur, Dist- Banaskantha, Gujarat. As explained to us, The Company has filed its detailed Objections against the said attachment Notification before the Designated Court at Mumbai and as stated by the Management, the matter is subjudice.*

36 *Sales Tax Department has completed the assessment for various assessment years and raised demand of Rs. 5554.43 Lakhs for the earlier years. The Holding company has not made any provision for the above demand raised by the sales tax authority as in view of the Management, the said demand shall not withstand before the Appellate Authorities and the said Holding company has preferred an appeal before the appellate authority. The said amount has been shown as contingent liability under Note No. 23 of the notes forming part of consolidated Financial Statements.*

37 *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.*

38 **Other Informations - Profit and Loss Statement**

a **Earnings per share**

Particulars		For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
Basic			
Profit attributable to equity shareholders	₹	(3,14,60,307)	(4,83,38,759)
Nominal Value of equity share	₹	10	10
Weighted average number of ordinary equity shares for Basic EPS	No.	60,09,900	60,09,900
Basic and Diluted EPS	₹	**(5.23)**	**(8.05)**

c **Earnings in foreign currency**

Particulars	For the Year ended on 31-Mar-2018 ₹	For the Year ended on 31-Mar-2017 ₹
FOB VALUE OF EXPORTS	-	-

d **Expenditure in foreign currency** Nil (Prev. Year Nil)

39 *In 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*

In case of one the Subsidiary Company viz. Banpal Oil Chem Pvt ltd , ,Income tax department has passed an attachment order on 20.05.2016 by which it has attached properties of the subsidiary company in pursuant to a demand, the details of the properties attached which are in the name of subsidiary company and the details of which are as under:

- *Plot of land bearing Plot No 144/64,of Chandisar Industrial Area.GIDC Mauje chandisar, Taluka-Palanpur, Dist-Banaskantha,*
- *Plot of land bearing Plot No 144/65,of Chandisar Industrial Area.GIDC Mauje chandisar, Taluka-Palanpur, Dist-Banaskantha,*
- *Plot of land bearing Plot No 144/66,of Chandisar Industrial Area.GIDC Mauje chandisar, Taluka-Palanpur, Dist-Banaskantha,*

In view of the fact that the holding Company has challenged the assessment proceeding,The said amount has been shown as contingent liability under Note No. 23 of the notes forming part of consolidated financial statements.

40 *Consolidated financial statements which states that , 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.*

40a Related party disclosures

Note: Related Parties have been identified by the management

A List of related parties

Key Managerial Personnel (KMP)		
1	Nimish K. Patel	Chairman & Managing Director
2	Nilesh K. Patel	Managing Director
3	Hasmukh K. Patel	(Whole Time Director)
4	Ashwinbhai Patel	(Chief Finance Officer)
5	Akanksha Srivastava	(Company Secretary)
6	Priyam Patel	(Chief Execuitve officer w.e.f 10th June 2017)
Key Managerial Person(Ex -director one of Subsidiary company)		
1	Harjibhai Patel	
2	Shri N.P.Bhatol	
Independent Directors		
1	Jaimin Virendra Modi (resigned on 16th March, 2018)	
2	Bharat Jayantilal Patel (resigned on 09th March, 2018)	
3	Mridu Sharma	
4	B.S.Yadav	
Name of Relatives of KMP/Directors		
1	Nimish K. Patel	Mrs. Sonalben N. Patel
		Mrs. Venushree N. Patel
		Mr. Amar Dhaduk
		Ms. Vedanshee N. Patel
2	Nilesh K. Patel	Mrs.Ashitaben Patel
		Mr.Priyam Patel
		Mrs.Panna P. Patel
		Mrs.Priyanshi Patel
		Mr. Deep Vadodaria
3	Kamlesh L. Patel	Mrs.Truptiben K. Patel
Firm/LLP in which directors/manager/his relative is a partner		
1	NKPL Realty LLP	
2	NKP Enterprise LLP	
3	Nimish K. Patel HUF	
4	Nilesh K. Patel HUF	

Private Company in which director/member or his relative is a member/director	
1	N K Proteins Private Limited
2	Tirupati Proteins Private Limited
3	Tirupati Retail (India) Private Limited
4	Adrenal Advertising and Promotions Private Limited

B Details of transactions with related party (₹ in Lakhs)

Sr	Name of party	Nature of Transaction	2017-18	2016-17
1	Ashwin P. Patel	Remuneration	6.00	6.00
2	Adrenal Advertisment Pvt Ltd	Purchases/ Services	-	0.08
3	N K Proteins Pvt. Ltd.	Purchases/ Services	5,569.51	7,785.13
4	N.K.P Enterprise LLP	Purchases/ Services	3.86	9.58
5	N.K.P Enterprise (Partnership Firm)	Purchases/ Services	-	-
6	N K Proteins Pvt. Ltd.	Sales/Jobwork charges	11,412.26	4,816.60
7	Nilesh K. Patel	Remuneration	30.00	60.00
8	Nimish K. Patel	Remuneration	30.00	60.00
9	Hasmukhbhai Patel	Remuneration	7.28	5.97
10	Monica Surjani	Remuneration	-	-
12	Heena Jain	Remuneration	-	1.11
11	Akanksha Srivastava	Remuneration	2.70	0.97
13	Harjibhai Patel	Remuneration	-	-
14	Priyam Patel	Remuneration	9.70	
15	Shri N.P.Bhatol	Repayment of Loan	-	-
16	Shri Vijay Trading Co	Security Deposit	-	-
17	Bhagwati Oil Mill	Job work	-	-
18	Vijay HarjiBhai Patel	Repayment of Loan	-	-

C Details of Closing Balances - Receivable/(Payable) (₹ in Lakhs)

Sr	Name of party	31-Mar-2018	31-Mar-2017	01-Apr-2016
1	N.K.P Enterprise LLP	-	1.40	-
2	N K Proteins Pvt. Ltd.	4,074.41	3,184.74	3,127.70

40b *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.*

41 *The balance confirmation from the suppliers, customers as well as to various loans or advances given have been called for of the Holding Company, but the same are awaited till date. In view of the same, it is to be stated that the balances of receivables, trade payables as well as loans and advances have been taken as per the books of accounts submitted by the Holding company and are subject to confirmation from the respective parties.*

42 *The Income Tax Department had carried out Assessment Proceedings u/s 143(3) r.w.s 142(A) of the Income tax Act, 1961(the IT Act) for AY 2014-15 in respect of one of the Subsidiary Company viz. Tirupati Retail India Pvt Ltd. The department has raised a demand of Rs 821.93 Crores on the said subsidiary company for the said assessment year and the said demand has been disputed by the said subsidiary company and the said subsidiary company has initiated*

appellate proceedings before appropriate authorities. The said amount has been shown as contingent liability under Note No. 23 of the notes forming part of consolidated financial statement accounts. Further, Income tax department has passed an order u/s 179 of the Income tax Act, 1961 in the name of the Directors of the said Subsidiary company.

43 Previous years comparatives

The Previous year's figures are regrouped and rearragned where ever necessary to make them comparable with the current years figures.

44 Micro, Small & Medium Enterprises

As per the Micro, Small & Medium Development Act, 2006 and to the extent of the information available, amounts unpaid as at the year end together with the interest paid / payable, is as follows:

Particulars	2017-18	2016-17
The Principal Amount	12,79,728	6,48,860
Interest Paid under MSMED Act, 2006	NIL	NIL
Interest due (Other than 23.3 (b))	NIL	NIL
Interest accrued and unpaid	NIL	NIL
Interest due and payable till actual payment	NIL	NIL

45 STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS AND MINORITY INTEREST

Name of the Entity	% holding	Net Assets i.e total assets minus total liabilities		Share in profit or loss	
		% of Consolidated Net Assets	Amount	As % of consolidated profit and loss	Amount
NK Industries Limited		78.89%	(3,09,76,75,862)	93.11%	(3,10,98,839)
Indian Subsidiaries					
Banpal Oil chem Private limited	100%	2.22%	(8,70,84,258)	8.90%	(29,70,993)
NK Oil Mills Pvt Limited	100%	3.78%	(14,84,25,354)	-2.03%	6,77,036
Tirupati Retail India Pvt Limited	100%	73.65%	(59,35,55,234)	0.02%	(6,065)
Minority interest-	Nil				
Total		**100**	**(3,92,67,40,708)**	**100**	**(3,33,98,861)**
Less : Adjustment arising out of consolidation			(80,59,67,090)		0
Consolidated Net Assets / Profit after tax			**(3,12,07,73,618)**		**(3,33,98,861)**

46 First Time Adoption of Ind AS

Effects of Ind AS adoption on Balance Sheet as at 31st March, 2017 and 1st April, 2016

SN	Particulars	Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
			As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS	As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS
	ASSETS							
	Non- current Assets							
	Property, Plant and Equipment	a, i	1,45,28,95,962	-	1,45,28,95,962	1,56,07,65,215	-	1,56,07,65,215
	Capital work-in-progress		2,25,32,128	-	2,25,32,128	22,97,66,744	(22,69,08,756)	28,57,989
	Other Intangible assets		22,97,55,879	2,58,120	23,00,13,999	28,57,989	22,71,66,876	23,00,24,864
	Financial Assets							
	(i) Investments	b(i)	19,46,169	-	19,46,169	19,41,169	-	19,41,169

SN	Particulars	Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
			As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS	As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS
	(ii) Trade receivables	b(i)	3,84,72,687	55,83,65,187	59,68,37,874	3,87,73,664	55,80,39,870	59,68,13,534
	(iii) Loans	b(i)	95,39,84,032	(92,82,62,010)	2,57,22,023	96,04,76,486	(91,91,88,617)	4,12,87,869
	(iii) Others	b(i)		-	-		-	-
	Other non-current assets	b(i)	94,77,692	50,94,58,190	51,89,35,882	85,62,653	48,45,01,048	49,30,63,702
	Current assets							
	Inventories		7,99,39,884	-	7,99,39,884	6,72,03,237	-	6,72,03,237
	Financial Assets							
	(i) Investments		-			-	-	-
	(ii) Trade receivables		32,60,65,607	-	32,60,65,607	32,43,95,348	-	32,43,95,348
	(iii) Cash and cash equivalents	b(ii)	1,10,33,619	(41,98,784)	68,34,834	1,24,11,238	(40,21,974)	83,89,264
	(iv) Bank balances other than (iii) above	b(ii)	-	41,98,784	41,98,784	-	40,21,974	40,21,974
	(v) Loans		1,99,56,294	(40,55,479)	1,59,00,815	83,71,948	(6,41,918)	77,30,030
	Other current assets	**b(i)**	**-**	**45,31,336**	**45,31,336**	**-**	**16,68,436**	**16,68,436**
	Total Assets		**3,14,60,59,953**		**3,28,63,55,300**	**3,21,55,25,691**		**3,34,01,62,632**
	EQUITY AND LIABILITIES							
	EQUITY							
	(a) Equity Share capital		6,00,99,000	-	6,00,99,000	6,00,99,000	-	6,00,99,000
	(b) Other Equity	Equity Reco	(3,28,35,86,244)	13,61,12,486	(3,14,74,73,757)	(3,22,07,47,683)	12,16,72,813	(3,09,90,74,870)
	(c) Money received against share warrants	0		-	-	-	-	-
	LIABILITIES							
	Non-current liabilities							
	Financial Liabilities							
	(i) Borrowings	c		-	-		-	-
	(ii) Other Financial Liabilities	b(i)	6,30,44,76,592	(3,98,264)	6,30,40,78,328	6,31,87,61,451	(92,15,569)	6,30,95,45,882
	Provisions		2,49,87,664	9,49,719	2,59,37,383	2,49,87,664	-	2,49,87,664
	Deferred tax liabilities (Net)	g		-	-		-	-
	Other non-current liabilities	d, i	-	-	-	-	-	-
	Deferred Revenue							
	Current liabilities							
	Financial Liabilities							
	(i) Borrowings			-	-		-	-
	(ii) Trade payables							
	Total outstanding dues of micro enterprises and small enterprises		6,48,860	-	6,48,860	5,14,109	-	5,14,109
	Total outstanding dues of creditors other than micro enterprises and small enterprises		1,91,32,467	8,76,142	2,00,08,610	2,02,91,322	90,87,994	2,93,79,315

SN	Particulars	Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
			As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS	As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS
	(iii) Other financial liabilities	b(i)	-	-	-	-	-	-
	Other current liabilities	b(i)	1,58,13,404	37,04,982	1,95,18,386	86,69,384	30,91,703	1,17,61,087
	Provisions	b(i), c	44,88,209	(9,49,719)	35,38,490	29,50,445	-	29,50,445
	Current Tax Liabilities (Net)	b(i)	-	-	-	-	-	-
	Total Equity and Liabilities		**3,14,60,59,953**		**3,28,63,55,300**	**3,21,55,25,691**		**3,34,01,62,632**

47 RECONCILIATION

RECONCILIATION OF PROFIT AND LOSS ACCOUNT AS PER INDIAN GAAP AND IND AS

	Profit / (Loss) as per Indian GAAP as on 31-3-2017	(6,28,38,560)
Add:	Positive adjustments as per Ind AS	
	Deferred tax asset	1,47,07,374
	Gratuity amount transferred to OCI	
	Prior period expense of FY 2016-17	67,942
		(4,80,63,244)
Less:	Negative Adjustments as per Ind AS	
	Prior period expense of FY 2017-18	2,67,701
	Gratuity amount transferred to OCI	7,814
	Profit as per Ind AS as on 31-3-2017	**(4,83,38,759)**

As per our report of even date attached.

For, PARIKH & MAJMUDAR
Chartered Accountants
Firm's Registration Number:107525W

CA DR HITEN PARIKH
Partner
Membership No.040230
Ahmedabad
28th April,2018

For and on behalf of the Board of Directors of **N K Industries Limited**

Nimish K. Patel
Chairman & Managing Director
Din-00240621

Nilesh K. Patel
Managing Director
Din -00244115

Ashwin P. Patel
Chief Financial Officer

Akanksha Srivastava
Company Secretary

Ahmedabad
28th April,2018

N. K. INDUSTRIES LIMITED

Registered Office: 7th Floor, Popular House, Ashram Road, Ahmedabad – 380 009
Tel: 079-66309999, Email: nkil@nkproteins.com, Fax: 079-66309913
CIN: L91110GJ1987PLC009905

ATTENDANCE SLIP
30TH ANNUAL GENERAL MEETING ON SATURDAY, 16th JUNE, 2018 AT 11:00 A.M.
(TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

Folio No. /DP ID/Client ID

Number of Shares Held : _____

Name of Shareholder/s : _____

Name of Proxy / Authorised Representative : _____

I/We hereby record my/our presence at the 30th Annual General Meeting of the Company at ATMA Hall, Ashram Road, Mill Officer's Colony, Vishalpur, Ellisbridge, Ahmedabad, Gujarat 380009 at 11:00 A.M. on Saturday, 16th June, 2018.

Signature of Member / Proxy / Authorised Representative attending the meeting _____

Note:
1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No./DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. A Member/Proxy holder attending the meeting should bring copy of the Annual Report for reference at the meeting.

N. K. INDUSTRIES LIMITED

Registered Office: 7th Floor, Popular House, Ashram Road, Ahmedabad – 380 009
Tel: 079-66309999, Email: nkil@nkproteins.com, Fax: 079-66309913
CIN: L91110GJ1987PLC009905

FORM NO. MGT-11
PROXY FORM
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the* Companies (Management and Administration) Rules, 2014*)

CIN	**L91110GJ1987PLC009905**
Name of the Company	N K INDUSTRIES LIMITED
Registered office	7th Floor, Popular House, Ashram Road, Ahmedabad-380 009.
Name of the member (s)	
Registered address	
E-mail Id	
Folio No	

I/We, being the member (s) of N K Industries Limited, holding _____ shares of the above named Company, hereby appoint

1. Name _____
   Address _____
   Email Id _____
   Signature _____
   Or Failing him,
2. Name _____
   Address _____
   Email Id _____
   Signature _____
   Or Failing him,
3. Name _____
   Address _____
   Email Id _____
   Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Saturday on 16th June, 2018 At 11:00 A.M. at ATMA Hall, Ashram Road, Mill Officer's Colony, Vishalpur, Ellisbridge, Ahmedabad, Gujarat 380009 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1.	To receive and adopt Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended 31st March, 2018 together with the Reports of the Board of Directors and Auditors thereon.
2.	To appoint a Director in place of Mr. Hasmukh K. Patel (DIN: 06587284), who retires by rotation and being eligible, offers himself for re-appointment.
3.	To ratify appointment of Auditors of the Company to hold office from the conclusion of this Annual General Meeting i.e. 30th AGM till the conclusion of the 31st Annual General Meeting and to fix their remuneration.
Special Business	
4	To pass Ordinary Resolution approving appointment and payment of remuneration to M/s. N D Birla & Co., Cost Accountants for the year 2018-19.
5	To pass Ordinary Resolution for approving related party transactions of the Company under Section 188 of the Companies Act, 2013.
6	To pass Ordinary Resolution for Re-Appointment of Mr. Nimish K. Patel (DIN: 00240621) as Chairman and Managing Director of the Company.
7	To pass Ordinary Resolution for Re-Appointment of Mr. Nilesh K. Patel (DIN: 00244115) as Managing Director of the Company.
8	To pass Ordinary Resolution for Appointment of Mr. Tushar H. Doshi (DIN: 08118621) as an Independent Director of the Company.

Signed this _____ **day of** _____ **2018**

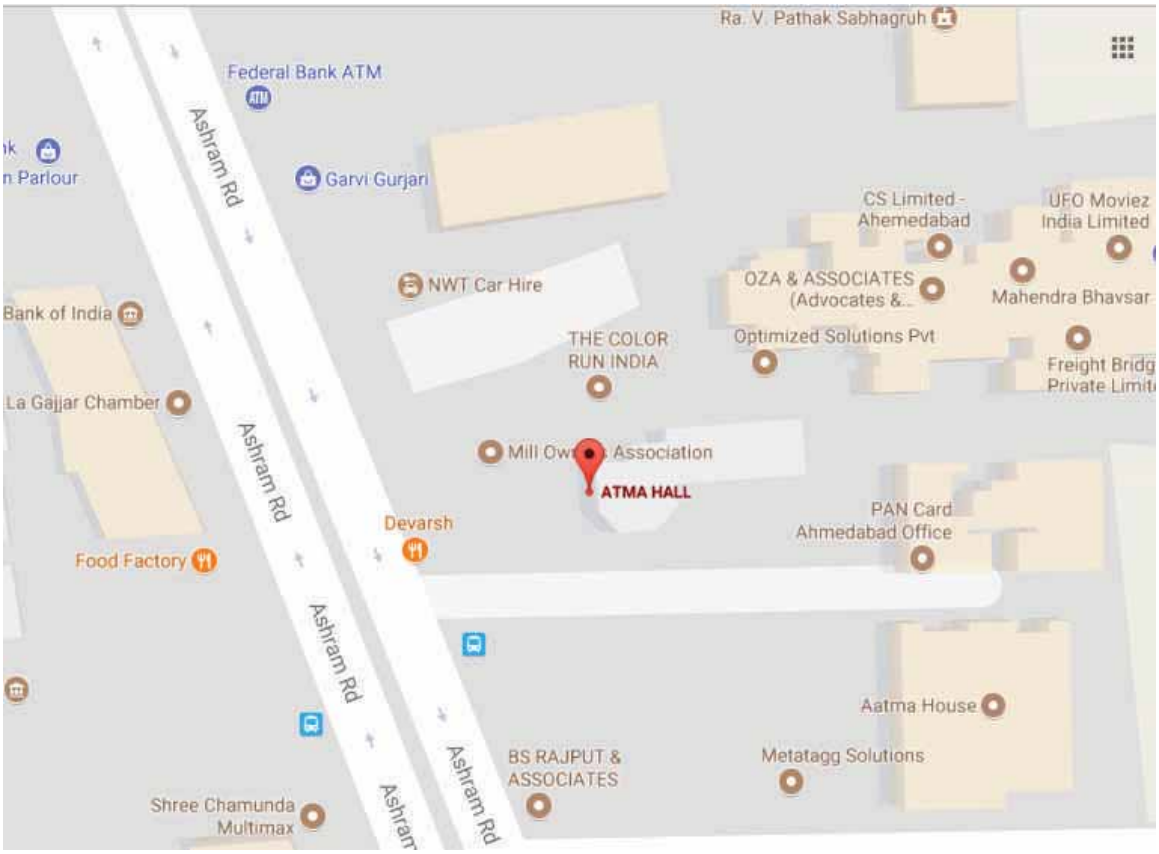
Affix Revenue Stamp

Signature of shareholder : _____

Signature of Proxy holder(s) : _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ROUTE MAP FOR AGM VENUE



Shareholders are requested to bring their copies of Annual Report at the Annual General Meeting as the same will not be distributed in the meeting hall.

N. K.
Industries Ltd.

If undelivered, please return to :
N. K. Industries Limited
(CIN : L91110GJ1987PLC009905)
Registered Office :
7th Floor, Popular House,
Ashram Road, Ahmedabad-380009

Ganapati 09825067921