N.K. Industries Ltd

30th July, 2016

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**	**Bombay Stock Exchange Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 **Company Code No. 519494**

Dear Sirs,

Sub: Regulation 30 and Regulation 44 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-Proceeding and details of the voting results of the 28th Annual General Meeting respectively

We are enclosing herewith copy of the following reports as required under various regulations of SEBI (LODR) Regulations, 2015, Pursuant to 28th Annual general Meeting of the Company held on Saturday, 30th July, 2016 for your records.

1) Summary of proceedings as required under Regulation 30, Part-A of Schedule-III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations as Annexure-I
2) Voting results as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations as Annexure-II
3) Report of Scrutinizer dated July 30, 2016, Pursuant to Section 108 of the Companies Act, 2013 and Rule 20(4) (xii) of the Companies (Management and Administration) Rules, 2014.
4) Annual Report for the financial year 2015-16 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

Kindly find the same in order and acknowledge the receipt of the same.

Thanking You,
Yours Faithfully,

For, N K INDUSTRIES LIMITED

Heena Jain

MS. HEENA P. JAIN
COMPANY SECRETARY
Encl: As above

FOR, N. K. INDUSTRIES LTD. AHMEDABAD

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

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

Plant : 745, Kadi-Thor Road,
Kadi - 382 715. Dist. Mehsana (N.G.)
Tele : (02764) 242613, 263884
Fax : (02764) 263667
Email : nkilkadi@yahoo.co.in

CIN No. : L91110GJ1987PLC009905

ANNEXURE I

Summary of proceedings of the 28th Annual General Meeting

The 28th Annual General Meeting (AGM) of the members of N K Industries Limited ('the Company') was held on Saturday, July 30, 2016 at 4.00 P.M. at the ATMA Hall, Ashram Road, Navrangpura, Ahmedabad – 380 009. Mr. Nimish K. Patel Chairman and Managing Director of the Company, Chaired the meeting. The requisite quorum being present, the Chairman called the meeting in order. All the Directors of the Company attended the meeting except an Independent Director Mrs. Neha Modi.

Ms. Heena P. Jain, the Company Secretary was asked to read the Auditors' Report and the business agenda items. The shareholders were further informed that the Company had provided to the Members facility to cast their vote electronically, on all resolutions set forth in the Notice. Members who were present at the AGM and had not cast their votes electronically were provided an opportunity to cast their votes at the end of the meeting.

The items of the business transacted and results thereof are given herein below:

Sr. No.	Agenda	Resolution required (Ordinary/Special)	Mode of voting	Remarks
1.	**Adoption of financial statements:** To receive consider and adopt the financial statements of the Company for the year ended March 31, 2016, including the Audited Balance Sheet as at March 31, 2016, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.	Ordinary	E-voting and ballot paper at the AGM	Passed with requisite majority
2.	**Appointment of Director** To appoint a Director in place of Mr. Nimish K. Patel (DIN: 00240621), who retires by rotation and being eligible has offered himself for re-appointment.	Ordinary	E-voting and ballot paper at the AGM	Passed with requisite majority
3.	**Appointment of Auditors** To ratify the appointment of Auditors of the Company and to fix their remuneration.	Ordinary	E-voting and ballot paper at the AGM	Passed with requisite majority

FOR, N. K. INDUSTRIES LTD. AHMEDABAD

4.	**To approve the remuneration of Cost Auditors for the year 2016-17** To approve the appointment and fix remuneration of Cost Auditor for the financial year 2016-17.	Ordinary	E-voting and ballot paper at the AGM	Passed with requisite majority
5.	**To approve the related party transactions of the Company under Section 188 of the Companies Act, 2013:** To approve the related party transactions of the Company for the year 2016-17.	Ordinary	E-voting and ballot paper at the AGM	Passed with requisite majority

Clarifications were provided to the queries raised by the members. Further the Chairman authorized the Company Secretary to declare the voting results.

The Board of Directors had appointed M/s. Samdani Shah & Associates as scrutinizer to supervise the e-voting and ballot voting process.

The scrutinizers report was received and accordingly all the resolutions as set out in the notice were declared as passed.

This is for your information and records.

Thanking You,

Yours faithfully
For N K INDUSTRIES LIMITED,

Heena Jain

MS. HEENA P. JAIN
COMPANY SECRETARY

FOR, N.K. INDUSTRIES LTD. AHMEDABAD

SAMDANI SHAH and associates
Company Secretaries

Date 30th July, 2016

To,
The Chairman
N.K. Industries Ltd.
7th Floor, Popular House,
Ashram Road,
Ahmedabad - 380009

Dear Sir,

Re: Report of Scrutinizer on passing of resolution through Physical Ballot and E-voting

1. The Board of Directors of the Company has, vide its meeting held on 21st May, 2016, appointed me as Scrutinizer for conducting the physical ballot voting process for passing Special/ Ordinary Resolutions as set out in the Notice dated 21st May, 2016.

2. I submit my report as under :

   The Company had completed dispatch, of Notice dated 21st May, 2016 on 4th July, 2016 to its Members. also published Newspaper Advertisement in English and Gujarati (Regional Language) in Indian Express (English) and Financial Express (Gujarati) respectively regarding dispatch of Notice containing all the matters required under the Companies Act, 2013 and relevant rules on 30th June, 2016.

   Particulars of all the Physical ballot forms received from the Members in the meeting have been entered in a register separately maintained for the purpose.

   The physical ballot forms were duly opened, scrutinized and the shareholding was matched/confirmed with the Register of Members of. the Company/list of beneficiaries.

   I did not find any defaced or mutilated ballot paper.

3. The company has also offered E-voting through CDSL and the report contains the details through E-voting also.

4. The facility of E-voting remained open from 27th July, 2016 to 29th July, 2016.

5. We unblocked the votes cast through remote E-voting in the presence of Mr. Raimeen Maradiya and Ms. Niyati Parikh who were not in the employment of the company.

6. A summary of the Physical ballot forms received / e-voting is given below :

Samdani Shah & Associates ★ Company Secretaries ★ Chirag Shah Partner CP 4208

Ahmedabad Office : 808, Shiromani Complex, Opp. Ocean Park, S.M. Road, Nehru Nagar, Ahmedabad 380015.
Ph.: + 91 79 40020304 e-mail: pcschirag@rediffmail.com
Vadodara Office : 103, Tanishq, Opp. SBI Urmi Soc. Branch, Productivity Road, Vadodara- 390020.
Ph.: + 91 265 3087289, 2330583 e-mail: cssamdani@gmail.com

Resolution No. 1 : Ordinary resolution for To receive consider and adopt the financial statements of the Company for the year ended March 31, 2016, including the Audited Balance Sheet as at March 31, 2016, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

Particulars	***No. of Physical Ballot forms/ Evoting***	***No. of Shares***	***% of total paid up equity capital***	***% of total votes polled***
a) Total Physical Ballot forms received	24	779244	12.97	18.07
b) Less; Invalid Physical Ballot forms	0	0	0	0
c) Net Valid Physical ballots with voting exercised	24	779244	12.97	18.07
d) voting exercised through E-Voting	18	3534042	58.80	81.93
e) Total valid votes exercised (c+d)	42	4313286	71.77	100
f) Physical ballot forms with assent (favour) for the Resolution	24	779244	12.97	18.07
g) Physical Ballot with dissent (against) for the resolution	0	0	0	0
h) Physical ballot forms not voted for the Resolution	0	0	0	0
i) E-Voting ballot with assent (favour) for the Resolution	16	3534026	58.80	81.93
j) E-Voting ballot with dissent (against) for the Resolution	2	16	0.00	0.00
Total Ballot with ASSENT in Physical and Electronic Mode	40	4313270	71.77	100.00
Total Ballot With DISSENT in Physical and Electronic Mode	2	16	0.00	0.00
Since total votes polled in favour of resolution is 100.00% and total votes polled against the resolution is 0.00%, **resolution has been passed as an Ordinary Resolution.**				



Resolution No. 2 : Ordinary resolution for To appoint a Director in place of Mr. Nimish K. Patel (DIN: 00240621), who retires by rotation and being eligible, has offered himself for re-appointment.

Particulars	***No. of Physical Ballot forms/ Evoting***	***No. of Shares***	***% of total paid up equity capital***	***% of total votes polled***
a) Total Physical Ballot forms received	24	779244	12.97	18.07
b) Less; Invalid Physical Ballot forms	0	0	0	0
c) Net Valid Physical ballots with voting exercised	24	779244	12.97	18.07
d) voting exercised through E-Voting	18	3534042	58.80	81.93
e) Total valid votes exercised (c+d)	42	4313286	71.77	100
f) Physical ballot forms with assent (favour) for the Resolution	24	779244	12.97	18.07
g) Physical Ballot with dissent (against) for the resolution	0	0	0	0
h) Physical ballot forms not voted for the Resolution	0	0	0	0
i) E-Voting ballot with assent (favour) for the Resolution	16	3534026	58.80	81.93
j) E-Voting ballot with dissent (against) for the Resolution	2	16	0.00	0.00
Total Ballot with ASSENT in Physical and Electronic Mode	40	4313270	71.77	100.00
Total Ballot With DISSENT in Physical and Electronic Mode	2	16	0.00	0.00
Since total votes polled in favour of resolution is 100.00% and total votes polled against the resolution is 0.00%, **resolution has been passed as an ordinary Resolution.**				



Resolution No. 3 : Ordinary resolution for To ratify appointment of Auditors of the Company to hold office from the conclusion of this Annual General Meeting i.e. 28th AGM till the conclusion of the 29th Annual General Meeting and to fix their remuneration.

Particulars	***No. of Physical Ballot forms/ Evoting***	***No. of Shares***	***% of total paid up equity capital***	***% of total votes polled***
a) Total Physical Ballot forms received	24	779244	12.97	18.07
b) Less; Invalid Physical Ballot forms	0	0	0	0
c) Net Valid Physical ballots with voting exercised	24	779244	12.97	18.07
d) voting exercised through E-Voting	18	3534042	58.80	81.93
e) Total valid votes exercised (c+d)	42	4313286	71.77	100
f) Physical ballot forms with assent (favour) for the Resolution	24	779244	12.97	18.07
g) Physical Ballot with dissent (against) for the resolution	0	0	0	0
h) Physical ballot forms not voted for the Resolution	0	0	0	0
i) E-Voting ballot with assent (favour) for the Resolution	16	3534026	58.80	81.93
j) E-Voting ballot with dissent (against) for the Resolution	2	16	0.00	0.00
Total Ballot with ASSENT in Physical and Electronic Mode	40	4313270	71.77	100.00
Total Ballot With DISSENT in Physical and Electronic Mode	2	16	0.00	0.00
Since total votes polled in favour of resolution is 100.00% and total votes polled against the resolution is 0.00%, **resolution has been passed as an ordinary Resolution.**				



Resolution No. 4 : Ordinary resolution for To approve the remuneration of Cost Auditors for the year 2016-17

Particulars	***No. of Physical Ballot forms/ Evoting***	***No. of Shares***	***% of total paid up equity capital***	***% of total votes polled***
a) Total Physical Ballot forms received	24	779244	12.97	18.07
b) Less; Invalid Physical Ballot forms	0	0	0	0
c) Net Valid Physical ballots with voting exercised	24	779244	12.97	18.07
d) voting exercised through E-Voting	18	3534042	58.80	81.93
e) Total valid votes exercised (c+d)	42	4313286	71.77	100
f) Physical ballot forms with assent (favour) for the Resolution	24	779244	12.97	18.07
g) Physical Ballot with dissent (against) for the resolution	0	0	0	0
h) Physical ballot forms not voted for the Resolution	0	0	0	0
i) E-Voting ballot with assent (favour) for the Resolution	16	3534026	58.80	81.93
j) E-Voting ballot with dissent (against) for the Resolution	2	16	0.00	0.00
Total Ballot with ASSENT in Physical and Electronic Mode	40	4313270	71.77	100.00
Total Ballot With DISSENT in Physical and Electronic Mode	2	16	0.00	0.00
Since total votes polled in favour of resolution is 100.00% and total votes polled against the resolution is 0.00%, **resolution has been passed as an ordinary Resolution.**				

Samdani Shah & Associates
Chirag Shah
Partner
C.P. No. 4198
Company Secretaries

Resolution No. 5 : Ordinary resolution for To approve the related party transactions of the Company under Section 188 of the Companies Act, 2013.

Particulars	***No. of Physical Ballot forms/ Evoting***	***No. of Shares***	***% of total paid up equity capital***	***% of total votes polled***
a) Total Physical Ballot forms received	24	779244	12.97	18.07
b) Less; Invalid Physical Ballot forms	0	0	0	0
c) Net Valid Physical ballots with voting exercised	24	779244	12.97	18.07
d) voting exercised through E-Voting	18	3534042	58.80	81.93
e) Total valid votes exercised (c+d)	42	4313286	71.77	100
f) Physical ballot forms with assent (favour) for the Resolution	24	779244	12.97	18.07
g) Physical ballot with dissent (against) for the resolution	0	0	0	0
h) Physical ballot forms not voted for the Resolution	0	0	0	0
i) E-Voting ballot with assent (favour) for the Resolution	16	3534026	58.80	81.93
j) E-Voting ballot with dissent (against) for the Resolution	2	16	0.00	0.00
Total Ballot with ASSENT in Physical and Electronic Mode	40	4313270	71.77	100.00
Total Ballot With DISSENT in Physical and Electronic Mode	2	16	0.00	0.00
Since total votes polled in favour of resolution is 100.00% and total votes polled against the resolution is 0.00%, **resolution has been passed as an ordinary Resolution.**				

Samdani Shah & Associates
Chirag Shah
Partner
CP 3408
Company Secretaries

7. The Physical ballot forms and other related papers/registers and records were handed over to Ms. Heena Jain, Company Secretary for safe custody.

8. You may accordingly declare the result of the voting by Physical Ballot and e-voting.

Thanking you,

Yours faithfully
For SAMDANI SHAH & ASSOCIATES
COMPANY SECRETARIES



CHIRAG SHAH
(PARTNER)
FCS No. 5545, CP No. 3498

Place: Ahmedabad
Date: 30th July, 2016

In presence of :

1. Mr. Raimeen Maradiya

2. Ms. Niyati Parikh

ANNEXURE-I

Details as per Regulation 44(3) of the SEBI (LODR) Regulations, 2015	
Name of the Company	**N K Industries Limited**
Date of the AGM/EGM	30/07/2016
Total number of Shareholders on record date	5136
Number of Shareholders present in the meeting in person	40
Proxies received for Individual shareholders	2
Authorised Representatives	2
No of Shareholders who attended the meeting through Video Conferencing: (a) promoters and Promoters Group (b) Public	Not Applicable
Mode of Voting	E-voting + Poll

Result of Voting is given as under (Resolution wise):

1. **Ordinary Resolution for adoption of Audited Financial Statements (including the Consolidated financial statement) for the year ended on 31st March, 2016**

Promoter/Public	Mode of voting	No of Shares	No of votes Polled	% of votes polled on outstanding shares	No of votes in favour	No of votes Against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3) = (2)/(1)	(4)	(5)	(6) = (4)/(2)*100	(7) = (5)/(2)*100
Promoter & Promoter Group	E-Voting	3524477	3524477	100	3524477	0	100	0
	Poll		0	0	0	0	0	0
	Total		3524477	100	3524477	0	100	0
Public – Institutional Investors	E-Voting	1300	0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Total		0	0	0	0	0	0
Public – others	E-Voting	2484123	9565	0.3850	9549	16	99.8327	0.1673
	Poll		779244	31.3690	779244	0	100	0.0000
	Total		788809	31.7540	788793	16	99.9980	0.0020
Total		6009900	4313286	71.7697	4313270	16	99.9996	0.0004

2. **Ordinary Resolution for Re-appointment of Mr. Nimish K. Patel as a Director:**

Promoter/Public	Mode of voting	No of Shares	No of votes Polled	% of votes polled on outstanding shares	No of votes in favour	No of votes Against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3) = (2)/(1)	(4)	(5)	(6) = (4)/(2)*100	(7) = (5)/(2)*100
Promoter & Promoter Group	E-Voting	3524477	3524477	100	3524477	0	100	0
	Poll		0	0	0	0	0	0
	Total		3524477	100	3524477	0	100	0
Public – Institutional Investors	E-Voting	1300	0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Total		0	0	0	0	0	0
Public – others	E-Voting	2484123	9565	0.3850	9549	16	99.8327	0.1673
	Poll		779244	31.3690	779244	0	100	0.0000

FOR N.K. INDUSTRIES LTD AHMEDABAD

	Total		788809	31.7540	788793	16	99.9980	0.0020
Total		6009900	4313286	71.7697	4313270	16	99.9996	0.0004

3. Ordinary Resolution for ratification of appointment and remuneration of M/s Parikh & Majmudar, Chartered Accountants as Statutory Auditors of the Company for the financial year 2016-17.

Promoter/Public	Mode of voting	No of Shares	No of votes Polled	% of votes polled on outstanding shares	No of votes in favour	No of votes Against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3) = (2)/(1)	(4)	(5)	(6) = (4)/(2)*100	(7) = (5)/(2)*100
Promoter & Promoter Group	E-Voting	3524477	3524477	100	3524477	0	100	0
	Poll		0	0	0	0	0	0
	Total		3524477	100	3524477	0	100	0
Public – Institutional Investors	E-Voting	1300	0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Total		0	0	0	0	0	0
Public – others	E-Voting	2484123	9565	0.3850	9549	16	99.8327	0.1673
	Poll		779244	31.3690	779244	0	100	0.0000
	Total		788809	31.7540	788793	16	99.9980	0.0020
Total		6009900	4313286	71.7697	4313270	16	99.9996	0.0004

4. Ordinary Resolution for approving appointment and remuneration to Cost Auditors for the financial year 2016-17

Promoter/Public	Mode of voting	No of Shares	No of votes Polled	% of votes polled on outstanding shares	No of votes in favour	No of votes Against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3) = (2)/(1)	(4)	(5)	(6) = (4)/(2)*100	(7) = (5)/(2)*100
Promoter & Promoter Group	E-Voting	3524477	3524477	100	3524477	0	100	0
	Poll		0	0	0	0	0	0
	Total		3524477	100	3524477	0	100	0
Public – Institutional Investors	E-Voting	1300	0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Total		0	0	0	0	0	0
Public – others	E-Voting	2484123	9565	0.3850	9549	16	99.8327	0.1673
	Poll		779244	31.3690	779244	0	100	0.0000
	Total		788809	31.7540	788793	16	99.9980	0.0020
Total		6009900	4313286	71.7697	4313270	16	99.9996	0.0004

5. Special Resolution for approving related party transactions under Section 188 of the Companies Act, 2013 to be entered by the Company.

Promoter/Public	Mode of voting	No of Shares	No of votes Polled	% of votes polled on outstanding shares	No of votes in favour	No of votes Against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3) = (2)/(1)	(4)	(5)	(6) = (4)/(2)*10	(7) = (5)/(2)*10

FOR, N.K. INDUSTRIES LTD. AHMEDABAD

							0	0
Promoter & Promoter Group	E-Voting	3524477	3524477	100	3524477	0	100	0
	Poll		0	0	0	0	0	0
	Total		3524477	100	3524477	0	100	0
Public – Institutional Investors	E-Voting	1300	0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Total		0	0	0	0	0	0
Public – others	E-Voting	2484123	9565	0.3850	9549	16	99.8327	0.1673
	Poll		779244	31.3690	779244	0	100	0.0000
	Total		788809	31.7540	788793	16	99.9980	0.0020
Total		6009900	4313286	71.7697	4313270	16	99.9996	0.0004

For N. K. INDUSTRIES LIMITED,

Heena Jain

MS. HEENA P. JAIN
COMPANY SECRETARY

FOR, N. K. INDUSTRIES LTD.
AHMEDABAD

N. K. Industries Ltd.

Nobody Understands Castor Oil Like Us...



28th
ANNUAL REPORT
2015-2016

28TH ANNUAL REPORT-2015-2016

CIN L91110GJ1987PLC009905

BOARD OF DIRECTORS:

Shri Nimish K. Patel DIN:00240621	Chairman & Managing Director
Shri Nilesh K.Patel DIN:00244115	Managing Director
Shri Hasmukh K. Patel DIN:06587284	Whole-Time Director
Shri Jaimin V. Modi DIN:00113689	Independent Director
Dr. Neha Modi DIN:07171193	Independent Director
Dr. Bharat J. Patel DIN:00944269	Independent Director

AUDITORS
M/s Parikh & Majmudar,
Chartered Accountants,
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
The Vysya Bank Limited
ICICI Bank
Central Bank of India
Indusind Bank
The Kalupur Commercial Co-Operative Bank Limited

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.

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NOTICE TO THE 28TH ANNUAL GENERAL MEETING

Notice is hereby given that the 28th Annual General Meeting (AGM) of the members of N. K. Industries Limited will be held on Saturday, the 30th day of July, 2016, at 4.00 p.m. at ATMA Hall, Ashram Road, Navrangpura, Ahmedabad- 380009 to transact the following business:

ORDINARY BUSINESS:

Item No. 1 - Adoption of financial statements

To receive consider and adopt the financial statements of the Company for the year ended March 31, 2016, including the Audited Balance Sheet as at March 31, 2016, the Statement 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

To appoint a Director in place of Mr. Nimish K. Patel (DIN: 00240621) as a Director, who retires by rotation and being eligible has offered himself for re-appointment.

Item No. 3 – Appointment of Auditors

To ratify the appointment of Auditors of the Company and to fix their remuneration and to pass the following resolution, as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013 and rules made thereunder and pursuant to the recommendation of the Audit Committee of the Board of Directors, the appointment of M/s. Parikh & Majmudar, Chartered Accountants be and is hereby ratified as Auditor of the Company to hold the office from the conclusion of this Annual General meeting i.e. 28th AGM till the conclusion of the 29th AGM (i.e. for the period of 1 year)

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

SPECIAL BUSINESS:

Item No. 4 – To approve the remuneration of Cost Auditors for the year 2016-17

To approve the appointment and fix remuneration of Cost Auditor for the Financial year 2016-17 and in this regard, to consider and if thought fit to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions 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), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending March 31, 2017, be paid the remuneration of ₹50,000 (excluding out of pocket expenses and applicable rate of service tax).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all 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 fir to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to enter into the related party transactions with the respective related parties and for the maximum amounts per annum, as mentioned herein below:

Nature of transaction as per 188 of the Companies Act, 2013	Name of Director/ KMP who is interested and nature of their relationship	Name of the related party	EstimatedSection Maximum Amount
Job Work Arrangement/Purchase /Sales of various goods	Mr. Nimish K Patel, Mr. Nilesh K. Patel, Dr. Bharat Patel, Directors of the Company are common directors in both the Companies.	N. K. Proteins Private Limited (formerly known as N.K. Protiens Limited)	₹ 200 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."

By Order of the Board of Directors

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

Date : 21st May, 2016
Place : Ahmedabad

Registered Office:
7th Floor, Popular House,
Ashram Road, Ahmedabad – 380 009
L91110GJ1987PLC009905
Email: nkil@nkproteins.com

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 authorized 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 at 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 23rd July, 2016 to Saturday, the 30th July, 2016, 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.

   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 Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide facility to the shareholders to 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')

10. **The instructions for shareholders voting electronically are as under:**

    i. The voting period begins on 27th July, 2016 at 9.00 a.m. and ends on 29th July, 2016 at 5.00 p.m. IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd July, 2016, 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.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If 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 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii. If Demat account holder has forgotten the same 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. 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.com and register themselves as Corporates.
- 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 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.

xviii. 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.

EXPLANATORY STATEMENT 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 M/s. N.D. Birla & Co., the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2017. The remuneration is fixed at ₹50,000/- (excluding out of pocket expenses and applicable rate of service tax).

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, 2017.

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 there in 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 Special 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 related party.

The material related party transaction and its details are as under (in terms of Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014:-

1. Name of related party	M/s. N K Proteins Private Limited(Formerly Known as N K Proteins Limited)
2. Name of related Directors	i. Mr. Nimish K. Patel
	ii. Mr. Nilesh K. Patel
	iii. Dr. Bharat J. Patel
3. Nature of relationship	Same Group Company
4. Particulars of Contract	As per the terms and conditions of job work agreement entered into for a period commencing from 01/04/2016 to 31/03/2019
5. Maximum monetary limit of transactions	Rs. 200 Crores p.a.

The aforesaid agreement is entered on arm's length basis and all factors relevant to the contract has been considered by the Board. The Copy of the above mentioned existing agreement 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.

Apart from the above mentioned related party transactions there are no other material related party transactions entered into by the company in terms of provisions of Section 188 of the Companies Act, 2013

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

Mr. Nimish K. Patel, Mr. Nilesh K. Patel and Dr. Bharat J. Patel 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 of their respective shareholding in both the Companies.

By Order of the Board of Directors

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

Date : 21st May, 2016
Place : Ahmedabad

Additional information on Directors recommended for appointment / re-appointment.

As the Chairman of the Company, Mr. Nimish Keshavlal Patel is responsible for driving growth and differentiations across portfolio at N K Industries Limited.

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, Hon'ble Union Minister for Agriculture at Solvent Extractors Association (SEA) Award Function on 20th September 2003.

Following are the Companies (other than N K Industries Limited) in which Mr. Nimish K. Patel holds directorship and committee membership:

Directorship:

- N K Proteins Private Limited
- Banpal Oilchem Private Limited
- N K Oil Mills Private Limited

Member of Board Committee

- N K Industries Limited
  Nomination and Remuneration Committee
- N K Proteins Private Limited
  Corporate Social Responsibility Committee (CSR)

DIRECTORS' REPORT

To The Members,

We are delighted to present the report on our business and operations for the year ended March 31, 2016.

OVERVIEW OF THE ECONOMY

India is the biggest source of castor oil to the world market. It is by far the largest producer and exporter of castor oil, followed by China and Brazil. As the prices remained lower during the period, demand increased and as a result exports from the country increased. As per Solvent Extractors Association of India (SEA) data, during April-February 2015-16, India had exported 4,34,645 tones of castor oil as against 4,00,084 tones in corresponding period of 2014-15.

Castor oil and castor seeds are known for the volatility in their prices. Castor crop cultivators, castor oil derivatives producers, and consumers have a critical need to factor in this price volatility in their business modeling and planning.

The Company is focused on producing the basic castor oil grades. The Company is also engaged in trading of castor oil derivatives mainly HCO which the Company gets manufactured on job work basis. The Company is also manufacturing other derivatives viz.12 HSA and ricionic acid etc, The Company has a capacity to crush over 27000 MT of castor seeds per month. It is currently operating with crushing capacity in excess of 18000 MT per month.

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

FINANCIAL RESULTS:

The Company's financial performance, for the year ended March 31, 2016: (₹ In Lacs)

	Standalone		Consolidated
PARTICULARS	**Year Ended 31.03.2016**	**Year Ended 31.03.2015**	**Year Ended 31.03.2016**
Revenue from operations (Net)	**8403.42**	**6709.82**	**10436.55**
Other Income	67.18	86.02	84.68
Total Income	**8470.61**	**6795.84**	**10521.23**
Total Expenditure	7466.70	6825.13	9781.45
Profit / (Loss) before Tax & Depreciation	**1003.91**	**(29.29)**	**739.79**
Less : Depreciation	1245.25	2422.37	1330.55
Less: Provision for taxation	-	-	-
Profit/ (Loss) before interest & exceptional items	(241.34)	(2451.66)	(590.76)
Finance Cost	1.57	12.99	2.77
Profit/(Loss) before Exceptional Items	(242.91)	(2464.64)	(593.54)
(Add)/ Less: Exceptional Items	-	-	-
Profit/(Loss) before prior period items and tax	-	-	-
Deduct : Prior Period Adjustment (Taxation)	-	-	-
Profit/(Loss) before tax for the year	**(242.91)**	**(2464.65)**	**(593.54)**
Add/ (Less): Deferred Tax	-	-	54.38
Profit/Loss for the year	**(242.91)**	**(2464.65)**	**(539.16)**

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

REVENUES- STANDALONE

Our total income on a Standalone basis increased to ₹ 8470.61 lacs from ₹ 6795.84 lacs in the previous year at a growth rate of 24.64%. Net Loss for the year decreased by ₹ 2221.74 lacs from ₹ (2464.65) lacs in the previous year to ₹ (242.91) lacs in the current year.

REVENUES- CONSOLIDATION

As the Company has prepared it's consolidated financial statement for the first year, therefore no previous year figures are available for comparison.

SUBSIDIARY/ JOINT VENTURE COMPANIES

At the beginning of the year the Company had one Joint Venture Company and it did not have any subsidiary. As on March, 2016, it has two domestic subsidiaries. The Board of Directors have reviewed the affairs of the subsidiaries. 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 form part of the Annual Report except consolidation of Joint Venture i.e. AWN Agro Private Limited. 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 subsidiaries and Joint Venture Company in the prescribed format **AOC-1** is appended as **"Annexure-A-1"**to the Board's report.

During the year, investments were made in the following subsidiaries:

1. M/s. Banpal Oilchem Private Limited
2. M/s. N K Oil Mills Private Limited

SHARE CAPITAL

The paid up Equity Share Capital of the Company as at March 31, 2016 stood at ₹ 6,00,99,000. During the year under review, the Company has neither issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2016, none of the Directors of the Company hold any instruments convertible into equity shares of the Company.

During the year under review the BSE and NSE had issued a notice of intimation dated 23rd March, 2016 for revoking the suspension in trading in the equity share of the company with effect from 31st March, 2016.

DIVIDEND AND RESERVES

Your Directors express their inability to recommend any dividend for the year 2015-16 owing to accumulated losses of the Company. As a result, your Company was unable to transfer any funds to the Reserves and Surplus Account.

FIXED 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, 2016. There were no unclaimed or unpaid deposits as on March 31, 2016.

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

The details of related party transactions entered into by the Company are provided in Form AOC-2 given as **"Annexure A-2"** of Boards' 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.

All the related party transactions are placed before the Audit Committee as also before the Board for approval. The policy on Related Party Transactions as approved by Board of Directors has been placed on the Website of the Company.

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 STATEMENTS 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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORTS

In terms of the Regulation 34(e) of SEBI (LODR) Regulations, 2015, Management Discussion and Analysis is set out in the Annual Report as **"Annexure B"**.

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under section 197(12) of the Act, read with Rule 5(1) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **"Annexure C"** 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.

DIRECTORS

In accordance with the provisions of Section 152(6) of the Companies Act and Articles of Association, Mr. Nimish K. Patel (DIN_00240621) 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 Mr. Jayesh D. Thakkar resigned w.e.f 07/05/2015 and Mrs. Neha Modi was appointed as an Independent Woman Director w.e.f 23/05/2015 in casual vacancy caused by the resignation of Mr. Jayesh D. Thakkar.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The details of the number of meetings of the Board held during the financial year are as follow:

Board Meetings held during the year 2015-16

Sr. No.	Date of Board Meeting
1	23/05/2015
2	08/07/2015
3	08/08/2015
4	07/11/2015
5	05/02/2016

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

As per Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors was held on 7th March, 2016 at 11.30 A.M. at the registered office of the Company situated at Ahmedabad to discuss the agenda items as required under the Companies Act, 2013.

The names of members of the Board and their attendance at the Board Meetings are as under:

Sr. No.	Name of directors	Number of Meetings Attended / Total Meetings held during the year 2015-16
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)	5/5
5.	Mr. Jaimin Modi(Independent Director)	5/5
6.	Ms. Neha Modi(Independent Director)	5/5

KEY MANAGERIAL PERSONNEL

During the year under review, the following changes took place in the post of Company Secretary (CS) as KMP

1	Ms. Heena P. Jain	Company Secretary & Compliance Officer	14/12/2015 (Appointed)
2	Ms. Monica Surjani	Company Secretary & Compliance Officer	21/11/2015 (Resigned)

NOMINATION AND REMUNERATION POLICY:

The Policy of the Company on Directors' 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 our website

We affirm that the remuneration paid to the Directors is as per the term laid out in the Nomination and Remuneration policy of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given any loans or guarantees 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 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 done by the 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.

COMMITTEES OF BOARD

Currently, the Board has four committees i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. All committees constitute proper composition of Independent Directors as mentioned in relevant provisions of Companies Act, 2013.

Name of the Committee	Composition of the Committee	Highlights of duties, responsibilities and activities
Audit Committee (This disclosure is as per section 177 (8) of Companies Act, 2013)	Shri Jaimin Modi (Chairman) Shri Nilesh K. Patel Dr. Bharat J. Patel (w.e.f 14/05/2015)	• 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 and suspected fraud or violation of Companies 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

Name of the Committee	Composition of the Committee	Highlights of duties, responsibilities and activities
Nomination and Remuneration Committee	Shri Jaimin Modi (Chairman) Mr. Nimish K. Patel (w.e.f. 14/05/2015) Dr. Bharat J. Patel (w.e.f 14/05/2015)	• 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	Shri Jaimin Modi (Chairman) Shri Hasmukh K. Patel Ms. Neha Modi (w.e.f 23/05/2015)	• 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 (This disclosure is as per section 135 (2) of Companies Act, 2013)	Dr. Bharat J. Patel (Chairman) Shri Nimish K. Patel Ms. Neha Modi (w.e.f 23/05/2015)	• 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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability confirm that:

i) in the preparation of the annual accounts for the year ending March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departure;

ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.

iii) The Directors have 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.

iv) The annual accounts have been prepared on going concern basis;

v) The Directors have laid down internal financial controls, which are adequate and are operating effectively.

vi) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such system are 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 from them 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 balance of trade receivables and trade payables arising out of the transactions through NSEL, 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 has issued a notification attaching the properties of the Company. However, the Company has challenged the said notification before the Hon'ble High Court of Gujarat and the matter is subjudice.

ii. With respect to point no. 2 of qualified opinion of the 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 thereof is as under:-

i. The Company still continues to be a Sick Unit as the Company has incurred huge losses in the past years and the net worth of the Company is negative. The Board of Directors has already made reference to the Board for Industrial Finance and Reconstruction (BIFR) and BIFR has appointed Canara Bank as Operating Agency (OA) vide its order dated 1st March, 2012. Further the Company has submitted a Draft Rehabilitation Scheme (DRS) to Canara Bank, (OA). The BIFR will examine the said DRS and finalise the same after submission of viability report by Canara Bank (OA).

ii. (A) During the year under review, the Income Tax department has raised a demand of ₹60.33 crores on the Company for the Assessment Year 2012-13 making the demand of ₹210.82 crores in aggregate (₹150.49 crores for A.Y 2011-12). 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 by the Auditors in their Report.

(B) The demand raised by the Income Tax Authorities under Section 132 of the Income Tax Act, is disputed and presently pending before the Hon'ble High Court of Gujarat. Therefore as the Company is hopeful of getting favorable order by the Hon'ble High Court no provision is made with regard to the interest payable on the disputed demand.

iii. The demand raised by the Sales Tax Authorities is disputed and the Company has shown the said liability as Contingent Liability under Note No. 36 of the notes forming part of the Accounts. Therefore, the Company has not made any provision for the said disputed liability.

iv. As also explained at point no. i above, the Company has filed a Draft Rehabilitation Scheme before the BIFR and a report from Canara Bank the Operating Agency is still awaited. The BIFR will examine the said DRS and finalise the Rehabilitation Scheme after submission of viability report by Canara Bank (OA).

v. 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 lonas and advances given have been are still awaited from various parties.

Further the Auditors of the Company has emphasized on some additional points in their Consolidated Auditors Report on which the management has to reply as under:

vi. An amount of Rs.34.58 lacs was incurred in cash towards land development expenses in Banpal Oilchem Private Limited by the erstwhile Promoters during financial year 2015-16. However, as confirmed by the erstwhile management, there were no third party evidences available against the said land development cost incurred by them. The present management has fully relied upon the certified accounts given by the erstwhile management on the date of transfer i.e. 18.07.20 15.

vii. 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 rovisions of the Companies Act, 2013 and the Accounting standard 21 & 27, consolidation of the accounts ofAWN Agro Pvt. Ltd. is not required with our company.

viii. 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.

ix. 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.

Further the said property has also been attached by the Enforcement Directorate through an attachment order, which has been challenged before the PMLA Appellate Tribunal, New Delhi and the matter is sub-judice.

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

x. 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 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 Samdani Shah & Associates, Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as **"Annexure D"** and forms an integral part of this report.

iii. Cost Audit

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, Cost Audit has been duly carried out of the Cost Records relating to oil manufacturing unit every year.

The Board of Directors, on recommendation of the Audit Committee, has appointed M/s. N D Birla & Co., as Cost Auditors of the Company for the Financial Year 2016-17. 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 the ensuing Annual General Meeting.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS DURING THE YEAR:

1. The Company has received Attachment Order dated 14/08/2015 from the Income Tax Department with respect to the attachment of the following immovable property:-
   - 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

2. Charge sheet filed against the Company by the Enforcement Directorate, Mumbai before the PMLA Court Mumbai under PMLA Special Case No. 04 of 2015. The said matter is sub-judice.
3. Order passed by the Appellate Tribunal, Prevention of Money Laundering Act, Delhi directing to submit monthly statement of accounts and trial balance by the 15th of the succeeding month and also to deposit net income after tax with the respondent (Enforcement Directorate) as an interim measure and the said matter is presently sub-judice.
4. Order was passed by the Adjudicating Authority under PMLA (The Prevention of Money Laundering Act, 2002 under OC No. 430/2015 attaching the following property of the Company. The said matter is sub-judice.
   - Plant of M/s. N K Industries Limited, comprising 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.

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-E"** and forms integral part of this report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As part of its initiatives under "Corporate Social Responsibility" (CSR), the Company was unable to contribute the funds due to huge losses in the previous years as well as in the current year. The Company is striving to make good profit in the coming years and the Board of Directors of the Company assures to contribute funds in future.

VIGIL MECHANISM

The Company has a Vigil Mechanism to report genuine concerns or grievances. The Vigil Mechanism has been posted 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 conduct Internal Audit & to submit Internal Audit Report 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 AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. 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.

As required by the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated and implemented guidelines on prevention of sexual harassment at workplace with a mechanism of lodging and redressal of complaints. During the year under review, no complaints were reported to the Company.

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 2015-16	**Amount in ₹**
Foreign Earnings	3,47,24,640/-
Foreign Outflow	-

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.

OTHER INFORMATION

The Company has considered the proposal for purchasing and setting up a refining unit at the factory premises for refining edible as well as non-edible oil with capacity of 400 TPD. The said consideration of proposal by the Board has been also intimated to the stock exchanges.

RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and Regulation 21 of SEBI (LODR) Regulations, 2015, the Company has framed Risk Management Policy to review Business Risk.

The Company has devised and implemented a mechanism for risk management and has developed a Risk Management Policy. The Policy provides for the role of Audit Committee, which will identify internal and external risk and implement mitigation steps. The Committee will on quarterly basis, provide status updates to the Board of Directors of the Company.

The Company is a BIFR Company and its entire Net worth has been eroded. Presently the matter is pending with the BIFR. The adverse decision of BIFR may affect the Company.

ACKNOWLEDGEMENT

Your Directors express their sincere thanks and appreciation to the Promoters, Shareholders, and Customers for their constant support and co operation.

Your Directors also place on record their gratitude towards the Banks, Institutions and Government Departments for their confidence reposed in the Company.

For and on behalf of the Board
Nimish K. Patel
Chairman & Managing Director
DIN: 00240621

Date : 21st May, 2016
Place : Ahmedabad

C.E.O. & C.F.O. CERTIFICATION

To,
Board of Directors,
N K Industries Limited
Ahmedabad

Dear Sir/s,

Subject: - Certification under Regulation 33 (2) (a) of SEBI LODR Regulations, 2015 on financial results for the quarter and year ended on 31st March, 2016

We, Nilesh K. Patel, Managing Director and Ashwin P. Patel, Chief Finance Officer heading the finance function of the N K Industries Limited certify that:

A. We have reviewed the financial statements and cash flow statement for the quarter and year ended 31st March, 2016 and to the best of our knowledge and belief:
   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting standards, applicable laws and regulations.

B. To the best of our knowledge and belief, no transaction entered into by the Company during the quarter and year ended 31st March, 2016 are fraudulent, illegal or in violation of the Company's code of conduct.

C. We accept the responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps have been taken to rectify these deficiencies.

D. We have indicated to the Auditors and to the Audit Committee:
   i. Significant change/s in the internal control over financial reporting during the year.
   ii. Significant change/s in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Nilesh K. Patel
Managing Director
DIN: 00244115

Sd/-
Ashwin P. Patel
Chief Financial Officer

Place : Ahmedabad
Date : 21.05.2016

"ANNEXURE A-1"

Form AOC-1

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

PART "A": Subsidiaries

1.	Sr. 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	(149568038)
7.	Total assets	24315414
8.	Total liabilities	17,33,21,772
9.	Investments	764609
10.	Turnover	15,77,53,436
11.	Profit before taxation	(3,167,170)
12.	Provision for taxation	91,12,338
13.	Profit after taxation	59,45,169
14.	Proposed Dividend	Nil
15.	% of shareholding	100%

1.	Sr. 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	(10,24,80,138)
7.	Total assets	5,06,24,116
8.	Total liabilities	13,28,34,254
9.	Investments	Nil
10.	Turnover	4,55,59,604
11.	Profit before taxation	(3,18,95,655)
12.	Provision for taxation	Nil
13.	Profit after taxation	(2,50,01,864)
14.	Proposed Dividend	Nil
15.	% of shareholding	100%

For and on behalf of the Board

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

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 consolidated	Networth attributable to shareholding 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, 2016	2,50,05,000	25,00,50,000	50%	N.A	* Refer note below	N.A	N.A

* Note : The reason for not 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 Accounting Standards 21&27.

For and on behalf of the Board

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

"ANNEXURE A-2"

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 (Formerly Known as N K Proteins Limited)- Group Company
   b) Nature of contracts/arrangement/transactions: Job work Agreement
   c) Duration of contract/arrangement/transactions: Thirty-six months (upto 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 shall come into effect from 1st April, 2016 to 31st March, 2019.
   e) Date(s) of approval by the Board, if any : 21/05/2016
   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 : 21st May, 2016
Place : Ahmedabad

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY OVERVIEW

The Promoters selected to go into manufacturing and refining of castor oil and its derivatives keeping in view its market perspective. India meets more than 80% demand of Castor oil thereby enjoying dominant position in the World Castor Scenario. India's exports of Castor oil and derivatives are estimated at over ₹6,500 crores (US$ 1 billion) per annum. The global castor derivatives market estimated to be over US$ 3.0 billion is highly dependent on India.

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 affects the quick turnaround. However, the Management is aware of the said problems & therefore has designed the system to address the same. Once the pending Draft Rehabilitation Scheme is finalized by the Operating Agency, Canara Bank and if subsequently approved by the BIFR, the Company is hopeful for revival.

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 ensure that the Internal Control system is proper and adequate.

OPERATING LOSS BEFORE OTHER INCOME AND DEPRICIATION

The profit of the Company before providing for finance cost and depreciation was ₹936.72 Lacs as against previous year loss of ₹ 115.31 Lacs.

Other Income

The other income was lower at ₹67.18 Lacs as against ₹86.02 Lacs in the previous year

Finance Cost was lower at ₹1.56 Lacs as against ₹12.99 Lacs in the previous year

Depreciation (Including amortization) was lower at ₹1245.25 Lacs as against ₹2422.37 Lacs in the previous year

Net loss during the year stood at ₹ 242.91 Lacs as against ₹2464.65 Lacs 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. The Management has always been keen to increase its business which will help to enhance the utilization of its capacity and thereby create further employment.

"ANNEXURE C"

PARTICULARS OF EMPLOYEES

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 2015-16 and the percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year 2015-16:

Sr. No.	Name of the Director/KMP and Designation	Remuneration of Director/KMP for the financial year 2015-16 (in ₹)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director to the median employee of the Company
1	Mr. Nimish K. Patel(Chairman & Managing Director)	30,00,000	100%	22
2	Mr. Nilesh K. Patel(Managing Director)	30,00,000	100%	22
3	Mr. Hasmukh K. Patel(Whole Time Director)	5,96,544	32%	4.35
4	Mr. Jaimin Modi(Independent Director)	Nil	-	N.A
5	Dr. Bharat J. Patel(Independent Director)	Nil	-	N.A
6	Ms. Neha Modi(Independent Director)	Nil	-	N.A
7	Mr. Ashwinbhai P. Patel(Chief Finance Officer)	6,00,000	-	N.A
8	Ms. Heena P. Jain(Company Secretary**)	2,40,000	-	N.A

* Company Secretary is appointed w.e.f 14th December, 2015

ii. The median remuneration of employees of the Company during the year under review was ₹ 1,34,610.

iii. The increase in remuneration of Directors and Key Managerial Personnel during the financial year 2015-16 is provided in the table above.

iv. The percentage increase in the median remuneration of employees of the Company during the financial year: 26%

v. The number of permanent employees on the rolls of Company**:** 202 as on March 31, 2016.

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.

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

The members of the Company had in the 27th Annual General Meeting of the Company held on 26/09/2015 approved to pay remuneration to Mr. Nimish K. Patel and Mr. Nilesh K. Patel within the limits as prescribed under Schedule V of the Companies Act, 2013. Thus the remuneration paid is pursuant to the approval received.

vii. 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: As the trading of the equity shares of the Company at the stock exchanges was suspended during the close of previous financial year and it got revoked on 31st March, 2016, therefore no comparison with respect to the market capitalization will be possible. Further the price earnings ratio as at the close of previous financial year was (41.01) and as at current financial year was (4.04).

viii. 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.

ix. 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:

The increase in the remuneration of median employees of the Company is in relation with the industrial standards of similar field.

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

As the Company is a Sick Company and registered before the BIFR there is no increase in the remuneration of Key Managerial Personnel of the Company during the year under review except the remuneration of Mr. Nimish K. Patel (Chairman and Managing Director) and Mr. Nilesh K. Patel (Managing Director) as also explained at point vii above.

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

xii. 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

xiii. The Company affirms remuneration is as per the Remuneration Policy of the Company.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2016
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration 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 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 31.03.2016, 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 31.03.2016 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;

(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 the Company has received an order under Section 210 of the Companies Act, 2013, to investigate into the affairs of the Company.

Sd/-
Chirag Shah
Partner
Samdani Shah & Associates
FCS No. 5545
C P No.: 3498

Place : Ahmedabad
Date : 19/05/2016

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

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. 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.

Sd/-
Chirag Shah
Partner
Samdani Shah & Associates
FCS No. 5545
C P No.: 3498

Place : Ahmedabad
Date : 19/05/2016

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

(As on the financial year ended on 31st March, 2016)

[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	✓
	Private Company	
Sub Category of the Company	1. Government Company	
	2. Small Company	
	3. One Person Company	
	4. Subsidiary of Foreign Company	
	5. NBFC	
	6. Guarantee Company	
	7. Limited by shares	✓
	8. Unlimited Company	
	9. Company having share capital	
	10. Company not having share capital	
	11. Company Registered under Section 8	
Whether shares listed on recognized Stock Exchange(s)	Yes	
If yes, details of stock exchanges where shares are listed	SN Stock Exchange Name	Code
	1 Bombay Stock Exchange	519494
	2 National Stock Exchange	NKIND
	3 Ahmedabad Stock Exchange	-
	4 Delhi Stock Exchange	-
	5. Chennai Stock Exchange	-
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	**IN**
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: Name and Address of Registrar & Transfer Agents (RTA):- Full address and contact details to be given.	N.A
Registrar & Transfer Agents (RTA):-	Link Intime India Private Limited
Address	Unit No 303 , 3rd floor Shoppers Plaza V,Opp. Municipal Market, Behind Shoppers Plaza II, Off C G Road,
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)

SL No	Name & Description of main products / services	NIC Code of the Product /service	% to total turnover of the Company
1.	Castor Seed	15153090	37.43%
2.	12 HSA	15153090	29.72%
3.	HCO	15153090	20.77%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
1	AWN Agro Private Limited	U15143GJ2011PTC064651	A Joint Venture Company
2	N K Oil Mills Private Limited	U15201GJ1994PTC022669	A Subsidiary Company
3	Banpal Oilchem Private Limited	U15201GJ1996PTC030702	A Subsidiary Company

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 [As on 1st-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during this year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	1150703	-	1150703	19.15	3139926	-	3139926	52.25	33.10
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2356525	-	2356525	39.21	367302	-	367302	6.1116	33.10
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	3507228	-	3507228	58.36	3507228	-	3507228	58.36	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	1300	1300	0.02	-	1300	1300	0.02	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	1300	1300	0.02	-	1300	1300	0.02	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	318958	9000	327958	5.46	317869	9000	326869	5.44	0.02
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto 1 lakh	587469	573284	1160753	19.31	548729	571884	1120613	18.65	0.66
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	971530	34636	1006166	16.74	934822	34636	969458	16.13	0.61
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d) Others (NRI & CM)	5895	600	6495	0.11	6100	600	6700	0.11	-
Sub-total (B)(2):-	1883852	617520	2501372	41.62	1885252	616120	2501372	41.62	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1883852	618820	2502672	41.64	1885252	617420	2502672	41.64	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	5391080	618820	6009900	100	5392480	617420	6009900	100	-

(B) Shareholding of promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year 1st April, 2014			Shareholding at the end of the year 31st March, 2015			% Change in Shareholding 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 of the Company	% of Shares Pledged / encumbered to total Shares	
1	Ashita Nilesh Patel	179816	2.99	-	1273889	21.20	-	18.21
2	Sonalben Nimishbhai Patel	256420	4.27	-	1151570	19.16	-	14.89
3	Nimish Keshavlal Patel	134123	2.23	-	134123	2.23	-	-
4	Priyanshi Nileshbhai Patel	106900	1.78	-	106900	1.78	-	-
5	Nimishbhai Keshavlal Patel (HUF)	104557	1.74	-	104557	1.74	-	-
6	Nileshshbhai Keshavlal Patel (HUF)	104557	1.74	-	104557	1.74	-	-
7	Priyam Nilesh Patel	84516	1.41	-	84516	1.41	-	-
8	Venushree Nimishbhai Patel	84160	1.40	-	84160	1.40	-	-
9	Vedanshee Nimishbhai Patel	73100	1.22	-	73100	1.22	-	-
10	Nileshbhai Keshavlal Patel	20954	0.35	-	20954	0.35	-	-
11	Darshanbhai Baldevbhai Patel	1600	0.03	-	1600	0.03	-	-
12	N K Proteins Private Limited	367302	6.11	-	367302	6.11	-	-
13	N K Oil Mills Private Limited	1989223	33.10	-	-	-	-	(33.10)
	TOTAL	**3507228**	**58.36**	**-**	**3507228**	**58.3575**	**-**	**-**

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		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	Ashita Nileshbhai Patel				
	At the beginning of the year	179816	2.99	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweatequity etc):	1094073 Inter-se transfer between promoters	18.21		
	At the end of the year	1273889	21.20	-	-
2.	Sonalben Nimishbhai Patel				
	At the beginning of the year	256420	4.27	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweatequity etc):	895150 Inter-se transfer between promoters	14.89		
	At the end of the year	1151570	19.16	-	-
3.	N K Oil Mills Private Limited				
	At the beginning of the year	1989223	33.10		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweatequity etc):	1989223 Inter-se transfer between promoters	33.10		
	At the end of the year	Nil	Nil		

D) Shareholding Pattern of top ten 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 RAJIV VASTUPAL**				
	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):	298396 -	4.96 -	- -	- -
	At the end of the year	298396	4.96		
2	**MEHTA SECURITIES LIMITED**				
	At the beginning of the year	149800	2.49	-	-
	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	149800	2.49	-	-
3	**RAJIV VASTUPALINDU VASTUPAL**				
	At the beginning of the year	128726	2.14	-	-
	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):	128726	2.14	-	-
	At the end of the year	-	-	-	-
4	**RAJIV VASTUPALINDUBEN AMBALAL**				
	At the beginning of the year	96985	1.61	-	-
	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	96985	1.61	-	-
5	**SHREE HARIKRUPA AGRI PRODUCTS PVT. LTD.**	73908	1.23	-	-
	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	73908	1.23	-	-
6	**TUSHAR PATEL**	53015	0.88	-	-
	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	53015	0.88	-	-
7	**KIRAN SUNIL SEWANI**	47335	0.79	-	-
	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	47335	0.79	-	-
8	**SUNIL PRAHLAD SEWANI**	46886	0.78	-	-
	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	46886	0.78	-	-

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
9	**PATEL JITENDRA RATILAL**	36708	0.61	-	-
	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	36708	0.61	-	-
10	**JAPRO ENGINEERING PRIVATE LIMITED**	35850	0.60	-	-
	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	35850	0.60	-	-
4	**MANOJ B. VADODARIA**				
	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):	115000	1.91	-	-
	At the end of the year	115000	1.91	-	-

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Shareholder	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	-	-
	As a member of HUF	104557	1.74	-	-
	Total	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	-	-
	As a member of HUF	104557	1.74	-	-
	Total	238680	3.97	-	-
2	**NILESH KESHAVLAL PATEL** MANAGING DIRECTOR				
	At the beginning of the year				
	Individual Holding	20954	0.35	-	-
	As a member of HUF	104557	1.74	-	-
	Total	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	-	-
	As a member of HUF	104557	1.74	-	-
	Total	125511	2.09	-	-

Sr. No.	Name of Shareholder	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
3	**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	-	-	-	-
4	**BHARAT J PATEL** INDEPENDENT DIRECTOR				
	At the beginning of the year	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):	-	-	-	-
5	At the end of the year **JAIMIN MODI** INDEPENDENT DIRECTOR	196	0.003	-	-
	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	**NEHA 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):	-	-	-	-
7	At the end of the year **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	-	-	-	-
8	**HEENA P. JAIN** 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	-	-	-	-

F) INDEBTEDNESS-Indebtedness of the Company including interest outstanding/ accrued but not due for payment: N.A

	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	2161290	2161290	596544	4919124
	(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)	**2161290**	**2161290**	**596544**	**4919124**
	Ceiling as per the Act	60,00,000	60,00,000	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 Rs. 5.00 Lacs p.m. However due to continuing losses of the Company remuneration at the rate of Rs. 2.50 lacs p.m. was paid during the year under review.
The above amount is actual payment made to the KMP after the requisite deductions.

B. Remuneration to other Directors: NIL

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Bharat J. Patel	Jaimin Modi	*Jayesh Thakkar	**Neha Modi	
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 ManagerialRemuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

* Mr. Jayesh Thakkar resigned as a Director w.e.f. 7th May, 2015.
** Dr. Neha Modi was appointed as an Independent Director in casual vacancy w.e.f. 23rd May, 2015.

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CS		CFO	Total
		Monica Surjani	Heena P. Jain	Ashvin Patel	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	134373*	60897**	600000	795270
	(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	134373	60897	600000	795270

* *The Company Secretary Ms. Monica Surjani had resigned w.e.f 21st November, 2015 so the salary above comprises of salary paid from 1st April, 2015 to 21st November, 2015. **The Company Secretary Ms. Heena P. Jain is appointed w.e.f 14th December, 2015 so the salary above comprises of salary paid from 14th December, 2015 to 31st March, 2016.*

\# The above amount is actual payment made to the KMP after the requisite deductions.

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

Note: The Company has received a letter from Regional Director (RD), North-Western Region, Ahmedabad Gujarat dated 05/02/2016 regarding the Investigation u/s 210 of the Companies Act, 2013 and the said investigation is in progress.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF N.K INDUSTRIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **M/s N.K INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 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 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 Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 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 and has initiated 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. However, the Company has challenged the notification by Home department of Maharashtra in the Hon'ble Gujarat High Court. 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 profit or loss of the Company. (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, the matter is subjudice, we are unable to quantify the liability and its impact if any, on the profit or loss of the Company (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 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, 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

1. **We draw attention to Note 29 to the Standalone Financial Statements which states that the Company is having accumulated losses of Rs 320.16 Crores as at 31.3.2016 and the net worth of the Company is negative. The Company is registered and declared "Sick" by Hon'ble Board for Industrial & Financial Reconstruction under SICA Act. 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. *A)* **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 142A of the IT Act, 1961, for AY 2011-12 & A.Y 12-13. The department had raised a demand of Rs 210.82 (Rs150.49 crores for A.Y 11-12 & Rs 60.33 crores for A.Y 12-13) 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 the 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**

   B) Attention is invited to note 26 of the Standalone Financial Statements which states that 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 company, the Income Tax Appellate Tribunal (ITAT), Ahmedabad has subsequently given relief to the extent of ₹ 28.84 Crores. The Company's appeal before the Hon'ble Gujarat High Court against addition confirmed by ITAT of ₹ 4.28 Crores is admitted. Pending the disposal of appeal by the Hon'ble High Court, the provision for Income Tax of ₹2.88 Crores on addition confirmed by ITAT was made during F.Y.2002-03 and provision of ₹ 1.27 crore of interest payable up to 31.03.2005 was made in the accounts. Adhoc payments made against the outstanding demands are adjusted against principal amounts. No provision is made for the interest payable, if any, on the outstanding demand for the period from 1st April, 2005 till date as the Company is hopeful of getting favorable order from the Hon'ble High Court of Gujarat.

3. **Attention is invited to note 36 of the Standalone Financial Statements which states that Sales Tax Department has completed the assessment for various assessment years and raised demand of ₹ 5554.43 lacs for the earlier years. The Company has not made any provision for the above demand raised by the sales tax authority in view of the fact that that the Company has preferred an appeal before the appellate authority. The said amount has been shown as contingent liability under Note No. 24 of the notes forming part of accounts**

4. **Attention is also invited to note 25 of the Standalone Financial Statements which states that the Company has been declared as a Sick Industrial Company by the BIFR under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985,On having settled all the compromise dues of the banks and IDBI, the BIFR has disposed off the first reference Case no. 35/1999 of the Company. It has, however, registered the companies subsequent references and appointed Canara Bank as an Operating Agency vide its order dated 1st March, 2012 to prepare a Draft Rehabilitation Scheme (DRS) for its consideration**.

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. 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 Company and are subject to confirmation from the respective parties**.

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, and the Cash Flow Statement 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 Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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, 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 Standalone Financial Statements as referred to in Note no.24 to the Standalone 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
FR No. 107525W

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

Place : Ahmedabad
Date : 21/05/2016

ANNEXURE A - ANNEXURE TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

(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 passed on in the name of the company having total carrying value of ₹ 18.86 lacs.

(₹ In lacs)

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 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 not granted any 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) 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) In view of the legal opinion obtained from the expert and also on the basis of various information and explanation given to us, the company has broadly complied with the provisions of Section 185 and 186 with respect to the investment made & Loan Given. (Please refer the note no. 27(d) of the Notes forming part of financial statements)

(v) The Company has not accepted any deposits from the public.

(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, 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, value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 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 ,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	30.26 Lacs	Block Assessment (upto 31/03/2014)	Gujarat High Court from 1989 to 1999
Income Tax Act, 1961	Corporate Tax	15049 Lacs	FY 2010-11	Commissioner of Income Tax(Appeals) -IX
Income Tax Act,1961	Corporate Tax	6033 lacs	FY 2011-12	Commissioner of Income Tax(Appeals) -IX
Income Tax Act,1961	Corporate Tax	41.66 lacs	FY 2005-06	Commissioner of Income Tax(Appeals) -IX
Guj. Sales Tax	Sales Tax	130.88 Lacs	F.Y. 2008-09	Joint. Commissioner of Commercial Tax ,Appeal-I, Ahmedabad
Guj. Sales Tax	Sales Tax	5423.55 Lacs (Net of payments)	F.Y. 1989-1990, 1990-91, 1997-1998 to 2001-02	Sales Tax Tribunal / Commercial Tax Officer

(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
FR No. 107525W

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

Place : Ahmedabad
Date : 21/05/2016

Annexure B to the Auditor's Report

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") as of 31 March 2016 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 2016, 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
FR No. 107525W

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

Place : Ahmedabad
Date : 21/05/2016

BALANCE SHEET AS AT MARCH 31, 2016

(Amt in ₹)

Particulars	Note No.	As At 31-Mar-2016	As At 31-Mar-2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	6 00 99 000	6 00 99 000
(b) Reserves and surplus	2	(320 16 90 987)	(317 74 00 309)
Sub-Total Shareholders' funds		(314 15 91 987)	(311 73 01 309)
2 Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other long-term liabilities	3	6 27 61 89 691	6 27 61 89 691
(d) Long-term provisions	4	2 49 87 664	2 31 25 291
Total Non-current liabilities		6 30 11 77 355	6 29 93 14 982
3 Current liabilities			
(a) Trade payables			
Total outstanding dues to Micro Enterprise and Small Enterprise	5	5 14 109	-
Total outstanding dues to Creditors Other Than Micro Enterprise and Small Enterprise		1 64 63 507	39 98 49 119
(b) Other current liabilities	6	64 27 896	52 15 463
(c) Short-term provisions	7	24 32 969	18 22 100
Total Current liabilities		2 58 38 481	40 68 86 682
Total Equity and Liabilities		**3 18 54 23 848**	**3 58 89 00 355**
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets		1 51 30 44 362	1 61 64 92 629
(ii) Intangible assets		49 650	1 11 979
(iii) Capital work In progress		28 57 989	1 28 56 341
	8	1 51 59 52 001	1 62 94 60 949
(b) Non-current investments	9	1 87 33 854	11 76 560
(c) Long-term loans and advances	10	1 18 92 61 169	1 17 22 27 824
(d) Other non-current assets	11	4 18 80 828	24 80 09 622
Sub-Total Non-current assets		**2 76 58 27 852**	**3 05 08 74 955**
2 Current assets			
(a) Inventories	12	6 34 21 385	2 51 13 610
(b) Trade receivables	13	34 03 16 146	41 11 55 392
(c) Cash and Bank Balances	14	1 00 18 724	1 40 22 584
(d) Short-term loans and advances	15	58 39 740	8 77 33 813
(e) Other Current assets	-	-	
Sub-Total Current assets		**41 95 95 996**	**53 80 25 400**
Total Assets		**3 18 54 23 848**	**3 58 89 00 355**
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
(FRNo.107525W)

CA DR HITEN PARIKH
Partner
M.NO.040230

Ahmedabad
21st May, 2016

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
Ahmedabad
21st May, 2016

Heena P. Jain
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2016

(Amount in ₹)

Particulars	Refer Note No.	For the Year ended on 31-Mar-2016	For the Year ended on 31-Mar-2015
Revenue			
Revenue from operations	16	84 03 42 215	67 09 81 930
Other income	17	67 18 361	86 02 335
Total Revenue		**84 70 60 576**	**67 95 84 265**
Expenses			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade	18	47 70 19 752	43 92 87 570
Changes in inventories of finished goods WIP and Stock-in-Trade	19	(2 89 92 825)	1 14 03 548
Employee benefits expenses	20	5 82 94 931	4 83 83 222
Finance costs	21	1 56 783	12 99 069
Depreciation and amortization expense		12 45 24 742	24 22 36 983
		12 45 24 742	24 22 36 983
Other expenses	22	24 03 47 870	18 34 38 785
Total expenses		**87 13 51 254**	**92 60 49 177**
Profit before exceptional item		**(2 42 90 678)**	**(24 64 64 912)**
Exceptional Items + / (-)		-	
Profit after exceptional item		**(2 42 90 678)**	**(24 64 64 912)**
Profit before tax for the year		**(2 42 90 678)**	**(24 64 64 912)**
Tax expense:			
Current tax		-	-
Deferred tax		-	-
		-	**-**
Profit (Loss) for the period		**(2 42 90 678)**	**(24 64 64 912)**
Earnings per equity share:			
Basic and Diluted		(4.04)	(41.01)
Significant Accounting Policies	A		
The accompanying notes form an integral part of the standalone statements of profit and loss			

As per our report of even date attached.
FOR, PARIKH & MAJMUDAR
Chartered Accountants
(FRNo.107525W)

CA DR HITEN PARIKH
Partner
M.NO.040230

Ahmedabad
21st May, 2016

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

Heena P. Jain
Company Secretary

Ahmedabad
21st May, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH 2016

(Amount in ₹)

Particulars	As at 31-Mar-2016	As at 31-Mar-2016	As at 31-Mar-2015	As at 31-Mar-2015
Cash Flow Operating Activities:				
Net Profit After Tax and Extra Ordinary Items		(24,290,678)		(246,464,912)
Adjustment for :				
Depreciation & write off		124,524,742		242,236,983
(Profit)/loss on sale of assets		140,867		(1,908)
Interest received		(2,813,498)		(310,310)
Interest paid		156,783		1,299,069
		97,718,216		**(3,241,078)**
Adjustment for :				
Trade receivables(including loans and advances)	152,733,319		112,794,241	
Inventories	(38,307,775)		12,778,342	
Trade Payable (including other current laiblities)	(379,185,829)	(264,760,285)	(90,270,681)	35,301,902
Cash Generated from operating Activities		(167,042,069)		32,060,825
Less: Income Tax Paid		-		-
Cash flow before extra ordinary item		(167,042,069)		32,060,825
Extra ordinary items		-		-
Net Cash Flow from operating Activities		**(167,042,069)**		**32,060,825**
Cash Flow From Investing Activities:				
Purchase of Fixed Assets	(11,281,661)		(26,923,419)	
Changes in non current assets	189,095,449		-	
Interest received	2,813,498		310,310	
Proceeds from Sale of Fixed Assets	-		100,000	
Purchase /Sale of investment	(17,432,294)	163,194,992	-	(26,513,110)
Net Cash Flow from Investing Activities		163,194,992		(26,513,110)
Cash Flow From Financing Activities:				
Proceeds from Borrowing	-		-	
Interest Paid	(156,783)		(1,299,069)	
Net Cash used in Financial Activities		(156,783)		(1,299,069)
Net increase/(decrease) in cash and cash equivalents		**(4,003,860)**		**4,248,646**
Cash & Cash equivalent as at 01st April		14,022,584		9,773,938
Cash & Cash equivalent as at 31st March		**10,018,724**		**14,022,584**
Note: Cash and Cash Equivalents Includes:				
a) Cash on hand		2,475,677		3,836,314
b) Balance with Banks in Current account		3,521,072		6,526,972
c) Balance with Banks in fixed deposit less than 12 months		4,021,974		3,659,298
		10,018,724		**14,022,584**

As per our report of even date attached.
FOR, PARIKH & MAJMUDAR
Chartered Accountants
(FRNo.107525W)

CA DR HITEN PARIKH
Partner
M.NO.040230

Ahmedabad
21st May, 2016

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
Ahmedabad
21st May, 2016

Heena P. Jain
Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS

A. SIGNIFICANT ACCOUNTING POLICIES

i) **BASIS OF PREPARATION**

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (₹Act') read with Rule 7 of theCompanies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities & Exchange Board of India (SEBI). Accounting policies have been consistently applied.

ii) **USE OF ESTIMATES**

The preparation of the financial statements in conformity with GAPP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) **RECOGNITION OF INCOME & EXPENDITURE**

Revenues/Incomes and costs / expenditures are generally accounted on accrual, as they are earned or incurred. Sales are exclusive of Sales Tax / VAT collected. With regard to sale of product, Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

iv) **CURRENT AND NON CURRENT CLASSIFICATION**

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities

v) **FIXED ASSETS**

a) Tangible assets [except Plant and machinery and Building which were revalued in FY 2011-12 are stated at historical cost less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price, import duty and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they related to the period till such assets are ready to be put to use.

b) Intangible assets are stated at cost of acquisition/ cost incurred less amortization.

c) Tangible assets not ready for the intended use as on the date of Balance Sheet are disclosed as "Capital Workin-Progress and are stated at cost.

vi) **INVESTMENTS**

Current investment if any are carried at the lower of cost or quoted/fair value. Long Term Investments are stated at cost of acquisition. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

vii) **VALUATION OF INVENTORIES**

a) Raw materials, Finished Goods and Trading Goods are valued at lower of cost or net realizable value. The basis of determining cost for Raw materials, Finished Goods and Trading Goods is Weighted Average Cost Basis. Cost of inventories have been computed to include all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

viii) **METHOD OF DEPRECIATION**

a) Depreciation on tangible fixed assets (Other Than Plant and Machinery and Vehicles) has been provided on straight line method in accordance useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

b) Depreciation on Plant & Machinery for expansion Project & Vehicles is provided using Written down value Method in accordance to useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

c) Depreciation in respect of fixed assets put to use during the year/period is charged on pro-rata basis with reference to the installation of the assets.

d) Intangible assets are amortized using straight line method over estimated useful life of 5 years.

ix) **FOREIGN CURRENCY TRANSACTIONS**

Transactions in the foreign currency which are covered by forward contracts are accounted for at the contracted rate; the difference between the forward rate and the exchange rate at the date of transaction is recognized in the Statement of profit & loss over the life of the contract. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

x) **IMPAIRMENT OF ASSETS**

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset other than goodwill is reversed if, and only if, the reversal can be related objectively to an event occurring after the Impairment loss recognized. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment losses been recognized for the asset in prior years.

xi) **TAXATION**

a) Income-tax expense comprise of current tax, and deferred tax charge or credit.

b) Provision for current tax is made on the basis of the assessable income at the tax rate applicable for the relevant assessment year.

c) The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

xii) **RETIREMENT BENEFITS**

a) **Short Term**

Short term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.

b) **Long Term**

The Company has both defined contribution and defined benefit plans, of which some have assets in approved funds. These plans are financed by the Company in the case of defined contribution plans.

c) **Defined Contribution Plans**

These are the plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contribution to Employees Provident Fund. The Company's payments to the defined contribution plans are reported as expenses during the period under which an employee perform the services that the payment covers.

d) **Defined Benefits Plans**

Expenses for defined benefit gratuity payment plans are calculated as at the Balance Sheet date by independent actuaries in the manner that distributes expenses over the employees working life. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increase, using a discounted rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on Government Bonds with a remaining terms i.e. almost equivalent to the average balance working period of employees.

e) **Leave Encashment**

The Company has Defined Benefit plan for Post employment benefit in the form of Leave Encashment for all the employees. The Liability is measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

xiii) **PROVISIONS AND CONTINGENT LIABILITY**

a) Provision are recognised for when the Company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

b) Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the company are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Financial Statements.

xiv) **CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Cash flows from operating, investing and financing activities of the Group are segregated.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

xv) **EARNING PER SHARE :**

Basic earning per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares in issue during the year. Diluted earning per Share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

1 Share Capital

a. Details of Share Capital

Particulars	As at 31-Mar-2016		As at 31-Mar-2015	
	Number	₹	Number	₹
Authorized				
Preference Share Capital				
500000 (P.Y.500000) Preference shares of ₹100 each	500,000	50,000,000	500,000	50,000,000
Equity Share Capital				
25000000 (P.Y 25000000) Equity Share of ₹ 10 Each	25,000,000	250,000,000	25,000,000	250,000,000
		300,000,000		**300,000,000**
Issued, Subscribed & Paid up				
6009900 (P.Y 6009900)Equity Share of ₹ 10 each	6,009,900	60,099,000	6,009,900	60,099,000
Total	**6,009,900**	**60,099,000**	**6,009,900**	**60,099,000**

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

Equity Shares

Particulars	As at 31-Mar-2016		As at 31-Mar-2015	
	Number	₹	Number	₹
At the beginning of the period	6,009,900	60,099,000	6,009,900	60,099,000
Issued during the period	-	-		
Outstanding at the end of the period	**6,009,900**	**60,099,000**	**6,009,900**	**60,099,000**

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	As at 31-Mar-2016		As at 31-Mar-2015	
	No. of Shares held	%	No. of Shares held	%
Names of person holding more than 5% shares				
Ashita Nilesh Patel	1,273,889	21.20	-	-
Sonal Nimish Patel	1,151,570	19.16	-	-
N K Proteins Pvt. Ltd. [Formerly known as N K Proteins Ltd.]	367,302	6.11	367,302	6.11
N K Oil Mills Pvt. Ltd	-	-	1,989,223	33.10

2 Reserves & Surplus

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
General Reserves		
Opening Balance	1,038,073	1,038,073
Closing Balance	1,038,073	1,038,073
Security Premium Reserve		
Opening Balance	90,297,000	90,297,000
Closing Balance	90,297,000	90,297,000
Capital Reserve		
Opening Balance	174,025,339	174,025,339
Closing Balance	174,025,339	174,025,339
Revaluation Reserve (Note Below)		
Opening Balance	1,588,565,815	1,588,565,815
	-	-
Closing Balance	1,588,565,815	1,588,565,815
Surplus/(Deficit)		
Opening Balance	(5,031,326,536)	(4,784,149,066)
Opening Balance Adjustment on a/c of Change in Useful life of Assets	-	-
Less: Adjustment on a/c of Change in Useful life of Assets Current Year	-	(712,558)
(+) Net Profit/(Net Loss) For the current year	(24,290,678)	(246,464,912)
Closing Balance	(5,055,617,214)	(5,031,326,536)
Total	**(3,201,690,987)**	**(3,177,400,309)**

Note : Company has created Revaluation Reserve by revaluing its Land, Building and Plant & Machiiery 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	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Trade Payables	6,276,189,691	6,276,189,691
Total	**6,276,189,691**	**6,276,189,691**

4 Long Term Provisions

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Provision for Employee Benefits		
Provision For Leave Benifit Account	1,571,668	1,178,868
Provision For Gratuity Account	6,364,411	4,894,838
Total	7,936,079	6,073,706
Others		
Interest Payable On Block Assessment	14,758,294	14,758,294
Provision- Income Tax - Block Assessmen	2,293,291	2,293,291
Total	17,051,585	17,051,585
Total	**24,987,664**	**23,125,291**

5 Trade Payables

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Total outstanding dues to Micro enterprise and Small enterprise	514,109	-
Total outstanding dues to Creditors Other Than Micro Enterprise and Small Enterprise (Refer Note No 44)	16,463,507	399,849,119
Total	**16,977,616**	**399,849,119**

6 Other Current Liabilities

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Other payables		
Expense payable	5,542,938	3,733,876
Statutory Liabilities	834,377	1,212,439
Advance Received from Customers	50,581	269,148
	6,427,896	5,215,463
Total	**6,427,896**	**5,215,463**

7 Short-term Provisions

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Provision for employee benefits		
Bonus	1,483,250	1,020,132
Gratuity	530,602	451,500
Leave Encashment	419,118	350,468
	2,432,969	**1,822,100**

8 Fixed Assets

Sr.	Particulars	Gross Block				Accumulated Depreciation					Net Block	
		As at 01-04-2015 ₹	Additions ₹	Adj. during the year ₹	As at 31-Mar-2016 ₹	As at 01-04-2015 ₹	Amt Transfer to Reserves ₹	Depre. charge for the year ₹	Adj. during the year ₹	As at 31-Mar-2016 ₹	As at 31-Mar-2016 ₹	As at 01-04-2015 ₹
a	**Tangible Assets**											
	Freehold Land	952,708,833	-	-	952,708,833	-	-	-	-	-	952,708,833	952,708,833
	Buildings	439,425,602	9,028,963	-	448,454,565	95,441,612	-	25,440,570	-	120,882,182	327,572,383	343,983,989
	Plant and Equipment	1,324,316,189	9,161,585	-	1,333,477,775	1,019,582,155	-	95,413,950	-	1,114,996,105	218,481,670	304,734,035
	Furniture and Fixtures	16,541,541	346,675	-	16,888,216	6,565,142	-	1,253,976	-	7,819,118	9,069,098	9,976,399
	Vehicles	7,978,559	1,861,388	1,057,600	8,782,347	6,776,221	-	650,316	791,733	6,634,804	2,147,543	1,202,338
	Office equipment	11,009,607	881,402	-	11,891,009	7,404,829	-	1,492,155	-	8,896,984	2,994,026	3,604,779
	Computers	4,215,585	-	-	4,215,585	3,933,328	-	211,447	-	4,144,776	70,810	282,257
	Total	**2,756,195,916**	**21,280,014**	**1,057,600**	**2,776,418,330**	**1,139,703,287**	**-**	**124,462,413**	**791,733**	**1,263,373,968**	**1,513,044,362**	**1,616,492,629**
b	**Intangible Assets**											
	Computer software	631,556	-	-	631,556	519,577	-	62,329	-	581,906	49,650	111,979
	Total	**631,556**	**-**	**-**	**631,556**	**519,577**	**-**	**62,329**	**-**	**581,906**	**49,650**	**111,979**
	Total	**2,756,827,472**	**21,280,014**	**1,057,600**	**2,777,049,886**	**1,140,222,864**	**-**	**124,524,742**	**791,733**	**1,263,955,874**	**1,513,094,012**	**1,616,604,608**
c	Capital work-in-progress	12,856,341	907,524	10,905,876	2,857,989	-	-	-	-	-	2,857,989	12,856,341
	Total	**2,769,683,813**	**22,187,537**	**11,963,476**	**2,779,907,875**	**1,140,222,864**	**-**	**124,524,742**	**791,733**	**1,263,955,874**	**1,515,952,001**	**1,629,460,949**
	Previous Year figures	**2,743,162,660**	**34,302,467**	**7,781,314**	**2,769,683,813**	**897,577,497**	**712,558**	**242,236,983**	**304,174**	**1,140,222,864**	**1,629,460,949**	**1,845,585,163**

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	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Investment in Equity instruments-unquoted		
Investment in Equity instruments	5,753,060	5,753,060
Investments in Equity of Joint Venture Company	250,050,000	250,050,000
Investments in Equity of Subsidary Company	17,557,294	-
Investments in Government or Trust securities	23,500	23,500
Total	273,383,854	255,826,560
Less: Provision for diminution in the value of Investments	254,650,000	254,650,000
Total	**18,733,854**	**1,176,560**

A Details of Other Investments - Unquoted

Sr.	Name of the Body Corporate	No. of Shares		Amount (₹)	
		2015-16	2014-15	2015-16	2014-15
a	Investment in Equity Instruments				
	ACCURATE EXPORTS LTD. of ₹ 10 each	100,000	100,000	1,000,000	1,000,000
	FICON LEASE & FINANCE LTD. of ₹ 10 each	350,000	350,000	3,500,000	3,500,000
	HYTAISUN MAGNETICS LTD. of ₹ 10 each	10,000	10,000	100,000	100,000
		460,000	460,000	4,600,000	4,600,000
	Less:				
	Provision for diminution in the value of Investments	460,000	460,000	4,600,000	4,600,000
		-	-	-	-
	AHMEDABAD COMMODITY EXCHANGE LTD of ₹ 10 each	56,500	56,500	1,153,000	1,153,000
	KALUPUR COMM.CO.OP.BANK of ₹ 10 each	6	6	60	60
	Investments in Subsidary Company				
	Banpal Oil Chem Pvt. Ltd . of ₹ 100 each	202,700	-	17,501,126	-
	N.K.Oil Mills Pvt. Ltd. of ₹ 10 each	56,168	-	56,168	-
	Joint Venture Investments				
	AWN AGRO PVT. LTD. of ₹ 10 each	25,005,000	25,005,000	250,050,000	250,050,000
		25,320,374	25,061,506	268,760,354	251,203,060
	Less:				
	Provision for diminution in the value of Investments	25,005,000	25,005,000	250,050,000	250,050,000
	Sub-Total	315,374	56,506	18,710,354	1,153,060
b	Investments in Government or Trust securities				
	NATIONAL SAVINGS CERTIFICATE			23,500	23,500
	Total			23,500	23,500
	Grand Total			**18,733,854**	**1,176,560**

10 Long Term Loans and Advances

a Dertails of Long Term Loans and Advances

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Security Deposits		
Unsecured, considered goods	37,466,382	10,672,821
Advance tax & Tds Receivable	11,751,550	4,303,336
Loans and advances to related parties		
Capital Advances to wholly ownde subsidiary	127,556,815	-
Long term Loans and advances to wholly owned subsidiary	111,191,869	100,746,339
Long term Loans and advances to related parties -doubtful Unsecured, considered doubtful	174,864,908	174,864,908
Total	286,056,777	275,611,247
Less: Provision for doubtful advances	174,864,908	275,611,247
	111,191,869	-
Loans and advances to others		
Long term Loans and advances to others Unsecured, considered goods	901,294,554	1,157,251,667
Long term Loans and advances to others -Doubtful	125,256,917	20,724,540
Total	1,026,551,470	1,177,976,207
Less: Provision for doubtful advances	125,256,917	20,724,540
Other loans and advances to others	901,294,554	1,157,251,667
Total	**1,189,261,169**	**1,172,227,824**

11 Other Non-Current assets

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Trade receivables		
Unsecured, considered good	41,880,828	248,009,622
Unsecured, considered doubtful	352,298,715	352,298,715
	352,298,715	**352,298,715**
Less: Provision for doubtful debts	352,298,715	352,298,715
	-	**-**
Total	**41,880,828**	**248,009,622**

12 Inventories (As taken valued and Certified by a Director)

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Traded Material	41,253,284	9,094,974
Stores and Spares	22,168,101	16,018,636
Total	**63,421,385**	**25,113,610**

13 Trade Receivable

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Outstanding for a period less than six months from the date they are due Unsecured, considered good	262,503,580	584,810
	262,503,580	584,810
Outstanding for a period exceeding six months from the date they are due Unsecured, considered good	77,812,566	410,570,582
	77,812,566	410,570,582
Total	**340,316,146**	**411,155,392**

14 Cash and Bank Balance

Cash and Cash Equivalent

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Balances with banks	3,521,072	6,526,972
Cash on hand	2,475,677	3,836,314
Total	**5,996,750**	**10,363,287**

Other Cash Balance

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Bank deposits upto 12 months maturity	4,021,974	3,659,298
Total	**4,021,974**	**3,659,298**

15 Short-term Loans and Advances

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Prepaid expense	604,176	1,091,696
Balance with government authorities	2,055,079	1,773
Short Term Loans and advances to others		
Unsecured, considered good	3,180,485	86,640,344
	3,180,485	86,640,344
Total	**5,839,740**	**87,733,813**

16 Revenue

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Sale of products		
Traded Goods Domestic	455,081,238	467,322,800
Traded Goods Export	34,724,640	14,732,588
	489,805,878	**482,055,388**
Operating Revenues		
Crushing Charges (TDS ₹70.11 (P.Y.₹37.79)Lacs)	350,536,337	188,926,542
Total	350,536,337	188,926,542
Total	**840,342,215**	**670,981,930**

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Traded Goods Export		
Non-Edible Oil	34,724,640	14,732,588
Total	**34,724,640**	**14,732,588**
Traded Goods Domestic		
Edible Oil	67,136,480	1,015,534
Non-Edible Oil	353,609,959	308,583,496
Others	34,334,799	157,723,770
Total	**455,081,238**	**467,322,800**
Total(A+B)	**489,805,878**	**482,055,388**

17 Other Income

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Interest Income (TDS Rs2.29(P.Y.₹0.21)Lacs)	2,813,498	310,310
Other non operating Income		
Misc. Income	1,572,652	1,101,607
Commission income	-	1,578,049
Prior period Income	1,174,400	-
Foreign Exchange fluctuation	632,811	-
Credit Bal.Written Back	-	5,552,370
Office Rent	525,000	60,000
Total	**6,718,361**	**8,602,335**

18 Purchase of Trading Goods

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Purchase of Goods	474,545,280	439,278,270
Other direct purchase costs	2,474,472	9,300
Cost of Goods sold	**477,019,752**	**439,287,570**
Traded Goods		
Edible Oil	**65,732,734**	**1,014,399**
Non-Edible Oil	**408,796,459**	**280,549,401**
Others	**2,490,559**	**157,723,770**
Total	**477,019,752**	**439,287,570**
Total(A+B)	**477,019,752**	**439,287,570**

Details imported & indigenous Trading Goods Purchased **₹ In Lacs**

Particulars	For the Year ended on 31-Mar-2016		For the year ended on 31-Mar-2015	
	₹	%	₹	%
Imported Material Consumed	-	0.00%	-	0.00%
Indigenous Material Consumed	4,770.20	100.00%	4,392.88	100.00%
Total Material Consumed	**4,770.20**	**100.00%**	**4,392.88**	**100.00%**

19 Change in Inventory

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Castor Seed - Traded		
Stock at the Begining of the financial year	-	13,574,010
Stock at the End of the financial year	-	-
	-	13,574,010
Ricinolic Acid		
Stock at the Begining of the financial year	2,392,277	92,586
Stock at the End of the financial year	1,941,216	2,392,277
	451,061	(2,299,691)
12HSA		
Stock at the Begining of the financial year	5,672,100	6,845,189
Stock at the End of the financial year	35,309,416	5,672,100
	(29,637,316)	1,173,089

19 Change in Inventory

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Glycerine		
Stock at the Begining of the financial year	1,032,150	-
Stock at the End of the financial year	851,500	1,032,150
	180,650	(1,032,150)
Fly Ash		
Stock at the Begining of the financial year	13,932	2,223
Stock at the End of the financial year	1,152	13,932
	12,780	(11,709)
Total	**(28,992,825)**	**11,403,548**

20 Employee benefits expense

Employee Benefits Expense	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Salaries and incentives	51,754,802	42,341,301
Contributions to Provident Fund, FPF and other Funds	3,094,334	2,739,784
Gratuity fund contributions	2,075,019	2,517,214
Leave Encashment expenses	1,091,534	634,021
Staff welfare expenses	279,242	150,902
Total	**58,294,931**	**48,383,222**

As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

I. Defined Contribution Plans:

(a) Provident Fund / Employees' Pension Fund

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

Particulars	31-Mar-16	31-Mar-15
Employer's Contribution to Provident Fund / Employee's Pension Fund	3,094,334	2,739,784

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: **₹ in Lacs**

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Defined Benefit Obligation as at 1st April	53.46	34.84	15.30	15.39
Current Service Cost	6.19	4.22	4.63	4.78
Interest Cost	4.25	3.25	1.22	1.43
Benefits Paid	(5.26)	(6.55)	(6.30)	(6.43)
Actuarial (gain) / loss on Obligations	10.31	17.70	5.07	0.13
Defined Benefit Obligation as at 31st March	68.95	53.46	19.91	15.30

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

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Defined Benefit Obligation as at 31st March	68.95	34.84	19.91	15.30
Fair Value of Plan Assets as at 31st March	-	-	-	-
Liability / (Asset) recognized in the Balance Sheet included in Current Liabilities and Provisions	68.95	34.84	19.91	15.30

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

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Current Service Cost	6.19	4.22	4.63	4.78
Interest Cost	4.25	3.25	1.22	1.43
Net actuarial (gain) / loss recognized in the period	10.31	17.70	5.07	0.13
Total Expenses recognized in the P & L Account included in Contribution to Provident and Other Funds	20.75	25.17	10.92	6.34

(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:

Particulars	31-Mar-15	31-Mar-14
(a) Discount rate [per annum]	7.95%	7.95%
(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.

21 Finance Cost

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Interest expense	87,778	1,178,720
Other borrowing costs	69,005	41,455
Foreign Exchange fluctuation	-	78,894
Total	**156,783**	**1,299,069**

22 Other Expenses

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Manufacturing Expenses		
Labour Charges	33,414,793	29,085,523
Loading-Unloading Expense	185,013	207,500
Power and Fuel	90,503,645	39,089,507
Vat Reversal	-	4,489,745
Repair to Plant and Machinery	2,141,669	2,666,277
Rates and taxes, excluding, taxes on income.	6,777,473	4,027,281
Consumption of Stores, Chemicals & Packing Materials	82,125,646	45,999,360
Other Manufacturing Expenses	138,047	133,938
Total Manufacturing Expenses	**215,286,285**	**125,699,131**
Administrative Expenses		
Loss on Sales of Fixed Assets	140,867	-
Telephone Expenses	450,683	399,874
Professional Fees	4,715,116	5,467,673
Auditors Remuneration*	116,140	124,720
Stationery and Printings	20,366	48,613
Travelling Expenses	2,746,952	4,567,020
Insurance	1,428,799	1,474,703
Provision for Doubtful Advances (Net)	3,786,037	-
Donation	-	2,000
Membership Fees	391,267	276,821
Repair and Maintenance - Others	1,626,262	377,771
Security Services	4,288,214	4,350,738
Vehicle Running-Repair Expense	705,327	887,144
Other Admin Expenses	3,389,453	2,401,830
Prior period expenses	-	36,250,292
Total Administrative Expenses	**23,805,482**	**56,629,199**
Selling and Distribution Expenses		
Transportation Expenses	740,065	789,409
Advertisement Expenses	42,203	59,917
Clearing Forwarding Expenses	473,836	261,128
Total Selling and Distribution Expenses	**1,256,103**	**1,110,454**
Total Other Expenses	**240,347,870**	**183,438,785**

23 *Auditors Remuneration Includes

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
As auditors - Statutory audit	75,000	75,000
Tax Audit	25,000	25,000
Certification fees & Other Services	-	-
Reimbersement of Expenses	-	-
Total	**100,000**	**100,000**

24 Other details to Balance Sheet

a Contingent Liabilities and Commitments:

Particulars Contingent Liabilities	As at 31-Mar-2016 (₹ In Lacs)	As at 31-Mar-2015 (₹ In Lacs)
a. Claims against the Company, not acknowledged as debts (including interest and penalty)		
- Disputed Sales Tax Demand Matter under Appeal (refer note 36)	5554.43	5554.43
- Other Claims (without considering interest liability)	1333.31	1333.31
- Disputed Income Tax Demand Matter under Appeal (refer note 26 & 34)	21153.92	15079.26
- 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
b. Winding up petition pending against the company filed by Vemag Engg. Pvt. Ltd. for recovery of dues	-	17.38

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 Company has been declared as a Sick Industrial Company by the BIFR under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985, On having settled all the compromise dues of the banks and IDBI, the BIFR has disposed off the first reference Case no. 35/1999 of the Company. It has, however, registered the companies subsequent references and appointed Canara Bank as an Operating Agency vide its order dated 1st March, 2012 to prepare a Draft Rehabilitation Scheme (DRS) for its consideration.

26 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 company, ITAT has susequently given relief to the extent of ₹ 28.84 Crores. The company's appeal before the Hon. Gujarat High Court against addition confirmed by , the Income Tax Appellate Tribunal (ITAT)of ₹ 4.28 Crores is admitted. Pending the disposal of appeal by the Hon'ble High Court, the provision for Income Tax of ₹ 2.88 Crores on addition confirmed by ITAT was made during F.Y.2002-03 and provision of ₹ 1.27 crore of interest payable up to 31.03.2005 was made in the accounts. Adhoc payments made against the outstanding demands are adjusted against principal amounts. No provision is made for the interest payable, if any, on the outstanding demand for the period from 1st April, 2005 till date as the company is hopeful of getting favorable order from the High Court.

27 a No provision is made during the year for interest receivable on various advances amounting to ₹ 3001.21 Lacs (P.Y. ₹ 2963.75 lacs) as the same are considered doubtful.

b During the year under review, an amount of ₹ 10.07 crores which was provided as doubtful loans and advances of NK Oil Mills Limited (Wholly owned Subsidiary) has been reversed and credited to the statement of profit and loss . In view of the fact that

the said loanee Company has become wholly owned subsidiary of the Company during the year under review, and in view of the management, the said loan is now considered as recoverable.

c *During the year under review, the company has provided for doubtful debt amounting to ₹ 10.45 crores in respect of loans and advances given by the company during earlier financial years, considering the same as not recoverable. In statement of Profit and Loss the said provision for doubtful debt of ₹ 10.07 crores is shown, after netting off the reversal of the provision of doubtful debts in respect of M/s. NK Oil Mills Pvt. Ltd. as per Note No. 27b above.*

d 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. 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 Rs 320.16 Crores as at 31.3.2016 and the net worth of the company is negative . The company is registered and declared "Sick" by Hon'ble Board for Industrial & Financial Reconstruction under SICA Act. 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 and has initiated 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. However , the company has challenged the notification by Home department of Maharashtra in the Hon'ble Gujarat High Court*

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 142A of the IT Act, 1961, for AY 2011-12 & A.Y 12-13. The department had raised a demand of Rs 210.82 (Rs150.49 crores for A.Y 11-12 & Rs 60.33 Crores for A.Y 12-13) 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 & 148.08.15 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*

34 a *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.*

35 No provision for Deffered Tax assets has been made as there is no virtual certaninty of Setting the same in near future.

36 *Sales Tax Department has completed the assessment for various assessment years and raised demand of ₹ 5554.43 lacs for the earlier previous years. The Company has not made any provision for the above demand raised by the sales tax authority in view of the fact that that the company had preferred an appeal before the appellate authority.The said amount has been shown as contingent liability under Note No. 24 of the notes forming part of accounts.*

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

38 Other Informations - Profit and Loss Statement

a Earnings per share

Particulars		For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Basic			
Profit attributable to equity shareholders	₹	(24,290,678)	(246,464,912)
Nominal Value of equity share	₹	10	10
Weighted average number of ordinary equity shares for Basic EPS	No.	6,009,900	6,009,900
Basic and Diluted EPS	₹	**(4.04)**	**(41.01)**

b Details of Prior period Items

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Brokerage Charges	-	551,500
Interest Income	(1,674,727)	(849,432)
Member Ship Fees	302,184	319,049
Vat Expenses	-	35,957,213
Others	-	271,963
Repair & Maintance Plant & Machineary	134,143	-
Freight	64,000	-
Total	**(1,174,400)**	**36,250,292**

c Earnings in foreign currency

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
FOB VALUE OF EXPORTS	34,724,640	14,732,588

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	Ashwinbhai Patel	(Chief Finance Officer)
5	Monica Surjani	(Company Secratory upto 21/11/2015)
6	Heena P. Jain	((Company Secratory w.e.f 14/12/2015)
	Independent Directors	
1	Jaimin Virendra Modi	
2	Bharat Jayantilal Patel	
3	Ms. Neha Modi	(w.e.f 23/05/2015)
4	Jayesh D. Thakkar	(upto 07/05/2015)

	Name of Relatives of KMP/Directors	
1	Nimish K. Patel	Mrs. Venushree N. Patel
	Mrs. Sonalben N. Patel	Ms. Vedanshee N. Patel
2	Nilesh K. Patel	Mr.Priyam Patel
	Mrs.Ashitaben Patel	Mrs.Priyanshi Patel
	Firm/LLP in which directors/manager/his relative is a partner	
1	NKPL Realty LLP (converted from Tirupati Realty, partnership firm)	
2	NKP Enterprise LLP (converted from NK Corporation, partnership firm)	
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 [Formerly known as N K Proteins Limited]	
2	Banpal Oilchem Private Limited	
3	N K Oil Mills Private Limited	
4	Tirupati Proteins Private Limited	
5	Tirupati Retail (India) Private Limited	
6	Adrenal Advertising and Promotions Private Limited	
	Wholly owned Subsidiary Company of such Company	
1	N K Oil Mills Private Limited	
2	Banpal Oilchem Private Limited	

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

Sr	Name of party	Nature of Transaction	2015-16	2014-15
1	Ashwin P. Patel	Remuneration	6.00	6.00
2	Banpal Oil Chem Pvt Ltd	Sale of Fixed Asset	96.14	
3	Banpal Oil Chem Pvt Ltd	Investment in Subsidiary	175.01	
4	Adrenal Advertisment Pvt Ltd	Purchases/ Services	0.21	
5	N K Proteins Pvt. Ltd. [Formerly known as N K Proteins Limited]	Purchases/ Services	4,745.29	2,949.10
6	N.K.P Enterprise LLP (N K Corporation)	Purchases/ Services	0.69	1.20
7	N K Proteins Pvt. Ltd. [Formerly known as N K Proteins Limited]	Sales/Jobwork charges	4357.02	3,719.59
8	N K Oil Mills Pvt.Ltd	Investment in Subsidiary (*)	0.562	-
9	Nilesh K. Patel	Remuneration	21.61	-
10	Nimish K. Patel	Remuneration	21.61	-
11	Hasmukhbhai Patel	Whole Time Director	5.97	4.06
12	Monica Surjani	CS Remuneration	1.34	0.52
13	Heena Jain	CS Remuneration	0.61	-

(*) The investment made in subsidiary is by way of purchase of shares from Directors and their relatives amount to 0.55 lakhs

C Details of Closing Balances - Receivables/(Payables)

Sr	Name of party	As at 31-Mar-2016	As at 31-Mar-2015
1	N.K.P Enterprise LLP (N K Corporation)	-	3,922.99
3	N K Oil Mills Pvt. Ltd.	1,111.92	1,117.83
4	N K Proteins Pvt. Ltd. [Formerly known as N K Proteins Limited]	3,288.46	(3,835.23)
5	Banpal Oil Chem Pvt Ltd	1,275.57	-
6	Tirupati Proteins Pvt.Ltd.	-	2,061.29

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 Lacs 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 Lacs invested in the share capital/application money in the said joint venture company and ₹ 1748.65 Lacs as loans and advances to the said JV entity aggregating to ₹ 4249.15 lacs. 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 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 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 31.03.2016, the title of the property has not been conveyed in the name of the company till the date of our audit.*

43 The Ministry of Corporate Affairs (MCA) had ordered technical scrutiny of the company under the provisions of Section 206 of the Companies Act, 2013 ,In response to the said letter, the company has filed the reply.Further the company has recevied Order dated 05-02-16 under section 210 of the Companies Act 2013 for the investigating in to the affaris of the company.

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	2015-16	2014-15
The Principal Amount	514,109	-
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

As per our report of even date attached.
FOR, PARIKH & MAJMUDAR
Chartered Accountants
(FRNo.107525W)

CA DR HITEN PARIKH
Partner
M.NO.040230

Ahmedabad
21st May, 2016

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
Ahmedabad
21st May, 2016

Heena P. Jain
Company Secretary

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 Financial Statements of **M/s N.K INDUSTRIES LIMITED** ("the Company"),& its subsidiary companies (the company and its subsidiary companies together referred as the "Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information "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 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act as applicable, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Company and its subsidiary companies are responsible for 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 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 these consolidated financial statements by the Board of Directors of the company.

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 Holding company located at Kadi , Gujarat. However , the Holding company has challenged the notification by Home department of Maharashtra in the Hon'ble Gujarat High Court . 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 profit or loss of the Holding company. (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 Holding company comprising of Land, building, plant and**

machinery situated at Survey Nos.719, 720, 721, 732/1, 732/2, 733, 741, 743, 744, 745, kadi Thol Road, Village Kadi Kasba , taluka- Kadi, District Mehsana-382715 Gujarat. As explained to us, The Holding company has preferred an appeal before the Hon'ble Appellate Tribunal under the Prevention of Money laundering Act, 2002.However, matter is subjudice, we are unable to quantify the liability and its impact if any, on the profit or loss of the Holding company (Refer Note no 33 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 accounting principles generally accepted in India, of the state of affairs of the group as at 31st March, 2016, and its consolidated loss and its consolidated cash flows for the year ended on that date.

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 322.04 Crores as at 31.3.2016 and the net worth of the Consolidated accounts as well as Holding Company and Subsidiary Companies is negative . The Holding company is registered and declared "Sick" by Hon'ble Board for Industrial & Financial Reconstruction under SICA Act. However, 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 no provision for the impairment has been made in the books of Holding company and accounts of the holding company 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 efforts made by the management, said subsidiary companies are also making sincere efforts to revive the business and the management of the said Subsidiary companies are 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 company & consolidated accounts and accounts of the subsidiary company 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 142A of the IT Act, 1961, for AY 2011-12 & A.Y 12-13. The department has raised a demand of Rs 210.82 (Rs150.49 crores for A.Y 11-12 & Rs 60.33 Crores for A.Y 12-13) 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. 24 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.**
- **403, 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**

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 ₹ 33.12 Crores vide the block assessment Order DT. 30.4.2001 on Holding Company. In case of Holding company, the Income Tax Appellate Tribunal(ITAT),Ahmedabad had subsequently given relief to the extent of ₹ 28.84 Crores. The Holding company's appeal before the Hon'ble Gujarat High Court against addition confirmed by ITAT of ₹ 4.28 Crores is admitted. Pending the disposal of appeal by the Hon'ble High Court, the provision for Income Tax of ₹2.88 Crores on addition confirmed by ITAT was made during F.Y.2002-03 and provision of ₹ 1.27 crore of interest payable up to 31.03.2005 was made in the accounts of the Holding Company and Consolidated accounts. Adhoc payments made against the outstanding demands are adjusted against principal amounts made by Holding Company. No provision is made in the Consolidated accounts for the interest payable by the Holding Company , if any, on the outstanding demand for the period from 1st April, 2005 till date as the Holding company is hopeful of getting favorable order from the Hon'ble Gujarat High Court.

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 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 ₹ 5554.43 lacs for the earlier years. The Holding company has not made any provision for the above demand raised by the sales tax authority in view of the fact that that the said Holding company has preferred an appeal before the appellate authority. The said amount has been shown as contingent liability under Note No. 24 of the notes forming part of consolidated financial statements .**

5. **Attention is also invited to note 25 of the Consolidated financial statements which states that the Holding Company has been declared as a Sick Industrial Company by the BIFR under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985,On having settled all the compromise dues of the banks and IDBI, the BIFR has disposed off the first reference Case no. 35/1999 of the Holding Company. It has, however, registered the Holding companies subsequent references and appointed Canara Bank as an Operating Agency vide its order dated 1st March, 2012 to prepare a Draft Rehabilitation Scheme (DRS) for its consideration.**

6. **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.**

7. **Attention is invited to Note No 42 of the Consolidated financial statements which states that , during the year under review, an amount of ₹ 34.58 lacs was debited towards land development in the Subsidiary Company viz. Banpal Oilchem Pvt ltd and accordingly the same has been capitalised. The amount has been paid in cash and in view of non availability of specific third party evidences; the auditor of the said subsidiary company has relied upon the management certification towards payment of money for land development.**

8. **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 Economic Offence Wing, Mumbai (EOW), has issued notice under the Maharashtra Protection of Interest of Depositors (in financial establishments)-Act, 1999 (MPID Act) for securing attachment of the Factory Plant, Land, Building & Plant & Machinery of the company located at plot No. 144/64 Mauje chandisar, Taluka-Palanpur, Dist-Banaskantha, Gujarat. As explained to us, The said Subsidiary company has filed its detailed response to such attachment notice before the Adjudicating authority (PMLA) New Delhi and matter is subjudice as on date.**

9. **Attention is invited to Note 30 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 "AWN AGRO PRIVATE LIMITED" and hence no consolidation of the said joint venture is taken in the accounts while consolidation of accounts**.

Our opinion is not qualified on the above matters.

Other Matter

We did not audit the financial statements of one subsidiary, whose financial statements reflect Total assets of Rs 243.15 Lacs, as at 31st March 2016 and total revenues of ₹ 1577.53 Lacs & net cash outflows amounting to ₹ 1.46 lacs for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of above matters with respect to our reliance on the work done and the reports of the other auditors.

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, and the Consolidated Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(f) On the basis of the written representations received from the directors of the Company as on 31st March, 2016 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, 2016 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, 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 24 to the consolidated financial statements in its consolidated financial statements as of March 31, 2016.

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
Chartered Accountants
FR No. 107525W

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

Place : Ahmedabad
Date : 21/05/2016

ANNEXURE B TO THE AUDITOR'S REPORT

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 2016 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 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 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 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 2016, based on the internal control over financial reporting criteria established by the 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
Chartered Accountants
FR No. 107525W

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

Place : Ahmedabad
Date : 21/05/2016

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

(Amt in ₹)

Particulars	Note No.	As At 31-Mar-2016	As At 31-Mar-2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	6 00 99 000	6 00 99 000
(b) Reserves and surplus	2	(322 04 89 563)	(317 74 00 309)
Sub-Total Shareholders' funds		(316 03 90 563)	(311 73 01 309)
2 Non-current liabilities			
(a) Long-term borrowings		-	
(b) Deferred tax liabilities (Net)		-	-
(c) Other long-term liabilities	3	6 31 97 19 473	6 27 61 89 691
(d) Long-term provisions	4	2 49 87 664	2 31 25 291
Total Non-current liabilities		6 34 47 07 137	6 29 93 14 982
3 Current liabilities			
(a) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	5	5 14 109	-
Total outstanding dues of creditors other than Micro Enterprise and Small Enterprise		3 48 08 533	39 98 49 119
(b) Other current liabilities	6	1 19 60 429	52 15 463
(c) Short-term provisions	7	24 32 969	18 22 100
Total Current liabilities		4 97 16 040	40 68 86 682
Total Equity and Liabilities		**3 23 40 32 614**	**3 58 89 00 355**
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(a) Tangible assets		1 56 07 65 215	1 61 64 92 629
(b) Intangible assets		23 00 24 864	1 11 979
(c) Capital work In progress		28 57 989	1 28 56 341
	8	1 79 36 48 068	1 62 94 60 949
(b) Non-current investments	9	19 41 169	11 76 560
(c) Deferred Tax Assets		85 62 653	-
(d) Long-term loans and advances	10	95 72 80 675	1 17 22 27 824
(e) Other non-current assets	11	4 18 80 828	24 80 09 622
Sub-Total Non-current assets		**2 80 33 13 393**	**3 05 08 74 955**
2 Current assets			
(a) Inventories	12	6 72 03 236	2 51 13 610
(b) Trade receivables	13	34 03 31 469	41 11 55 392
(c) Cash and Bank Balance	14	1 24 11 238	1 40 22 584
(d) Short-term loans and advances	15	1 07 73 277	8 77 33 813
(e) Other Current assets		-	-
Sub-Total Current assets		**43 07 19 221**	**53 80 25 400**
Total Assets		**3 23 40 32 614**	**3 58 89 00 355**
Notes forming part of the consolidated financial statements			

As per our report of even date attached.
FOR, PARIKH & MAJMUDAR
Chartered Accountants
(FRNo.107525W)

CA DR HITEN PARIKH
Partner
M.NO.040230

Ahmedabad
21st May, 2016

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
Ahmedabad
21st May, 2016

Heena P. Jain
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2016

(Amount in ₹)

Particulars	Refer Note No.	For the Year ended on 31-Mar-2016	For the Year ended on 31-Mar-2015
Revenue			
Revenue from operations	16	1 04 36 55 255	67 09 81 930
Other income	17	84 67 975	86 02 335
		1 05 21 23 230	**67 95 84 265**
Expenses			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade	18	51 98 02 899	43 92 87 570
Changes in inventories of finished goods WIP and Stock-in-Trade	19	(2 89 92 825)	1 14 03 548
Employee benefits expenses	20	8 91 10 527	4 83 83 222
Finance costs	21	2 76 984	12 99 069
Depreciation and amortization expense		13 30 55 221	24 22 36 983
Other expenses	22	39 82 23 926	18 34 38 785
Total expenses		**1 11 14 76 733**	**92 60 49 177**
Profit before exceptional item		**(5 93 53 502)**	**(24 64 64 912)**
Exceptional Items + / (-)		-	
Profit after exceptional item		**(5 93 53 502)**	**(24 64 64 912)**
Profit before tax for the year		**(5 93 53 502)**	**(24 64 64 912)**
Tax expense:			
Current tax		502,000.00	-
Earlier Year's excess Provision w/off		(11,070,295.00)	
Deferred tax		(5,437,834.00)	-
		(16,006,129.00)	**-**
Profit (Loss) for the period		**(4 33 47 373)**	**(24 64 64 912)**
Earnings per equity share:			
Basic and Diluted		(7.21)	(41.01)

A

Notes forming part of the consolidated financial statements

As per our report of even date attached.
FOR, PARIKH & MAJMUDAR
Chartered Accountants
(FRNo.107525W)

CA DR HITEN PARIKH
Partner
M.NO.040230

Ahmedabad
21st May, 2016

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
Ahmedabad
21st May, 2016

Heena P. Jain
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH 2016

(Amount in ₹)

Particulars	As at 31-Mar-2016	As at 31-Mar-2016	As at 31-Mar-2015	As at 31-Mar-2015
Cash Flow Operating Activities:				
Net Profit After Tax and Extra Ordinary Items		(59,353,502)		(246,464,912)
Adjustment for :				
Depreciation & write off		133,055,221		242,236,983
Provision for doubtful advances		25,267,009		
(Profit)/loss on sale of assets		140,867		(1,908)
Interest received		(3,006,935)		(310,310)
Interest paid		276,984		1,299,069
		96,379,643		**(3,241,078)**
Adjustment for :				
Trade receivables(including loans and advances)	147,784,459		112,794,241	
Adjustment in Consolidation (net)	(59,601,222)			
Inventories	(42,089,626)		12,778,342	
Trade Payable (including other current laiblities)	(357,170,642)	(311,077,031)	(90,270,681)	35,301,902
Cash Generated from operating Activities		(214,697,388)		32,060,825
Less: Income Tax Paid		502,000		-
Cash flow before extra ordinary item		(215,199,388)		32,060,825
Extra ordinary items		-		-
Net Cash Flow from operating Activities		**(215,199,388)**		**32,060,825**
Cash Flow From Investing Activities:				
Purchase of Fixed Assets	(254,845,397)		(26,923,419)	
Changes in non current assets	421,075,943		-	
Interest received	3,006,935		310,310	
Proceeds from Sale of Fixed Assets	-		100,000	
Purchase /Sale of investment	(764,609)	168,472,872	-	(26,513,110)
Net Cash Flow from Investing Activities		168,472,872		(26,513,110)
Cash Flow From Financing Activities:				
Changes in non current liabilties	45,392,155			
Proceeds from Borrowing	-		-	
Interest Paid	(276,984)		(1,299,069)	
Net Cash used in Financial Activities		45,115,171		(1,299,069)
Net increase/(decrease) in cash and cash equivalents		**(1,611,344)**		**4,248,646**
Cash & Cash equivalent as at 01st April		14,022,584		9,773,938
Cash & Cash equivalent as at 31st March		**12,411,240**		**14,022,584**
Note: Cash and Cash Equivalents Includes:				
a) Cash on hand		2,823,161		3,836,314
b) Balance with Banks in Current account		5,566,102		6,526,972
c) Balance with Banks in fixed deposit less than 12 months		4,021,974		3,659,298
		12,411,240		**14,022,584**

As Explained to us in Note 43, as the consolidation has been effected in the current financial year and previous year figures have not been regrouped. The adjustment difference on cash flow arising out of such consolidattion 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
(FRNo.107525W)

CA DR HITEN PARIKH
Partner
M.NO.040230

Ahmedabad
21st May, 2016

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
Ahmedabad
21st May, 2016

Heena P. Jain
Company Secretary

A. SIGNIFICANT ACCOUNTING POLICIES

i) BASIS OF PREPARATION

These financial statements are prepared inaccordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values .GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act ,2013 (₹Act') read with Rule7 of the Companies (Accounts) Rules ,2014 ,the provisions of the act (to the extend notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) . Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard(AS)21, "Consolidated Financial Statements". The consolidated financial statements comprise the financial statements of the company,its controlled trusts and its subsidiaries as under combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra- group balances and transactions and resulting unrealised gain/loss. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Minority interests have been excluded. Minority interests represent that part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company

The difference between the costs of investment in the subsidiary company, over the net assets at the time of acquisition of shares in the subsidiary company is recognized in the Consolidated financial statements as goodwill or capital reserve as the case may be

The subsidiaries considered in the consolidated financial statements as at 31st March 2016 are

Name of the Subsidiary Company	Country of Incorporation	%of holding either directly or through subsidiaries
Banpal Oilchem Private Limite	India	100
NK Oil Mills Private limited	India	100

ii) Use of Estimates

The preparation of the financial statements in conformity with GAPP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) RECOGNITION OF INCOME & EXPENDITURE

Revenues/Incomes and costs / expenditures are generally accounted on accrual, as they are earned or incurred. Sales are exclusive of Sales Tax / VAT collected. With regard to sale of product, Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

iv) FIXED ASSETS

a) Tangible Fixed assets are stated at revalued amount less accumulated Depreciation. Assets are revalued based on approved valuers report.

b) Capital Work in Progress is stated at cost.

v) INVESTMENTS

Current investment if any are carried at the lower of cost or quoted/fair value. Long Term Investments are stated at cost of acquisition. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

vi) VALUATION OF INVENTORIES

a) Raw materials, Stores & Spares, Chemicals and Trading Goods are valued at lower of cost or net realizable value .

b) Work in progress is valued at cost of materials and labor charges together with relevant factory overheads.

c) Finished Goods are valued at lower of cost or net realizable value .

vii) **METHOD OF DEPRECIATION**

a) Depreciation on tangible fixed assets has been provided on straight line method in accordance useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

b) Depreciation on Plant & Machinery for expansion Project & Vehicles is provided using Written down value Method in accordance to useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

c) Depreciation in respect of fixed assets put to use during the year/period is charged on pro-rata basis with reference to the installation of the assets.

d) Intangible assets are amortized using straight line method over estimated useful life of 5 years.

f) No depreciation has been provided in respect of Capital Work In Progress.

g) No depreciation has been provided on self generated intangible assets.

viii) **FOREIGN CURRENCY TRANSACTIONS**

Transactions in the foreign currency which are covered by forward contracts are accounted for at the contracted rate; the difference between the forward rate and the exchange rate at the date of transaction is recognized in the Statement of profit & loss over the life of the contract. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

ix) **IMPAIRMENT OF ASSETS**

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset other than goodwill is reversed if, and only if, the reversal can be related objectively to an event occurring after the Impairment loss recognized. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment losses been recognized for the asset in prior years.

x) **TAXATION**

Income-tax expense comprise of current tax, wealth tax and deferred tax charge or credit.

Provision for current tax is made on the basis of the assessable income at the tax rate applicable for the relevant assessment year.

The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

xi) **RETIREMENT BENEFITS**

a) **Short Term**

Short term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.

b) **Long Term**

The Company has both defined contribution and defined benefit plans, of which some have assets in approved funds. These plans are financed by the Company in the case of defined contribution plans.

c) **Defined Contribution Plans**

These are the plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contribution to Employees Provident Fund. The Company's payments to the defined contribution plans are reported as expenses during the period under which an employee perform the services that the payment covers.

d) **Defined Benefits Plans**

Expenses for defined benefit gratuity payment plans are calculated as at the Balance Sheet date by independent actuaries in the manner that distributes expenses over the employees working life. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increase, using a discounted rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on Government Bonds with a remaining terms i.e. almost equivalent to the average balance working period of employees.

e) **Leave Encashment**

The Company has Defined Benefit plan for Post employment benefit in the form of Leave Encashment for all the employees.

xii) **CONTINGENT LIABILITY / CONTINGENT ASSETS**

a) Contingent liabilities are disclosed by way of note in the Balance Sheet.

b) Contingent Assets are neither recognized nor disclosed in the Financial Statements.

xiii) **CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Cash flows from operating, investing and financing activities of the Group are segregated.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

xiv) **EARNING PER SHARE :**

Basic earning per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares in issue during the year. Diluted earning per Share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

1 Share Capital

a. Details of Share Capital

Particulars	As at 31-Mar-2016		As at 31-Mar-2015	
	Number	₹	Number	₹
Authorized				
Preference Share Capital				
500000 (P.Y.500000) Preference shares of ₹100 each	500,000	50,000,000	500,000	50,000,000
Equity Share Capital				
25000000 (P.Y 25000000) Equity Share of ₹ 10 Each	25,000,000	250,000,000	25,000,000	250,000,000
		300,000,000		**300,000,000**
Issued, Subscribed & Paid up				
6009900 (P.Y 6009900)Equity Share of ₹ 10 each	6,009,900	60,099,000	6,009,900	60,099,000
Total	**6,009,900**	**60,099,000**	**6,009,900**	**60,099,000**

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

Equity Shares

Particulars	As at 31-Mar-2016		As at 31-Mar-2015	
	Number	₹	Number	₹
At the beginning of the period	6,009,900	60,099,000	6,009,900	60,099,000
Issued during the period	-	-		
Outstanding at the end of the period	**6,009,900**	**60,099,000**	**6,009,900**	**60,099,000**

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	As at 31-Mar-2016		As at 31-Mar-2015	
	No. of Shares held	%	No. of Shares held	%
Names of person holding more than 5% shares				
Ashita Nilesh Patel	1,273,889	21.20	-	-
Sonal Nimish Patel	1,151,570	19.16	-	-
N K Proteins Pvt. Ltd. [Formerly known as N K Proteins Ltd.]	367,302	6.11	367,302	6.11
N K Oil Mills Pvt. Ltd	-	-	1,989,223	33.10

2 Reserves & Surplus

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
General Reserves		
Opening Balance	1,038,073	1,038,073
Closing Balance	1,038,073	1,038,073
Security Premium Reserve		
Opening Balance	90,297,000	90,297,000
Closing Balance	90,297,000	90,297,000
Capital Reserve		
Opening Balance	174,025,339	174,025,339
Capital Reserve due to Consolidation	-	
Closing Balance	174,025,339	174,025,339
Capital redemption Reserve		
Opening Balance	258,120	-
Closing Balance	258,120	
Revaluation Reserve (Note Below)		
Opening Balance	1,588,565,815	1,588,565,815
	-	-
Closing Balance	1,588,565,815	1,588,565,815
Surplus/(Deficit)		
Opening Balance	(5,031,326,536)	(4,784,149,066)
Less: Adjustment on a/c of Change in Useful life of Assets Current Year	-	(712,558)
(+) Net Profit/(Net Loss) For the current year	(43,347,373)	(246,464,912)
Closing Balance	(5,074,673,910)	(5,031,326,536)
Total	**(3,220,489,563)**	**(3,177,400,309)**

3 Other Long-term Liabilities

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Trade Payables	6,318,033,260	6,276,189,691
Secuirty Deposit	1,686,213	-
Total	**6,319,719,473**	**6,276,189,6914**

Long Term Provisions

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Provision for Employee Benefits		
Provision For Leave Benifit Account	1,571,668	1,178,868
Provision For Gratuity Account	6,364,411	4,894,838
Total	7,936,079	6,073,706
Others		
Interest Payable On Block Assessment	14,758,294	14,758,294
Provision- Income Tax - Block Assessmen	2,293,291	2,293,291
Total	17,051,585	17,051,585
Total	**24,987,664**	**23,125,291**

5 Trade Payables

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Trade Payables(other than accetances)		
Total outstanding dues of Micro Enterprise and Small Enterprise	514,109	-
Total outstanding dues of creditors other than Micro Enterprise and Small Enterprise (Refer Note No. 44)	34,808,533	399,849,119
Total	**35,322,642**	**399,849,119**

6 Other Current Liabilities

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Other payables		
Expense payable	10,804,873	3,733,876
Statutory Liabilities	1,104,975	1,212,439
Advance Received from Customers	50,581	269,148
	11,960,429	5,215,463
Total	**11,960,429**	**5,215,463**

7 Short-term Provisions

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Provision for employee benefits		
Bonus	1,483,250	1,020,132
Gratuity	530,602	451,500
Leave Encashment	419,118	350,468
	2,432,969	**1,822,100**

8 Fixed Assets

Sr.	Particulars	Gross Block				Accumulated Depreciation					Net Block	
		As at 01-04-2015 ₹	Additions ₹	Adj. during the year ₹	As at 31-Mar-2016 ₹	As at 01-04-2015 ₹	Amt Transfer to Reserves ₹	Depre. charge for the year ₹	Adj. during the year ₹	As at 31-Mar-2016 ₹	As at 31-Mar-2016 ₹	As at 01-04-2015 ₹
a	**Tangible Assets**											
	Freehold Land	952,708,833	-	-	952,708,833	-	-	-	-	-	952,708,833	952,708,833
	Lease hold Land	3,927,415	3,458,866	-	7,386,281	-	-	-	-	-	7,386,281	
	Buildings	461,832,985	9,729,015	-	471,562,001	103,778,602	-	26,691,862	-	130,470,464	341,091,537	358,054,384
	Plant and Equipment	1,391,360,582	19,567,203	-	1,410,927,786	1,063,957,292	-	102,337,810	-	1,166,295,102	244,632,684	327,403,290
	Furniture and Fixtures	18,267,172	365,260	-	18,632,432	7,772,996	-	1,420,437	-	9,193,433	9,438,999	10,494,176
	Vehicles	8,719,708	1,861,388	1,057,600	9,523,496	7,362,664	-	704,927	791,733	7,275,859	2,247,637	1,357,044
	Office equipment	12,370,809	944,402	-	13,315,211	8,547,809	-	1,608,279	-	10,156,088	3,159,123	3,823,000
	Computers	5,145,636	-	-	5,145,636	4,815,939	-	229,575	-	5,045,514	100,122	329,697
	Total	**2,854,333,141**	**35,926,135**	**1,057,600**	**2,889,201,676**	**1,196,235,302**	**-**	**132,992,892**	**791,733**	**1,328,436,460**	**1,560,765,215**	**1,654,170,424**
b	**Intangible Assets**											
	Computer software	931,556	-	-	931,556	819,577	-	62,329	-	881,906	49,650	111,979
	Goodwill on consolidation	-	229,975,215	229,975,215	-	-	-	-	-	229,975,215	-	
	Total	**931,556**	**229,975,215**	**-**	**230,906,771**	**819,577**	**-**	**62,329**	**-**	**881,906**	**230,024,864**	**111,979**
	Total	**2,855,264,697**	**265,901,350**	**1,057,600**	**3,120,108,447**	**1,197,054,879**	**-**	**133,055,221**	**791,733**	**1,329,318,367**	**1,790,790,080**	**1,654,282,403**
c	Capital work-in-progress	12,856,341	907,524	10,905,876	2,857,989	-	-	-	-	-	2,857,989	12,856,341
	Total	**2,868,121,038**	**266,808,873**	**11,963,476**	**3,122,966,435**	**1,197,054,879**	**-**	**133,055,221**	**791,733**	**1,329,318,367**	**1,793,648,068**	**1,667,138,744**

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	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Investment in Equity instruments - Unquoted		
Investment in Equity instruments	5,932,930	5,753,060
Investments in Government or Trust securities	608,239	23,500
Investments in Equity of Joint Venture Company	250,050,000	250,050,000
Total	256,591,169	255,826,560
Less: Provision for diminution in the value of Investments	254,650,000	254,650,000
Total	**1,941,169**	**1,176,560**

A Details of Other Investments - Unquoted

Sr.	Name of the Body Corporate	No. of Shares		Amount (₹)	
		2015-16	2014-15	2015-16	2014-15
a	Investment in Equity Instruments				
	ACCURATE EXPORTS LTD. of ₹ 10 each	100,000	100,000	1,000,000	1,000,000
	FICON LEASE & FINANCE LTD. of ₹ 10 each	350,000	350,000	3,500,000	3,500,000
	HYTAISUN MAGNETICS LTD. of ₹ 10 each	10,000	10,000	100,000	100,000
	Reliance Natural Resources Ltd.	20		38	
	Reliance Industries Ltd.	162		2,792	
	Reliance Energy Ltd.	6		392	
	Reliance Communications Ltd	81		2,078	
	Reliance Capital Ltd.	4		70	
	Punjab Fibers Ltd.	100		30,000	
	Hytaisun Magnetics Ltd.	1,300		130,000	
	Powerflow Ltd.	200		5,000	
	Meltron Semiconductor Ltd.	100		9,500	
		461,973	460,000	4,779,870	4,600,000
	Less: Provision for diminution in the value of Investments	461,973	460,000	4,600,000	4,600,000
		-	-	179,870.00	-
	AHMEDABAD COMMODITY EXCHANGE LTD of ₹ 10 each	56,500	56,500	1,153,000	1,153,000
	KALUPUR COMM.CO.OP.BANK of ₹ 10 each	6	6	60	60
	Joint Venture Investments				
	AWN AGRO PVT. LTD. of ₹ 10 each	25,005,000	25,005,000	250,050,000	250,050,000
		25,061,506	25,061,506	251,382,930	251,203,060
	Less: Provision for diminution in the value of Investments	25,005,000	25,005,000	250,050,000	250,050,000
	Sub-Total	56,506	56,506	1,332,930	1,153,060
b	Investments in Government or Trust securities				
	NATIONAL SAVINGS CERTIFICATE			608,239	23,500
	Total			608,239	23,500
	Grand Total			**1,941,169**	**1,176,560**

10 Long Term Loans and Advances

a Dertails of Long Term Loans and Advances

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Security Deposits		
Unsecured, considered goods	38,916,897	10,672,821
Advance to employees	929,059	-
Balance with government authorities	2,425,539	-
Advance tax & Tds Receivable	11,751,550	4,303,336
Bank deposit with more than 12 months maturity	1,785,062	-
Long term Loans and advances to related parties		
1 Long term Loans and advances to related parties - doubtful Unsecured, considered doubtful	174,864,908	275,611,247
Total	174,864,908	275,611,247
Less: Provision for doubtful advances	174,864,908	275,611,247
	-	-
Long-term Loans and advances to others		
1 Long term Loans and advances to others Unsecured, considered goods	901,472,569	1,157,251,667
1 Long term Loans and advances to others -Doubtful	129,756,917	20,724,540
Total	1,031,229,485	1,177,976,207
Less: Provision for doubtful advances	129,756,917	20,724,540
Other loans and advances to others	901,472,569	1,157,251,667
Total	**957,280,675**	**1,172,227,824**

11 Other Non-Current assets

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Trade receivables		
Unsecured, considered good	41,880,828	248,009,622
Unsecured, considered good doubtful	352,298,715	352,298,715
	352,298,715	**352,298,715**
Less: Provision for doubtful debts	352,298,715	352,298,715
	-	**-**
Total	**41,880,828**	**248,009,622**

12 Inventories (As taken valued and Certified by the Management)

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Traded Material	41,253,284	9,094,974
Stores & Spares	25,949,952	16,018,636
Total	**67,203,236**	**25,113,610**

13 Trade Receivable

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Outstanding for a period less than six months from the date they are due Unsecured, considered good	262,518,903	584,810
	262,518,903	584,810
Outstanding for a period exceeding six months from the date they are due Unsecured, considered good	77,812,566	410,570,582
	77,812,566	410,570,582
Total	**340,331,469**	**411,155,392**

14 Cash and Bank Balance

Cash and Cash Equivalent

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Balances with banks	5,566,102	6,526,972
Cash on hand	2,823,161	3,836,314
Total	**8,389,264**	**10,363,287**

Other Cash Balance

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Bank deposits upto 12 months maturity	4,021,974	3,659,298
Total	**4,021,974**	**3,659,298**

15 Short-term Loans and Advances

Particulars	As at 31-Mar-2016 ₹	As at 31-Mar-2015 ₹
Prepaid expense	1,668,436	1,091,696
Balance with government authorities	2,055,079	1,773
Advance tax & tds	1,641,885	-
Short Term Loans and advances to others		
Unsecured, considered good	5,407,877	86,640,344
Total	5,407,877	86,640,344
	5,407,877	86,640,344
Total	**10,773,277**	**87,733,813**

16 Revenue

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Sale of products		
Traded Goods Domestic	497,967,100	467,322,800
Traded Goods Export	34,724,640	14,732,588
	532,691,740	482,055,388
Operating Revenues		
Sale of Services	157,369,811	-
Commission income	383,625	-
	690,445,176	**482,055,388**
Crushing Charges (TDS ₹70.11 (P.Y.₹37.79)Lacs)	353,210,079	188,926,542
Total	353,210,079	188,926,542
Total	**1,043,655,255**	**670,981,930**

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Traded Export		
Edible Oil	**-**	**-**
Non-Edible Oil	34,724,640	14,732,588
Total	**34,724,640**	**14,732,588**
Traded Goods		
Edible Oil	110,022,342	1,015,534
Non-Edible Oil	353,609,959	308,583,496
Others	34,334,799	157,723,770
Total	**497,967,100**	**467,322,800**
Total(A+B)	**532,691,740**	**482,055,388**

17 Other Income

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Interest Income (TDS Rs2.29(P.Y.₹0.21)Lacs)	3,006,935	310,310
Other non Operating Revenues		
Long term capital gain	174,500	-
Misc. Income	2,954,329	1,101,607
Commission income	-	1,578,049
Prior period Income	1,174,400	-
Foreign Exchange fluctuation	632,811	-
Credit Bal.Written Back	-	5,552,370
Office Rent	525,000	60,000
Total	**8,467,975**	**8,602,335**

18 Purchase of Trading Goods

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Purchase of Goods	517,328,427	439,278,270
Other direct purchase costs	2,474,472	9,300
Cost of Goods sold	**519,802,899**	**439,287,570**
Traded Goods		
Edible Oil	108,515,881	**1,014,399**
Non-Edible Oil	408,796,459	**280,549,401**
Others	2,490,560	**157,723,770**
Total	**519,802,899**	**439,287,570**
Total(A+B)	**519,802,899**	**439,287,570**

19 Change in Inventory

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Castor Seed - Traded		
Stock at the Begining of the financial year	-	13,574,010
Stock at the End of the financial year	-	-
	-	13,574,010
Ricinolic Acid		
Stock at the Begining of the financial year	2,392,277	92,586
Stock at the End of the financial year	1,941,216	2,392,277
	451,061	(2,299,691)
12HSA		
Stock at the Begining of the financial year	5,672,100	6,845,189
Stock at the End of the financial year	35,309,416	5,672,100
	(29,637,316)	1,173,089
Glycerine		
Stock at the Begining of the financial year	1,032,150	-
Stock at the End of the financial year	851,500	1,032,150
	180,650	(1,032,150)
Fly Ash		
Stock at the Begining of the financial year	13,932	2,223
Stock at the End of the financial year	1,152	13,932
	12,780	(11,709)
Total	**(28,992,825)**	**11,403,548**

20 Employee benefits expense

Employee Benefits Expense	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Salaries and incentives	76,374,279	42,341,301
Contributions to Provident Fund, FPF and other Funds	3,094,334	2,739,784
Gratuity fund contributions	2,075,019	2,517,214
Leave Encashment expenses	1,091,534	634,021
Staff welfare expenses	6,475,361	150,902
Total	**89,110,527**	**48,383,222**

21 Finance Cost

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Interest expense	150,213	1,178,720
Other borrowing costs	126,771	41,455
Foreign Exchange fluctuation	-	78,894
Total	**276,984**	**1,299,069**

22 Other Expenses

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Manufacturing Expenses		
Labour Charges	34,236,608	29,085,523
Loading-Unloading Expense	282,117	207,500
Power and Fuel	144,013,024	39,089,507
Vat Reversal	-	4,489,745
Repair to Plant and Machinery	2,395,419	2,666,277
Rates and taxes, excluding, taxes on income.	10,000,836	4,027,281
Consumption of Stores, Chemicals & Packing Materials	90,750,786	45,999,360
Other Manufacturing Expenses	146,021	133,938
Total Manufacturing Expenses	**281,824,810**	**125,699,131**
Administrative Expenses		
Loss on Sales of Fixed Assets	140,867	-
Telephone Expenses	566,276	399,874
Professional Fees	5,057,786	5,467,673
Accident expense	273,558	
Auditors Remuneration*	287,640	124,720
Stationery and Printings	114,781	48,613
Travelling Expenses	2,950,436	4,567,020
Insurance	3,565,140	1,474,703
Provision for Doubtful Advances (Net)	25,267,009	-
Donation	-	2,000
Membership Fees	391,267	276,821
Repair and Maintenance - Others	2,139,191	377,771
Security Services	5,722,663	4,350,738
Vehicle Running-Repair Expense	21,347,757	887,144
Other Admin Expenses	4,413,603	2,401,830
Vehicle hire charges	25,341,655	-
Prior period expenses	4,865,538	36,250,292
Total Administrative Expenses	**102,445,166**	**56,629,199**
Selling and Distribution Expenses		
Transportation Expenses	13,437,912	789,409
Advertisement Expenses	42,203	59,917
Clearing Forwarding Expenses	473,836	261,128
Total Selling and Distribution Expenses	**13,953,950**	**1,110,454**
Total Other Expenses	**398,223,926**	**183,438,785**

23 *Auditors Remuneration Includes

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
As auditors - Statutory audit	200,000	75,000
Tax Audit	50,000	25,000
Certification fees & Other Services	-	-
Reimbersement of Expenses	-	-
Total	**250,000**	**100,000**

24 Other details to Balance Sheet

a Contingent Liabilities and Commitments:

Particulars Contingent Liabilities	As at 31-Mar-2016 (₹ In Lacs)	As at 31-Mar-2015 (₹ In Lacs)
a. Claims against the Company, not acknowledged as debts (including interest and penalty)		
- Disputed Sales Tax Demand Matter under Appeal (refer note 36)	5554.43	5554.43
- Other Claims (without considering interest liability)	1333.31	1333.31
- Disputed Income Tax Demand Matter under Appeal (refer note 26 & 34)	21343.04	15079.26
- 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
b. Winding up petition pending against the company filed by Vemag Engg. Pvt. Ltd. for recovery of dues	-	17.38

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 Holding Company has been declared as a Sick Industrial Company by the BIFR under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985,On having settled all the compromise dues of the banks and IDBI, the BIFR has disposed off the first reference Case no. 35/1999 of the Holding Company. It has, however, registered the Holding companies subsequent references and appointed Canara Bank as an Operating Agency vide its order dated 1st March, 2012 to prepare a Draft Rehabilitation Scheme (DRS) for its consideration.*

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 on Holding Company. In case of Holding company, the Income Tax Appellate Tribunal(ITAT),Ahmedabad had subsequently given relief to the extent of ₹ 28.84 Crores. The Holding company's appeal before the Hon'ble Gujarat High Court against addition confirmed by ITAT of ₹ 4.28 Crores is admitted. Pending the disposal of appeal by the Hon'ble High Court, the provision for Income Tax of ₹2.88 Crores on addition confirmed by ITAT was made during F.Y.2002-03 and provision of ₹ 1.27 crore of interest payable up to 31.03.2005 was made in the accounts of the Holding Company and Consolidated accounts. Adhoc payments made against the outstanding demands are adjusted against principal amounts made by Holding Company. No provision is made in the Consolidated accounts for the interest payable by the Holding Company , if any, on the outstanding demand for the period from 1st April, 2005 till date as the Holding company is hopeful of getting favorable order from the Hon'ble Gujarat High Court.*

27 a No provision is made during the year for interest receivable on various advances amounting to ₹ 3001.21 Lacs (P.Y. ₹ 2963.75 lacs) as the same are considered doubtful.

b *During the year under review, the company has provided for doubtful debt amounting to ₹ 10.45 crores of loans and advances lent by the company during earlier financial years, considering the fact that the same are not recoverable. The provision for doubtful debt of loans and advances amounting to ₹ 10.07 crores has been set off against the reversal of provision for doubtful debts of loans and advances of NK Oil Mills Ltd. as mentioned at Note No. 27b.*

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 Rs 322.04 Crores as at 31.3.2016 and the net worth of the Consolidated accounts as well as Holding Company and Subsidiary Companies is negative . The Holding company is registered and declared "Sick" by Hon'ble Board for Industrial & Financial Reconstruction under SICA Act. However, 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 no provision for the impairment has been made in the books of Holding company and accounts of the holding company 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 efforts made by the management, said subsidiary companies are also making sincere efforts to revive the business and the management of the said Subsidiary companies are 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 company & consolidated accounts and accounts of the subsidiary company for the year have been prepared on " going concern basis."

30 *on the basis of certificate received from the Management of Holding company, the holding company does not have any control on its joint Venture "AWN AGRO PRIVATE LIMITED" and hence no consolidation of the said joint venture is taken in the accounts while consolidation of accounts.*

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 Holding company located at Kadi , Gujarat. However , the Holding company has challenged the notification by Home department of Maharashtra in the Hon'ble Gujarat High Court*

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 Holding company comprising of Land, building, plant and machinery situated at Survey Nos.719, 720, 721, 732/1, 732/2, 733, 741, 743, 744, 745, kadi Thol Road, Village Kadi Kasba , taluka- Kadi, District Mehsana-382715 Gujarat. As explained to us, The Holding company has preferred an appeal before the Hon'ble Appellate Tribunal under the Prevention of Money laundering Act, 2002.*

34 *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 142A of the IT Act, 1961, for AY 2011-12 & A.Y 12-13. The department has raised a demand of Rs 210.82 (Rs150.49 crores for A.Y 11-12 & Rs 60.33 Crores for A.Y 12-13) 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. 24 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.*

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*

34 a *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 Economic Offence Wing, Mumbai (EOW), has issued notice under the Maharashtra Protection of Interest of Depositors (in financial establishments)-Act, 1999 (MPID Act) for securing attachment of the Factory Plant, Land, Building & Plant & Machinery of the company located at plot No. 144/64 Mauje chandisar, Taluka-Palanpur, Dist-Banaskantha, Gujarat. As explained to us, The said Subsidiary company has filed its detailed response to such attachment notice before the Adjudicating authority (PMLA) New Delhi and matter is subjudice as on date.*

36 *Sales Tax Department has completed the assessment for various assessment years and raised demand of ₹ 5554.43 lacs for the earlier years. The Holding company has not made any provision for the above demand raised by the sales tax authority in view of the fact that that 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 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-2016 ₹	For the year ended on 31-Mar-2015 ₹
Basic			
Profit attributable to equity shareholders	₹	(43,347,373)	(246,464,912)
Nominal Value of equity share	₹	10	10
Weighted average number of ordinary equity shares for Basic EPS	No.	6,009,900	6,009,900
Basic and Diluted EPS	₹	**(7.21)**	**(41.01)**

b Details of Prior period Items

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
Brokerage Charges	-	551,500
Interest Income	(1,674,727)	(849,432)
Member Ship Fees	302,184	319,049
Vat Expenses	-	35,957,213
Others	-	271,963
Repair & Maintance Plant & Machineary	134,143	
Freight	64,000	
Total	**(1,174,400)**	**36,250,292**

c Earnings in foreign currency

Particulars	For the Year ended on 31-Mar-2016 ₹	For the year ended on 31-Mar-2015 ₹
FOB VALUE OF EXPORTS	34,724,640	14,732,588

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	Ashwinbhai Patel	(Chief Finance Officer)
5	Monica Surjani	(Company Secratory upto 21/11/2015)
6	Heena P. Jain	((Company Secratory w.e.f 14/12/2015)
	Key Managerial Person(Ex -director one of Subsidiary company)	
1	Harjibhai Patel	
2	Shri N.P.Bhatol	
	Independent Directors	
1	Jaimin Virendra Modi	
2	Bharat Jayantilal Patel	
3	Ms. Neha Modi	(w.e.f 23/05/2015)
4	Jayesh D. Thakkar	(upto 07/05/2015)
	Name of Relatives of KMP/Directors	
1	Nimish K. Patel	Mrs. Venushree N. Patel
	Mrs. Sonalben N. Patel	Ms. Vedanshee N. Patel
2	Nilesh K. Patel	Mr.Priyam Patel
	Mrs.Ashitaben Patel	Mrs.Priyanshi Patel
	Firm/LLP in which directors/manager/his relative is a partner	
1	NKPL Realty LLP (converted from Tirupati Realty, partnership firm)	
2	NKP Enterprise LLP (converted from NK Corporation, partnership firm)	
3	Nimish K. Patel HUF	
4	Nilesh K. Patel HUF	
5	Shri Vijay Trading Co	
6 7	Bhagwati Oil Mill Vijay HarjiBhai Patel	
	Private Company in which director/member or his relative is a member/director	
1	N K Proteins Private Limited [Formerly known as N K Proteins Limited]	
2	Banpal Oilchem Private Limited	
3	N K Oil Mills Private Limited	
4	Tirupati Proteins Private Limited	
5	Tirupati Retail (India) Private Limited	
6	Adrenal Advertising and Promotions Private Limited	

B Details of transactions with related party

(₹ in lacs)

Sr	Name of party	Nature of Transaction	2015-16	2014-15
1	Ashwin P. Patel	Remuneration	6.00	6.00
2	Adrenal Advertisment Pvt Ltd	Purchases/ Services	0.21	
3	N K Proteins Pvt. Ltd. [Formerly known as N K Proteins Limited]	Purchases/ Services	5,555.85	2,949.10
4	N.K.P Enterprise LLP (Formally known as N K P enterprise)	Purchases/ Services	1.69	1.20
5	N.K.P Enterprise (Fomally Know as N K Corporation)	Purchases/ Services	10.94	
6	N K Proteins Pvt. Ltd. [Formerly known as N K Proteins Limited]	Sales/Jobwork charges	5,858.14	3,719.59
7	Nilesh K. Patel	Remuneration	51.61	-
8	Nimish K. Patel	Remuneration	51.61	-
9	Hasmukhbhai Patel	Whole Time Director	5.97	4.06
10	Monica Surjani	CS Remuneration	1.34	0.52
11	Heena Jain	CS Remuneration	0.61	-
12	Harjibhai Patel	Remuneration	1.34	-
13	Shri N.P.Bhatol	Repayment of Loan	19.35	-
14	Shri Vijay Trading Co	Security Deposit	16.86	-
15	Bhagwati Oil Mill	Job work	0.28	-
16	Vijay HarjiBhai Patel	Repayment of Loan	8.37	-

C Details of Closing Balances - Receivables/(Payables)

Sr	Name of party	As at 31-Mar-2016	As at 31-Mar-2015
1	N.K.P Enterprise LLP (N K Corporation)	-	3,922.99
2	N K Oil Mills Pvt.Ltd	-	1,117.83
3	N K Proteins Pvt .Ltd. [Formerly known as N K Proteins Limited]	3,277.73	(3,835.23)
4	Tirupati Proteins Pvt.Ltd.	-	2,061.29

40 *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 31.03.2016, the title of the property has not been conveyed in the name of the company till the date of our audit.*

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 *An amount of ₹ 34.58 lacs was debited towards land development in the Subsidiary Comany viz. Banpal Oil Chem Pvt ltd and accordingly the same has been capitalised. The amount has been paid in cash and in view of non availability of specific third party evidences; the auditor of the said subsidiary company has relied upon the management certification towards payment of money for land development*

43 **Previous years comparatives**

The Previous year's figures are not comparable as the consolidation has been effected in the current financil year and previou year figures have not been regrouped.

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	2015-16	2014-15
The Principal Amount	514,109	-
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	93.14%	-3,141,591,987	56.04%	-24,290,678
Indian Subsidiaries				
Banpal Oil chem Private limited 100%	2.44%	-82,210,138	57.68%	-25,001,864
NK Oil Mills Pvt Limited 100%	4.42%	-149,006,358	-13.72%	5,945,169
Minority interest- Nil				
Total	**100**	**-3,372,808,483**	**100**	**-43,347,373**
Less : Adjustment arising out of consolidation		**-212,417,920**		**Nil**
Consolidated Net Assets / Profit after tax		**-3,160,390,563**		**-43,347,373**

As per our report of even date attached.
FOR, PARIKH & MAJMUDAR
Chartered Accountants
(FRNo.107525W)

CA DR HITEN PARIKH
Partner
M.NO.040230

Ahmedabad
21st May, 2016

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

Heena P. Jain
Company Secretary

Ahmedabad
21st May, 2016

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 FOR THE 28TH ANNUAL GENERAL MEETING

(TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

Folio No./DP ID/Client ID

Number of Shares Held : _____

Name of Shareholder : _____

Name of Proxy / Authorised Representative : _____

I hereby record my presence at the 28th Annual General Meeting held at 4.00 p.m. on 30th July, 2016 at ATMA Hall, Ashram Road, Navrangpura, Ahmedabad -380009.

Signature of Member / Proxy / Authorised Representative attending 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

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 Member(s) : _____
Registered Address : _____
E-mail Address : _____
Folio No. | Client ID : _____
DP Id : _____

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, the 30th July, 2016 at 4.00 P.M. at ATMA Hall, Ashram Road, Navrangpura, Ahmedabad – 380 009 and at any adjournment thereof in respect of such resolutions as are indicated as follows:

P.T.O.

Resolution No.	Resolution
	Ordinary Business
1.	To receive consider and adopt the financial statements of the Company for the year ended March 31, 2016, including the Audited Balance Sheet as at March 31, 2016, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2.	To appoint a Director in place of Mr. Nimish K. Patel (DIN: 00240621), who retires by rotation and being eligible, has offered 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. 28th AGM till the conclusion of the 29th Annual General Meeting and to fix their remuneration.
	Special Business
4	To approve the remuneration of Cost Auditors for the year 2016-17
5	To approve the related party transactions of the Company under Section 188 of the Companies Act, 2013

Signed this _____ day of _____ 2016.

Affix Revenue Stamp

_____ Signature of Shareholder

_____ Signature of Proxyholder(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.

SHAREHOLDERS ARE REQUESTED TO SUBMIT THIS INFORMATION EITHER THROUGH E-MAIL OR THROUGH REGISTERED POST TO THE COMPANY/RTA AT THE BELOW MENTION EMAIL ID AND REGISTERED ADDRESS

Email id: nkil@nkproteins.com

Registered address: 7th Floor, Popular House, Ashram Road, Ahmedabad-380009 Tel: 079-66309999

To,
Link Intime India Private Limited,
303, Shopper Plaza,
Opp. Municipal Market, off C. G. Road,
Navrangpura, Ahmedabad – 380 009
Email: ahmedabad@linkintime.co.in

Updation of Shareholder Information

I/We request you to record the following information against my / our Folio No. / DP ID / Client ID:

General Information:

Folio No. /DP ID / Client ID	:	
Name of the first named Shareholder	:	
PAN*	:	
CIN/ Registration No. *(applicable to Corporate Shareholders)	:	
Tel. No. with STD Code	:	
Mobile No.	:	
Email Id	:	
Permanent Residential Address of Shareholders	:	

Self attested copy of the document(s) enclosed

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained till I/We hold the securities under the above mentioned Folio No. / Beneficiary account.

Place :
Date :

Signature of Sole/ First holder

(the Corporate Shareholders are requested to affix stamp along with signature of authorised person)



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