N.K.
Industries Ltd

29th September, 2016

To,

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

Dear Sir/Madam,

Sub: Statement on Impact of Audit Qualifications (Annexure I) for the year ended on March 31, 2015.

This is with reference to Notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016 issued by the Securities and Exchange Board of India (SEBI), we are hereby enclosing the Statement of Impact of Audit Qualifications (for audit report with un-modified opinion) for the financial year ended on 31st March, 2015 on Standalone financial Statements.

Kindly take the same on records.

Thanking You,

Yours faithfully
For N K Industries Limited

FOR, N. K. INDUSTRIES LTD. AHMEDABAD

Ms. Heena P. Jain
(Company Secretary/Compliance officer)
Encl: As Above

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

Phone : 91-79-66309999
Fax : 91-79-26589214
E-mail : nkil@icenet.co.in

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

Statement on Impact of Audit Qualifications (for audit report with un-modified opinion) submitted along-with Annual Audited Standalone Financial Results

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover/ Total income	67,95,84,265	67,95,84,265
	2	Total Expenditure	92,60,49,177	92,60,49,177
	3	Net Profit/ (Loss)	(24,64,64,912)	(24,64,64,912)
	4	Earnings Per Share	(41.01)	(41.01)
	5	Total Assets	358,78,47,487	358,78,47,487
	6	Total Liabilities	670,51,48,797	670,51,48,797
	7	Net Worth	(311,73,01,310)	(311,73,01,310)
	8	Any other financial item (s) (as left appropriate by the management)	-	-

II. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification:** Un-modified opinion with Emphasis

b. **Type of Audit Qualification**: Qualified Opinion

1. Regarding transactions of the Company through trading and clearing member with NSEL.
- Regarding notice issued by EOW under the Maharashtra Protection of Interest of Depositors (in financial establishments) – Act, 1999 (MPID) Act.
2. Regarding proceedings initiated by the Directorate of Enforcement under the Prevention of Money Laundering Act, 2002

c. **Frequency of qualification**:

1. Repetitive from the financial year ended on 31st March, 2013
- Appeared for the first time.
2. Appeared for the first time.

d. **For Audit Qualification (s) where the impact is quantified by the auditor, Management's Views:**
The Auditors have not quantified the impact of their qualifications on the financial statements of the Company as the matters pertaining to the qualification are pending before various Courts/Statutory authorities and are subjudice at present. Further the Managements view on the above mentioned qualifications are as mentioned at point no. e below.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

i. **Management's estimation on the impact of Audit qualification:** Unable to Estimate

ii. If management is unable to estimate the impact, reason for the same:

1. 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 recovery proceedings initiated by NSEL against the Trading and Clearing Member viz. N K Proteins Private Limited, the matter is subjudice and is still pending before the respective authorities.

- Further, the Economic Offence Wing of Mumbai Police (EOW) has issued a notice securing attachment against which the Company has received stay from the Hon'ble High Court of Gujarat. The matter is subjudice.

2. With respect to point no.2 of qualified opinion of Auditors Report, the Company has filed its detailed response with Directorate of Enforcement of Government of India and the matter is subjudice.

iii. Auditor's Comments on (I) or (ii) above:

We have qualified our report with respect to various transactions entered into by the Company on NSEL Platform and the matter is presently lying at various courts/statutory authorities and accordingly it is subjudice. The quantification of amount can be determined only upon the receipt of judgment from the respective authorities and till that time neither we as auditor nor the Company can quantify the impact of the same on the financial results of the Company.

III. Signatories:

- CEO/ Managing Director]
- CFO
- Audit Committee Chairman
- Statutory Auditor

FOR, N. K. INDUSTRIES LTD. AHMEDABAD

For, PARIKH & MAJMUDAR
CHARTERED ACCOUNTANTS
CA Partner
Partner
M NO 040280, FRN 107525W

Place: Ahmedabad
Date: 20th September, 2016