

N.K. Industries Ltd

12th November, 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 Sir/Madam,

Sub: Submission of Standalone Unaudited Financial Results for the quarter ended on 30th September, 2016

Please take note that the Board of Directors of the Company at its meeting held today i.e. 12th November, 2016, has approved the Standalone Unaudited Financial Results for the quarter and half year ended on 30th September, 2016.

Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015 we are enclosing herewith the Standalone Unaudited Financial Results for the quarter and half year ended on 30th September, 2016 along with the Statements of Assets and Liabilities and Limited Review Report as received from the Statutory Auditors of the Company.

The Board Meeting was commenced at 3:00 p.m. and was concluded at 3:45 p.m.

Yours faithfully,
For N K Industries Limited

Mr. Niles K. Patel (DIN: 00244115)
Managing Director

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@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

REVIEW REPORT

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

We have reviewed the accompanying statement of unaudited financial results ("the statement") of N.K.INDUSTRIES LIMITED "the company" for the quarter ended 30th September 2016. This statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 12th November 2016. Our responsibility is to issue a report on these financial statements based on our review.

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

Without qualifying our opinion, we draw your attention to;

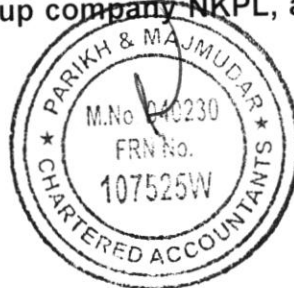
- I) The Company has not provided for Deferred Assets as there is no virtual Certainty of setting the same in near future.***
- II) The company had incurred huge losses in past years, and has also incurred loss in the current quarter ended on 30 th September , 2016 and the company's net worth is negative. In spite of this in view of the management, the accounts have been prepared on "Going Concern basis".***
- III) Impact, if any, of the rehabilitation scheme by operating agency appointed by Hon'ble Board for Industrial & Financial Restructuring (BIFR) is not ascertainable since the scheme is pending.***



- IV) *Balance of Trade receivables, Loans & Advances & Trade payables are subject to confirmation from respective parties.*
- V) *The closing stock as at 30.09.2016 is as taken, valued and certified by the Management.*
- VI) *The Company has received a show cause notice from the Office of the Regional Director, North west Region, Ahmedabad Dated 28-10-16 for violation /irregularities of the Companies Act, 1956/2013 in respect of Investigation u/s 210 of the Companies Act 2013. As informed by the company, the Company is in the process of submitting suitable reply to the said show cause notice in due course of time.*

BASIS FOR QUALIFIED OPINION

1. i) The Company had entered into financial arrangement with National Spot Exchange Ltd (NSEL) through trading and Clearing Member, N.K. Proteins Private Ltd (erstwhile N.K. Proteins Limited (NKPL) (Group Company) by way of purchase and sales of various goods up to financial year 2012-13. The trade payables and trade receivables arising out of the transactions through National Spot Exchange Limited (NSEL) from the concerns other than the group concerns are subject to confirmations by the respective parties and reconciliations/adjustments, if any. Further, NSEL has suspended the trading on 31.07.2013 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.
- ii) The Directorate of Enforcement, Government of India has initiated proceedings against the company under section 5(1) of the prevention of Money Laundering Act, 2002, along with group company NKPL, and by



virtue of the provisional attachment order dated 10/03/2015, attached the assets of the company comprising of Land, building, plant and machinery situated at Survey Nos.719, 720, 721, 732/1, 732/2, 733, 741, 743, 744, 745, kadi Thol Road, Village Kadi Kasba , taluka- Kadi, District Mehsana-382715 Gujarat. As explained to us, The company has preferred an appeal before the Hon'ble Appellate Tribunal under the Prevention of Money laundering Act, 2002. However, matter is subjudice, we are unable to quantify the liability and its impact if any, on the profit or loss of the company

Except for the adjustments to the interim financial information that we might have become aware of had it not been for the situation described above , based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with Accounting Standard as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended) and other accounting principles generally accepted in India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI Circular No CIR/CFD/CMD 15/2015 Dated November 30, 2015 and SEBI Circular No CIR/CFD/FAC/62/2016 Dated July, 05, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

We have not audited or reviewed the accompanying financial results and other financial information for the quarter/half year ended September 30, 2015 which has been solely prepared based on the information complied by the management.

Date: 12/11/2016

Place: Ahmedabad



FOR PARIKH & MAJMUDAR
CHARTERED ACCOUNTANTS
FRN NO 107525W

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

N.K. Industries Limited

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

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

Standalone Unaudited Financial Results For The Quarter Ended On 30th September, 2016

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

Part I							(₹) In Lacs
	Particulars	Quarter Ended on			Cummulative		Year Ended
		30/09/2016	30/06/2016	30/09/2015	01/04/2016 to 30/09/2016	01/04/2015 to 30/09/2015	31/03/2016 (Audited)
1	Income from operations						
	(a) Net Sales / Income From Operations (net of Excise Duty)	2,430.51	4,185.18	2,205.43	6,615.69	3,791.94	8,403.42
	(b) Other Operating Income					-	-
	Total Income from operations (net)	2,430.51	4,185.18	2,205.43	6,615.69	3,791.94	8,403.42
2	Expenses						
	a) Cost of materials consumed	-	-	-	-	-	-
	b) Purchase of stock-in-trade	1,603.19	2,671.91	1,637.02	4,275.10	2,444.58	4,770.04
	goods, work-in-progress and stock in trade	46.06	199.36	(40.93)	245.42	(78.86)	(289.93)
	d) Employee benefits expenses	163.88	171.60	132.20	335.48	257.97	582.95
	e) Depreciation and amortisation expenses	307.88	338.46	313.93	646.34	617.39	1,245.25
	f) Other expenses	605.53	893.02	548.72	1,498.55	1,165.79	2,403.64
	Total Expenditure	2,726.53	4,274.35	2,590.93	7,000.88	4,406.86	8,711.94
3	Profit /(Loss) from operations before other income, interest and exceptional	(296.03)	(89.18)	(385.49)	(385.20)	(614.91)	(308.52)
4	Other Income / (Loss)	7.32	9.77	9.48	17.09	9.62	67.18
5	Profit /(Loss) from ordinary activities before finance cost and exceptional items (3 + 4)	(288.71)	(79.41)	(376.02)	(368.11)	(605.30)	(241.34)
6	Finance costs	0.03	0.01	10.35	0.04	0.66	1.57
7	Profit /(Loss) from ordinary activities after finance cost but before exceptional items (5 + 6)	(288.74)	(79.43)	(365.66)	(368.15)	(605.96)	(242.91)
8	Exceptional Items	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	(288.74)	(79.43)	(365.66)	(368.15)	(605.96)	(242.91)
10	Tax expense	-	-	-	-	-	-
11	Net Profit / (Loss) from ordinary activities after tax (9 + 10)	(288.74)	(79.43)	(365.66)	(368.15)	(605.96)	(242.91)
12	Extraordinary items (net of tax exp. Rs. Lakhs)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11+12)	(288.74)	(79.43)	(365.66)	(368.15)	(605.96)	(242.91)
14	Share of profit / (loss) of associates*						
15	Minority interest *						
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14 + 15) *	(288.74)	(79.43)	(365.66)	(368.15)	(605.96)	(242.91)
17	Paid-Up Equity Share Capital of Rs. 10 Ea	600.99	600.99	600.99	600.99	600.99	600.99
18	Reserve Excluding Revaluation Reserves as per Balance sheet of Previous	(48,270.72)	(47,981.99)	(48,265.62)	(48,270.72)	(48,265.62)	(47,902.57)
19.i	Earnings per share (before extraordinary						
	(a) Basic	(4.80)	(1.32)	(6.08)	(6.13)	(10.08)	(4.04)
	(b) Diluted	(4.80)	(1.32)	(6.08)	(6.13)	(10.08)	(4.04)
19.ii	Earnings per share (after extraordinary items) (of `10/- each) (not annualised):						
	(a) Basic	(4.80)	(1.32)	(6.08)	(6.13)	(10.08)	(4.04)
	(b) Diluted	(4.80)	(1.32)	(6.08)	(6.13)	(10.08)	(4.04)



STATEMENT OF ASSETS AND LIABILITIES

		(₹) In Lacs	
Particulars		For the Half year ended (Unaudited)	For the year ended (Audited)
		30/09/2016	31/03/2016
A	Liabilities		
1	Equity and Liabilities		
	Shareholders' Funds		
	(a) Capital	600.99	600.99
	(b) Reserves and Surplus	(32,385.06)	(32,016.91)
	Sub-total - Shareholders' funds	(31,784.07)	(31,415.92)
2	Non-current liabilities		
	(a) Long-term borrowings	-	-
	(b) Deferred tax liabilities (Net)	-	-
	(c) Other long term liabilities	62,741.83	62,761.90
	(d) Long-term provisions	249.88	249.88
	Sub-total - Non-current liabilities	62,991.70	63,011.78
3	Current liabilities		
	(a) Short Term borrowings	-	-
	(b) Trade payables	52.60	169.77
	(c) Other current liabilities	102.73	64.28
	(d) Short-term provisions	57.20	24.33
	Sub-total - Current liabilities	212.53	258.38
	TOTAL EQUITY AND LIABILITIES	31,420.16	31,854.24
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	14,628.18	15,159.52
	(b) Non-current investments	187.34	187.34
	(c) Long-term loans and advances	11,769.11	11,892.61
	(d) Other Non-Current Assets	418.81	418.81
	Sub-total - Non-current assets	27,003.44	27,658.28
2	Current assets		
	(a) Inventories	465.11	634.21
	(b) Trade receivables	3,830.20	3,403.16
	(c) Cash and cash equivalents	101.32	100.19
	(d) Short-term loans and advances	20.10	58.40
	Sub-total - Current assets	4,416.73	4,195.96
	TOTAL - ASSETS	31,420.16	31,854.24

Notes :

- The above unaudited financial results have been reviewed by the Audit Committee at its meeting held on 12th November, 2016 and approved by the Board of directors at the Board Meeting held on 12th November, 2016.
- As the Company has only one business segment, disclosure under Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountant of India is not applicable.
- The Figures have been regrouped / rearranged wherever necessary.
- Company has not consolidated the quarterly results pursuant to the option selected under Regulation 33(3)(b)(i) of SEBI LODR, Regulations, 2015. Intimation in this regard was sent to the stock exchanges vide letter dated 23 May, 2016.
- The Limited Review Report on the unaudited financial results for the quarter ended on 30th September, 2016 contains qualification regarding transactions entered by company during f.y. 2012-13 through trading and clearing member with NSEL. With respect to the said qualification it is to be submitted that National Spot Exchange Limited (NSEL) has served a notice to N K Proteins Private Limited (Formerly known as N K Proteins Limited) who was a trading and clearing member at NSEL, and N K Industries Limited was only a client Company of Trading Member i.e. N K Proteins Limited. As regards, the balance of trade receivables and trade payables arising out of the transactions through NSEL, the same cannot be confirmed pursuant to pendency of litigations and as the matter is pending before the respective authorities. Further the company has challenged the notification issued by the Home Department under the MPID Act attaching the properties of the Company before the Hon'ble Gujarat High Court and the matter is sub-judice.
- The Limited Review Report on the unaudited financial results for the quarter ended on 30th September, 2016 contains qualifications regarding proceedings initiated by the Directorate of Enforcement under the Prevention of Money Laundering Act, 2002. With respect to the said qualification it is to be submitted that the company has filed its detailed response before the Adjudicating Authority (PMLA) New Delhi. The matter is sub-judice.

Ahmedabad
12th Nov, 2016



For N.K. Industries Ltd.

(Signature)
(Nilesh K. Patel)
Managing Director