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**ANNUAL
REPORT** 2019-20



**N. K.
Industries Ltd.**



**N. K.
Industries Ltd.**

Corporate Information

CIN L91110GJ1987PLC009905

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Mr. Nimish K. Patel DIN: 00240621	<i>Chairman & Managing Director</i>
Mr. Nilesh K. Patel DIN: 00244115	<i>Managing Director (upto 16th August, 2020)</i>
Mr. Hasmukh K. Patel DIN: 06587284	<i>Whole-Time Director</i>
Ms. Mridu Sharma DIN: 07591599	<i>Independent Director (w.e.f. 9th November, 2019)</i>
Mr. Snehal Patel DIN: 01655758	<i>Independent Director (w.e.f. 9th November, 2019)</i>
Mr. Ashwin P. Patel	<i>Chief Financial Officer</i>
Mr. Priyam N. Patel	<i>Chief Executive Officer</i>
Ms. Trusha Shah	<i>Company Secretary (w.e.f. 14th August, 2019)</i>

AUDITORS:

M/s Parikh & Majmudar,
Chartered Accountants,
Ahmedabad

REGISTRAR & TRANSFER AGENT:

Link Intime India Pvt. Ltd.
Ahmedabad

REGISTERED OFFICE:

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

FACTORY:

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

BANKERS:

HDFC Bank Limited
Punjab National Bank

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NOTICE to the 32nd Annual General Meeting

Notice is hereby given that the 32nd Annual General Meeting (AGM) of the members of N. K. Industries Limited will be held on Wednesday, the 30th day of September, 2020, at 4.00 P.M. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") ("AGM" / "the Meeting"), to transact the following business:

ORDINARY BUSINESS:

Item No. 1- Adoption of Financial Statements

To receive, consider and adopt the Standalone and Consolidated Audited Balance Sheets as at 31st March, 2020 and the Statements of Profit and Loss for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon.

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

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

SPECIAL BUSINESS:

Item No. 3 – To approve the remuneration of Cost Auditors for the year 2020-21

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. N.D. Birla & Co. , Cost Accountants, appointed as Cost Auditors by the Board of Directors, to conduct the audit of the cost records of the Company for the financial year 2020-21, be paid a remuneration of ₹ 50,000 (excluding out of pocket expenses and applicable rate of taxes).

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

Item No.4 – To approve the related party transactions of the Company under Section 188 of the Companies Act, 2013

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

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

Nature of transaction as per Section 188 of the Companies Act, 2013	Name of Director/KMP who is interested and nature of their relationship	Name of the related party	Estimated Maximum Amount
Job Work Arrangement/ Purchase/Sales of various goods/Arrangement of lease	Mr. Nimish K Patel, Chairman and Managing Director, Mr. Priyam Patel, CEO	N K Proteins Private 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."

Item No.5– To Appoint Ms. Mridu Sharma as an Independent Director

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

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV of the Companies Act, 2013 (including any statutory modification(s) re-enactment thereof for the time being in force), and any other applicable provisions, Ms. Mridu Sharma (DIN: 07591599), who had been appointed as an Additional Director in the meeting of the Board of Directors held on 9th November, 2019 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the ensuing Annual General Meeting of the Company and in respect of whom, the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 signifying his intention to propose Ms. Mridu Sharma (DIN: 07591599) as a candidature for the office of the Independent Director of the Company and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years w.e.f 1st October, 2020, and whose office shall not be liable to retire by rotation"



Item No.6– To Appoint Mr. Snehal Patel as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV of the Companies Act, 2013 (including any statutory modification(s) re-enactment thereof for the time being in force), and any other applicable provisions, Mr. Snehal Patel (DIN: 01655758), who had been appointed as an Additional Director in the meeting of the Board of Directors held on 9th November, 2019 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the ensuing Annual General Meeting of the Company and in respect of whom, the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Snehal Patel (DIN: 01655758) as a candidature for the office of the Independent Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years w.e.f 1st October, 2020, and whose office shall not be liable to retire by rotation”

Item No.7: To approve the payment of remuneration to Mr. Nimish K. Patel (DIN: 00240621), Chairman and Managing Director of the Company w.e.f. 01 October, 2020 for the remaining period of his present tenure.

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

“RESOLVED THAT pursuant to the provisions under Section 196, 197, 198, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”) including any statutory amendments, modifications or re-enactment thereof and subject to such other requisite approvals, as may be required in this regard, the consent of the Shareholders be and is hereby accorded for the payment of remuneration within the maximum permissible remuneration as specified in Section II of Part II of Schedule V to the Companies Act, 2013 without obtaining the approval of the Central Government to Mr. Nimish Keshavlal Patel (DIN: 00240621), Chairman and Managing Director of the Company w.e.f. 01 October, 2020 for the remaining period of his tenure on the terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement forming part of this resolution notwithstanding that the remuneration may exceed the limits prescribed in the provisions of Section 197, 198 and within the limits prescribed under Schedule V to the Companies Act, 2013 in case of no profits/inadequate profits.

RESOLVED FURTHER THAT the remuneration as set out in the explanatory statement forming part of this resolution payable to Mr. Nimish Keshavlal Patel (DIN: 00240621), Chairman and Managing Director w.e.f. 01 October, 2020 is subject to the condition that the remuneration payable shall be within the maximum permissible limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 without obtaining the approval of the Central Government in case of no profits/inadequate profits.

RESOLVED FURTHER THAT notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the salary, perquisites and statutory benefits, as set out in the explanatory statement forming part of this resolution be paid as minimum remuneration to Mr. Nimish Keshavlal Patel (DIN: 00240621), Chairman and Managing Director.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

For and on behalf of the Board of Directors

**Date : 29/08/2020
Place : Ahmedabad**

**Sd/-
Nimish K. Patel
Chairman & Managing Director**

NOTES:

1. In view of the outbreak of the COVID-19 pandemic and to adhere to the social distancing norms also, continuing to follow the restrictions on movement/gathering of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs ('MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ('SEBI Circular') and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the 17th AGM of the Company will be conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 32nd AGM shall be the Registered Office of the Company.



2. As per the instructions provided by the Ministry on holding the meetings through VC or OAVM vide circular no. 14/2020 and 20/2020 dated 8th April, 2020 and 5th May, 2020 respectively, the facility for appointment of proxies by the members under Section 105 is not available for the 32nd AGM and hence the proxy form and attendance slip is not annexed to the Notice.
3. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the Board resolution / authorization letter to the Company on nkil@nkproteins.com or to the scrutinizers of the Company at riddhi.khaneja@gmail.com or upload on the VC portal / e-voting portal.
4. Participation of Members through VC/ OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013 ('the Act').
5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling AGM along with the explanatory statement and Annual Report 2019-20 are available on the website of the Company at www.nkindustriesltd.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, and on the website of Central Depository Services Limited (CDSL) i.e. www.evotingindia.com (the Authorised agency for providing voting through electronic means and AGM through VC/OAVM). Company's web-link on the above will also be provided in advertisement being published in the newspaper.
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the special business under Item no 3 to 7 of the Notice and the relevant details of the Directors seeking appointment/ re-appointment as set out under Item No. 5 and 6 as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Requirements, 2015 and under Secretarial Standards-2 (SS-2) on General Meetings issued by the Institute of Company Secretaries of India are annexed hereto.
7. In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Hasmukh K. Patel (DIN: 06587284), Whole Time Director of the Company retires by rotation at forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.
8. The requirement to place the matter relating to the appointment of Auditors for ratification by Members at every Annual General Meeting has been removed vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed from the conclusion of the 31st Annual General Meeting, held on 21st September, 2019.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 24th September, 2020 to Wednesday, 30th September, 2020 (Both days inclusive).
10. The shareholders whose name appear in the Register of Members / in the records of National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as beneficial owners at the close of Wednesday, 23rd September, 2020 shall be entitled to the payment of Dividend, if declared at the 27th AGM.
11. Members holding shares, in physical form, if any are requested to immediately get the same dematerialized as it is now mandatory as per the provisions of the Companies Act, 2013 that all shares of the listed entity shall be held in Demat form only. Further, in case of physical shares, no transaction w.r.t transfer/transmission will be carried out by the Company and that the Company shall not be held responsible for such rejection to the application made in this regard by the members holding physical shares. (If all the shares of the Company are in demat than this point can be done away with).
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Transfer Agent.
13. Members holding shares in Demat form are requested to notify any changes in their Addresses with their Depository Participants. For Members holding shares in physical form are requested to notify about the same to the Company/ Company's Registrar & Share Transfer Agent (RTA) viz. Link Intime India Private Limited.
14. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days during business hours prior to date of Annual General Meeting.
15. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.
16. Non-Resident Indian Members are requested to inform Registrar and Transfer Agent, immediately of:
 - i. Change in their residential status on return to India for permanent settlement.
 - ii. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
17. Since the AGM will be held through VC / OAVM, the Route Map of the AGM venue is not annexed to this Notice.



18. Process and manner for members opting for voting through Electronic means:

- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- ii. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility 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 through remote e-voting services provided by Central Depository Services Limited (CDSL) from a place other than the venue of the Meeting.
- iii. The members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- iv. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- I. The voting period begins on Sunday, 27th September, 2020 at 9.00 A.M. and ends on Tuesday, 29th September, 2020 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, 23rd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting hours.
- III. The shareholders should log on to the e-voting website www.evotingindia.com.
- IV. Click on "Shareholders" module.
- V. 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- VI. Next enter the Image Verification as displayed and Click on Login.
- VII. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- VIII. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders 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 / communicated by mail indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- IX. After entering these details appropriately, click on "SUBMIT" tab.
- X. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

- XI. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XII. Click on the EVSN for the relevant <N K Industries Limited > on which you choose to vote.
- XIII. 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.
- XIV. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- XV. 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.
- XVI. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XVII. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- XVIII. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XIX. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the below instructions. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis. The Members will be able to view the proceedings by logging into the Central Depository Services (India) Limited's ('CDSL') e-Voting website at www.evotingindia.com

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at nkil@nkproteins.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at nkil@nkproteins.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.



3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

XX. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; riddhi.khaneja@gmail.com and nkil@nkproteins.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- v. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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 or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
 - vi. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/ 43.
 - vii. The Company has appointed Mrs. Riddhi Pamnani, Proprietor of M/s Riddhi Khaneja & Associates, Practising Company Secretaries, Ahmedabad (Membership No. FCS: 10221 CP No: 17397), to act as the Scrutinizer for conducting the remote e-voting process and voting at the AGM in a fair and transparent manner.
 - viii. The Scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than two days from the conclusion of meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.

The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.nkindustriesltd.com and on the website of CDSL www.evotingindia.com immediately after the result is declared by the Chairman; and results shall immediately be disseminated to the Stock Exchange where the shares of the Company are listed.

OTHER INSTRUCTIONS ARE AS UNDER:

- I. 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.
- II. The Shareholders are requested to write to the Company Secretary at the below mentioned address for resolving their grievances:

Name : Trusha Shah

Designation : Company Secretary

Address : 7th Floor, Popular House, Ashram Road, Ahmedabad- 380009.

Email: nkil@nkproteins.com and cs@nkproteins.com

Telephone : (079) 66309999

Mobile : 9725427755



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. 3:

The Board, on the recommendation of Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2020. The remuneration fixed is ₹ 50,000/- (excluding out of pocket expenses and applicable rate of taxes).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

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. 4:

Approval for entering into Related Party Transactions by the Company

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

In light of the above provision, we would hereby like to inform the shareholders that the Company has entered into a Dry Lease Agreement dated 15th April, 2019 with N K Proteins Private Limited in place of earlier Job Work Agreement. Under this Agreement the factory premise of the Company situated at Kadi, Mehsana District is given on lease for carrying out the business of crushing of castor seeds at a monthly rent of Rs. 10 Lakhs for a period of 1 year. Further, this agreement was extended for a further period of 1 year vide Supplemental Agreement dated 15th April, 2020.

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transaction along with annual limit that your Company may enter into with the related party in the Board Meeting dated 1st June, 2020.

The respective agreement is entered on arm's length basis and all factors relevant to the respective contract have been considered by the Board. The Copies 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.

The Board of Directors recommends the resolution set forth in item No. 4 for approval of the Members.

Mr. Nimish K. Patel (DIN: 00240621) is interested in the said resolution.

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

In respect of Item No. 5:

The Board of Directors of the Company had appointed Ms. Mridu R. Sharma as an Additional Director of the Company with effect from 9th November, 2019. In accordance with the provisions of Section 161 of Companies Act, 2013, Ms. Mridu R. Sharma shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years. The Company has received notice under Section 160 of the Companies Act, 2013 from Ms. Mridu R. Sharma signifying her candidature as an Independent Director of the Company.

The Company has received a declaration of Independence from Ms. Mridu R. Sharma. In the opinion of the Board, Ms. Mridu R. Sharma fulfills the conditions specified in the Companies Act, 2013, for appointment as Independent Director of the Company. A copy of the draft Letter of Appointment for Independent Director, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company <http://www.nkindustriesltd.com/>. None of the Directors or Key Managerial Personnel and their relatives, except Ms. Mridu R. Sharma, are concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out at Item no. 5 for approval of the Members.

In respect of Item No. 6:

The Board at its meeting held on 9th November, 2019 appointed (subject to the approval of members in the general meeting), Snehal Patel (DIN: 01655758) as an Independent Director of the Company w.e.f 9th November, 2019 .

The Board of Directors of the Company had appointed Mr. Snehal Patel as an Additional Director of the Company with effect



from 9th November, 2019. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Snehal Patel shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years. The Company has received notice under Section 160 of the Companies Act, 2013 from Mr. Snehal Patel signifying his candidature as an Independent Director of the Company.

The Company has received a declaration of independence from Mr. Snehal Patel. In the opinion of the Board, Mr. Snehal Patel fulfills the conditions specified in the Companies Act, 2013, for appointment as Independent Director of the Company. A copy of the draft Letter of Appointment for Independent Director, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company <http://www.nkindustriesltd.com/>. None of the Directors or Key Managerial Personnel and their relatives, except Mr. Snehal Patel, are concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out at Item no. 6 for approval of the Members.

Item No.7:

Mr. Nimish K. Patel, aged 59 years is presently designated as Chairman and Managing Director of the Company. He is a Commerce Graduate from University of Gujarat. He has been affiliated with the Company as a member of the Board of Directors since 19th August, 1987 and from then the Company has been taking the advantage of his guidance and supervision. Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Industry. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business of all the industrial units of Company, along with a team of senior management personnel, who assist him in carrying out his activities, subject to the overall supervision & control of the Board.

During the financial year 2019-20, 5 (Five) meetings of the Board of Directors had been held and out of which 4 (Four) meetings were attended by Mr. Nimish K. Patel.

As on 31 March, 2020, he holds 2,38,680 (3.97%) equity shares in the Company.

Mr. Nimish K. Patel is the Chairman of Corporate Social Responsibility and a Member of Nomination and Remuneration Committee and Finance Committee of the Company.

Mr. Nimish K. Patel had been re-appointed as the Chairman and Managing Director of the Company for a period of 5 (Five) years w.e.f. 1st April, 2018 in the Annual General Meeting held on 16th June, 2018 and the minimum remuneration of ₹ 5 Lacs p.m. w.e.f. 1st April, 2018 was approved as per the then prevailing Section II of Part II of Schedule V of the Companies Act, 2013 in reference to the shareholder's approval granted in the Annual General Meeting held on 16th June, 2018. However, Mr. Nimish K. Patel was paid remuneration of ₹ 2.5 Lacs p.m. for the year 2019-20

Further, as per Ministry of Corporate Affairs notification dated 12 September 2016, the Central Government amended the Schedule V of the Companies Act, 2013, with this, the minimum remuneration payable to the managerial person in the applicable slab for the Company shall be ₹ 60 Lacs p.a. and with the approval of the shareholders by way of a special resolution shall be doubled to ₹ 1.2 crores p.a.

The Board of Directors of the Company in its meeting held on 29th August, 2020 approved the payment of remuneration to Mr. Nimish K. Patel, Chairman and Managing Director for the remaining period of his tenure w.e.f. 01 October, 2020 as recommended by the Nomination and Remuneration Committee in its meeting held on 28th August, 2020 in terms of Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013, at the terms and conditions as set out below:

- A. Salary and Perquisites: Within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013 in case of no profits/inadequate profits pursuant to the approval of the shareholders.
- B. The Chairman and Managing Director shall also be eligible to the following perquisites which are not included in the computation of ceiling remuneration specified in the said Part II Section IV of Schedule V of the Companies Act, 2013:
 - a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - c) Encashment of the leave at the end of the tenure.
- C. Other terms:
 1. He shall be entitled to re-imbursement of actual out of pocket expenses incurred in connection with the business of the Company.
 2. He shall be entitled to re-imbursement of entertainment expenses incurred for the business of the Company.
 3. He shall be entitled to earned/privileged leave as per the Rules of the Company.
 4. He shall be entitled for telephone facility as per Company's policy.