

NITIN FIRE PROTECTION INDUSTRIES LIMITED

Regd. Office : 501 Delta Technology Street, Hiranandani Business Park, Powai, Mumbai - 400 076.

नितिन फायर प्रोटेक्शन इंडस्ट्रीज लिमिटेड

५०१, डेल्टा, प्रौद्योगिकी स्ट्रीट, हिरानंदानी गार्डन, पवई, मुंबई ४०००७६.

CIN No. : L29193MH1995PLC092323

Website : www.nitinfire.com : Email: nitinfire@vsnl.com

Unaudited Financial Results for the quarter ended 30.06.2014



PART - 1

(₹ In lacs, except per share data)

| Particulars | Standalone | | | |
|---------------------------------------------------------------------------------------------------|------------------|------------------|-----------------|------------------|
| | Unaudited | | Audited | |
| | Quarter Ended | | Year Ended | |
| | 30.06.2014 | 31.03.2014 | 30.06.2013 | 31.03.2014 |
| 1 Income from operations | | | | |
| a) Net sales /income from operations | 12,003.35 | 15,500.39 | 8,441.69 | 45,543.51 |
| b) Other operating income | - | - | - | - |
| Total Income from operations (net) | 12,003.35 | 15,500.39 | 8,441.69 | 45,543.51 |
| 2 Expenses | | | | |
| a) Cost of materials consumed | 2,336.11 | 968.31 | 2,903.29 | 22,942.35 |
| b) Purchase of stock-in-trade | 8,660.71 | 9,840.29 | 3,021.79 | 16,779.19 |
| c) Changes in inventories of finished goods and stock -in-trade | (360.19) | 3,099.04 | 1,081.98 | (433.28) |
| d) Employee benefits expense | 186.84 | 217.34 | 182.63 | 830.71 |
| e) Depreciation and amortisation expense (Refer Note 1) | 69.80 | 29.62 | 29.65 | 116.20 |
| f) Other expenses | 336.88 | 546.40 | 289.23 | 1,505.09 |
| Total Expenses | 11,230.14 | 14,701.00 | 7,508.57 | 41,740.28 |
| 3 Profit from operations before other income, finance costs and exceptional items (1 - 2) | 773.21 | 799.39 | 933.12 | 3,803.25 |
| 4 Other income | 238.24 | (21.65) | 83.61 | 121.23 |
| 5 Profit from ordinary activities before finance costs and exceptional items (3 + 4) | 1,011.45 | 777.74 | 1,016.73 | 3,924.48 |
| 6 Finance costs | 596.11 | 655.71 | 322.72 | 2,099.90 |
| 7 Profit from ordinary activities after finance costs but before exceptional items (5 - 6) | 415.34 | 122.03 | 694.02 | 1,824.58 |
| 8 Exceptional items | - | - | (438.71) | (444.68) |
| 9 Profit from ordinary activities before tax (7 + 8) | 415.34 | 122.03 | 255.31 | 1,379.90 |
| 10 Tax expense | 82.31 | 28.92 | 65.54 | 282.33 |
| 11 Net profit from ordinary activities after tax (9 - 10) | 333.03 | 93.11 | 189.76 | 1,097.57 |
| 12 Extraordinary items | - | - | - | - |
| 13 Net profit before share in (loss) of an associate (11 + 12) | 333.03 | 93.11 | 189.76 | 1,097.57 |
| 14 Share of (loss) from an associate | - | - | - | - |
| 15 Net profit for the quarter/year (13-14) | 333.03 | 93.11 | 189.76 | 1,097.57 |
| 16 Paid-up Equity Share Capital (face value of ₹ 2/- each) | 4,384.12 | 4,384.12 | 4,411.05 | 4,384.12 |
| 17 Reserves excluding Revaluation Reserves as per Balance Sheet of the previous accounting year | - | - | - | 10,410.41 |
| 18 Earning per Share (before extraordinary items - not annualised) (in ₹) | | | | |
| (i) | | | | |
| (a) Basic | 0.15 | 0.04 | 0.09 | 0.50 |
| (b) Diluted | 0.15 | 0.04 | 0.09 | 0.50 |
| (ii) | | | | |
| Earning per Share (after extraordinary items - not annualised) (in ₹) | | | | |
| (a) Basic | 0.15 | 0.04 | 0.09 | 0.50 |
| (b) Diluted | 0.15 | 0.04 | 0.09 | 0.50 |

PART - 2 Select information for the quarter ended 30.06.2014

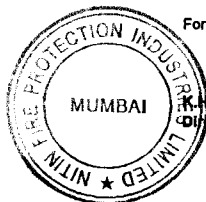
| A | Particulars of shareholding | 30.06.2014 | 31.03.2014 | 30.06.2013 | 31.03.2014 |
|----|------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|
| 1 | Public shareholding | | | | |
| | - Number of shares | 61,710,239 | 61,710,239 | 63,056,822 | 61,710,239 |
| | - Percentage of shareholding | 28.15% | 28.15% | 28.59% | 28.15% |
| 2 | Promoter and promoter group shareholding | | | | |
| a) | Pledged /encumbered | | | | |
| | - Number of shares* | 30,712,372 | 30,612,372 | 37,820,000 | 30,612,372 |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 19.50% | 19.44% | 24.01% | 19.44% |
| | - Percentage of shares (as a % of total share capital of the Company) | 14.01% | 13.97% | 17.15% | 13.97% |
| b) | Non -encumbered | | | | |
| | - Number of shares | 126,783,500 | 126,883,500 | 119,675,872 | 126,883,500 |
| | - Percentage of shares (as a % of total shareholding of promoter and promoters group) | 80.50% | 80.56% | 75.99% | 80.56% |
| | - Percentage of shares (as a % of total share capital of the Company) | 57.84% | 57.88% | 54.26% | 57.88% |
| B | Investor complaints for the quarter ended 30.06.2014 | | | | |
| | Pending at the beginning of the quarter | Nil | | | |
| | Received during the quarter | Nil | | | |
| | Disposed of during the quarter | Nil | | | |
| | Remaining unresolved at the end of the quarter | Nil | | | |

Notes to the financial results:

- The Management of the Company has identified tangible fixed assets and has reviewed / determined their useful lives. Further in respect of Plant and Machinery, the Management is evaluating the useful life of the significant components, impact of which, if any, would be accounted in subsequent quarters. Accordingly, depreciation on tangible fixed assets (except that on significant components) is provided for in accordance with the provisions of Schedule II to the Companies Act, 2013. In respect of assets where the remaining useful life is 'Nil', their carrying amount (net of tax effect) of Rs.7.53 lacs after retaining the residual value as on 01.04.2014 as determined by the Management has been adjusted against the opening balance of retained earnings as on that date. On account of the above change, depreciation for the current quarter is higher by Rs. 36.96 lacs.
- The shares pledged by the promoters of the Company as reflected in part-2 2(a) above, are to banks for credit facilities availed by the Company and extended to subsidiaries/ a step down subsidiary.
- The figures for the quarter ended 31.03.2014 as reported in the above financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year which were subject to limited review by the statutory auditors.
- Managements reply to the qualifications / Emphasis of Matter:
 - The Company has filed compounding of offence applications with the Company Law Board, Department of Company Affairs for non-compliance with provisions of few sections of the Companies Act, 1956, disposal of which is pending.
 - Consequent to part sale of equity stake in an erstwhile subsidiary in December 2010, the Company has taken over an outstanding claim of a derivative contract amounting to ₹ 501.33 lacs (excluding interest from erstwhile subsidiary Company). Based on a legal opinion, the Company has filed a petition in the Hon'ble High Court of Bombay challenging the legality of the contract. Pending decision, no provision is made in the books of account for this claim.
 - Relating to exposure in Worthington Nitin Cylinders Private Limited (WNCPL), aggregating to Rs. 4,611.55 lacs as at 31.03.2014, where the net worth of WNCPL has been substantially eroded. The Management has, barring any significant uncertainties in future, relied upon valuation of Fixed Assets and net Current Assets of WNCPL for the recoverability of the investment.
- Previous period's/year's figures are regrouped/restated wherever considered necessary.
- Exceptional items represents provision towards diminution in the value of investments and variation due to foreign currency fluctuations.
- The auditor's of the Company have carried out a Limited Review of the Standalone Financial Results for the quarter ended 30.06.2014 in compliance with Clause 41 of the Listing Agreement. The standalone financial results for the quarter ended 30.06.2014 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14.08.2014.
- The Company operates only in one primary segment.



Mumbai
08.08.2014



For and on behalf of the Board

K.H. Vaidyanathan
Director (DIN: 00077323)

HARIBHAKTI & CO. LLP

Chartered Accountants

Limited Review Report

Review Report to
The Board of Directors
Nitin Fire Protection Industries Limited

1. We have reviewed the accompanying statement of unaudited financial results of Nitin Fire Protection Industries Limited ('the Company') for the quarter ended June 30, 2014 ("Unaudited Financial Results"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been audited by us. This Unaudited Financial Results is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these Unaudited Financial Results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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 Unaudited Financial Results 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.

3. Emphasis of Matter

Without qualifying our opinion, we draw attention to Note no. 4(c) to the notes to the Unaudited Financial Results, relating to the Exposure in Worthington Nitin Cylinders Private Limited (WNCPL), aggregating Rs. 4,611.55 Lacs as at June 30, 2014, where the net worth of WNCPL has been substantially eroded. The Management has, barring any significant uncertainties in future, relied upon valuation of Fixed Assets carried out by an independent valuer as on March 31, 2014 and realisability of other net Current Assets of WNCPL for the recoverability of the Exposure and no provision in diminution in value of exposure is considered necessary.



HARIBHAKTI & CO. LLP

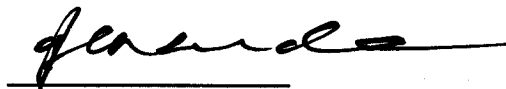
Chartered Accountants

4. QUALIFICATION

Our audit report on the financial statements for the year ended March 31, 2014 was qualified in respect of the matters stated below:

- A) As more clarified in Note no. 4(a) to the Notes to the Unaudited Financial Results, no provision has been made by the Company in respect of its dispute with a bank for a claim made by the bank for Rs. 501.33 Lacs on a derivative contract entered into by its erstwhile subsidiary, the liability for which has been taken over by the Company. The Company has not determined the quantum of mark to market losses as of June 30, 2014 on the above contract and has relied on a legal opinion in the matter wherein no liability is expected. Pending the final settlement of the matter, we are unable to quantify the extent of provision required, if any, in this regard.
- B) As more clarified in note no. 4(b) to the notes to the Unaudited Financial Results, provision of Rs. 4.50 Lacs has been made for penalty towards compounding of offence petitions filed for the alleged non-compliance of several provisions of the Companies Act, 1956 before Ministry of Finance, Department of Company Affairs. Based on opinion obtained, the Company expects maximum penalty of Rs. 4.50 Lacs on disposal of its petitions. Pending disposal of petition, we are unable to quantify the extent of additional provision required, if any, in this regard.
5. Based on our review conducted as above, *subject to the effects of our observations given in para 4*, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Financial Results prepared in accordance with applicable accounting standards as specified under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W



~~Sumant Sakhardande~~
Partner
Membership No. 34828



Mumbai
August 14, 2014