



Date: October 10, 2017

To,  
General Manager,  
Listing Operation,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai - 400 001.

To,  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1, G Block.  
Bandra Kurla Complex, Bandra (E),  
Mumbai - 400 051

Security Code: 532854

Symbol: NITINFIRE

Dear Sir,

**Sub.: Regulation Number 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015")**

Pursuant to Regulation 34(1) of the Listing Regulations, 2015, please find enclosed the Annual Report of the Company for the Financial Year 2016-17.

This is for your information and records.

Thanking you,

Yours faithfully,  
For Nitin Fire Protection Industries Limited

Sraban Kumar Karan  
Company Secretary

Encl.: As above

**Nitin Fire Protection Industries Limited**

Regd. Office w.e.f. 1st April, 2016:  
Office No. 801 & 802, C-Wing,  
Neelkanth Business Park, Kiroli Road,  
Vidhyavihar (W), Mumbai - 400086.  
Tel. : 022-40457000; Fax : 022-25701110



Regd. Office : 501, Delta, Technology Street, Hiranandani Gardens, Powai, Mumbai - 400 076. INDIA.

Tel.: +91 22 4045 7000 • Fax : +91 22 2570 1110 • Email : nitinfire@vsnl.com • Website : <http://www.nitinfire.com>

रजि. ऑफिस : नितिन फायर प्रोटेक्शन इंडस्ट्रीज लिमिटेड, ५०१, डेल्टा, प्रौद्योगिकी स्ट्रीट, हिरानंदानी गार्डन, पवई, मुंबई - ४०० ०७६.

CIN NO.: L29193MH1995PLC092323 Subsidiary Offices : UAE, UK & Singapore.



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

**Standalone**

(Rs. In lakhs)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 [Under Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	27,222.57	- NA-
	2.	Total Expenditure	36,892.10	- NA-
	3.	Net Profit/(Loss)	(9,642.33)	- NA-
	4.	Earnings Per Share	(3.30)	- NA-
	5.	Total Assets	52,991.16	- NA-
	6.	Total Liabilities	46,017.44	- NA-
	7.	Net Worth	6,973.72	- NA-
	8.	Any other financial item(s) (as felt appropriate by the management)	- NA-	- NA-
II.	Audit Qualification (each audit qualification separately):			
a. Details of Audit Qualification:			<p>1) As more fully explained in Note No. 3 to the notes to the Statement, no provision has been made by the Company in respect of its dispute with a bank for claim made by the bank for Rs. 501.33 lakhs 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 March 31, 2017 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 comment on the extent of provision required, if any, in this regard.</p> <p>2) As more clarified in Note No. 4 to the Notes to the Statement, the Company has an exposure in Worthington Nitin Cylinders Private Limited (WNCPL) aggregating Rs. 4,195.04 lakhs as at March 31, 2017. In the absence of the fair value of the investment as required under Accounting Standard 13 'Accounting for Investments' and audited financial statements of WNCPL for the period subsequent to March 31, 2015, we are unable to comment on the diminution, if any, on the carrying amount of the investment as at March 31, 2017.</p> <p>3) Note 5 describing the reasons for not recognising impairment in the carrying value of claims receivables shown under other non-current assets representing the Company's share of costs in an un-incorporated Joint Venture for Oil Block exploration amounting to Rs. 2,263.73 lakhs as at March 31, 2017. As stated in the note, the Company and GAIL are engaged in arbitration proceedings in Delhi International Arbitration Centre. Pending the final outcome of such arbitration</p>	

**Nitin Fire Protection Industries Limited**

Regd. Office: 1st April, 2016:

Office No: 302, C-Wing,  
Neelkanth F  
Park, Kirol Road,  
Vadhyaviti,  
Mumbai - 400086



APPROVED



Regd. Office : 501, Delta, Technology Street, Hiranandani Gardens, Powai, Mumbai - 400 076. INDIA.

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CIN NO.: L29193MH1995PLC092323 Subsidiary Offices : UAE, UK & Singapore.



	proceedings, we are unable to comment on the extent of impairment required, if any, on the carrying amount of claims receivables as at March 31, 2017.
	4) Note 6 to the Statement regarding export trade receivables amounting to Rs.16,698.10 lakhs which are outstanding for a long period of time, payments for which are not forthcoming. We are unable to comment on the recoverability of the same and consequential write off, if any.
b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Q1. This is 7 <sup>th</sup> Year (As Court case is still going on) Q2. This is 3 <sup>rd</sup> Year Q3. This is 1 <sup>st</sup> Year Q4. This is 1 <sup>st</sup> Year
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	-NA-
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	-NA-
(ii) If management is unable to estimate the impact, reasons for the same:	Q1. Matter being subjudice. Q2. Pending assessment of fair valuation Q3. Matter being subjudice. Q4. Pending ascertainment of recoverability from customer.
(iii) Auditors' Comments on (i) or (ii) above:	None further
III.	
CEO/Managing Director	<b>Signatories:</b>  Rahul N. Shah Whole-time Director DIN: 00073226
CFO	 Kamlesh Gandhi
Audit Committee Chairman	 Padmaja Nair DIN: 06841888
Statutory Auditors	For Haribhakti & Co. LLP, Chartered Accountants Firm Registration No. 103523W/W100048  Snehal Shah Partner Membership No. 048539
Place: Mumbai	
Date: May 30, 2017	

Nitin Fire Protection Industries Limited  
Regd. Office w.e.f. 1st April, 2016  
Office No. 801 & 802, C Wing,  
Anandnagar Business Park, Kirti Road,  
Vasavyanagar, W. Mumbai - 400088.  
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**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results**

**Consolidated**

*(Rs. In lakhs)*

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017</b> [Under Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	133,152.50	- NA-
	2.	Total Expenditure	133,152.31	- NA-
	3.	Net Profit/(Loss)	(2,600.84)	- NA-
	4.	Earnings Per Share	(0.89)	- NA-
	5.	Total Assets	135,104.93	- NA-
	6.	Total Liabilities	79,675.93	- NA-
	7.	Net Worth	55,429.00	- NA-
	8.	Any other financial item(s) (as felt appropriate by the management)	- NA-	- NA-

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

**a. Details of Audit Qualification:**

1) As more fully explained in Note No. 3 to the notes to the Statement, no provision has been made by the Holding Company in respect of its dispute with a bank for claim made by the bank for Rs. 501.33 lakhs on a derivative contract entered into by its erstwhile subsidiary, the liability for which has been taken over by the Holding Company. The Holding Company has not determined the quantum of mark to market losses as of March 31, 2017 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 comment on the extent of provision required, if any, in this regard.

2) As more clarified in Note No. 4 to the Notes to the Statement, provision has not been made for diminution in the value of long-term investment in equity shares of Worthington Nitin Cylinders Private Limited (WNCPL) an associate Company, the Holding Company has an exposure in WNCPL aggregating Rs. 770.63 lakhs as at March 31, 2017. In the absence of the fair value of the investment as required under Accounting Standard 13 'Accounting for Investments' and audited financial statements of WNCPL for the period subsequent to March 31, 2015, we are unable to comment on the diminution, if any, on the carrying amount of the investment as at March 31, 2017. As stated in the note, the results of WNCPL have been consolidated based on the annual results for the year ended March 31, 2015.

**Nitin Fire Protection Industries Limited**

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Neelkanth Business Park, Kiroli Road,

Wandri, Mumbai - 400086

Tel.: 022-4457000; Fax: 022-25701110



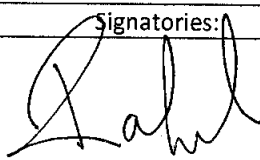
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	<p>3) Note 5 describing the reasons for not recognising impairment in the carrying value of claims receivables shown under other non-current assets representing the Holding Company's share of costs in an un-incorporated Joint Venture for Oil Block exploration amounting to Rs. 2,263.73 lakhs as at March 31, 2017. As stated in the note, the Holding Company and GAIL are engaged in arbitration proceedings in Delhi International Arbitration Centre. Pending the final outcome of such arbitration proceedings, we are unable to comment on the extent of impairment required, if any, on the carrying amount of claims receivables as at March 31, 2017.</p> <p>4) Note 6 to the Statement regarding export trade receivables amounting to Rs.16,698.10 lakhs which are outstanding for a long period of time, payments for which are not forthcoming. We are unable to comment on the recoverability of the same and consequential write off, if any.</p>
b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	<p>Q1 . This is 7th Year (As Court case is still going on)</p> <p>Q2. This is 3rd Year</p> <p>Q3. This is 1st Year</p> <p>Q4. This is 1st Year</p>
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	-NA-
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	-NA-
(ii) If management is unable to estimate the impact, reasons for the same:	<p>Q1 . Matter being subjudice.</p> <p>Q2. Worthington Nitin Cylinders Private Limited (WNCPL) is our Associate company and based on the valuation of the fixed assets of WNCPL from an Independent Valuer, the company is hopeful that impairment, if any , will not be material and if any such thing is noticed in future, we will provide the same.</p> <p>Q3. Matter being subjudice.</p> <p>Q4. Pending ascertainment of recoverability from customer.</p>
(iii) Auditors' Comments on (i) or (ii) above:	None further
III.	Signatories:
CEO/Managing Director	 Rahul N. Shah Whole-time Director DIN: 00073226



**Nitin Fire Protection Industries Limited**

Regd. Office: 1st April, 2016:

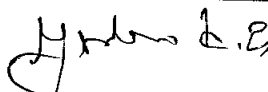
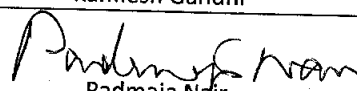
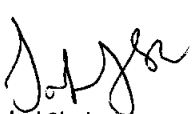
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CIN NO.: L29193MH1995PLC092323 Subsidiary Offices : UAE, UK & Singapore.



CFO	 Kamlesh Gandhi
Audit Committee Chairman	 Padmaja Nair DIN: 06841868
Statutory Auditors	For Haribhakti & Co. LLP, Chartered Accountants Firm Registration No. 103523W/W100048  Snehal Shah Partner Membership No. 048539
Place: Mumbai	
Date: May 30, 2017	

## Nitin Fire Protection Industries Limited

Regd. Office w.e.f. 1st April, 2016:  
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CIN NO.: L29193MH1995PLC092323 Subsidiary Offices : UAE, UK & Singapore.

NITIN FIRE PROTECTION INDUSTRIES LIMITED



22<sup>nd</sup>  
**ANNUAL**  
**REPORT**

**2016 - 17**



**Protecting Since 1984**

**COMPANY INFORMATION**  
CIN: L29193MH1995PLC092323

**BOARD OF DIRECTORS**

Mr. Nitin M. Shah (DIN – 00073232)	Non-Executive Director
Mr. Rahul N. Shah (DIN – 00073226)	Whole-time Director & Key Managerial Personnel
Mr. Kunal N. Shah (DIN – 00077216)	Whole-time Director
Mrs. Padmaja Nair (DIN – 06841868)	Woman & Non-Executive Independent Director
Mr. Kailat H. Vaidyanathan (DIN – 00077323)	Non-Executive Director
Mr. Ramakant M. Nayak (DIN – 00129854) (Resigned w.e.f. November 23, 2016)	Non-Executive Independent Director
Mr. Satish K. Dheri (DIN – 00077533) (Resigned w.e.f. May 26, 2017)	Non-Executive Independent Director
Mr. Krishna K. Jha (DIN – 02816500) (Resigned w.e.f. September 1, 2017)	Non-Executive Independent Director
Mr. Atul H. Mehta (DIN – 00112451) (Appointed w.e.f. September 1, 2017)	Additional Non-Executive Independent Director & Chairman
Mr. Hariharan V. Iyer (DIN – 07539227) (Appointed w.e.f. September 1, 2017)	Additional Non-Executive Independent Director

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Sraban Kumar Karan

**CHIEF FINANCIAL OFFICER**

Kamlesh Gandhi

**AUDITORS**

Haribhakti & Co. LLP, Chartered Accountants.

Deloitte Haskins & Sells LLP, Chartered Accountants

(Resigned w.e.f. Financial Year ended on March 31, 2017 vide letter dated May 17, 2017)

**REGISTRAR & SHARE TRANSFER AGENT**

Bigshare Services Private Limited

**New address w.e.f. June 27, 2017**

1st Floor, Bharat TIN Works Building, Opp. Vasant Oasis, Makwana Road,

Marol, Andheri East, Mumbai - 400059, Maharashtra.

Tel.: 022 62638200; Fax: 022 62638299

Email : investor@bigshareonline.com / rajeshm@bigshareonline.com

Website: www.bigshareonline.com

REGISTERED OFFICE	BRANCH OFFICE
801 & 802, C-wing, Neelkanth Business Park, Kirol Road, Vidhyavihar (W), Mumbai - 400086 Tel : +91 22 4045 7000; Fax : +91 22 2570 1110 Website : www.nitinfire.com E-mail : nitinfire@vsnl.com	501, Delta Technology Street, Hiranandani Gardens, Powai, Mumbai – 400076, Maharashtra, India.

**PLANT LOCATIONS**

A-117, TTC Industrial Area, Pawana Village, Navi Mumbai – 400701, Maharashtra, India.	Shed -6, Phase- I, Duvada VSEZ, Vishakhapatnam – 530049, Andhra Pradesh, India.
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**BANKERS**

IDBI Bank Limited

Axis Bank Limited

Bank of Baroda

Dena Bank



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**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 22nd Annual General Meeting of the Members of Nitin Fire Protection Industries Limited ('Company') will be held on Friday, September 29, 2017, at 2.15 p.m. at "Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai - 400 021, to transact the following businesses:

**Ordinary Business :**

1. To receive, consider and adopt the Audited Balance Sheet and the Audited Statement of Profit & Loss (Standalone & Consolidated) for the year ended 31st March, 2017 and Cash Flow Statement of the Company for the financial year ended March 31, 2017, together with the Report of the Board of Directors and the Report of the Auditors thereon;

2. To consider and if thought fit, to pass with or without modification(s), the following as an **ORDINARY RESOLUTION**:

**Appointment of Mr. Kailat Hariharan Vaidyanathan (DIN – 00077323), Director, retires by rotation.**

**"RESOLVED THAT** pursuant to the provisions of Section 152(6) and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the respective rules made thereunder, as amended from time to time, Mr. Kailat Hariharan Vaidyanathan (DIN – 00077323) who retires by rotation and being eligible offers himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

3. To consider and if thought fit, to pass with or without modification(s), the following as an **ORDINARY RESOLUTION**:

**Ratification of Appointment of Statutory Auditor**

**"RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of Haribhakti & Co. LLP, Chartered Accountants, Mumbai (Firm Registration Number 103523W/W-100048) as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty-fifth AGM of the Company to be held in the year 2020 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 139, 140 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby accepts the resignation of the Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) as statutory auditors of the Company from the Financial Year 2016-17 vide letter dated May 17, 2017 in supersession of the ratification made by the members of the Company in their Annual General Meeting (AGM) dated September 30, 2016 till the AGM to be held in the year 2020."

**Special Business:**

4. To consider and if thought fit to pass with or without modification(s) the following as a **SPECIAL RESOLUTION** :

**To consider and appoint Mr. Rahul N. Shah (DIN - 00073226) as the Whole-time Director and fix his remuneration**

**"RESOLVED THAT** pursuant to the provisions of Section 196 and Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the consent of the members of the Company be and is hereby accorded for the appointment of Mr. Rahul N. Shah as the Whole-time Director and Key Managerial Personnel (KMP) of the Company for a period of 3 (three) years w.e.f. September 1, 2017, on remuneration and perquisites payable to him and other terms and conditions as set out below:

**Salary and perquisites and Allowances together with Retirals:**

1. Salary: Minimum till the default in repayment to secured lenders is made good in case of inadequate profit as per Schedule V under the Companies Act, 2013. ₹3,50,000/- (Rupees Three Lakhs Fifty Thousand only) per month, payable on quarterly basis after Company makes adequate profit or receives prior approval of secured lenders which is earlier. However, total salary shall not exceed the limit prescribed u/s.197 and 198 of the Act as calculated from time to time.
2. House Rent allowances: ₹35,000/- (Rupees Thirty Five Thousand only) per month, payable on quarterly basis, subject to the provisions of the Income tax Act, 1961.
3. Bonus: Salary of one month and H. R. A.
4. Commission: In addition to the salary, allowances and perquisites in the years in which the Company has sufficient profit, the appointee shall be paid commission on the annual net profits of the Company as may be decided by the Nomination and Remuneration Committee and/or Board of Directors at the end of each financial year computed in the manner laid down under Section 198 of the Act and subject to the ceiling laid down under Sections 196 and 197 of the Act on the total remuneration.
5. Provident Fund: At the rate, it is payable to other employees of the Company, subject to the maximum permissible under the Income Tax Act, 1961.

In addition to the perquisites specified as above, the Whole-time Director shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- a) The Company's contribution to the Provident Fund, Superannuation Fund (or other benefit permissible in lieu thereof) or annuity fund as per the rules of the Company and the same will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b) Gratuity: At such rate it is payable to other employees of the company or in the alternative the Whole-time Director may join Group gratuity- cum life assurance scheme and avail the benefit of such scheme. Gratuity to be payable at the rate of half month's salary for each completed years of service or such rate which have been prescribed at the time of retirement.

- c) Leave: On full pay as per the rules of the company but not exceeding one month leave for every completed year of service and leave encashment as per the rules of the company.
- d) Personal accident Insurance for India and abroad.
- e) Key Man Insurance policy.
- f) Entrance as well as yearly membership fees of any two clubs or an association at Mumbai for the benefit of the Company.
- g) Free use of car with driver for official and private purposes.
- h) Provision of telephone (Mobile and land line), Fax and Internet connection at residence of the Whole-time Director with provision of the computer at residence for the use of Company's business or private purpose.
- i) Actual electricity charges of residence.

Provided that all perquisites together with expenditure incurred on the Whole-time Director shall not exceed total amount of salary. The Whole-time Director shall be paid and/or reimbursed all reasonable out of pocket / entertainment expenses incurred by him in the course of discharging duties as Whole-time Director by cash / cheque or through credit card.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary or increase the remuneration and perquisites including monetary value thereof as specified above to the extent the Nomination and Remuneration Committee and/or the Board of Directors may consider appropriate and as may be permitted or authorized in accordance with any provisions under the Companies Act, 2013 for the time being in force provided, however, that the remuneration payable to Mr. Rahul N. Shah shall be within the limits set out in the said Act or any amendments thereto or any modifications or statutory re-enactment(s) thereof and/or any rules or regulations framed there under and the terms of the aforesaid appointment of Mr. Rahul N. Shah shall be suitably modified to give effect to such variations or increase as the case may be.

**RESOLVED FURTHER THAT** during the currency of the tenure of the Whole-time Director where in any financial year, the Company has no profits or its profits are inadequate, the Company do pay to the Whole-time Director Minimum remuneration by way of salary and perquisites with the prior approval of the secured lenders till the default, if any, in repayment of loan along with interest is made good, as specified above as per relevant applicable provisions of law including provisions as contained in Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be necessary desirable or appropriate to give effect to this Resolution".

5. To consider and if thought fit to pass with or without modification(s) the following as a **SPECIAL RESOLUTION**:

**To consider and appoint Mr. Kunal N. Shah (DIN - 00077216) as the Whole-time Director and fix his remuneration**

**"RESOLVED THAT** pursuant to the provisions of Section 196 and Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the consent of the members of the Company be and is hereby accorded to the appointment of Mr. Kunal N. Shah as the Whole-time Director of the Company for a period of 3 (three) years w.e.f. September 1, 2017, on remuneration and perquisites payable to him and other terms and conditions as set out below:

**Salary and perquisites and Allowances together with Retirals:**

1. Salary: Minimum till the default in repayment to secured lenders is made good in case of inadequate profit as per Schedule V under the Companies Act, 2013. ₹3,50,000/- (Rupees Three Lakhs Fifty Thousand only) per month, payable on quarterly basis after Company makes adequate profit or obtains prior approval of secured lenders whichever is earlier. However, total salary shall not exceed the limit prescribed u/s.197 and 198 of the Act as calculated from time to time.
2. House Rent allowances: ₹35,000/- (Rupees Thirty Five Thousand only) per month, payable on quarterly basis, subject to the provisions of the Income tax Act, 1961.
3. Bonus: Salary of one month and H. R. A.
4. Commission: In addition to the salary, allowances and perquisites in the years in which the Company has sufficient profit, the appointee shall be paid commission on the annual net profits of the Company as may be decided by the Nomination and Remuneration Committee and/or Board of Directors at the end of each financial year computed in the manner laid down under Section 198 of the Act and subject to the ceiling laid down under Sections 196 and 197 of the Act on the total remuneration.
5. Provident Fund: At the rate, it is payable to other employees of the Company, subject to the maximum permissible under the Income Tax Act, 1961.

In addition to the perquisites specified as above, the Whole-time Director shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- a) The Company's contribution to the Provident Fund, Superannuation Fund (or other benefit permissible in lieu thereof) or annuity fund as per the rules of the Company and the same will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b) Gratuity: At such rate it is payable to other employees of the company or in the alternative the Whole-time Director may join Group gratuity- cum life assurance scheme and avail the benefit of such scheme. Gratuity to be payable at the rate of half month's salary for each completed years of service or such rate which have been prescribed at the time of retirement.
- c) Leave: On full pay as per the rules of the company but not exceeding one month leave for every completed year of service and leave encashment as per the rules of the company.

- d) Personal accident Insurance for India and abroad.
- e) Key Man Insurance policy.
- f) Entrance as well as yearly membership fees of any two clubs or an association at Mumbai for the benefit of the Company.
- g) Free use of car with driver for official and private purposes.
- h) Provision of telephone (Mobile and land line), Fax and Internet connection at residence of the Whole-time Director with provision of the computer at residence for the use of Company's business or private purpose.
- i) Actual electricity charges of residence.

Provided that all perquisites together with expenditure incurred on the Whole-time Director shall not exceed total amount of salary. The Whole-time Director shall be paid and/or reimbursed all reasonable out of pocket / entertainment expenses incurred by him in the course of discharging duties as Whole-time Director by cash / cheque or through credit card.

**RESOLVED FURTHER THAT** the board of directors of the Company be and is hereby authorized to vary or increase the remuneration and perquisites including monetary value thereof as specified above to the extent the Nomination and Remuneration Committee and/or the Board of Directors may consider appropriate and as may be permitted or authorized in accordance with any provisions under the Companies Act, 2013 for the time being in force provided, however, that the remuneration payable to Mr. Kunal N. Shah shall be within the limits set out in the said Act or any amendments thereto or any modifications or statutory re-enactment(s) thereof and/or any rules or regulations framed there under and the terms of the aforesaid appointment of Mr. Kunal N. Shah shall be suitably modified to give effect to such variations or increase as the case may be.

**RESOLVED FURTHER THAT** during the currency of the tenure of the Whole-time Director where in any financial year, the Company has no profits or its profits are inadequate, the Company do pay to the Whole-time Director Minimum remuneration by way of salary and perquisites with the prior approval of the secured lenders till the default, if any, in repayment of loan along with interest is made good, as specified above as per relevant applicable provisions of law including provisions as contained in Schedule V to the Companies Act, 2013.

**RESOLVED FUTHER THAT** the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be necessary desirable or appropriate to give effect to this Resolution".

6. To consider and, if thought fit, to pass, with or without modification(s), the following as an **ORDINARY RESOLUTION**:

**Appointment of Mr. Hariharan V. Iyer (DIN - 07539227), as an Independent Director**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("Rules") and Schedule IV to the Act, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr. Hariharan V. Iyer (DIN 07539227) who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on September 1, 2017, pursuant to Section 161 of the Act and the Articles of Associations of the Company, and whose term of office expires at this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Act proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from September 1, 2017."

7. To consider and, if thought fit, to pass, with or without modification(s), the following as an **ORDINARY RESOLUTION**:

**Appointment of Mr. Atul Mehta (DIN - 00112451), as an Independent Director**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("Rules") and Schedule IV to the Act, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr. Atul Mehta (DIN 00112451) who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on September 1, 2017, pursuant to Section 161 of the Act and the Articles of Associations of the Company, and whose term of office expires at this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Act proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from September 1, 2017."

8. To consider and if thought fit to pass with or without modification(s) the following as a **SPECIAL RESOLUTION**

**To keep registers, indexes and records as required to be maintained under sections 88 and 94 of the Companies Act, 2013 in a place other than the registered office of the Company**

**"RESOLVED THAT** pursuant to section 94 and other applicable provisions, if any, of the Companies Act, 2013("Act") and rules made there under (including any statutory modification(s) or re- enactment thereof for time being in force, consent of the members of the company be and hereby accorded to keep the register and Index of members and other registers and records as required to be maintained under section 88 of the act and copies of annual return prepared under section 92 of the act together with the copies of the certificates and documents required to be annexed thereto or any documents as may be required, and except those required to be maintained by the Registrar and Transfer Agent (RTA) of the Company, at the branch/corporate office of the Company situated at 501, Delta, Technology Street, Hiranandani Gardens, Powai, Mumbai – 400 076, Maharashtra, India.

**RESOLVED FURTHER THAT** all other statutory registers and minutes books as may be required to be maintained by the Company at the registered office as per the act and rules made there under be and are hereby maintained at the branch/corporate office of the Company situated at 501, Delta, Technology Street, Hiranandani Gardens, Powai, Mumbai – 400 076, Maharashtra, India.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company or other signatories of the Company, if any delegated by the Board be authorized to intimate to the Registrar of Companies and to do all such acts, deeds and things as may be necessary, for the purpose of giving effect to this resolution.”

9. To consider and if thought fit to pass with or without modification(s) the following as a **SPECIAL RESOLUTION**

**To issue and allot secured/ unsecured, redeemable, cumulative/ non-cumulative, non-convertible debentures/Bonds upto ₹ 500 Crore or equivalent in one or more tranches/ series, through private placement.**

**RESOLVED THAT** pursuant to Section 42 and 71 of Companies Act, 2013 and Companies (Prospectus & Allotment of Securities Rules), 2014 and other applicable provisions / rules of the Companies Act, 2013 and subject to, wherever required, the guidelines and / or approval of the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI) and subject to such other approvals and consents of the concerned authorities as required by law, and subject to such conditions, modifications and stipulations as may be imposed under the said approvals, permissions and consents and in terms of the Articles of Association of the Company, the Board of Directors of the Company (Board) be and is hereby authorised to issue and allot secured/ unsecured, redeemable, cumulative/ non-cumulative, non-convertible debentures/Bonds upto ₹ 500 Crore or equivalent in one or more tranches/ series, through private placement, in domestic and/or in international markets i.e. in Indian rupees and/or in foreign currency for subscription for cash at par on terms and conditions based on evaluation by the Board of market conditions as may be prevalent from time to time as may be determined and considered proper and most beneficial to the Company including without limitation as to when the aforesaid securities are to be issued, consideration, mode of payment, coupon rate, redemption period, utilisation of the issue proceeds and all matters connected therewith or incidental thereto; provided that the said borrowing shall be within the overall borrowing limits of the Company.

**FURTHER RESOLVED THAT** for the purpose of giving effect to this Special Resolution, the Board be and is hereby authorised to issue such directions as it may think fit and proper, including directions for settling all questions and difficulties that may arise in regard to the creation, offer, issue, terms and conditions of issue, allotment of the aforesaid securities, nature of security, if any, appointment of Trustees and do all such acts, deeds, matters and things of whatsoever nature as the Board, in its absolute discretion, consider necessary, expedient, usual or proper.

**FURTHER RESOLVED THAT** the Board shall have the right at any time to modify, amend any of the terms and conditions contained in the Offer Documents, Application Forms etc. notwithstanding the fact that approval of the concerned authorities in respect thereof may have been obtained subject, however, to the condition that on any such change, modification or amendment being decided upon by the Board, obtaining requisite approval, permission, authorities etc. from the concerned authorities is required.

**FURTHER RESOLVED THAT** all or any of the powers as conferred on the Board by the above resolutions be exercised by the Board or any Committee or by any Director as the Board may authorise in this behalf.

Mumbai, September 1, 2017

Registered Office: 801 & 802, C- Wing, Neelkanth Business Park, Kiroli Road,

Vidhyavihar (W), Mumbai – 400 086. Tel. No.: 022 40457000

Email:cs@nitinfire.com; Website:www.nitinfire.com

CIN:L29193MH1995PLC092323

**For and on behalf of the Board**  
**Nitin Fire Protection Industries Limited**

**Rahul N. Shah**  
**Whole-time Director (DIN - 00073226)**

**Notes:**

- a. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF COMPANIES/ SOCIETIES PARTNERSHIP FIRMS ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/ AUTHORITY AS APPLICABLE ISSUED ON BEHALF OF THE NOMINATING ORGANIZATION/ENTITY. MEMBERS ARE REQUESTED TO NOTE THAT A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN, SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
- b. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the Meeting.
- c. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
- d. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item No. 4 to 9 above is annexed hereto.
- e. Members, proxies and authorized representatives are requested to bring to the Meeting, their attendance slip duly completed and signed along with their copy of Annual Report.
- f. In case of joint holders attending the Meeting only such joint holder which is higher in the order of names will be entitled to vote.
- g. Documents relating to any of the items mentioned in the Notice and the Explanatory Statement thereto are open for inspection at the Registered Office of the Company on all working days during business hours up to the date of the Meeting.



- h. The Register of Members and Share Transfer books of the Company will remain close from Monday, September 25, 2017 to Friday, September 29, 2017 (both days inclusive).
- i. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
- j. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
- k. Members are requested to intimate queries to the Company, if any, regarding the accounts/notices at least seven days before the Annual General Meeting to enable the management to keep the information ready at the meeting.
- l. Members are requested to send all correspondence, including dividend related correspondence to the Registrar & Share Transfer Agent, i.e. Bigshare Services Private Limited, 1st Floor, Bharat TIN Works Building, Opp. Vasant Oasis (next to Keys Hotel), Marol, Makwana Road, Andheri East, Mumbai - 400059, Tel. 022 – 62638200, Email id: investor@bigshareonline.com / rajeshm@bigshareonline.com and/or to the Company Secretary of the Company at cs@nitinfire.com. Members holding shares in electronic form are advised to notify any change in their address to the concerned depository participants.
- m. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective Depository Participant(s).
- n. Pursuant to Section 125 of the Companies Act, 2013, the Company is having unclaimed or unpaid dividends of ₹89152/- for the year ended 31st March, 2010 and the same will be transferred to the Investors Education and Protection Fund in November, 2017.

Pursuant to Section 125 of the Companies Act, 2013 (Erstwhile Section 205C of the Companies Act, 1956), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (the Fund) set up by the Government of India. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2010 onwards, are requested to make their claims to the Registrar & Share Transfer Agent and/or Company Secretary of the Company accordingly, without any delay. The details of unclaimed dividend are posted at the link <http://nitinfire.com/blog/investors/unpaid-unclaimed-dividend/>.

#### Status of unclaimed and unpaid dividend

(₹ in lakhs)

Year Ended	Date of declaration of Dividend	Amount of Dividend	Unclaimed and unpaid dividend as on 31st March, 2017	% of Unclaimed and Unpaid Dividend	Due Date for transfer to IEPF Account
March 31,2010	21.09.2010	441.11	0.8915	0.20	23.10.2017
March 31,2011	11.08.2011	630.16	0.5216	0.08	12.09.2018
March 31,2012	11.08.2012	882.21	0.7706	0.09	13.09.2019
March 31,2013	13.08.2013	441.11	0.2613	0.06	14.09.2020
March 31,2014	No Dividend declared				
March 31,2015	21.09.2015	585.54	1.0745	0.18	23.10.2022
March 31,2016	No Dividend declared				
March 31,2017	No Dividend proposed				

The Company had transferred unclaimed dividend for the year ended March 31, 2009 of ₹93309/- to Investor Education & Protection Fund on September 14, 2016.

The intimation has been given to all shareholders who has not claimed dividend for 7 years or more from the financial year March 31, 2009 to claim on or before October 23, 2017, to avoid the transfer of your shares to IEPF Authority. Section 124(6) of the Companies Act, 2013, requires that all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF, shall also be transferred to IEPF. Also complete details of such shareholders have been uploaded on the company's website and can be referred to under section "Investors" and sub-section "Unpaid & Unclaimed Shares to IEPF", the link of which are as follows:

i) [http://nitinfire.com/wp/wp-content/uploads/2016/07/NITIN-FIRE\\_IEPF-SHARE-TRANSFER-TO-IEPF-2008-09.pdf](http://nitinfire.com/wp/wp-content/uploads/2016/07/NITIN-FIRE_IEPF-SHARE-TRANSFER-TO-IEPF-2008-09.pdf)

ii) [http://nitinfire.com/wp/wp-content/uploads/2016/07/NITIN-FIRE\\_IEPF-SHARE-TRANSFER-TO-IEPF-2009-10.pdf](http://nitinfire.com/wp/wp-content/uploads/2016/07/NITIN-FIRE_IEPF-SHARE-TRANSFER-TO-IEPF-2009-10.pdf)

- o. 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 the 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 Registrar & Share Transfer Agent and/or Company Secretary of the Company.
- p. As per the provisions of section 72 of the Companies Act, 2013, facility for making nomination in Form SH-13, is available for the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrar and Transfer Agent by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant. The same is also enclosed at the end of this report.
- q. Members may also note that the Notice of the 22nd AGM and the Annual Report 2016-17 will be available on the Company's website, [www.nitinfire.com/investor](http://www.nitinfire.com/investor). The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members, who require communication in physical form in addition to e-communication, may write to us at: cs@nitinfire.com.

- r. The Annual Report 2016-17, the Notice of the 22nd AGM and instructions for e-voting, along with the Attendance slip and Proxy form, are being sent by electronic mode to all members whose email addresses are registered with the Company / Registrar and Transfer Agent / Depository Participant(s), unless a member has requested for a physical copy of the documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
- s. The relevant details of Director(s) seeking appointment/re-appointment pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are furnished as under:

**Details of Director(s) as on the date of this Notice seeking appointment/ re-appointment at the forthcoming 22nd Annual General Meeting**

{Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

Name of Director(s)	Mr. Kailat H. Vaidyanathan	Mr. Rahul N. Shah	Mr. Kunal N. Shah	Mr. Hariharan V. Iyer	Mr. Atul Hasmukhbhai Mehta
DIN	00077323	00073226	00077216	07539227	00112451
Date of Birth	May 03, 1946	February 1, 1978	November 13, 1984	April 15, 1974	October 30, 1966
Age	71	39	33	43	51
Nationality	Indian	Indian	Indian	Indian	Indian
Date of first Appointment on the Board	22.04.2008	February 1, 2006	May 29, 2011	September 1, 2017	September 1, 2017
Qualifications	Graduate in Mechanical Engineering & Post Graduate in Industrial Engineering	Diploma in Business Management	Bachelor of Engineering in Electronics and Tele Communications	Company Secretary & Cost & Management Accountant	Company Secretary
Experience including Expertise in specific functional areas	He has more than 43 years of experience in various engineering fields including about 28 years in the area of high pressure seamless cylinders and allied equipments. He has been instrumental in implementing the project of Nitin Cylinders Limited (NCL) and all matters related to cylinder applications. He is responsible for all technical negotiation with cylinder suppliers as well as the customers for cylinders and allied items.	He has 19 years of experience in commissioning and installation of fire detection and alarm systems as well as gas suppression systems. He also looks after quality of fire alarm systems, import transactions and materials management.	He has 4 years of experience in assembling, testing and functioning of CNG dispensers for CNG fuel vehicles.	He has 20 years of experience in Finance & Accounts Forecast, Budgeting and Variance Analysis, Banking, Treasury and Cash Management, Due Diligence and Capital Transactions, Transfer Pricing, Taxation, Compliances, Legal & Forex. Currently he is engaged in successfully repositioning and redefining the scale of the Software Development and Support in India.	He has 21 years of experience in Corporate Governance, Secretarial Compliance on Company Law matters, Mutual Fund Compliances, IPR – Trade Mark, Patent, Copy Right Litigation, SEBI /CLB / ROC related matters. He was former President, Institute of Company Secretaries of India (ICSI) in 2015 for one year. He was elected as Chairman of WIRC of ICSI in 2009.

Terms and conditions of Appointment	Mr. Vaidyanathan retires by rotation at the ensuing AGM and being eligible, seeks re-appointment. Director in Non-Executive Non-Independent capacity Liable to retire by rotation. The Terms and Conditions are in accordance with the provisions of Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, as may applicable.		As per the resolution passed by the Board on September 1, 2017 and proposed to confirmation by the shareholders in their ensuing AGM.		As per the resolution passed by the Board on September 1, 2017 and proposed to confirmation by the shareholders in their ensuing AGM.		Mr. Iyer and Mr. Mehta are proposed to be appointed for a term of five years with effect from September 1, 2017 till August 31, 2022 not liable to retire by rotation during the said tenure and being Non-Executive Independent Directors shall be entitled to Sitting Fees. The Terms and Conditions of Mr. Iyer and Mr. Mehta are in accordance with the provisions of Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, as may be applicable.		
Remuneration sought to be paid	Nil		As per the resolution passed by the Board on September 1, 2017 and proposed to confirmation by the shareholders in their ensuing AGM.		As per the resolution passed by the Board on September 1, 2017 and proposed to confirmation by the shareholders in their ensuing AGM.		Independent Directors shall be entitled to Sitting Fees @ ₹20000/- per Board meeting and @10000/- per Audit Committee meeting.		
Last remuneration drawn during the 2015-16	Nil		54000/-		54000/-		Not Applicable		
Number of Board meetings attended during the year	Held	Attended	Held	Attended	Held	Attended	Not Applicable		
	6	5	6	6	6	6			
Relationship with other directors and Key Managerial Personnel	Mr. Vaidyanathan is not related to any Directors, Key Managerial Personnel of the Company.		Mr. Rahul is son of Mr. Nitin M. Shah and brother of Mr. Kunal, who are directors of the Company. Mr. Rahul is not related to any other Directors, Key Managerial Personnel of the Company.		Mr. Kunal is son of Mr. Nitin M. Shah and brother of Mr. Rahul, who are directors of the Company. Mr. Kunal is not related to any other Directors, Key Managerial Personnel of the Company.		Mr. Iyer is not related to any Directors, Key Managerial Personnel of the Company.		Mr. Mehta is not related to any Directors, Key Managerial Personnel of the Company.
No. of shares held in the Company (including held by dependents)	Own	Beneficial basis	Not applicable as proposed to be appointed as executive director			Own	Beneficial basis	Own	Beneficial basis
	19902	Nil				Nil	Nil	Nil	Nil
Directorship in other Public Limited Companies	Eurotech Cylinders Pvt Ltd		Eurotech Cylinders Pvt Ltd		Nil		Nil		Nil
Chairmanship / Membership of the Mandatory Committees of other Public Limited Companies	Nil		Nil		Nil		Nil		Nil



**t. Process and manner for members opting for e-voting are as under:**

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of The Companies (Management and Administration) Rules, 2014 and amendment thereof, and regulation 44 of the SEBI Listing Regulations, 2015 the Company is pleased to provide to the Members the remote e-voting facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Ltd. (CDSL).

Sr. No.	Particulars	Day, Date & Timing
1	Cut-off date for eligibility of e-voting	Friday, September 22, 2017
2	Opening of E-voting period	Monday, September 25, 2017 at 9.00 a.m.
3	Closing of E-voting period	Thursday, September 28, 2017 at 5.00 p.m. The e-voting module shall be disabled by CDSL for voting thereafter.
4	Declaration of Results of voting	Monday, October 2, 2017

A member may participate in the general meeting even after exercising his right to vote through remote e-voting, but, shall not be allowed to vote again in the meeting. A person who is not a member on the cut-off date should treat the AGM notice for information purposes only.

The Company will provide ballot form for voting by members present at the meeting.

**The instructions for members for voting electronically are as under:-**

- (i) During the period of opening and closing of e-voting, the shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e; September 22, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letter E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	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. <ul style="list-style-type: none"> <li>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 (iv).</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then reach directly 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 <Company Name> 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 changed 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) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **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](http://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](mailto: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](mailto: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.
- (xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins on September 25, 2017 at 9 am and ends on September 28, 2017 at 5 pm. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e; September 22, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## Annexure to the Notice

## THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

**4. To consider the appointment and Fix remuneration of Mr. Rahul N. Shah, Whole-time Director (DIN - 00073226)**

Mr. Rahul N. Shah is appointed as a Whole-time Director on September 1, 2017, liable to retire by rotation for a term of three years. He is also appointed as Key Managerial Personnel by the Board subject to the recommendation of the Nomination and Remuneration Committee as required under the provisions of the Section 203 and other provisions of the Companies Act, 2013.

Mr. Rahul Shah is a commerce graduate and holds a Diploma in Business Management. He gained experience in commissioning and installation of fire detection and alarm systems as well as gas suppression systems. In 1998 he took the training of HFC 227EA gas suppression systems at Fike South-east Asia Pte Singapore and in 1999, the training of addressable fire alarm systems from Apollo Fire Detectors Ltd. in U.K to improve the quality of fire alarm systems. All import transactions and dealings are done under his supervision. He is also responsible for materials management. He also looks after all plants, manufacturing /production and marketing in India, Finance and statutory compliances of the company.

Considering the qualification and expertise of Mr. Rahul Shah the Board approved the appointment to perform the dual role as Whole-time Director cum Key Managerial Personnel. Due to ups and downs in the business, the Company is facing a financial crunch and has defaulted in payment of principal and interest on loans taken from the Banks, financial institutions and other lender. Mr. Shah assured that the Company will take all the necessary steps to overcome the situation. Accordingly the Board decided to pay remuneration after the Company makes the default good or obtains prior approval of secured lenders whichever is earlier. The Board of Directors have decided the remuneration payable to Mr. Rahul N. Shah, subject to approval by the shareholders of the Company as provided in the special resolution recommended to be passed at item no. 4.

Your Directors recommend the approval of proposed resolutions as set out in item No. 4 of the accompanying notice by the Members by way of a Special Resolution.

Mr. Nitin M. Shah and Mr. Kunal Shah are father and brother of Mr. Rahul Shah respectively. None of the other Directors or Key Managerial Personnel of the Company and their relatives is in any way concerned or interested in the proposed Resolution.

**5. To consider the appointment and Fix remuneration of Mr. Kunal N. Shah, Whole-time Director (DIN - 00077216)**

Mr. Kunal N. Shah is appointed as a Whole-time Director on September 1, 2017, liable to retire by rotation for a term of three years by the Board according to the recommendation of the Nomination and Remuneration Committee as required under the provisions of the Companies Act, 2013.

He is a Bachelor of Engineering in Electronics and Tele Communications from Padmabhushan Vasantdada Patil Prathisthans College of Engineering. He has experience in assembling testing and functioning of CNG dispensers for CNG fuel vehicles.

Considering the qualification and expertise of Mr. Kunal Shah the Board approved the appointment to perform as Whole-time Director. Due to ups and downs in the business the Company is facing a financial crunch and has defaulted in payment of principal and interest on loans taken from the Banks, financial institutions and other lender. Mr. Shah assured that the Company will take all the necessary steps to overcome the situation. Accordingly the Board decided to pay remuneration after the Company makes the default good or obtains prior approval of secured lenders whichever is earlier. The Board of Directors have decided the remuneration payable to Mr. Kunal N. Shah, subject to approval by the shareholders of the Company as provided in the special resolution recommended to be passed at item no. 5.

The Board recommends the approval of proposed resolutions as set out in item No. 5 of the accompanying notice, by the Members by way of a Special Resolution.

Mr. Nitin M. Shah and Mr. Rahul Shah are father and brother of Mr. Kunal Shah respectively. None of the other Directors or Key Managerial Personnel of the Company and their relatives is in any way concerned or interested in the proposed Resolution.

**6. Appointment of Mr. Hariharan Iyer as Independent Director (DIN - 07539227) :**

The Board of Directors on the recommendation of the Nomination & Remuneration Committee appointed Mr. Hariharan V. Iyer (DIN 07539227) as an Additional Director of the Company with effect from September 1, 2017 in the category of a Non-Executive Independent Director. In accordance with Section 161 of the Companies Act, 2013, Mr. Hariharan V. Iyer holds office upto the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director of the Company in the category of Non-Executive Independent Director. The Company has received a notice under Section 160 of the Companies Act, 2013 from a Member along with the requisite deposit signifying his intention to propose the candidature of Mr. Hariharan V. Iyer as a Director of the Company. The notice is available for inspection by the Members of the Company at the Registered Office during business hours on any working day upto the date of the Annual General Meeting. Mr. Hariharan V. Iyer, aged 43 years, is the Vice President Finance of Ark Solutions Private Limited, Navi Mumbai. He focuses on Finance & Accounts Forecast, Budgeting and Variance Analysis, Banking, Treasury and Cash Management, Due Diligence and Capital Transactions, Transfer Pricing, Taxation, Compliances & Legal, Forex. Prior to Ark Solutions, he has worked extensively at reputed Companies i.e; Aditya Birla Minacs, Imkemex International Limited, Prag Bosimi Synthetics Limited, Pantaloon Textile Industries Limited. Currently he is engaged in successfully repositioning and redefining the scale of the Software Development and Support in India. In all his pursuits, he brings to fore a unique blend of business acumen, diverse experience and deep insight into human and consumer behavior that enable him to build and run strong successful businesses of UK based Ark Solutions Private Limited in India. Mr. Iyer lives with his family in Mumbai, India.

The Board of Directors commends the Ordinary Resolution set out at Item No.6 of the accompanying Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives except Mr. Hariharan V. Iyer is in any way concerned or interested in the Resolution.

**7. Appointment of Mr. Atul Mehta as Independent Director (DIN - 00112451):**

The Board of Directors on the recommendation of the Nomination & Remuneration Committee appointed Mr. Atul Mehta (DIN 00112451) as an Additional Director of the Company with effect from September 1, 2017 in the category of a Non-Executive Independent Director. In accordance with Section 161 of the Companies Act, 2013, Mr. Atul Mehta holds office upto the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director of the Company in the category of Non-Executive Independent Director. The Company has received a notice under Section 160 of the Companies Act, 2013 from a Member along with the requisite deposit signifying his intention to propose the candidature of Mr. Atul Mehta as a Director of the Company. The notice is available for inspection by the Members of the Company at the Registered Office during business hours on any working day upto the date of the Annual General Meeting.

Mr. Atul Mehta, aged 51 years, is the Partner of Mehta & Mehta, Company Secretaries, a Mumbai-based Secretarial, legal and Consultancy firm specialized in Company Law matters, Mutual Fund Compliances, IPR - Trade Mark, Patent, Copy Right Litigation, SEBI /CLB / ROC related matters, Incorporation and Winding up of Companies. He focuses on Corporate Governance, Secretarial Compliance and human resource development for Industrial Clients with an emphasis on governance cum business transformation. He was former President of The Institute of Company Secretaries of India (ICSI) in 2015 for one year. He was elected as Chairman of WIRC of ICSI in 2009. Mr. Atul Mehta provides corporate counselling & legal assistance to companies, industries, NGOs & governmental organisations on a variety of matters, including the structuring, country-specific entry strategies & investment opportunities, strategic initiatives, fund raising, strategies for negotiating to clients on a variety of issues.

The Board of Directors commends the Ordinary Resolution set out at Item No.7 of the accompanying Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives except Mr. Atul Mehta is in any way concerned or interested in the Resolution.

**8. Keeping registers, records & returns in a place other than Registered office**

In terms of the provisions of section 94(1) of the Companies act 2013 ("act") Register and copies of the Returns as aforesaid may also be kept at any other place in India other than at the registered office of the company, in which more than one tenth of the total number of members entered in the register of member reside, if approved by Special resolution by the members of the company.

The Board recommends to keep the Register and index of the members, other Register /records and returns required to be maintained under section 88, 94 by the company, copies of annual return under section 92 of the act together with the copies of certificates and documents required to be annexed thereto or any documents as be required and except those required to be maintained by the Registrar and Transfer Agent (RTA) of the Company, at the branch/corporate office of the Company situated at 501, Delta, Technology Street, Hiranandani Gardens, Powai, Mumbai – 400 076, Maharashtra, India.

None of the directors and/or key managerial personnel of the company and/or their respective relatives are in any way concerned or interested in Special Resolution at Item No. 8.

The Board commends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

**9. Issue of secured/ unsecured, redeemable, cumulative/non-cumulative, non-convertible debentures/Bonds etc. through private placement**

In order to arrange funds for capital expenditure, long term/ short term working capital, organic and inorganic growth opportunities and general corporate purposes, the Board could consider issue of secured/ unsecured, redeemable, cumulative/non-cumulative, non-convertible debentures/Bonds upto ₹ 500 Crores or equivalent in one or more tranches/ series, through private placement, in domestic and/or in international markets i.e. in Indian rupees and/or in foreign currency.

Pursuant to the provision of Section 42 of Companies Act, 2013 read with Rules 14(2)(a) of Companies (Prospectus & Allotment of Securities) Rules, 2014, members approval by way of a special resolution would be sufficient for all offers or invitation for such aforesaid securities for a year. The resolution placed before the members is thus an enabling resolution giving authority to the Board of Directors / Committee thereof to decide upon the issue on such terms and conditions as may be prevalent from time to time for a year from the date of passing of this resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board commends the Special Resolution set out at Item No. 9 of the Notice for approval by the members.

Mumbai, September 1, 2017  
Registered Office: 801 & 802, C- Wing, Neelkanth Business Park, Kirol Road,  
Vidhyavihar (W), Mumbai – 400 086. Tel. No.: 022 40457000  
Email:cs@nitinfire.com; Website:www.nitinfire.com  
CIN:L29193MH1995PLC092323

**For and on behalf of the Board**  
**Nitin Fire Protection Industries Limited**

**Rahul N. Shah**  
**Whole-time Director (DIN - 00073226)**

**Important Communication to Members – Green Initiative**

Members holding shares in electronic mode are requested to update their e-mail address with their respective Depository Participant and Members holding shares in physical mode are requested to provide their e-mail address to the Registrar and Share Transfer Agent at E-mail id: investor@bigshareonline.com or rajeshm@bigshareonline.com along with correspondence to Company at cs@nitinfire.com so as to allow the Company to serve the documents in electronic mode.

**DIRECTORS' REPORT**

To,  
The Members,  
Nitin Fire Protection Industries Limited

Your Directors have pleasure in presenting their 22nd Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March, 2017.

**1. Financial summary or highlights/Performance of the Company (Standalone & Consolidated):**

(₹ in lakhs)

Particulars	2016-17	2015-16	2016-17	2015-16
	Standalone	Standalone	Consolidated	Consolidated
Sales and other Income	27,167.14	47,130.03	133,097.07	149,424.68
Profit Before Interest and Depreciation	(4,932.82)	4,907.09	8,307.69	17,830.66
Finance Charges	4,266.95	3,471.86	6,029.61	5,250.05
Gross Profit	(9,199.77)	1,435.23	2,278.08	12,553.61
Provision for Depreciation & amortization expense	469.76	655.91	2,470.68	2,446.51
Net Profit Before Tax	(9,669.53)	779.32	(192.60)	10,107.10
Provision for income tax including deferred tax & wealth tax	(27.20)	208.98	(36.78)	227.30
Tax adjustments of earlier years(net)	-	26.47	-	26.35
Net Profit After Tax	(9,642.33)	543.87	(155.82)	9,853.45
Share of (Loss) from an Associate			(2637.81)	
Profit/(Loss) for the year	(9,642.33)	543.87	(2793.63)	9,853.45
Balance B/d from earlier year	7,300.10	6,756.23	43,645.29	33,791.84
Balance available for appropriation	(2,342.23)	7,300.10	40,851.66	43,645.29
Surplus carried to Balance Sheet.	(2,342.23)	7,300.10	40,851.66	43,645.29

**2. Review of Operations:**

The total income during the year ended March 31, 2017, on standalone basis stood at ₹27,167.14 lakhs as compared to the previous year of ₹47,130.03 lakhs. The net loss for the year ended March 31, 2017 is ₹9642.33 lakhs as compared to ₹543.87 lakhs profit for the previous year. The loss for the year is mainly due to the lower turnover due to the sales returns by overseas clients, increase in the finance costs due to non-realization of receivables, adverse economic scenario, write off of ₹2,200.34 lakhs due to slow moving/non moving stock, ₹3349.00 lakhs on account of provision for doubtful debts, ₹383.40 lakhs on account of provision for diminution in the value of investments, ₹710.18 lakhs is due to loss on account of foreign exchange translation.

The total income during the year ended March 31, 2017, on consolidated basis stood at ₹133,097.07 lakhs as compared to the previous year of ₹149,424.68 lakhs. The net loss for the year ended March 31, 2017 is ₹2793.63 lakhs, as compared to the profit of ₹ 9,853.45 lakhs in the previous year.

**3. Change in the nature of business:**

There is no change in business of the Company during the financial year 2016-17.

**4. Dividend:**

Due to losses, the Directors regret their inability to recommend any dividend for the year ended 31st March, 2017.

**5. Reserves:**

The Company has incurred loss of (₹9,642.33) lakhs and hence no transfer to the General Reserve arises in the current year.

**6. Share Capital:**

There were no changes in the share capital during the financial year 2016-17.

**7. Directors, Key Managerial Personnel, Independent Directors & Compliance Officer:**

Mr. Kailat Vaidyanathan (DIN: 00077323) retires by rotation at the forthcoming 22nd Annual General Meeting of the Company and being eligible offers himself for re-appointment. The Board recommends his re-appointment.

All Independent Directors of the Company have submitted their declarations that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013 ("Act") and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015").

Mr. Atul Mehta & Mr. Hariharan Iyer were appointed as Additional Independent Directors w.e.f. September 1, 2017 respectively. The Board also appointed Mr. Atul Mehta as Chairman of the Company.

Mr. Ramakant Madhav Nayak, Mr. Satish Kumar Dheri and Mr. Krishna Kant Jha Non-executive Independent Directors resigned with effect from November 23, 2016, May 26, 2017 and September 1, 2017 respectively.

#### 8. Particulars of Remuneration to its Employees / Directors / Key Managerial Personnel

The information required under the provisions of Section 197 of the Act read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company and Directors is furnished below:

Sr. No.	Name	Designation	Remuneration - FY 2016-17(₹)	Remuneration - FY 2015-16(₹)	Increase / (decrease) in remuneration from previous year (₹)	Ratio/times per Median of employee remuneration (times)
1	2	3	4	5	6	7
1	Partho Roy(*)	CEO Project	3673336/-	7,701,507/-	NA	23.92
2	Rahul N. Shah	Whole-time Director – KMP	1993400/-	54,000/-	1939400/-	16.74
3	Kunal N. Shah	Whole-time Director	1979000/-	54,000/-	1925000/-	16.74
4	Kamlesh Gandhi	CFO – KMP	2139357/-	2,184,694/-	45337/-	7.39
5	Sraban Kumar Karan	CS - KMP	935159/-	162,138/-	NA	3.17

\*Partho Roy resigned with effect from August 31, 2016. Increase /decrease for those employees who was for part of the year is not applicable.

Qualifications and experience of the employee	Date of commencement of employment	Age	Last employment held by such employee before joining the Company	Nature of employment, whether contractual or otherwise	Percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of Rule 5(2)	Such employee is a relative of any director or manager of the Company and if so, name of such director or manager
8	9	10	11	12	13	14
Bachelor in Computer Science and 31 Years	01.12.2012	51	New Age LLC, UAE	Contractual	NIL	No
Graduate in Commerce & Diploma in Business Management and 18 years	14.08.2014	39	Nitin Fire Protection Ind. Ltd.	Contractual	6.44% (18,831,333 shares)	Mr. Nitin M. Shah & Mr. Kunal N. Shah, Directors are relatives
Bachelor in Electronic and Tele Communications and more than 3 years	14.08.2014	33	Nitin Fire Protection Ind. Ltd.	Contractual	10.49% (30,673,000 shares)	Mr. Nitin M. Shah & Mr. Rahul N. Shah Directors are relatives
C. A. and 36 years	17.06.2013	57	Greshma Shares & Stocks Ltd.	Contractual	NIL	No
A.C.S. and 10 years	19.01.2016	40	Mehta & Mehta, Company Secretaries	Contractual	NIL	No

#### Other Disclosures pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Requirements	Disclosure
1	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.	Refer to the particulars of remuneration to Employees and Director. For this purpose, sitting fees paid to the Directors have not been considered as remuneration.
2	Percentage increase in remuneration of Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	The salary of the CFO was increased by 5% during the year. During the year the directors were paid the salary as per the resolution approved at AGM.
3	Percentage increase in the median remuneration of employees in the financial year.	4.78



Sr. No.	Requirements	Disclosure
4	Number of permanent employees on the rolls of Company as on 31st March, 2017.	138
5	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.	Average percentile increase in the salary of employees other than managerial personnel is approximate 14% Average percentile increase in the salary of managerial personnel is approximate 14%
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	The remuneration is as per the remuneration policy of the Company.

**Remuneration Policy:**

Pursuant to the provisions of Section 178(3) of the Act, the Board has on the recommendation of the Nomination & Remuneration Committee framed a remuneration policy on March 26, 2016 for selection and appointment of Directors, Senior Management and their remuneration—

- Remuneration to Key Managerial Personnel and Staff is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain qualified professional and talent.
- For Directors, it is based on the shareholders' resolutions, provisions of the Companies Act, 2013 and Rules framed therein and guidelines issued by the Central Government and other authorities from time to time.

**Managerial Remuneration:**

The remuneration paid to the whole-time directors has been provided in MGT-9 (Annexure-III of the Director's Report).

The Company pays sitting fees to all the Independent Directors for attendance in the meetings of the Board of Directors and the Audit Committee constituted by the Board of Directors of the Company.

The summary of Remuneration Policy are provided in the Corporate Governance Report.

**9. Meetings:**

During the year ended 31st March, 2017, the Board of Directors had met 6 (six) times on 30.05.2016, 03.06.2016, 08.08.2016, 06.09.2016, 12.11.2016 and 11.02.2017.

6 (six) Audit Committee meetings were held on 30.05.2016, 03.06.2016, 08.08.2016, 06.09.2016, 12.11.2016 and 11.02.2017 for the year ended on March 31, 2017. Nomination and Remuneration Committee meetings were held on 30.05.2016 and 11.02.2017 for 2 (two) times. There were 1 (one) Corporate Social Responsibility Committee meeting on 11.02.2017 and 2 (two) Independent Directors' meetings on 30.05.2016 and 11.02.2017. Stakeholders' Relationship Committee meetings were held on 30.05.2016 and 11.02.2017 for 2 (two) times and Risk Management Committee meeting was held on 11.02.2017 for One (1) time during the year ended 31st March, 2017. The meetings of Board and Audit Committee on 30.05.2016 were adjourned to 03.06.2016.

The details of which are given in the Corporate Governance Report. The intervening gap between two consecutive Board meetings & Audit Committee Meetings respectively were within the period prescribed under the Companies Act, 2013.

The recommendation by the Audit Committee as and when made to the Board had been accepted by it.

**10. Board Evaluation:**

In line with the provisions under the Companies Act, 2013, SEBI Regulations, the evaluation of the Board, Committee(s) and Individual Directors were made by the Board at their meeting held on February 11, 2017.

The evaluation questionnaires were circulated to all the directors along with agenda. It was consisting of three parts as follows:

BOARD EVALUATION;

DIRECTORS' SELF EVALUATION;

COMMITTEE EVALUATION.

Independent Directors (IDs) reviewed the performance of the non-independent directors (including WTD), the Chairman and the Board (as a whole).

The evaluation questionnaires from the Chairman of the Board Mr. Nitin Shah with his signature(s) and remarks had not been received for placing before the Independent Directors at their meeting.

The Nomination & Remuneration Committee chaired by Mr. S. K. Dheri had discussed with the Directors of the Company on overall board effectiveness.

The Board discussed overall performance of Board, individual directors (including IDs) and committees of Board.

After a joint discussion, the Chairpersons of the meeting of the Independent Directors', Nomination & Remuneration Committee and Board expressed satisfaction on the evaluation of all the directors and overall performance of Board, individual directors (including IDs) and committees of Board except Mr. Nitin M. Shah, the Non-executive director of the Company, whose evaluation remained pending till the receipt of the evaluation questionnaires duly signed.

The Board noted the non-receipt of the questionnaires from the Chairman of the Board Mr. Nitin Shah as he could not be present at the meeting.

#### 11. Details of Subsidiary/Joint Ventures/Associate Companies:

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient features of the financial statement of a Company's subsidiary(ies), associate Company(ies) and joint venture(s) is given in Form AOC-1 as Annexure - I [Performance and financial position of the subsidiaries included in the consolidated financial statement].

Further, the Annual Accounts and related documents of the subsidiary Company(ies) shall be kept open for inspection at the Registered Office of the Company. The Company will also make available copy thereof upon specific request by any Member(s) of the Company interested in obtaining the same. Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report include the financial information of its subsidiary(ies).

#### 12. Auditors:

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, M/s. Haribhakti & Co. LLP (FRN – 103523W/W-100048) and Deloitte Haskins & Sells LLP, Chartered Accountants, (FRN -117366W / W-100018) were appointed as joint statutory auditors of the Company from the conclusion of the twentieth annual general meeting (AGM) of the Company held on September 21, 2015 till the conclusion of the twenty fifth AGM to be held in the year 2020, subject to ratification of their appointment at every AGM.

One of the joint statutory auditors of the Company i.e; Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number 117366W/W-100018) has resigned w.e.f. the Statutory Audit of the Company for the Financial Year ended on March 31, 2017, vide their resignation letter dated May 17, 2017 due to the limitation of time.

The Company has requested Haribhakti & Co. LLP vide the letter dated May 22, 2017 to provide the Confirmation satisfying criteria u/s. 141 of the Companies Act, 2013 to put before the Audit Committee and Board for their recommendation to the shareholders of the company for ratification of appointment of auditors till the next annual general meeting to be held in the year 2018.

The Company received letter dated 24th May, 2017 from Haribhakti & Co. LLP giving their consent to ratification for their re-appointment as Statutory Auditors for the year ended 31st March, 2018. The Board recommends the resolution No. 3 of the Notice of the AGM for the approval of the Members of the Company.

#### Audit Report: The Auditors' qualifications and reply of the management are as under:

##### Basis of Qualified opinion of Statutory Auditors' on Standalone Financial Statement:

##### a) Qualification in the Statutory Audit Report:

Note (a) of Statutory Audit Report describing the reasons for not recognizing provision for a claim of ₹ 50,133,481/- by a Bank with respect to a derivative contract entered into by its erstwhile subsidiary Company, the liability of which is taken by the company. The company has filled the petition against the same. Pending final outcome of the matter, we are unable to comment on the extent of provision required, if any, in this regard.

##### Management's Reply on Qualification in the Statutory Audit Report:

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 ₹50,133,481/- (excluding interest). 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.

##### b) Qualification in the Statutory Audit Report:

Note (b) of Statutory Audit Report describing the reasons for not recognizing provision for diminution in the value of long term investment in equity shares of Worthington Nitin Cylinders Private Limited (WNCPL) aggregating ₹419,504,163/- as at March 31, 2017. In the absence of any assessment of the fair value of the investment as required under Accounting Standard 13 'Accounting for Investments' and audited financial statements of WNCPL for the period subsequent to March 31, 2015, we are unable to comment on the diminution, if any, on the carrying amount of the investment as at March 31, 2017.

##### Management's Reply on Qualification in the Statutory Audit Report:

Worthington Nitin Cylinders Private Limited (WNCPL) is our Associate Company and based on the valuation of the fixed assets of WNCPL from an independent valuer, the Company is hopeful that impairment, if any, will not be material and if any such thing is noticed in future, we will provide for the same.

##### c) Qualification in the Statutory Audit Report:

Note (c) of Statutory Audit Report describing the reason for not providing the impairment in the carrying value of claims receivable shown under other current assets which is its share of costs incurred in an oil block exploration operated by Gas Authority of India Limited (GAIL) amounting to ₹2263.73 lakhs. The Company and GAIL are engaged in arbitration proceedings and pending the final outcome of such proceedings we are unable to comment on the extent of impairment required, if any on the carrying amount as at 31.03.2017.



**Management's Reply on Qualification in the Statutory Audit Report:**

The Company and GAIL are engaged in the legal proceedings for noncompliance of certain terms of Joint Operating Agreement as entered into. The Company believes that it will be able to recover its entire investment amount of investments, hence no impairment is considered necessary

**d) Qualification in the Statutory Audit Report:**

Note (d) of Statutory Audit Report describing the export trade receivables amounting to ₹ 16,698.10 lakhs which are outstanding for long time, payments for which are not forthcoming. We are unable to comment on the recoverability of the same.

**Management's Reply on Qualification in the Statutory Audit Report:**

The company's management is making all efforts to recover the same and is confident of recovery, but the amount cannot be ascertained. Hence, no provision is considered necessary.

**e) Auditors' Qualification in Internal Financial control report:**

In the qualified opinion it is mentioned that material weakness have been identified in the operating effectiveness of Company's internal financial control with respect to provision for diminution of value of investment ( fully described in note 45 to the standalone financial statement), provision for a claim on a derivative contract (fully described in note 35 to the standalone financial statements), provision for not recognizing impairment in the carrying cost claims receivables shown under other non-current assets (fully described in note 33 to the standalone financial statements), and for Export receivables which are outstanding for a long period of time and payments for which are not forth coming (fully described in note 46 to the standalone financial statements), determination of terms of sale and purchase of items of inventory and underlying documentation relating to internal movements of item of inventory and policy documentation pertaining to human resources and payroll related matters, which could potentially impact the related account balances when determined and recognized.

**Management's reply on Qualification in Internal Financial control report:**

The clarification on the provision for diminution in value of investment of Worthington Nitin Cylinders Private Limited, for derivative contract claim, for claims receivable and export receivables not forthcoming have been explained above in audit observation and the Company has made lot of improvements and initiated further process to implement the required process and procedures in purchase and sales terms, inventory and pay roll related matters.

**f) Basis of Qualification opinion of Statutory Auditors' on Consolidated Financial Statement:**

The above qualification of Statutory Auditors' on Standalone Financial Statement remains same with respect to their basis of qualified opinion on Consolidated Financial Statement.

The other qualification is that as more described in the note No. 45 of Consolidated Financial Statement, in the absence of audited financial statements of WNCPL for the period subsequent to March 31, 2015, we are unable to comment on the diminution, if any, on the carrying amount of the investment as at March 31, 2017.

**Management's reply on Qualification in Consolidated Financial Statement:**

The Company has not received the audited financial statement from our associate company Worthington Nitin Cylinders Private Limited (WNCPL) after that period as the accounts were under compilation.

**13. Secretarial Audit Report:**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Mr. Kishor V. Ved, Practicing Company Secretary, to undertake the Secretarial Audit for the financial year ended 31st March, 2017. The report of the Secretarial Auditors in Form No. MR-3 is enclosed as Annexure II to this report. The views of Secretarial Auditor and the Management are as follows:

REMARKS OF SECRETARIAL AUDITOR	MANAGEMENT'S REPLY
<i>As explained to me by the management, pursuant to Regulation 27 of the SEBI LODR Regulations, the Internal Audit reports for the quarter ended 30.09.2016; 31.12.2016 &amp; 31.03.2017 has not been submitted to the Board.</i>	There was delay in preparation of the internal audit report but the same have been submitted to the Board later.
<i>Pursuant to regulation 27 of the SEBI LODR Regulations, 2015, the Statutory Auditors of the Company have issued the modified opinion in respect of the financial statements for the year ended 31.03.2017.</i>	The explanations for the same have been mentioned in the directors' report.
<i>Pursuant to regulation 30(6) of the SEBI LODR Regulations, 2015, the Company shall disclose to stock exchanges, inter-alia, details of revision in credit rating. CRISIL vide their report dated 18.07.2016 has revised credit rating of the Company. However, the Company has intimated the same to NSE &amp; BSE on 03.08.2016. Hence, there was a delay in disclosure for the period from 19.07.2016 to 03.08.2016.</i>	The company was not in agreement with the revision of rating as done by rating agency and company was in communication with the rating agency to not to revise the rating by providing necessary explanations etc. Hence the delay happened in reporting.
<i>Pursuant to regulation 30(6) of the SEBI LODR Regulations, 2015, the unaudited /audited financial results are submitted to NSE &amp; BSE within 30 minutes of conclusion of board meeting. There was delay in reporting the same for few quarters.</i>	The delay has been complied as per the provisions of the SEBI Regulations and circular with the payment of fine to the Stock Exchange(s).

REMARKS OF SECRETARIAL AUDITOR	MANAGEMENT'S REPLY
<i>The Company has accepted the unsecured loans to the extent of ₹.2.87 Crores from Mr. Rahul N. Shah – HUF (i.e. Karta of HUF) as also detailed in the register of contracts maintained by the Company is not an exempt deposit within meaning of Rule 2(1)(c) (viii) of the Companies (Acceptance of Deposits) Rules, 2014, as it is not received from Mr. Rahul N. Shah in his individual capacity as a Director of the company. However, as explained to me, no balance remains outstanding of Mr. R. N. Shah – HUF as on 31.03.2017.</i>	No balance remains outstanding as at 31.03.2017.
<i>The Board of Directors of the Company at their meeting held on 30th May, 2017 has noted that pursuant to Section 135 of the Act, the Company is required to spend ₹24,95,341/- by the end of March 31, 2017 as Corporate Social Responsibility expenditure for the financial year 2016-2017 and the same was not been spent by the Company as of 31st March, 2017 due to insufficient revenue generation.</i>	No CSR expenditure was spent during the year due to the heavy losses of ₹96 crores incurred for the financial year 2016-17 and the resultant liquidity crunch.
<i>The details regarding changes in shareholding of the one (1) of the promoters and two (2) out of the top ten (10) shareholders of the Company during the financial year 2015-16 as required under Section 92 of the Act were not filed in Form MGT-10 with the Registrar of Companies during the financial year.</i>	As of now the same falls under exemption and does not require filing according to the amendment issued by MCA.
<i>Pursuant to Regulation 31(2) and 31(3) of the SEBI (Substantial Acquisition of Shares &amp; Takeovers) Regulations, 2011, the promoters shall disclose the details of creation or invocation or release of encumbrance within seven working days from the creation or invocation or release, as the case may be to stock exchanges and the target Company. During the financial year, the promoters viz. Mr. R. N. Shah-HUF &amp; Mr. Nitin Shah, have disclosed the details of creation and invocation of their pledge shares to the Company &amp; stock exchanges, and it appears that in few instances there was a delay disclosing the details of encumbrance during the financial year.</i>	As and when the Company has received the details of encumbrance it is intimated to specified authorities.
<i>The Company has filed the Annual Return (Form MGT-7) and Balance sheet (Form AOC-4-XBRL) for the year ended 31.03.2016 with the Registrar of Companies after delay and the additional fees have been paid thereon.</i>	The same has been filed.
<i>The Company has filed the compounding application under FEMA with the Reserve Bank of India for delay in submission of Form ODI for reporting of Capitalization of Expenditure, issue of Bank Guarantee and Annual Performance report for 2 years (2013 to 2015) and paid compounding fee on 19.04.2017.</i>	RBI has compounded the matter and issued the final order and the same has been complied.

**14. Disclosure about Cost Audit:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to carry out the cost audit for the financial year ended 31st March, 2017.

**15. Internal Audit & Controls:**

Pursuant to Section 138 of the Companies Act, 2013, read with the Clause 49 of the Listing Agreements with Stock Exchanges and the SEBI (LODR) Regulations, 2015, the Company had appointed M/s. Tolia and Associates, Chartered Accountants (Firm Registration Number: 111017W) as Internal Auditor of the Company for the financial year 2016-17.

The existing Internal Auditor has expressed to discontinue internal audit of the Company for the Financial Year 2017-18 due to pre-occupation. The Audit Committee is in the process of finalizing the appointment of new Internal Auditor at the earliest.

**16. Internal Financial Control System:**

The Company has overall effective systems and procedure for internal control for ensuring orderly and efficient conduct of business, safeguarding its assets, prevention & detection of frauds & errors & completeness of accounting records and timely preparation of reliable financial information. These systems are periodically reviewed by the Audit Committee of the Board of Directors. The Audit Committee and the Board have ensured that the said system is adequate considering the nature of business and size of the transactions.

**17. Issue of employee stock options:**

The Company has not issued / granted any stock options to its employees including its Key Managerial Personnel and hence, the provisions of Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 are not applicable.

**18. Vigil Mechanism / Whistle Blower Policy:**

Your Company has put in place Whistle Blower Mechanism. The detailed mechanism is given in Corporate Governance Report forming part of this report and the same has been posted on the Company's website at the link <http://nitinfire.com/blog/vigil-mechanism/vigil-mechanism>.

**19. Risk management policy:**

The Company has been addressing various risks impacting the smooth operation and the policy of the Company on risk management is provided in Management Discussion and Analysis section of the Annual Report.

**20. Management Discussion and Analysis:****Macroeconomic development:**

In a backdrop of global uncertainty and slowing economic growth, India was a bright spot in 2016-2017 with robust macroeconomic fundamentals. The next upcoming important issue for the world leaders is to protect the world from global warming and destruction of assets by fire. Globally the Fire protection industry is likely to grow steadily. The year was marked by two major domestic policy developments: Implementing the Goods and Services Tax (GST), and the action to demonetize the ₹ 500 and ₹ 1,000 bank notes in the country.

**Our business and strong track record**

Nitin Fire Protection Industries Limited (NFPIL) is nationally and internationally certified Fire Protection solutions provider with wide range of systems to protect and prevent from disaster of fire. The Company is providing end to end Fire Protection Solutions for various industries like Refineries, Control Rooms, Power Plants, Offshore Platforms, Server Rooms & Data Centres, Warehouses, Commercial Spaces, Hospitals and Hospitality sector.

We undertake large scale fire protection system installation and have successfully completed 34 years of operation in India and have completed various installations both direct & indirect across India.

**We have following objectives:-**

- Safe living of the society and increasing awareness and education of safety and security at all times.
- To promote and use the advance technology and modern fire safety and protection systems.

**INDUSTRY STRUCTURE & DEVELOPMENT**

The Global Fire & Safety market is steadily increasing and company expects to gradually increase its market share. There is a definite demand for Fire Protection products worldwide with newer products under development. The Innovation and Product Development are the critical aspects of success in the industry.

**Financial Performance**

Financial performance of the company is given in the director's report.

**OUTLOOK, OPPORTUNITIES AND CHALLENGES****India:**

The company had to face the recessionary market conditions and it had a difficult time realizing the outstanding dues from the customers in the Middle East as well as South East Asian countries due to slack in the overall business scenario in these countries. Due to this, the company could not meet the commitments of the working capital lenders. Also the reduction in the limit by one of the working capital lenders and the untied portion of the assessed working capital limit further added to the liquidity problems.

Due to the above the company is facing liquidity crunch to run its operations. The accounts of the company are monitored by the bank. The company is coordinating with the working capital lenders for Debt Restructuring program. Hence till that time the company is not taking any new major contracts/projects. The reduction in the price of oil and slowdown in the Middle East and South East Asian countries have also affected export business.

GST on most of the Fire protection Equipments and products is 28% which may have short term effects on the business. The overall Fire protection business outlook in India seems gradually improving. Except Industrial clients, small units like housing societies and commercial complexes are expecting to create scope for Fire Protection Industry. The Company has over 60 (domestic + international) approvals from various agencies & regulatory bodies required to operate in this business & execute fire protection, safety & security solution projects across various demographics. Hence, the Company believes that once the proposed debt restructuring programme and liquidity crisis is over the company will be able to regain its past glory.

**Global subsidiaries:**

Although there is a recessionary trend in the UAE and South East Asia, the company is hopeful that there will not be much deep in their turnover and profitability.

There will be large spending, asset creation and business development in UAE due to the Expo 2020 and other events. With UAE contributing 76.92% of the total revenue, your Company is in a position to capture the higher growth potential of the growing markets. Worldwide demand for this segment is expected to grow due to more awareness and concerns for the safety.

The diversified portfolio of products and its regular up gradation has helped your Company to add value in markets of UAE, South Asia and Europe. Our strength is our determination and team work.

**Human Resources**

Employees are the key to achieve the Company's objectives and strategies. Your Company considers human resource to be an important and valuable asset for the organization. Therefore, it constantly strives to attract and retain best "Talents" for the present and future business requirements and growth. The Company thankfully acknowledges their commitment, dedication and passion and sacrifices. And the Company expects their continuous guidance and support in future. The Company inspires and motivates employees and promotes teamwork, trust and confidence for the organizational growth and to attain the organizational goals. The Company is focused in providing a meaningful environment which provides them the confidence to realize their potential and motivates employees to develop themselves personally and professionally. The required Initiatives are taken in the areas of employee's health, safety training and development. Company takes pains to see that employee's interest and growth are not overlooked.

### **Risk Management and Internal Control System**

The Company has a proper and adequate system of controls in order to ensure that all assets are safeguarded against loss from unauthorized use or disposal. Regular Internal Audit checks are carried out to ensure that the responsibilities are executed effectively and that proper and adequate systems are in place and is reviewed by audit committee set by the Management.

Your Company continues to comply with laws, regulations and policies as per the regulatory guidelines that are applicable.

The Company monitors principal risks and uncertainties that can impact our ability to achieve strategic objectives. Internal controls are regularly tested for design and operating effectiveness. The Internal Control System is supplemented by defined risk management programme identifying and mitigating risks which are reviewed by the Board of Directors of the Company.

### **Cautionary Statement**

In this Management's Discussion and Analysis and directors' report detailing the Company's objectives, projections, estimates, expectations or predictions and describing the Company's strength, strategies and estimates are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

#### **21. Extract of Annual Return**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT 9 as a part of this Annual Report is enclosed as an Annexure III.

#### **22. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report**

There are no adverse material changes or commitments occurring after 31st March, 2017 which may affect the financial position of the Company or may require disclosure.

#### **23. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future**

Nil.

#### **24. Deposits**

The Company has not accepted any deposits during the financial year under review.

#### **25. Particulars of loans, guarantees or investments under section 186(4) of the Companies Act, 2013**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note 34 (I) & (II) to Financial Statements.

#### **26. Particulars of contracts or arrangements with related parties**

Details of transaction with related party have been given in the notes to the financial statements. There were no transactions required to be reported in form AOC-2.

#### **27. Corporate Governance Certificate**

A report on Corporate Governance approved by the Board of Directors of the Company and a certificate from Mr. Kishor V. Ved, Practicing Company Secretary, Mumbai, for the year ended 31st March, 2017 are enclosed to the report. The Company has fully complied with the Corporate Governance practices specified under the Companies Act, 2013 and the Listing Agreement with the BSE Limited and the National Stock Exchange of India Limited and SEBI Listing Regulations, 2015.

#### **28. Disclosure as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Under the said Act, the Company has set up a "Committee for Harassment of Women at Work Place" to look into complaints relating to sexual harassment at work place of any women employees. During the year under review, the Company has not received any complaints of harassment.

#### **29. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

Information required under section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 with regard to conservation of energy and technology absorption and foreign exchange earnings and outgo are provided in Annexure IV attached to this report.

#### **30. Corporate Social Responsibility (CSR)**

The Company has been carrying out Corporate Social Responsibility (CSR) activities. These activities are carried out in terms of Section 135 read with Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Annual Report on CSR activities is annexed herewith as Annexure V.

#### **31. Directors' Responsibility Statement**

To the best of knowledge and belief, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

- (i) that in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- (ii) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis;
- (v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 32. Transfer of Amounts to Investor Education and Protection Fund

Pursuant to Section 125 of the Companies Act, 2013, the Company is having unclaimed or unpaid dividends of ₹89,152/- for the year ended 31st March, 2010 and the balance as on the date of completion of 7 years from the date of transfer to Unpaid Dividend Account will be transferred to the Investors Education and Protection Fund (the Fund) set up by the Government of India on or after October 23, 2017.

#### Status of unclaimed and unpaid dividend

(₹in lakhs)

Year Ended	Amount of Dividend	Unclaimed and unpaid dividend as on 31st March, 2016	% of Unclaimed and Unpaid Dividend
March 31,2010	441.11	0.8915	0.20
March 31,2011	630.16	0.5216	0.08
March 31,2012	882.21	0.7706	0.09
March 31,2013	441.11	0.2624	0.06
March 31,2014	No Dividend Declared		
March 31,2015	585.54	1.0745	0.18
March 31,2016	No Dividend Declared		

Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2010 onwards, are requested to make their claims to the Company accordingly, without any delay.

Details about transfer of unclaimed shares has been given in the Corporate Governance Report.

### 33. Listing with the Stock Exchange

Annual Listing Fees for the year 2017-2018 to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) is paid where the Company's Shares are listed.

### 34. Acknowledgements

Your Directors wish to place on record their appreciation, for the contribution made by the employees at all levels but for whose hard work and support, your Company's achievements would not have been possible. Your Directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith.

**For and on behalf of the Board**  
**Nitin Fire Protection Industries Limited**

(Rahul N. Shah)  
Whole-time Director  
(DIN – 00073226)

(Kunal N. Shah)  
(Whole-time Director)  
(DIN – 00077216)

Mumbai, September 1, 2017

### ANNEXURE INDEX

Annexure	Content
I	Details of subsidiary in Form AOC-1
II	Form MR-3 - Secretarial Audit Report
III	Form MGT 9 - Extracts of Annual Return
IV	Conservation of energy, technology absorption and foreign exchange earnings and outgo
V	Annual Report on Corporate Social Responsibility



## Annexure - I

## Form AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

## Statement containing salient features of the financial statement of subsidiaries/Associate Companies/Joint Ventures

## Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sr. No.	Particulars	Details			
1	Name of the subsidiary(ies)	Eurotech Cylinders Private Limited	Nitin Ventures FZE, UAE*	Nitin Global Pte Limited, Singapore	Nitin Fire Protection Middle East FZE.
2	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	N.A.	N.A.	N.A.	N.A.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	USD (1USD= 64.8386	USD (1USD= 64.8386	USD (1USD= 64.8386
4	Share capital	100,000	110,209,425	4,761,000	-
5	Reserve & surplus	243,342,561	4,861,639,379	84,817,308	-
6	Total assets	437,813,609	7,854,010,226	570,789,620	670,108
7	Total liabilities	437,813,609	7,854,010,226	570,789,620	670,108
8	Investments	-	-	1,636,504	-
9	Turnover	26,050,105	10,241,498,867	317,803,119	-
10	Profit/(loss) before taxation	(27,992,602)	937,111,959	1,369,310	-
11	Provision for taxation*	(1,216,068)	-	258,295	-
12	Profit/(loss) after taxation	(26,776,534)	937,111,959	1,111,015	-
13	Proposed dividend	-	-	-	-
14	% of shareholding	100	100	100	100

(\* includes New Age Co., LLC and Firetec Systems, UK)

Notes: 1. Names of subsidiaries which are yet to commence operations –

Nitin Fire Protection Middle East FZE.

2. Names of subsidiaries which have been liquidated during the year.

The application made by the subsidiaries i.e; Nitin Fire Protection Appliances Private Limited and Nitin Fire Protection Systems Private Limited to the Registrar of Companies for striking off their name had been approved on 18.05.2016 and 13.06.2016 respectively, they have not started any business operations since incorporation.

## Part “B”: Associates and Joint Ventures

## Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Worthington Nitin Cylinders Private Limited (Associate)	Oil Block (RJ-ONN-2004/1) (Un- incorporated joint venture)
Latest audited Balance Sheet Date	31-March-2015	31-March-2016
Shares of Associate/Joint Ventures held by the Company on the year end		
No. of Shares	2,336,496	N. A.
Amount of Investment in Associates/Joint Venture	₹ 457,844,451/-	N. A.
Extend of Holding%	40%	11.11%
Description of how there is significant influence	Due to percentage of holding	No significant influence
Reason why the associate/joint venture is not consolidated	Not consolidated due to unavailability of audited financial statements for the year ended March 31, 2017.	N. A.
Net worth attributable to shareholding as per latest audited Balance Sheet	₹ 137,026,962/-	N.A.
Profit/Loss for the year:		
Considered in Consolidation	N.A.	N.A.
Not Considered in Consolidation	Not consolidated due to unavailability of the audited financial statements	No statement of profit and loss is prepared

KISHOR V. VED

Practicing Company Secretary

D/215, Neelkanth Business Park, Next to Vidhyavihar Bus Depot, Vidhyavihar Station (West), Mumbai – 400 086

Annexure-II-Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

[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,  
**Nitin Fire Protection Industries Limited**  
Mumbai

Dear Sirs,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “Nitin Fire Protection Industries Limited” (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 generally 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by Nitin Fire Protection Industries Limited (“the Company”) as given in Annexure A, for the financial year ended on 31st March, 2017, 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) The Foreign Exchange Management Act, 1999 (“FEMA”) and the rules and regulations made there under to the extent of Foreign Direct Investment in shares of the Company and Overseas Director Investment;
  - (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; and
    - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
    - e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) **were not applicable to the Company** under the financial year under report:-
  - a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as the Company has not issued any securities to the employees of the Company;
  - b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 as the equity shares of the company are listed on the Bombay Stock Exchange Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”);
  - c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, as the Company has not bought-back any securities; and
  - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as there is no debt securities listed on stock exchanges.

I have also examined compliances with applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with the BSE and the NSE in respect of issue and listing of securities; and
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“the SEBI LODR Regulations, 2015”**).

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure B.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- As explained to me by the management, pursuant to Regulation 27 of the SEBI LODR Regulations, the Internal Audit reports for the quarter ended 30.09.2016; 31.12.2016 & 31.03.2017 has been submitted to the Board at their meeting held on 01.09.2017.
- Pursuant to regulation 27 of the SEBI LODR Regulations, 2015, the Statutory Auditors of the Company have issued the modified opinion in respect of the financial statements for the year ended 31.03.2017.
- Pursuant to regulation 30(6) of the SEBI LODR Regulations, 2015, the Company shall disclose to stock exchanges, inter-alia, details of revision in credit rating. CRISIL vide their report dated 18.07.2016 has revised credit rating of the Company. However, the Company has intimated the same to NSE & BSE on 03.08.2016. Hence, there was a delay in disclosure for the period from 19.07.2016 to 03.08.2016.
- Pursuant to regulation 30(6) of the SEBI LODR Regulations, 2015, the unaudited /audited financial results shall be submitted to with NSE & BSE within 30 minutes of conclusion of board meeting, the details in reporting are as under:

Results for the Quarter Ended	Concluding time of Board meeting	Time for reporting as per regulations	Date & time of submission to NSE	Date & time of Submission to BSE	File within time / delay in minutes / hours
31st December, 2016	3.30 p.m. (15:30 hours) on 11.02.2017	4.00 p.m. (16:00 hours)	11/02/2017 at 15:46	11/02/2017 at 17:31:25	Delay in reporting of 2 hours to BSE
31 <sup>st</sup> March, 2017	6.00 p.m. (18:00 hours) on 30.05.2017	6.30 p.m. (18:30 hours)	31.05.2017 at 01:46	31.05.2017 at 01:53:21	Delay in reporting of – <ul style="list-style-type: none"> <li>• 7:53 minutes to BSE</li> <li>• 7:46 minutes to NSE</li> <li>• Fine of Rs.5,750/- paid to BSE on 22.06.2017 for delay</li> </ul>

- The Company has accepted the unsecured loans to the extent of ₹2.87 Crores from Mr. Rahul N. Shah – HUF (i.e. Karta of HUF) as also detailed in the register of contracts maintained by the Company is not an exempt deposit within meaning of Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014, as it is not received from Mr. Rahul N. Shah in his individual capacity as a Director of the company. However, as explained to me, no balance remains outstanding of Mr. R. N. Shah – HUF as on 31.03.2017.
- The Board of Directors of the Company at their meeting held on 30th May, 2017 has noted that pursuant to Section 135 of the Act, the Company is required to spend ₹24,95,341/- by the end of March 31, 2017 as Corporate Social Responsibility expenditure for the financial year 2016-2017 and the same was not been spent by the Company as of 31st March, 2017 due to insufficient revenue generation.
- The details regarding changes in shareholding of the one (1) of the promoters and two (2) out of the top ten (10) shareholders of the Company during the financial year 2015-16 as required under Section 92 of the Act were not filed in Form MGT-10 with the Registrar of Companies during the financial year.
- Pursuant to Regulation 31(2) and 31(3) of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011, the promoters shall disclose the details of creation or invocation or release of encumbrance within seven working days from the creation or invocation or release, as the case may be to stock exchanges and the target Company. During the financial year, the promoters viz. Mr. R. N. Shah-HUF & Mr. Nitin Shah, have disclosed the details of creation and invocation of their pledge shares to the Company & stock exchanges, and it appears that in few instances there was a delay disclosing the details of encumbrance during the financial year.
- The Company has filed the Annual Return (Form MGT-7) and Balance sheet (Form AOC-4-XBRL) for the year ended 31.03.2016 with the Registrar of Companies after delay and the additional fees have been paid thereon.
- The Company has filed the compounding application under FEMA with the Reserve Bank of India for delay in submission of Form ODI for reporting of Capitalization of Expenditure, issue of Bank Guarantee and Annual Performance report for 2 years (2013 to 2015) and paid compounding fee on 19.04.2017.

#### I further report that,

During the period under review, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including a Woman Director and the following 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 / the SEBI LODR Regulations:



- Mr. Ramakant Nayak, an Independent Director of the Company has resigned from the directorship of the Company w.e.f. 23.11.2016. However, pursuant to Proviso to Regulation 25(6) of the SEBI LODR Regulations, 2015 to fulfill the requirement of independent directors in its board of directors without filling the vacancy created by resignation of Mr. Ramakant Nayak, the Board of Directors of the Company at their meeting held on 11.02.2017 has re-designated Mrs. Padmaja Nair, a Non-Executive Independent cum Woman Director of the Company as the Chairperson of the Board till the date of next Board Meeting. The next board meeting was held on 30.05.2017. Mrs. Padmaja Nair has given her consent on 11.02.2017 to act as chairperson till the date of next Board Meeting. Mr. Nitin Shah, will remain as a Non-executive director (promoter category) of the Company.

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.

Decision at the Board / Committee meetings, as represented by the management and recorded in the minutes, was generally unanimous.

**I 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.

**I further report that** during the year under report, the Company has passed the following Special Resolutions at their 21st Annual General Meeting held on 30.09.2016 in pursuance of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc.:

- |     |   |
|-----|---|
| 1.  | Related Party transactions with Eurotech Cylinders Private Limited                |
| 2.  | Related Party Transactions with New Age LLC, UAE, Step-down Subsidiary            |
| 3.  | Related Party Transactions with Mr. Nitin M. Shah                                 |
| 4.  | Related Party Transactions with Mrs. Saroj Nitin Shah                             |
| 5.  | Related Party Transactions with Nitin Global Pte. Ltd., Foreign Subsidiary        |
| 6.  | Related Party Transactions with Nitin Ventures FZE, U. A. E.                      |
| 7.  | Related Party Transactions with Worthington Nitin Cylinders Private Limited       |
| 8.  | Related Party Transactions with Firetec Systems Ltd, Step-down Foreign Subsidiary |
| 9.  | Related Party Transactions with Nitin Fire Protection Middle East FZE             |
| 10. | Issuance of Equity Shares   |

**Kishor V. Ved**  
**Practicing Company Secretary**  
**FCS No.5411 C P No.:4691**  
**Mumbai, 1st September, 2017**

**Note : This Report is to be read with my letter of even date which is annexed as Annexure A, B & C and forms an integral part of this report.**

#### **Annexure - A**

##### **List of documents verified:**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year 2015-2016
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and separate meetings of Independent Directors along with Attendance Registers
4. Minutes of General Body Meetings held.
5. Statutory Registers viz.
  - Register of Directors & KMP
  - Register of Directors' Shareholding
  - Register of Contracts
  - Register of Investments
  - Register of Charges
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013.
8. Intimations received from directors under the prohibition of Insider Trading Code.
9. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of the SEBI LODR Regulations, 2015
11. Filings with the Reserve Bank of India under the Foreign Direct Investment guidelines and for Overseas Director Investments made by the company

**Annexure - B**

**List of Major applicable laws to the Company as identified by the management and compliance made thereunder, that is to say –**

1. Explosives Act, 1884
2. Factories Act 1948 (as amended in 1987)
3. Gas Cylinder Rules, 2004 (amended)
4. Air (Prevention and Control of Pollution) Act, 1981
5. Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
6. Labour Welfare Act of respective States
7. The Sexual Harrasment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
8. The Reserve Bank of India Act, 1934 & the Foreign Exchange Management Act, 1999, to the extent applicable
9. The Income-Tax Act, 1961
10. The Central Excise Act, 1944
11. The Customs Act, 1962
12. The Finance Act applicable for Service Tax

**Registered office :**

801-802, C Wing, Neelkanth Business Park, Vidyavihar Station West, Mumbai – 400086, Maharashtra

**Plants: -**

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. A-117 TTC Industrial Area,<br/>Pawana Village,<br/>Navi Mumbai – 400701<br/>Maharashtra, India</li> </ol> | <ol style="list-style-type: none"> <li>2. Shed -6 Phase- I<br/>Duvada VSEZ<br/>Vishakhapatnam - 530049<br/>Andhra Pradesh, India</li> </ol> |
|---|---|

**Annexure C**

To,

**The Members**

**Nitin Fire Protection Industries Limited**

I report of even date is to be read along with this letter:

- 1) Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
- 6) My examination was limited to the verification of procedure on test basis.
- 7) 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.

**Kishor V. Ved**

**Practicing Company Secretary**

**FCS No.5411 - C P No.:4691**

**Mumbai, 1st September, 2017**

## Annexure - III

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

## I. I. REGISTRATION &amp; OTHER DETAILS:

1	CIN	L29193MH1995PLC092323
2	Registration Date	04/09/1995
3	Name of the Company	NITIN FIRE PROTECTION INDUSTRIES LIMITED
4	Category/Sub-category of the Company	Company limited by shares
5	Address of the Registered office & contact details	801 & 802, C-wing, Neelkanth Business Park, Kirol Road, Vidhyavihar (W), Mumbai - 400086, Maharashtra, India. Website : www.nitinfire.com.; E-mail: nitinfire@vsnl.com
6	Whether listed Company	YES, LISTED ON THE BSE LIMITED (Scrip Code: 532854) and NATIONAL STOCK EXCHANGE OF INDIA LIMITED (Symbol: NITINFIRE)
7	Name, Address & contact details of the Registrar & Share Transfer Agent, if any.	<b>Presently w.e.f. June 27, 2017:</b> Bigshare Services Private Limited 1st Floor, Bharat TIN Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059, Maharashtra. Tel.: 022 62638200; Fax: 022 62638299. Email - investor@bigshareonline.com; rajeshm@bigshareonline.com  <b>Earlier:</b> Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai- 400076. Maharashtra, India. Tel. No. 022 4043 0200. E-mail id: investor@bigshareonline.com

## 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)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Fire Fighting, Fire Protection, Detection equipments & Fire Fighting project-Trading/contracting/Cylinders.	28193	100

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	Eurotech Cylinders Pvt. Ltd.	U28121MH2005PTC152345	Domestic Subsidiary	100	2(87)
2	Worthington Nitin Cylinders Pvt. Ltd.	U27109MH2006PTC164954	Associate	40	2(6)
3	Nitin Ventures FZE	Foreign Company	Foreign Subsidiary	100	2(87)
4	Nitin Global Pte. Limited	Foreign Company	Foreign Subsidiary	100	2(87)
5	Nitin Fire Protection Appliances Private Limited*	U36100MH2012PTC230010	Domestic Subsidiary	100	2(87)
6	Nitin Fire Protection Systems Private Limited*	U29193MH2012PTC230582	Domestic Subsidiary	100	2(87)
7	New Age LLC, U.A.E.	Foreign Company	Step Down Foreign Subsidiary	Subsidiary of Nitin Ventures FZE	2(87)
8	Firetec Systems Limited, U.K.	Foreign Company	Step Down Foreign Subsidiary	Subsidiary of Nitin Ventures FZE	2(87)
9	Oil Block(RJ-ONN-2004/1)	Un-incorporated Joint Venture	Un-incorporated Joint Venture	11.11	2(87)
10	Nitin Fire Protection Middle East FZE, U.A.E.	Foreign Company	Foreign Subsidiary	100	2(87)

\*Nitin Fire Protection Appliances Private Limited and Nitin Fire Protection Systems Private Limited has been approved by MCA for striking off w.e.f. May 18, 2016 & June 13, 2016 respectively.

#### 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, 2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	211936495	-	211936495	72.51	202502557	-	202502557	69.29	(3.22)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1)</b>	<b>211936495</b>	<b>-</b>	<b>211936495</b>	<b>72.51</b>	<b>202502557</b>	<b>-</b>	<b>202502557</b>	<b>69.29</b>	<b>(3.22)</b>
<b>(2) Foreign</b>									
a) NRIs									
Individuals	-	-	-	-	-	-	-	-	-
b) Others									
Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoters A = (A)(1) + (A)(2)</b>	<b>211936495</b>	<b>-</b>	<b>211936495</b>	<b>72.51</b>	<b>202502557</b>	<b>-</b>	<b>202502557</b>	<b>69.29</b>	<b>(3.22)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	1174	-	1174	-	-	-	-	-	-
b) Banks / FI	7318444	-	7318444	2.5	7609834	-	7609834	2.60	0.10
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	19040975	-	19040975	6.51	13445878	-	13445878	4.60	(1.91)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (Foreign Portfolio Investors)	13731366	-	13731366	4.70	10222958	-	10222958	3.50	(1.20)
<b>Sub-total (B)(1):-</b>	<b>40091959</b>	<b>-</b>	<b>40091959</b>	<b>13.72</b>	<b>31278670</b>	<b>-</b>	<b>31278670</b>	<b>10.70</b>	<b>(3.02)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	7967712	-	7967712	2.73	13919189	-	13919189	4.76	2.04
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to ` 1 lakh	18894353	2061	18896414	6.47	30693271	2061	30695332	10.50	4.04
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	9942546	-	9942546	3.40	9542375	-	9542375	3.26	(0.14)
c) Others (Specify)									
i) Employees	16363	-	16363	0.01	15797	-	15797	0.01	-
ii) Director(s)	19902	-	19902	0.01	19902	-	19902	0.01	-
iii) Clearing Members	242878	-	242878	0.08	1013855	-	1013855	0.35	0.26
iv) Non Resident Indians	2904174	-	2904174	0.99	2901639	-	2901639	0.99	-
v) Non Resident Indians (REPAT)	3333	0	3333	0.01	104636	-	104636	0.04	0.03
vi) Non Resident Indians (NON REPAT)	217247	-	217247	0.07	247904	-	247904	0.08	0.01
vii) BC - NBFC	30599	-	30599	0.01	27766	-	27766	0.01	-
<b>Sub-total (B)(2):-</b>	<b>40239107</b>	<b>2061</b>	<b>40241168</b>	<b>13.77</b>	<b>58486334</b>	<b>2061</b>	<b>58488395</b>	<b>20.01</b>	<b>6.24</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>80331066</b>	<b>2061</b>	<b>80333127</b>	<b>27.49</b>	<b>89765004</b>	<b>2061</b>	<b>89767065</b>	<b>30.71</b>	<b>3.23</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>292267561</b>	<b>2061</b>	<b>292269622</b>	<b>100.00</b>	<b>292267561</b>	<b>2061</b>	<b>292269622</b>	<b>100.00</b>	<b>0</b>

## ii) Shareholding of Promoters:

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year 1st April, 2016			Shareholding at the end of the year 31st March, 2017			% 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 the Company	% of Shares Pledged / encumbered to total shares	
1	Saroj N. Shah	61963633	21.20	-	61963633	21.20	-	-
2	Nitin Mansukhlal Shah	60226835	20.61	12.47	54326835	18.59	12.16	(2.02)
3	Kunal Nitin Shah Alis Sanghvi	30673000	10.49	-	30673000	10.49	-	-
4	Rahul Nitin Shah	18831333	6.44	6.42	18831333	6.44	6.42	-
5	Nitin Mansukhlal Shah Karta	15462000	5.29	0.71	15462000	5.29	2.29	-
6	Reshma Nitin Shah	12553333	4.30	-	12553333	4.30	-	-
7	Rahul Nitin Sanghavi Karta	12226361	4.18	2.68	8692423	2.97	2.97	(1.21)
	<b>Total</b>	<b>211936495</b>	<b>72.51</b>	<b>22.28</b>	<b>202502557</b>	<b>69.28</b>	<b>23.84</b>	<b>(3.23)</b>

## iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sr. No.	Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (1/4/2016 to 31/3/2017)	
		No. of Shares at the beginning 1/4/2016	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	SAROJ NITIN SHAH	61963633	21.20	No Change			61963633	21.20
2	NITIN MANSUKHLAL SHAH	60226835	20.61	03-10-2016	(100000)	Invocation of shares pledged as guarantee	60126835	20.572
				17-10-2016	(800000)		59326835	20.298
				08-03-2017	(125000)		59201835	20.255
				17-03-2017	(3080002)		56121835	19.202
				22-03-2017	(1194998)		54926837	18.793
				23-03-2017	(600000)		54326835	18.587
3	KUNAL NITIN SHAH ALIS SANGHVI	30673000	10.49	No Change			30673000	10.49
4	RAHUL NITIN SHAH	18831333	6.44	No Change			18831333	6.44
5	NITIN MANSUKHLAL SHAH KARTA	15462000	5.29	No Change			15462000	5.29
6	RESHMA NITIN SHAH	12553333	4.30	No Change			12553333	4.30
7	RAHUL NITIN SANGHAVI KARTA	12226361	4.18	13-10-2016	(131501)	Invocation of shares pledged as guarantee	12094860	4.138
				16-12-2016	(14622)		12080238	4.133
				16-12-2016	(975)		12079263	4.132
				19-12-2016	(45100)		12034163	4.117
				20-12-2016	(52783)		11981380	4.099
				21-12-2016	(50000)		11931380	4.082
				22-12-2016	(12843)		11918537	4.077
				27-12-2016	(26435)		11892102	4.068
				28-12-2016	(44324)		11847778	4.053
				29-12-2016	(31360)		11816418	4.042
				30-12-2016	(119398)		11697020	4.002
				02-01-2017	(654350)		11042670	3.778
				03-01-2017	(487694)		10554976	3.611
				04-01-2017	(133900)		10421076	3.565
				15-02-2017	(225078)		10195998	3.488
				28-02-2017	(232007)		9963991	3.409
				01-03-2017	(226263)		9737728	3.331
				02-03-2017	(259118)		9478610	3.243
				03-03-2017	(239427)		9239183	3.161
				06-03-2017	(297000)		8942183	3.059
				15-03-2017	(2260)		8939923	3.058
				27-03-2017	(247500)		8692423	2.974

iv) **Shareholding Pattern of top ten Shareholders as on March 31, 2017: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name*	Shareholding at the beginning of the year (April 1, 2016)		Cumulative Shareholding at the end of the year (March 31, 2017)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ORANGE MAURITIUS INVESTMENTS LIMITED	1,34,28,641	4.59	84,15,333	2.88
2	GENERAL INSURANCE CORPORATION OF INDIA	71,33,333	2.44	71,33,333	2.44
3	EMERGING INDIA FOCUS FUNDS	54,56,325	1.87	50,02,227	1.71
4	ITF MAURITIUS	53,25,142	1.82	42,38,035	1.45
5	ANTARA INDIA EVERGREEN FUND LTD	41,91,374	1.43	41,91,374	1.43
6	ARUNACHALAM CHANDRASEKAR	35,17,863	1.20	17,55,546	0.60
7	KUNVARJI FINCORP PRIVATE LIMITED ( Pledge of shares Promoters)	0	0	30,80,002	1.05
8	VESPERA FUND LIMITED	25,90,000	0.89	17,25,000	0.59
9	AMITABH HARIVANSH RAI BACHCHAN	15,00,000	0.51	18,00,000	0.62
10	KALASH TEX TRADING PVT LTD	15,55,633	0.53	15,55,633	0.53

\* The shares of the Company are traded on a daily basis and hence the date wise increase/decrease in shareholding is not indicated.

Shareholding given is consolidated based on permanent account number (PAN) of the shareholder.

v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (1/4/2016 to 31/3/2017)	
		No. of Shares at the beginning 1/4/2016	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Nitin Mansukhlal Shah	60226835	20.61	03-10-2016 17-10-2016 08-03-2017 17-03-2017 22-03-2017 23-03-2017	(100000) (800000) (125000) (3080002) (1194998) (600000)	Invocation of shares pledged as guarantee	60126835 59326835 59201835 56121835 54926837 54326835	20.572 20.298 20.255 19.202 18.793 18.587
2	Kunal Nitin Shah Alis Sanghvi	30673000	10.49	No Change			30673000	10.49
3	Rahul Nitin Shah	18831333	6.44				18831333	6.44
4	Kailat H. Vaidyanathan	19902	0.01				19902	0.01
5	S. K. Dheri	0	0				0	0
6	K. K. Jha	0	0				0	0
7	R. M. Nayak	0	0				0	0
8	Padmaja Nair	0	0				0	0
9	Kamlesh Gandhi – CFO	0	0				0	0
10	Sraban Kumar Karan -CS	0	0				0	0

**V) Indebtedness** -Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,365,283,961			3,365,283,961
ii) Interest due but not paid	10,740,795			10,740,795
iii) Interest accrued but not due	18,029,909			18,029,909
Total (i+ii+iii)	3,394,054,665			3,394,054,665
Change in Indebtedness during the financial year				
* Addition	3,493,068	228,463,774		231,956,842
* Reduction	(1,147,448,079)			(1,147,448,079)
Net Change	(1,143,955,011)	228,463,774		(915,491,237)
Indebtedness at the end of the financial year				
i) Principal Amount	2,183,263,964	215,127,404		2,398,391,368
ii) Interest due but not paid	63,129,721	13,336,370		76,466,091
iii) Interest accrued but not due	3,705,968			3,705,968
<b>Total (i+ii+iii)</b>	<b>2,250,099,653</b>	<b>228,463,774</b>		<b>2,478,563,428</b>

**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 Directors		Total
		Rahul N. Shah WTD	Kunal N. Shah WTD	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,993,400/-	1,979,000/-	3,972,400/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total (A)	1,993,400/-	1,979,000/-	3,972,400/-
	Ceiling as per the Act (10.00%)	Refer Note below		

**Note:** During the Year/part thereof the Company has made loss, so the remuneration has been paid as per the resolution passed pursuant to the Schedule V of the Companies Act, 2013 and the applicable provisions there under.



**B. Remuneration to other directors**

(₹)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Krishnakant Jha (ID)	Padmaja Nair (ID)	Ramakant M. Nayak (ID)	Satish Kumar Dheri (ID)	K.H. Vaidyanathan (NEID)	
1	Independent Directors						
	Fee for attending board / committee meetings	80,000/-	110,000/-	150,000/-	180,000/-	0	520,000/-
	Commission	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0
	<b>Total (1)</b>	<b>80,000/-</b>	<b>110,000/-</b>	<b>150,000/-</b>	<b>180,000/-</b>	<b>0</b>	<b>520,000/-</b>
2	Other Non-Executive Directors						
	Fee for attending board committee meetings	0	0	0	0	0	0
	Commission	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>80,000/-</b>	<b>110,000/-</b>	<b>150,000/-</b>	<b>180,000/-</b>	<b>0</b>	<b>520,000/-</b>
	<b>Total Managerial Remuneration ( A + B)</b>	<b>4,478,000/-</b>					
	<b>Overall Ceiling as per the Act (Maximum 11% of net profit)</b>						Refer Note below

**Note:** During the Year/part thereof the Company has made loss, so the remuneration has been paid as per the resolution passed pursuant to the Schedule V of the Companies Act, 2013 and the applicable provisions there under. Further no commission has been paid except sitting fees.

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB (₹)**

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		
		CFO	CS	Total
		Mr. Kamlesh Gandhi	Mr. Sraban Kumar Karan	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2139357/-	935159/-	3074516/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit	0	0	0
	others, specify	0	0	0
5	Others, please specify	0	0	0
	<b>Total</b>	<b>2139357/-</b>	<b>935159/-</b>	<b>3074516/-</b>

**VII) Penalties / Punishment/ Compounding of offences (under the Companies Act)**

Nil.

**For and on behalf of the Board**  
**Nitin Fire Protection Industries Limited**

**(Rahul N. Shah)**  
**(Whole-time Director)**  
**(DIN – 00073226)**

**(Kunal N. Shah)**  
**(Whole-time Director)**  
**(DIN – 00077216)**

Mumbai, September 1, 2017

## Annexure – IV

**Conservation of energy, technology absorption and foreign exchange earnings and outgo**

Information required under section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 with regard to conservation of energy and technology absorption and foreign exchange earnings and outgo are as under:

## a) Conservation of energy

(i)	The steps taken or impact on conservation of energy.	The Company has been taking from time to time measures as deemed necessary and advisable for conservation of power.
(ii)	The steps taken by the Company for utilizing alternate sources of energy.	The Company uses latest technology to reduce energy consumption and costs.
(iii)	The capital investment on energy conservation equipments.	Not invested.

Sr. No.	Particulars	For the year 2016-17	For the year 2015-16
[A]	Power and fuel consumption		
1	Electricity		
a)	Purchased units	7491	12,230
	Amount (₹)	50940	81,480
	Rate/Unit (₹)	6.80	6.66
b)	Own Generation	Nil	Nil
2	Coal	Nil	Nil
3	Fuel Furnace Oil + Light Diesel	Nil	Nil
4	Other/Internal Generations	Nil	Nil
[B]	Consumption per unit	N.A.	N.A.
	Electricity per Unit	N.A.	N.A.

## (b) Technology absorption

(i)	The efforts made towards technology absorption	It is the policy of the Company to use the latest technology for the safety and security of the life and property and hence the Company is constantly active in harnessing and tapping the latest and best technology in the industry.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	
	(a) the details of technology imported	
	(b) the year of import	
	(c) whether the technology been fully absorbed	Not incurred.
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	The expenditure incurred on Research and Development	

## (c) Foreign exchange earnings and Outgo

Particulars	For the year 2016-17(₹)	For the year 2015-16(₹)
Earnings – Export sales at FOB (on accrual basis)	531,759,408	2,617,665,236
Outgo – Import of materials and components etc. at landed cost	197,127,128	2,609,471,444
Expenditure in Foreign Currency – traveling financial expenses & professional / license fees (on accrual basis)	9,791,322	17,914,099

**Annexure – V**

**Corporate Social Responsibility**  
**(Annual report on CSR Activities)**  
 (CSR Policy approved by the Board on August 14, 2014)

**1. Brief outline of the Company's CSR Policy:**

The CSR policy of the Company is aimed at demonstrating care for the community through its focus on development of poor people i.e; marginalized cross section of the society, health & wellness, teaching to handicapped children, environmental sustainability and welfare works, support of women, children and the aged in the areas of health, education, etc. The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

The CSR policy of the Company is available for inspection at [www.nitinfire.com](http://www.nitinfire.com).

**2. The composition of the CSR committee:**

The CSR Committee of the Company was consisting of three Directors, viz. Mr. S. K. Dheri as Chairman and Mr. Nitin M. Shah and Mr. Kailat H. Vaidyanathan as members. The Board at their meeting held on September 1, 2017 reconstituted the CSR Committee after the appointment of new directors which consisted of three members including chairperson i.e; Mrs. Padmaja Nair – Chairperson; Mr. K. H. Vaidyanathan - Member; Mr. Nitin M. Shah – Member.

**3. Average net profit of the Company for last three financial years for CSR expenditure: ₹124,767,028/-.****4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above): ₹ 2,495,341/-****5. Details of CSR spent during the financial year:**

- (a) Total amount to be spent for the financial year ₹ 2,495,341/-
- (b) Amount unspent, if any: ₹ 2,495,341/-
- (c) Manner in which the amount spent during the financial year is detailed below: Nil

**6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:**

The CSR expenditure was not spent due to the heavy losses of ₹96 crores incurred for the financial year 2016-17 and the tight financial position due to the same.

**7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company:**

No CSR expenditure was spent during the year due to losses and as explain before , hence the implementation and monitoring of CSR expenture is not applicable due to non spending and as per above remarks.

<b>Rahul N. Shah</b> (Whole-time Director) DIN: 00073226	<b>Padmaja Nair</b> (Chairperson - CSR Committee) DIN: 06841868
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Mumbai, September 1, 2017

**Declaration signed by the Whole-time Director stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.**

**Declaration Regarding Code of Conduct**

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

**For and on behalf of the Board**  
**Nitin Fire Protection Industries Limited**

Mumbai, September 1, 2017

(Rahul N. Shah)  
 (Whole-time Director)  
 (DIN – 00073226)

**Corporate Governance Report for the year ended on 31st March 2017**

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2017, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

**1. Company's Philosophy on Corporate Governance**

Effective and good corporate governance practice ensures not only sustainability but also accountability to the stakeholders associated with the Company. The Company being listed with Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) follows provisions specified under various acts, rules, regulations and amendments thereof as applicable for better corporate governance practice. The securities are being regularly traded at BSE & NSE.

The Company believes that, though total business risk elimination is not possible, it can be minimized by consistently developing and following the best practices of Corporate Governance. To this end, the Company focuses on developing and implementing higher standards of accountability to enable optimum returns to all stakeholder

The Company has adopted the requirements of Corporate Governance stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations").

**2. Board of Directors****(a) Composition**

Category	No. of directors
Whole-time Directors	2
*Non Executive and Non Independent Chairperson & Directors (NENID)	2
Non-executive Independent Directors including a Woman Director	3
<b>Total</b>	<b>7</b>

As required under Section 149 of the Companies Act, 2013 ("Act") & Regulation 17 of the SEBI Listing Regulations, the Company has 3 (i.e. 42%) Non-executive Independent Directors including Mrs. Padmaja Nair, Woman cum Independent Director, 2 (i.e. 29%) Non-executive Directors and 2 (i.e. 29%) Executive Directors on the Board on March 31, 2017. Mrs. Padmaja Nair, Woman cum Independent Director was acting as Chairperson of the Board as on March 31, 2017.

\*Mr. Nitin Shah was acting as Chairman before Mr Nair consented to act as chairperson. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the Act.

The Nomination & Remuneration Policy containing terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company at the link <http://nitinfire.com/wp/wp-content/uploads/2016/03/Nomination-Remuneration-Policy.pdf>.

**(b) & (c) Attendance and Other Directorships**

The names and categories of the Directors on the Board, their attendance at Meetings held during the year and the number of Directorships and Committee Chairpersonships / Memberships held by them in other public companies as on March 31, 2017 are given hereunder.

Name of Directors	Category	No. of Board Meetings during the year 2016-17		Whether attended last AGM held on September 30, 2016	No. of other Directorship(s) held in Indian public Companies****		No. of other Board Committee(s) of which Member/Chairperson position held in Indian public Companies****	
		Held	Attended		Member	Chairperson	Member	Chairperson
Mr. Nitin M. Shah DIN - 00073232	Non Executive & Non Independent Chairperson	6	2	No	0	0	0	0
Mr. Kunal N. Shah DIN - 00077216	Whole-time Director	6	6	Yes	0	0	0	0
Mr. Rahul N. Shah DIN - 00073226	Whole-time Director	6	6	Yes	0	0	0	0
Mr. Kailat H. Vaidyanathan DIN - 00077323	Non Executive & Non Independent Director	6	5	Yes	0	0	0	0
Mr. Krishna Kant Jha# DIN - 02816500	Non-Executive Independent Director	6	4	No	0	0	0	0

Name of Directors	Category	No. of Board Meetings during the year 2016-17		Whether attended last AGM held on September 30, 2016	No. of other Directorship(s) held in Indian public Companies****		No. of other Board Committee(s) of which Member/Chairperson position held in Indian public Companies****	
		Held	Attended		Member	Chairperson	Member	Chairperson
Mrs. Padmaja Nair (**) DIN - 06841868	Woman cum Non-Executive Independent Director	6	5	Yes	0	0	0	0
Mr. Satish Kumar Dheri*** DIN - 00077533	Non-Executive Independent Director	6	6	Yes	2	0	0	0

(\*)Mr. Nayak resigned w.e.f. November 23, 2016.

(\*\*)Mrs. Padmaja Nair gave consent to act as Chairperson of the Company on February 11, 2017 in place of Mr. Nitin Shah.

(\*\*\*) Mr. Dheri has resigned w.e.f. May 26, 2017.

(#) Mr. Jha has resigned w.e.f. September 1, 2017.

(\*\*\*\*)These numbers exclude the directorship / committee membership held in the Company and in private limited companies, foreign companies, companies registered under section 8 of the Act. Further it includes only the chairpersonship / membership of the Audit Committee and Stakeholders' Relationship Committee. All the directors have informed the Company about the Committee positions they occupy in other companies as per Regulation 26 of the SEBI Listing Regulations which were placed before the Board. Chairpersonship has also been considered in the number of membership positions held.

None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or Chairperson of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2017 have been made by the Director

Pursuant to the Regulation 24(1) of the SEBI Listing Regulations, the Board has appointed Mr. K. K. Jha, an Independent Director of the Company as a member of the Board of Eurotech Cylinders Private Limited, the wholly owned unlisted Subsidiary Company.

Further Board at their meeting held on September 1, 2017 appointed Mr. Atul Mehta and Mr. Hariharan Iyer as additional Independent directors subject to the confirmation of the shareholders at the forthcoming Annual General Meeting. The Board also appointed Mr. Atul Mehta as Chairman of the Company.

#### (d) Board Meetings

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases sent at a shorter notice & also tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

During the financial year 2016-17, Six (6) Board Meetings including one adjourned meeting were held and the interval between two consecutive meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the SEBI Listing Regulation. The dates of the said meetings were:

May 30, 2016; June 3, 2016; August 8, 2016; September 6, 2016; November 12, 2016 and February 11, 2017.

The Board had adjourned their meeting dated May 30, 2016 and convened on June 3, 2016 for the remaining item(s). The necessary quorum was present for all the meetings.

During the year 2016-17, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

#### (e) Disclosure of Inter se relationship between Directors

None of the Directors are related to each other except Mr. Nitin M. Shah, Mr. Rahul N. Shah & Mr. Kunal N. Shah.

#### (f) Number of Shares held by Non Executive Directors as on 31st March, 2017

Name	Category	Number of equity shares
Mr. Kailat Hariharan Vaidyanathan	Non-Independent, Non-Executive	19,902
Mr. Nitin Mansukhlal Shah	Non-Independent, Non-Executive	5,43,26,835

The Company has not issued any convertible instruments.

#### (g) Web link details of familiarization program to Independent Director

The details of the familiarization program of the Independent Directors are available on the website of the Company (<http://nitinfire.com/wp/wp-content/uploads/2016/03/FAMILIARIZATION-PROGRAM-2016-17.pdf>).

The Board periodically reviews the compliance reports of all laws applicable to the Company.

## COMMITTEES OF THE BOARD

### 3. Audit Committee (mandatory committee)

#### (a) Brief description of Terms of Reference

The constitution of the Audit Committee is in compliance with the provisions of Regulation 18 of the SEBI Listing Regulations read with Section 177 of the Companies Act 2013.

The terms of reference of the audit committee are broadly as under:

#### Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to BSE, NSE & regulatory authorities.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/ audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles (GAAP) in India.
- Review the investments and others made by the Company.

#### (b) Composition, Name of Members and Chairperson, Meetings and Attendance during the year

The Committee is constituted and governed in line with the regulatory requirements mandated by the Companies Act, 2013 and SEBI Listing Regulations. The composition of the Audit Committee as at 31st March, 2017, the details of Meetings of the Audit Committee held during the financial year 2016-17 and attendance of the members of the Committee are as under:

Name of Directors	Designation	Category	Committee Meetings	
			Held during the year	Attended
Mr. Ramakant M. Nayak <sup>1</sup>	Chairman	NEID	5	5
Mr. S. K. Dheri <sup>2</sup>	Member	NEID	6	6
Mr. K. H. Vaidyanathan	Member	NED	6	4
Mrs. Padmaja Nair <sup>3</sup>	Member	NED	1	1

<sup>1</sup>Resigned with effect from November 26, 2016

<sup>2</sup>Become Chairperson of the Committee after resignation of Mr. Nayak. Mr. Dheri has also resigned from the directorship of the Company w.e.f. May 26, 2017.

<sup>3</sup>Included as member of the Committee after resignation of Mr. Nayak.

On May 30, 2017, the Board had reconstituted the Audit Committee by including Mr. Krishna Kant Jha as member of the Audit Committee. Independent Directors does not hold any shares of the Company.

During the year, 6 (six) Audit Committee Meetings were held on May 30, 2016; June 3, 2016; August 8, 2016; September 6, 2016; November 12, 2016 and February 11, 2017. The Audit Committee had adjourned their meeting dated May 30, 2016 and convened on June 3, 2016 for the remaining item(s). The necessary quorum was present for all Meetings.

All the Members of the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls. Minutes of the meetings of the Audit Committee are circulated to members and the Board is kept apprised.

The meetings were scheduled well in advance and not more than one hundred and twenty days elapsed between any two meetings. In addition to the members of the Audit Committee, these meetings were attended by the Chief Financial Officer, internal auditor and the statutory auditors of the Company. Mr. Ramakant Madhav Nayak, Chairman of Audit Committee was present at the annual general meeting of the Company held on September 30, 2016, to answer shareholders' queries. The Board at their meeting held on September 1, 2017 reconstituted the Audit Committee after the appointment of new directors which consisted of three members including chairman i.e; Mr. Hariharan Iyer – Chairman; Mr. Atul Mehta- Member; Mrs. Padmaja Nair – Member.

The Company Secretary acts as secretary to the Audit Committee.

### 4. Nomination & Remuneration Committee (mandatory committee)

#### (a) Brief description of Terms of Reference

In compliance with Section 178 of the Companies Act, 2013, the Board has constituted the "Nomination and Remuneration Committee" (NRC).



The terms of reference of the Committee, inter alia, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel, senior management and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

**(b) & (c) Composition, Name of Members and Chairperson, Meetings and Attendance during the year**

The composition of the Nomination & Remuneration Committee as at March 31, 2017 and the details of meeting are as under:

Name of Directors	Designation	Category	Committee Meetings	
			Held during the year	Attended
Mr. S. K. Dheri*	Chairman	Non-Executive Independent Director (NEID)	2	2
Mr. K K Jha	Member	NEID	2	2
Mr. K. H. Vaidyanathan	Member	NED	2	2

(\*) Mr. Dheri has resigned w.e.f. May 26, 2017.

Two NRC meetings were held on May 30, 2016 and February 11, 2017. The Board at their meeting held on September 1, 2017 reconstituted the Nomination & Remuneration Committee after the appointment of new directors which consisted of three members including chairperson i.e; Mrs. Padmaja Nair– Chairperson; Mr. K. H. Vaidyanathan - Member; Mr. Hariharan Iyer – Member.

**(d) Remuneration Policy**

The Company has adopted the “Remuneration Policy” for the appointment and remuneration of the directors, KMP and other employees of the Company and the same has been placed on the website of the Company at the link <http://nitinfire.com/wp-content/uploads/2016/03/Nomination-Remuneration-Policy.pdf>.

The salient features of the remuneration policy and the evaluation criteria are as follows:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- Discussion by the Chairperson with all the Directors as per the evaluation questionnaires. One-on-one discussion with directors with feedback on 1 (Strongly Disagree) to 5 (Strongly agree) point scale was made for evaluation of director

Mr. K. H. Vaidyanathan, Non-Executive Director of the Company does not receive any salary, benefits, pension etc.

The Company pays sitting to all the Independent Directors for attendance in the board meetings and audit committee meetings. Details of remuneration paid to the Directors are given in Form MGT – 9.

During the year, remuneration paid to the whole-time directors are as under:

1. Mr. Rahul N. Shah (Executive Director) – ₹19,93,400/-
2. Mr. Kunal N. Shah (Executive Director) – ₹19,79,000/-

**5. Stakeholders' Relationship Committee (mandatory committee)**

**(a) Composition, Name of Members, Chairperson & Attendance during the year**

In compliance with the provisions of Section 178 of the Companies Act, 2013, the Listing Regulations, the Board has constituted “Stakeholders' Relationship Committee”(SRC).

The terms of reference of the Committee are in accordance with the provisions of Section 178(5) of the Companies Act, 2013 and the SEBI Listing Regulations. The Committee shall consider and resolve the grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends and other matters as incidental to the grievance.

Two (2) SRC meetings were held on 30.05.2016 and 11.02.2017. The composition of the Stakeholders' Relationship Committee (SRC) as on March 31, 2017 and details of the meetings are as under:

Name of Directors	Designation	Category	Committee Meetings	
			Held during the year	Attended
Mr. K. K. Jha	Chairman	Non-Executive Independent Director (NEID)	2	2
Mr. Ramakant M. Nayak	Member	NEID	1	1
Mr. S. K. Dheri <sup>1</sup>	Member	NEID	2	2
Mr. K. H. Vaidyanathan <sup>2</sup>	Member	NED	NA	NA

<sup>1</sup>Mr. Dheri has resigned w.e.f. May 26, 2017.

<sup>2</sup>The Board reconstituted Stakeholders' Relationship Committee by including Mr. Vaidyanathan as member on February 11, 2017.

The Board at their meeting held on September 1, 2017 reconstituted the Stakeholders' Relationship Committee after the appointment of new directors which consisted of three members including chairperson i.e; Mr. Atul Mehta – Chairperson; Mr. K. H. Vaidyanathan - Member; Mrs. Padmaja Nair – Member.

**(b) Name & Designation of Compliance Officer:**

Mr. Sraban Kumar Karan, Company Secretary is designated as Compliance Officer of the Company.

**(c) to (e)**

**Complaints received, cleared and pending by the Company during the year ended on 31st March, 2017**

Sr. No.	Nature of Queries/ Complaints	Pending as on April 1, 2016	Received during the year	Redressed during the year	Pending as on March 31, 2017
1	Non-receipt of Dividend	1	3	4	0
2	Non receipt of Annual Report	0	0	0	0
3	SEBI SCORES	1	0	1	0

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary with a copy of the earlier correspondence.

**6. Corporate Social Responsibility (CSR) Committee**

The terms of reference of the Corporate Social Responsibility Committee broadly comprises:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the specified CSR activities and to provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The composition of the CSR Committee as on 31st March, 2017 is as under:

- Mr. S. K. Dheri ..... Chairman & Non-Executive Independent Director
- Mr. K. H. Vaidyanathan ..... Member & Non-Executive Director
- Mr. Nitin M. Shah ..... Member & Non-executive Director

One (1) CSR Committee meeting was held on 11.02.2017 under the chairmanship of Mr. S. K. Dheri. The said meeting was attended by Mr. S. K. Dheri & Mr. K. H. Vaidyanathan. Mr. Dheri has resigned w.e.f. May 26, 2017. The Board at their meeting held on September 1, 2017 reconstituted the CSR Committee after the appointment of new directors which consisted of three members including chairperson i.e; Mrs. Padmaja Nair – Chairperson; Mr. K. H. Vaidyanathan - Member; Mr. Nitin M. Shah – Member.

**7. Risk Management Committee (RMC)**

As per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the constitution of Risk Management Committee is mandatory for the Company falling under top 100 listed entities. Though it is not mandatory, the Company has still formed a Risk Management Committee, the composition of which as on March 31, 2017, is as under:

- Mr. S. K. Dheri ..... Chairman & Non-Executive Independent Director
- Mr. Krishnakant Jha ..... Non-Executive Independent Director
- Mr. Rahul N. Shah ..... Executive Director

Risk Management Committee shall take the following actions:

1. Lay down procedures to inform Board members about the risk assessment and minimization procedures; and
2. Monitoring and reviewing of the risk management plan.

One (1) RMC meeting was held on 11.02.2017 under the chairmanship of Mr. S. K. Dheri. The said meeting was attended by Mr. S. K. Dheri, Mr. Krishnakant Jha & Mr. Rahul N. Shah. Mr. Dheri has resigned w.e.f. May 26, 2017. The Board at their meeting held on September 1, 2017 reconstituted the RMC after the appointment of new directors which consisted of three members including chairperson i.e; Mr. Hariharan Iyer – Chairperson; Mr. Atul Mehta - Member; Mr. Rahul N. Shah – Member.

#### 8. Independent Directors' Meeting

The Company had 3 (three) Independent Directors consisting of Mr. S. K. Dheri, Mr. K. K. Jha and Mrs. Padmaja Nair as on 31st March, 2017. One Independent Director Mr. R. M. Nayak resigned during the year on November 23, 2016 and another Independent Director, Mr. S. K. Dheri resigned May 26, 2017 after the completion of the relevant financial year.

The Independent Directors, inter-alia, decided to evaluate the performance of non-independent directors, Chairperson of the Company and the Board as a whole.

Independent directors evaluated leadership quality and commitment of the Chairperson towards the functioning of the Company and shareholders' value. They also assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the members of the Board to perform their duties effectively and reasonably. All the Directors evaluated by the Independent Directors (IDs) at their meeting held on February 11, 2017, secured 5 points except Mr. Nitin M. Shah, the Non-executive director of the Company whose evaluation was kept pending to be done at the next meeting, for not receiving the evaluation questionnaires with his signature(s) and remarks. Independent Directors jointly expressed satisfaction on the evaluation that continuity of non-independent directors in the Board is in the interest of the Company.

The Committee of Independent Directors noted the non-receipt of the questionnaires from Mr. Nitin Shah as he could not be present at the meeting. The same was noted to be placed before the next meeting as a continuous process of evaluation.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, two (2) Meetings of the Independent Directors were held on May 30, 2016 and February 11, 2017 inter alia, to discuss about the following:

- Review the performance of non-independent directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive director

All the Independent Directors were present at the Meeting.

#### General Body Meetings

Particulars of last three Annual General Meetings

Meeting	Year	Venue	Date	Time	Particulars of Special Resolutions passed
AGM	2016	"Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai - 400 021	30-Sep-16	2.15 p.m.	1. Entering into Related Party Transactions with Eurotech Cylinders Private Limited; 2. Entering into Related Party Transactions with New Age LLC, UAE, Step-down Subsidiary; 3. Entering into Related Party Transactions with Mr. Nitin M. Shah; 4. Entering into Related Party Transactions with Mr. Saroj Nitin Shah; 5. Entering into Related Party Transactions with Nitin Global Pte. Ltd., Foreign Subsidiary; 6. Entering into Related Party Transactions with Nitin Ventures FZE, U. A. E.; 7. Entering into Related Party Transactions with Worthington Nitin Cylinders Private Limited; 8. Entering into Related Party Transactions with Firetec Systems Ltd, Step-down Foreign Subsidiary; 9. Entering into Related Party Transactions with Nitin Fire Protection Middle East FZE; 10. Issuance of Equity Shares.
					In the calendar year 2016, Special Resolutions were passed by postal ballot for following items: 1. Sell / dispose / transfer of shares of the Company's subsidiary; 2. Sell / dispose / transfer of 40% shares of the Company Associate viz. Worthington Nitin Cylinders Private Limited;

Meeting	Year	Venue	Date	Time	Particulars of Special Resolutions passed
					Mr. Kishor V. Ved, Practicing Company Secretary was appointed as a Scrutinizer in respect of aforesaid resolutions to ensure that E-Voting and Postal Ballot process was conducted in fair and transparent manner. The above resolutions were passed with requisite majority.
AGM	2015	Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai -400 021.	21-Sep-15	2.15 p.m.	<p>1. Increase in authorized share capital of the Company;</p> <p>2. Consideration of the issue of further shares by the Company;</p> <p>3. Authority to borrow funds;</p> <p>4. Creation of charge on the assets of the Company.</p> <p>Of the above, Special Resolutions mentioned at Sr. No. 3 &amp; 4 were passed by postal ballot.</p> <p>Mr. Kishor V. Ved, Practicing Company Secretary was appointed as a Scrutinizer in respect of aforesaid resolution to ensure that E-Voting and Postal Ballot process was conducted in fair and transparent manner. The above resolutions were passed with requisite majority.</p>
AGM	2014	Centre for Excellence in Telecom Technology and Management (CETTM) Conference Hall, Technology Street, Hiranandani Gardens, Powai, Mumbai - 400 076	30-Sep-14	3 p.m.	<p>1. Appointment of Mr. K. K. Jha as an Independent Director;</p> <p>2. Appointment of Mr. R. M. Nayak as an Independent Director of the Company;</p> <p>3. Appointment of Mr. S. K. Dheri as an Independent Director of the Company;</p> <p>4. Appointment of Mr. Rahul N. Shah as a Whole-time Director and fix his remuneration;</p> <p>5. Appointment of Mr. Kunal N. Shah as a Whole-time Director of the Company and remuneration;</p> <p>6. Authority to borrow funds;</p> <p>7. Consent for delay in investment made from moneys received under the Initial Public Offer in the year 2007;</p> <p>8. Giving of loan or guarantee or providing security exceeding 60% of the paid-up share capital, free reserves &amp; share premium account of the Company;</p> <p>9. The issue of further shares by the Company;</p> <p>10. Authority to create charges;</p> <p>11. Adopt new set of Articles of Association of the Company;</p> <p>12. Entering into Related Party Transactions with Eurotech Cylinders Private Limited;</p> <p>13. Entering into Related Party Transactions with New Age LLC, UAE, Step-down Subsidiary;</p> <p>14. Entering into Related Party Transactions with Mr. Nitin M. Shah;</p> <p>15. Entering into Related Party Transactions with Nitin Global Pte. Ltd.;</p> <p>16. Entering into Related Party Transactions with Nitin Ventures FZE, U. A. E.;</p> <p>17. Entering into Related Party Transactions with Mr. Saroj Nitin Shah;</p> <p>18. Entering into Related Party Transactions with Worthington Nitin Cylinders Private Limited;</p> <p>19. Entering into Related Party Transactions with Firetec Systems Limited, UK Step-down Subsidiary.</p> <p>Of the above, Special Resolutions mentioned at Sr. No. 6,7,8, 10 &amp; 11 were passed by postal ballot.</p> <p>Mr. Kishor V. Ved, Practicing Company Secretary was appointed as a Scrutinizer in respect of aforesaid resolutions to ensure that E-Voting and Postal Ballot process was conducted in fair and transparent manner. The above resolutions were passed with requisite majority.</p>

**Postal Ballot**

During FY 2016-17, no resolution was put through by postal ballot.

None of the businesses proposed to be transacted in the ensuing AGM requires the passing of a Special Resolution by way of postal ballot.

**AFFIRMATIONS AND DISCLOSURES:****Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**Risk Management**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

**9. Means of Communication-****a. Quarterly/Half-yearly & Yearly Financial results**

The annual, half-yearly and quarterly results of the Company were submitted to the stock exchanges immediately after the conclusion of the board meetings as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are also put on the Company's website : [www.nitinfire.com](http://www.nitinfire.com).

**b. Newspaper where in results are published**

The results of the Company were published in Free Press Journal in English & Navshakti in Marathi language.

**c. Website**

All the information required to be displayed are available under the category "Investors" of the Company's website: i.e; [www.nitinfire.com](http://www.nitinfire.com).

**d. Release of official news**

The Company intimates official news to the stock exchanges and places in its website.

**e. Presentation to Institutional Investor or to analysts**

There is no such official news and the Company has not made any presentation to Institutional Investor or to analysts.

**10. General Shareholders Information:**

<b>a. Annual General Meeting</b>	22nd Annual General Meeting September 29, 2017, at 2.15 p.m. at "Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai - 400 021. Book closure: Monday, September 25, 2017 to Friday, September 29, 2017 (both days inclusive).
<b>b. Financial calendar (tentative) &amp; Year</b>	30th June, 2017: On or before September 14, 2017 for implementation of 'Ind AS'; 30th September, 2017: On or before November 14, 2017; 31st December, 2017: On or before February 14, 2018; 31st March, 2018: On or before May 30, 2018. The Company follows the April to March Financial Year.
<b>c. Dividend payment date</b>	No Dividend has been recommended for the financial year ended March 31, 2017.
<b>d. Stock Exchanges where the Company's shares are listed</b>	1. Bombay Stock Exchange Limited (BSE) 2. National Stock Exchange of India Limited (NSE) Annual listing fees for the year 2017-2018 have not been paid to BSE & NSE.
<b>e. Scrip code</b>	Stock code at BSE: 532854
	Stock code at NSE (SYMBOL): NITINFIRE
<b>f. ISIN Number:</b>	INE489H01020
<b>Registered Office (address for correspondence)</b>	801 & 802, C-wing, Neelkanth Business Park, Kiro Road, Vidhyavihar (W), Mumbai - 400086. Maharashtra, India. Phone: +91-22-40457000, Fax No. +91 22 25701110 Email id : <a href="mailto:cs@nitinfire.com">cs@nitinfire.com</a> Website : <a href="http://www.nitinfire.com">www.nitinfire.com</a>

**Transfer of unclaimed / unpaid Dividend and shares to Investor Education and Protection Fund ("IEPF"):**

As per Sections 205A and 205C of the Companies Act, 1956, all dividends which remain unclaimed and unpaid for a period of seven years from the date they became due for payment were required to be transferred to the Investor Education and Protection Fund established by the Central Government. Sections 124 and 125 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (notified on September 5, 2016) and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2016 (notified on February 28, 2017) ("IEPF Rules") contain similar provisions for transfer of unclaimed dividends to the IEPF.

In terms of the IEPF Rules, the Company has transferred unpaid / unclaimed dividend for the financial year 2008-09 to the IEPF and uploaded the information in respect of unclaimed dividends as on the date of the last AGM i.e. September 30, 2016, on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under the “Unpaid & Unclaimed Dividend” sub-section of the “Investor” section on the website of the Company.

As per the provisions of Section 124 of the Companies Act, 2013, shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are also required to be transferred to the Investor Education and Protection Fund (IEPF) Authority.

The Company has sent out individual communication to 34 shareholders whose dividend remains unclaimed for seven years, and published an advertisement in newspapers, inviting such shareholders to claim their dividend.

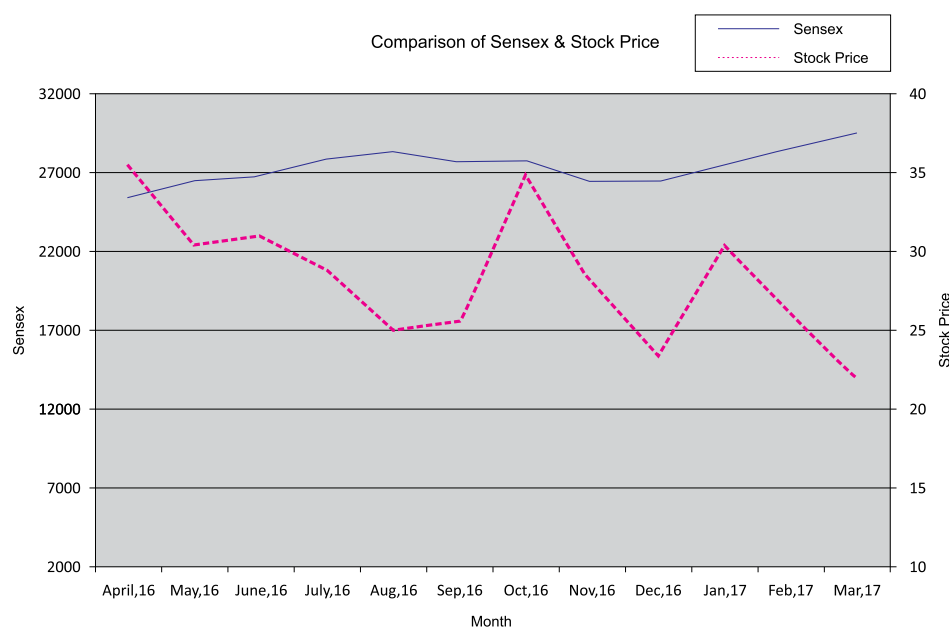
The Members who have not encashed their dividend warrant(s) so far for the financial year ended 2009-10 or any subsequent financial years are requested to lodge their claims with Bigshare Services Private Limited. No claims shall lie against the Company for the amounts of dividend so transferred.

**g. Market price data: - Market Price Data: high, low during each month in the last financial year**

Monthly Share Price Data of the Company's shares on BSE and NSE for the year ended 31st March, 2017

Month	BSE		NSE	
	Highest Rate (₹)	Lowest Rate (₹)	Highest Rate (₹)	Lowest Rate (₹)
April, 2016	39.35	32.60	39.45	32.55
May, 2016	38.40	30.00	38.30	30.10
June, 2016	32.95	28.65	33.00	27.00
July, 2016	33.60	29.00	33.50	29.00
August, 2016	29.65	22.85	29.65	22.90
September, 2016	30.40	24.80	30.50	24.80
October, 2016	35.80	25.00	35.90	25.10
November, 2016	37.35	26.20	37.30	26.15
December, 2016	29.25	23.20	29.10	23.25
January, 2017	32.10	23.85	32.10	23.80
February, 2017	32.35	26.20	32.35	26.00
March, 2017	27.25	21.20	26.90	21.20

**h. Performance in comparison to BSE Sensex (Closing share price of Nitin Fire Protection Industries Limited at BSE V/s. Sensex close for the financial year 2016-17)**





**i. In case securities are suspended from trading, directors' report shall explain reason**

Not applicable.

**j. Name, Address & contact details of the Registrar & Transfer Agent**

Mr. Rajesh Mishra  
Bigshare Services Private Limited  
E-mail id: investor@bigshareonline.com / rajeshm@bigshareonline.com

**New address w.e.f. June 27, 2017**

1st Floor, Bharat TIN Works Building, Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai - 400059, Maharashtra.  
Tel.: 022 62638200; Fax: 022 62638299

**Old address**

E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka,  
Andheri (E), Mumbai- 400076. Maharashtra, India.  
Tel No. 022 4043 0200  
E-mail id: investor@bigshareonline.com

**k. Share transfer system**

A shareholder's request is normally attended and a reply is sent within 10-15 days time. The certificates after the transfer of shares are returned within a period of 15 days except in the cases which face problems due to technical reasons. Shares are being transferred and demat option letter in this respect are dispatched within 15 days from the date of receipt as long as the documents are clear in all respects. The Company has not received any request for transfer of shares in physical form.

The Board of Directors has delegated the power of share transfer to the Registrar and Share Transfer Agents (RTA) viz. Bigshare Services Private Limited, Mumbai, who attends to the same once in a fortnight.

**l. Distribution of Share Holding as on 31st March, 2017****1) Distribution schedule as on 31st March 2017: -**

Equity shares held	No. of Shareholders	% of shareholders	No. of Equity Shares	% of Equity shareholding
1 - 500	20775	62.1857	4282823	1.4654
501 - 1000	6141	18.3818	5063827	1.7326
1001 - 2000	3092	9.2553	4753713	1.6265
2001 - 3000	1126	3.3705	2897441	0.9914
3001 - 4000	494	1.4787	1817236	0.6218
4001 - 5000	510	1.5266	2423873	0.8293
5001 - 10000	703	2.1043	5200542	1.7794
10001 and above	567	1.6972	265830167	90.9537
<b>Total</b>	<b>33408</b>		<b>292269622</b>	<b>100.0000</b>

**2) Distribution of shareholding according to categories of shareholders as on 31st March, 2017**

Sr. No.	Category	% of Equity shareholding	No. of Equity Shares
1	Clearing Member	0.3469	1013855
2	Corporate Bodies and Corporate Bodies NBFC	4.7719	13946955
3	Employee(s)	0.0054	15797
4	Financial Institutions	2.5408	7426022
5	Foreign Institutional Investors	4.6005	13445878
6	Foreign Portfolio Investors	3.4978	10222958
7	Nationalized Banks	0.0003	833
8	Non Nationalized Banks	0.0626	182979
9	Non-resident Indians	1.1134	3254179
10	Other Directors	0.0068	19902
11	Promoters	11.9854	35029666
12	Promoters/Directors	31.8049	92955925
13	Public	13.7673	40237707
14	Relatives of Directors	25.4960	74516966
	<b>Total</b>	<b>100.0000</b>	<b>292269622</b>

**m. Details of Dematerialization and its liquidity****Control Report as on 31/03/2017**

Sr. No.	Name of Depository	No. of shareholders	No. of Equity Shares	% of Equity shareholding
1	NSDL	20442	261561306	89.49
2	CDSL	12960	30706255	10.51
3	PHYSICAL	6	2061	0.00
<b>Total</b>		<b>33408</b>	<b>292269622</b>	<b>100.0000</b>

**n. The Company has not issued any GDRs/ ADRs, Warrants or any other convertible instruments.****o. Commodity Price risk/Foreign exchange risk and hedging activities**

The Company purchases the Fire protection materials equipments, systems for the business from both domestic and foreign supplier. As far as the said materials procured from the domestic market, there is no foreign exchange fluctuation risk and for the materials procured from the foreign suppliers, the Company is having a natural hedge as the Company's exports are more than Company's import. The Company also has a framework, to proactively mitigate the impact through measures like cost based price increases, cost reductions measures, renegotiate the procurement contracts etc. The Company also strives to develop on an ongoing basis alternate supply sources for key products subject to economic justification.

**p. Plant Locations:** (1) A-117, TTC Industrial Area, Pawana Village, Navi Mumbai – 400701, Maharashtra, India; (2) Shed -6, Phase- I, Duvada VSEZ, Vishakhapatnam – 530049, Andhra Pradesh, India.**q. Address for Correspondence**

Mr. Rajesh Mishra  
Bigshare Services Private Limited  
1st Floor, Bharat TIN Works Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri East, Mumbai - 400059,  
Maharashtra. Tel.: 022 62638200; Fax: 022 62638299  
Email: investor@bigshareonline.com  
rajeshm@bigshareonline.com

Mr. Sraban Kumar Karan, Company Secretary  
801 & 802, C-wing, Neelkanth Business Park,  
Kiroli Road, Vidhyavihar (W), Mumbai - 400086.  
Maharashtra, India  
Phone : +91-22-40457000,  
Fax No. +91 22 25701110  
Email: cs@nitinfire.com

**11. Other Disclosures****(a) Related Party Transactions**

All the transactions with related parties are periodically placed before the Audit Committee and pre-approval is also obtained wherever required. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board at every meeting for its approval. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in Notes to the Accounts in the Annual Report and they are not in conflict with the interest of the Company at large.

**Materially Significant related party transactions:**

Related party transactions are noted in the Directors' Report. The Company has formed related party transaction policy pursuant to the provisions of the Companies Act, 2013. The same has been posted on the Company's website www.nitinfire.com.

**(b) Compliances by the Company**

There was no instance of levy of any penalties under the SEBI Regulations during the last three years except the fine paid for late filing with respect to quarterly and yearly compliances as under:

Sr. No.	Regulation no.	Compliance	Quarter	Stock Exchange	Fine paid (in ₹)
1	Reg. 33	Financial Results	31-Mar-2017	BSE	5,750 including service tax
2	Reg. 33	Financial Results	31-Mar-2016	NSE	5,000
3	Reg. 33	Financial Results	31-Mar-2016	BSE	5,750 including service tax
4	Reg. 27 (2)	Corporate Governance	31-Dec-2015	NSE	4000

**(c) Vigil Mechanism / Whistle Blower Policy**

The Company has a Vigil Mechanism which provides the adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The policy has been posted on the Company's website www.nitinfire.com/investor. The same can be contacted to report any suspected or confirmed incident of fraud / misconduct on:

E-Mail: cs@nitinfire.com

Contact Number: +91 022 4045 7000

**(d) Compliance with Mandatory and Non-Mandatory Items**

The Company has complied with the mandatory requirements regarding the Board of Directors, Audit Committee and other Board committees and other disclosures as required under the provisions of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The status of compliance in respect of non-mandatory requirements of Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

- a) Maintenance of the Non-Executive Chairperson's Office: Mr. Nitin Shah held the office of non-executive chairman till February 10, 2017. Mrs. Padmaja Nair, the Non-executive Independent Director of the Company, was acting as Chairperson till August 31, 2017. The Board appointed Mr. Atul Mehta as Chairman of the Company from September 1, 2017.
- b) Shareholder's Rights  
The quarterly and half yearly financial results along with significant events are published in the news papers and are also posted on the Company's website.
- c) Audit Qualification  
The details of the qualifications by the Auditors in their report on the Accounts of the Company and reply of the Management has been provided in the directors' report with specific section.
- d) Separate posts of Chairperson and CEO: The Company has not appointed any person as CEO during the financial year 2016-17 instead of two whole-time directors appointed earlier. Presently, the Chairperson of the Company is a Non-executive Independent Director.
- e) Internal Auditor attends the meetings of the audit committee regularly and directly inter-acts with the audit committee along with reports.

**(e) Web link of policy for determining material subsidiaries**

The Company has material subsidiary as defined under Listing Regulation. However, the Company has formulated the Material Subsidiary Policy and uploaded on the website of the Company at the link <http://nitinfire.com/wp/wp-content/uploads/2016/03/Policy-for-determining-material-subsidiary.pdf>.

**(f) Web link of policy on dealing with related party transactions**

The web link for policy dealing with related party transactions is <http://nitinfire.com/blog/investors/related-party/related-party/>.

**12. Non Compliance of any requirement of corporate governance report of sub-paras (2) to (10) above**

The Company has complied with all mandatory items of the the SEBI Listing Regulations. The Company has executed a new Listing Agreement with BSE Ltd and the National Stock Exchange of India Ltd & thus, complying with Regulation 109 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**13. Adoption of discretionary requirements as specified in part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

The Company complied with all the discretionary requirements as specified in part E of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**14. As per point 13 of Part C of Schedule V to the SEBI Listing Regulations, the Company has made disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 on the website of the Company – [www.nitinfire.com/investor](http://www.nitinfire.com/investor).****15. CEO / CFO Certifications**

The Whole-time Director and the Chief Financial Officer of the Company have given annual Certification on Financial Statements and the cash flow statement and internal controls for financial reporting to the Board in terms of Regulation 17(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Whole-time Director and the Chief Financial Officer also gives the quarterly certification on financial results while placing the financial results before the board in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These certificates have been placed before the board meetings from time to time.

**16. Declaration by the Whole-time Director to the Compliance of Code of Conduct in pursuance to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

The Whole-time director has declared that all the Board Members and Senior Management Personnel of the Company have affirmed to the Board of Directors, their compliance with the Code of Conduct of the Company pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**For and on behalf of the Board**  
**Nitin Fire Protection Industries Limited**

Mumbai, September 1, 2017

(Rahul N. Shah)  
(Whole-time Director)  
(DIN – 00073226)

**KISHOR V. VED**

Practicing Company Secretary

D/215, Neelkanth Business Park, Next to Vidhyavihar Bus Depot, Vidhyavihar Station (West), Mumbai – 400 086

**CERTIFICATE OF CORPORATE GOVERNANCE**

To,  
The Members,  
Nitin Fire Protection Industries Limited  
Mumbai

I have examined the compliance of regulations of Corporate Governance by **Nitin Fire Protection Industries Limited** for the financial year ended 31st March, 2017 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI (LODR) Regulations, 2015), subject to following observations:

S. No.	Regulation of SEBI LODR	Particulars of Regulations	Observations
1	27(1)	Submission of Internal Audit Report by the Internal Auditor to the Audit Committee	The Internal Audit report for the quarter ended 30.09.2016, 31.12.2016 & 31.03.2017 were not submitted to the Audit Committee of Directors of the Company
2	27	Modified opinion by the statutory auditors	Statutory Auditors of the Company have issued the modified opinion in respect of the financial statements for the year ended 31.03.2016 & also issued the modified opinion for the year ended 31.03.2017
3	33	Submission of Financial Results for 31 <sup>st</sup> March, 2017	Audited Financial Results for the quarter and year ended 31.03.2017 was submitted to the Bombay Stock Exchange of India Limited (“BSE”) & National Stock Exchange of India Limited (“NSE”) on 31.05.2017 & hence, there was a delay in submission of the same to BSE & NSE. The Company has paid fine of ₹5,750/- to BSE on 22.06.2017 pursuant to an e-mail received from BSE on 16.06.2017

The compliance of regulations of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (LODR) Regulations, 2015, subject to observations as mentioned above.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Mumbai, 25th August, 2017

**Kishor V. Ved**  
**Practicing Company Secretary**  
**Membership No. : F.C.S. - 5411**  
**C.O.P. - 4691**

**WHOLE-TIME DIRECTOR/ CFO CERTIFICATION**

The Board of Directors,

Nitin Fire Protection Industries Limited

We have reviewed the financial statements and the cash flow statement of Nitin Fire Protection Industries Limited for the year ended 31st March, 2017 and to the best of our knowledge and belief:

- (a) (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) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements if any; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board**  
**Nitin Fire Protection Industries Limited**

Mumbai, September 1, 2017

**(Rahul N. Shah)**  
**(Whole-time Director)**  
**(DIN – 00073226)**

**INDEPENDENT AUDITOR'S REPORT****To the Members of Nitin Fire Protection Industries Limited  
Report on the Standalone Financial Statements**

We have audited the accompanying Standalone Financial Statements of Nitin Fire Protection Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of 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 relevant rules framed there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 thereunder.

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 Standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 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 Standalone 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 for Qualified Opinion**

- (a) As more fully explained in Note No. 35 to the notes to the Standalone Financial Statements, no provision has been made by the Company in respect of its dispute with a bank for claim made by the bank for Rs. 5,01,33,481 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 March 31, 2017 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 comment on the extent of provision required, if any, in this regard.
- (b) As more clarified in Note No. 45 to the Notes to the Standalone Financial Statements, the Company has an exposure in Worthington Nitin Cylinders Private Limited (WNCPL) aggregating Rs. 41,95,04,163 as at March 31, 2017. In the absence of the fair value of the investment as required under Accounting Standard 13 'Accounting for Investments' and audited financial statements of WNCPL for the period subsequent to March 31, 2015, we are unable to comment on the diminution, if any, on the carrying amount of the investment as at March 31, 2017.
- (c) As more clarified in Note No. 33 to the Notes to the Standalone Financial Statements describing the reasons for not recognising impairment in the carrying value of claims receivables shown under other non-current assets representing the Company's share of costs in an un-incorporated Joint Venture for Oil Block exploration amounting to Rs. 22,63,73,172 as at March 31, 2017. As stated in the note, the Company and GAIL are engaged in arbitration proceedings in Delhi International Arbitration Centre. Pending the final outcome of such arbitration proceedings, we are unable to comment on the extent of impairment required, if any, on the carrying amount of claims receivables as at March 31, 2017.
- (d) As more clarified in Note No. 46 to the Notes to the Standalone Financial Statements regarding export trade receivables amounting to Rs.1,66,98,09,688 which are outstanding for a long period of time, payments for which are not forthcoming. We are unable to comment on the recoverability of the same and consequential write off, if any.

**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 matters 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 March 31, 2017, its loss and its cash flows for the year ended on that date.



**Report on Other Legal and Regulatory Requirements**

**(1) (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.**

**(2) As required by Section 143(3) of the Act, we report that:**

- a. We have sought and, except for the possible effects of 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. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules framed there under;
- e. The matters described in Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- f. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act;
- g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- h. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2". Our Report expresses a qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- i. 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 – Refer Note 38 on Contingent Liabilities to the Standalone Financial Statements;
  - (ii) Except for the possible effects of the matters described in sub-paragraph (a) of the Basis of Qualified Opinion above, the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts– Refer Notes 35, 36 and 40 to the Standalone Financial Statements;
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
  - (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the company and as produced to us by the Management-Refer Note No. 48 to the financial statements.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Sd/-

**Snehal Shah**

Partner

Membership No.048539

Place : Mumbai

Date : May 30, 2017

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT**

**[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Nitin Fire Protection Industries Limited ("the Company") on the standalone financial statements for the year ended March 31, 2017]**

(i)

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, fixed assets have not been physically verified by the Management. However, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company except for the details given below:

Land/ Building	Total number of cases	Leasehold/ Freehold	Gross Block as on March 31, 2017	Net Block as on March 31, 2017
Leasehold Land	1	Leasehold	16,20,000	12,61,820

(ii) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. As informed, material discrepancies noticed in physical verification carried out during the year have been properly dealt with in the books of account.

(iii) The Company has granted loans, secured or unsecured, to companies, covered in the register maintained under Section 189 of the Act.

- (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loans which are repayable on demand are not prejudicial to the interest of the Company.
- (b) The schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order.
- (c) In respect of the aforesaid loans, there is no overdue amount of loans granted to companies listed in the register maintained under Section 189 of the Act.

(iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) The maintenance of cost records has been prescribed by the Central Government under sub-section (1) of Section 148 of the Act. Based on the information and explanations given to us, the Company is in the process of updating the cost records for the year that are required to be maintained by the Company pursuant to the Companies (Cost Records and audit) Rules, 2014.

(vii)

- (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases

According to the information and explanations given to us, undisputed dues in respect of income tax and any other material statutory dues applicable to it, which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount ₹	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Dividend Distribution Tax	₹ 107,87,587/- (includes interest ₹ 32,91,001/-)	FY 2012-13	August 23, 2013	Unpaid
Income Tax Act, 1961	Income Tax	83,06,991	FY 2014-2015	November 30, 2015	Unpaid

- (b) According to the information and explanation given to us, the dues outstanding with respect to, incometax, salestax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount ₹	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income Tax	1,03,46,380	AY 2012-2013	Commissioner Of Income Tax (Appeal)
	Income Tax	4,84,15,370	AY 2013-2014	
	Income Tax	4,25,80,720	AY 2014-2015	
	Income Tax	8,84,748	AY 2009-2010	
	Income Tax	4,04,790	AY 2010-2011	
	Income Tax	4,77,038	AY 2009-2010	
The Central Sales Tax Act 1956	Sales Tax	14,452	FY 2011-2012	Commissioner Of Sales Tax
	Sales Tax	5,41,274	FY 2010-2011	
	Sales Tax	22,16,488	FY 2012-2013	

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution, bank, government or dues to debenture holder, except as mentioned below:

Particulars	Amount (₹)	Period of Delay (Days)
Financial Institution	10,63,03,561	11 to 125 days

Further, the Company has not defaulted in repayment of loans or borrowings to banks, except for cash credit loan wherein the borrowings have exceeded the sanctioned limits. Details of the amount exceeding the sanctioned limit as on March 31, 2017 are as given below:

Lender	Amount (₹)		Period of Delay
	Principal	Interest	Two Month
Banks	48,08,03,501	6,31,29,721	

- (ix) The Company has not raised money by way of public issue offer / further public offer during the year. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the Management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid/ provided 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. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

#### For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Sd/-

**Snehal Shah**

Partner

Membership No.048539

Mumbai: May 30, 2017

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Nitin Fire Protection Industries Limited** on the standalone financial statements for the year ended March 31, 2017]

**Report on the Internal Financial Controls over Financial Reporting 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 **Nitin Fire Protection Industries Limited** Company Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone 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.

**Auditors' 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 specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 judgement, 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 qualified 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

**Qualified opinion**

According to the information and explanations given to us and based on our audit, material weaknesses have been identified in the operating effectiveness of the company's internal financial controls over financial reporting as at March 31, 2017 with respect to:

- a) provision for diminution in the value of an investment (fully describe in Note 45 to the Standalone financial statement);
- b) provision for a claim on a derivative contract (fully describe in Note 35 to the Standalone financial statement);
- c) Non-recognising impairment in the carrying value of claims receivables shown under other non-current assets (fully describe in Note 33 to the Standalone financial statement);
- d) Export trade receivable are outstanding for a long period of time, payments for which are not forthcoming (fully describe in Note 46 to the Standalone financial statement);
- e) determination of terms of sales and purchase of items of inventory and underlying documentation relating to internal movement of items of inventory; and

- f) policy documentation pertaining to human resources and payroll related matters, which could potentially impact the related account balances when determined and/or recognised.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2017, 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 ICAI and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2017.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2017, and except for the material weaknesses relating to point (a) to (d) of qualified opinion which affects our opinion on the standalone financial statements of the Company, the other material weaknesses do not affect our opinion on the standalone financial statements.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Sd/-

**Snehal Shah**

Partner

Membership No.048539

Place : Mumbai

Date : May 30, 2017

## Balance Sheet as at March 31, 2017

	Note No.	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
Share capital	3	584,539,244	584,539,244
Reserves and surplus	4	112,833,007	1,082,608,864
		697,372,251	1,667,148,108
<b>2 Non-current liabilities</b>			
Long-term borrowings	5	389,957,606	573,232,640
Deferred tax liabilities (net)	6	-	2,719,751
Long-term provisions	7	6,062,185	3,649,476
		396,019,791	579,601,867
<b>3 Current liabilities</b>			
Short-term borrowings	8	1,898,203,557	2,691,821,270
Trade payables	9		
- total outstanding dues of micro and small enterprises		2,248,543	1,324,859
- total outstanding dues of creditors other than micro and small enterprises		2,056,999,720	674,534,277
Other current liabilities	10	226,658,901	170,750,540
Short-term provisions	11	21,613,151	18,312,046
		4,205,723,872	3,556,742,992
<b>Total</b>		5,299,115,914	5,803,492,967
<b>B ASSETS</b>			
<b>1 Non current assets</b>			
Fixed assets			
- Property, Plant and Equipments	12	330,093,868	375,633,471
- Intangible asset	13	69,401	514,760
- Capital work-in-progress	14	19,924,356	16,217,923
Non-current investments	15	537,074,588	575,414,876
Long-term loans and advances	16	21,870,231	19,535,854
Other non-current assets	17	256,880,874	226,731,913
		1,165,913,318	1,214,048,797
<b>2 Current assets</b>			
Inventories	18	891,828,334	1,347,432,306
Trade receivables	19	2,928,752,348	2,782,595,910
Cash and bank balances	20	21,739,788	109,701,073
Short-term loans and advances	21	285,305,776	338,125,962
Other current assets	22	5,576,350	11,588,919
		4,133,202,596	4,589,444,170
<b>Total</b>		5,299,115,914	5,803,492,967
<b>The accompanying notes 1 to 49 are an integral part of the Financial Statements</b>			

In terms of our report attached

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 103523W/W-100048

Sd/-

**Snehal Shah**

Partner

Membership No.: 048539

Mumbai

May 30, 2017

**For and on behalf of the Board of Directors**

Sd/-

**Rahul N. Shah**

Whole time Director

DIN No. 00073226

Sd/-

**Kamlesh Z. Gandhi**

Chief Financial Officer

Mumbai

May 30, 2017

Sd/-

**Kunal N. Shah**

Whole time Director

DIN No. 00077216

Sd/-

**Sraban Kumar Karan**

Company Secretary



## Statement of Profit and Loss for the year ended March 31, 2017

	Note No.	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
<b>A Revenue</b>			
Revenue from operations	23	2,688,608,146	4,603,597,539
Less : Excise Duty		1,182,172	-
		2,687,425,974	4,603,597,539
Other income	24	29,288,119	109,405,891
<b>Total revenue</b>		<b>2,716,714,093</b>	<b>4,713,003,431</b>
<b>B Expenses</b>			
Cost of materials and components consumed	25	409,475,955	1,675,431,123
Purchases of stock-in-trade	26	2,044,969,052	2,307,873,308
Changes in inventory of stock-in-trade	27	108,516,238	5,167,608
Employee benefits expense	28	84,251,468	80,264,984
Finance costs	29	426,694,990	347,186,294
Depreciation and amortization expense	13	46,976,503	65,591,431
Other expenses	30	562,782,974	153,556,647
<b>Total expenses</b>		<b>3,683,667,180</b>	<b>4,635,071,395</b>
<b>Profit /(Loss) before tax</b>		<b>(966,953,087)</b>	<b>77,932,035</b>
<b>Tax expenses</b>			
- Current tax expenses (Refer Note 43)		-	16,600,000
- Tax adjustment of earlier years (net)		-	2,647,392
- Deferred tax-charge/(credit)	6	(2,719,751)	4,297,880
<b>Profit /(Loss) for the year</b>		<b>(964,233,336)</b>	<b>54,386,763</b>
Earnings per equity share of ₹ 2 (P.Y. ₹2) each	41		
Basic		-3.30	0.19
Diluted		-3.30	0.19
<b>The accompanying notes 1 to 49 are an integral part of the Financial Statements</b>			

In terms of our report attached

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 103523W/W-100048

Sd/-

**Snehal Shah**

Partner

Membership No.: 048539

**For and on behalf of the Board of Directors**

Sd/-

**Rahul N. Shah**

Whole time Director

DIN No. 00073226

Sd/-

**Kamlesh Z. Gandhi**

Chief Financial Officer

Sd/-

**Kunal N. Shah**

Whole time Director

DIN No. 00077216

Sd/-

**Sraban Kumar Karan**

Company Secretary

Mumbai

May 30, 2017

Mumbai

May 30, 2017

**Cash Flow Statement for the year ended March 31, 2017**

	<b>For the year ended March 31, 2017 ₹</b>	<b>For the year ended March 31, 2016 ₹</b>
<b>A Cash flow from operating activities</b>		
Net profit/ (Loss) before taxation	(966,953,087)	77,932,035
Adjustments for:		
Depreciation and amortisation	46,976,503	65,591,431
Unrealised foreign exchange difference-net (gain)/loss	30,627,706	(50,899,622)
Interest income (gross)	(23,686,689)	(21,376,566)
Finance cost	426,694,990	347,186,294
Bad debts/balances written off and liquidated damages	142,623,179	28,646,885
Liability no longer required written back	(4,456,922)	(3,751,967)
(Gain) on sale of fixed assets	-	(10,398,607)
Provision for doubtful debts, deposits, advances and claims	-	814,224
Provision for doubtful debts in earlier years, now recovered	(1,144,508)	(1,156,167)
Provision for doubtful debts	192,276,782	291,631
Provision for diminution in the value of investment	38,340,288	-
Loans written-off	15,000,000	-
<b>Operating profit before working capital changes</b>	<b>(103,701,758)</b>	<b>432,879,571</b>
Adjustments for:		
(Increase)/decrease in value of inventories	455,603,972	(171,701,238)
(Increase) in value of trade receivables and others	(483,148,503)	(180,805,505)
Increase/(decrease) in value of trade and other payables	1,394,690,895	(404,514,440)
Increase in short term provision	698,011	2,286,353
Increase in long term provision	2,412,709	788,191
	<b>1,370,257,084</b>	<b>(753,946,640)</b>
<b>Cash generated from/(used in) operations</b>	<b>1,266,555,326</b>	<b>(321,067,069)</b>
Taxes paid (net of refunds, if any)	2,603,094	(14,490,158)
<b>Net cash generated from/(used in) operating activities</b>	<b>1,269,158,420</b>	<b>(335,557,226)</b>
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets*	(10,240,495)	(254,374,089)
(*includes movement in capital work in progress)		
Refund on capital account	-	55,000,000
Interest received	25,204,661	31,164,209
Deposits (placed)/matured with banks (net)	7,359,957	(22,128,779)
Proceeds on sale of fixed assets	-	29,390,339
<b>Net cash generated from/(used in) investing activities</b>	<b>22,324,123</b>	<b>(160,948,321)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from long term borrowings	3,493,068	455,200,000
Repayment of long term borrowings	(111,042,653)	(31,608,170)
(Repayment) of short term borrowings	(792,924,774)	(12,601,782)
Finance charges	(441,018,931)	(332,514,279)
Dividends distributed (including corporate dividend tax)	(100,102)	(58,393,711)
<b>Net cash generated from financing activities</b>	<b>(1,341,593,392)</b>	<b>20,082,058</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(50,110,849)</b>	<b>(476,423,491)</b>
<b>Cash and cash equivalents (opening)</b>	<b>58,513,446</b>	<b>534,936,937</b>
<b>Cash and cash equivalents (closing)</b>	<b>8,402,597</b>	<b>58,513,446</b>
<b>Net increase/(decrease) as disclosed above</b>	<b>(50,110,849)</b>	<b>(476,423,491)</b>

**Notes:**

- 1 Brackets indicate a cash outflow or deduction.
- 2 Components of cash and bank balances (closing):

	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Cash on hand	47,679	48,768
Bank balances:		
With banks on:		
- Current accounts	8,354,918	58,464,678
- Deposit accounts (maturity period more than three months and within one year)	12,867,169	50,471,531
- Unclaimed and unpaid dividend accounts	351,960	452,062
- Deposit account having maturity value less than 3 months	118,062	264,034
	21,739,788	109,701,073
Less : Deposit accounts	12,985,231	50,735,565
Unclaimed and unpaid dividend accounts	351,960	452,062
Cash and cash equivalents as shown above	8,402,597	58,513,446
<b>The accompanying notes 1 to 49 are an integral part of the Financial Statements</b>		

In terms of our report attached

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 103523W/W-100048

Sd/-

**Snehal Shah**

Partner

Membership No.: 048539

Mumbai

May 30, 2017

**For and on behalf of the Board of Directors**

Sd/-

**Rahul N. Shah**

Whole time Director

DIN No. 00073226

Sd/-

**Kamlesh Z. Gandhi**

Chief Financial Officer

Mumbai

May 30, 2017

Sd/-

**Kunal N. Shah**

Whole time Director

DIN No. 00077216

Sd/-

**Sraban Kumar Karan**

Company Secretary

**Notes to the Financial Statements****1. (A) Background and nature of operations:**

“Nitin Fire Protection Industries Limited (NFPI or the ‘Company’) was incorporated in Mumbai, India on September 4, 1995 as a public limited company under the ‘Companies Act, 1956’. The Company’s business activity is that of manufacturing fire fighting equipment (gas based and water based fire extinguishers) under the brand name ‘NITIE’ (also certified by the Bureau of Indian Standard (BIS)), providing turnkey solutions including procurement, designing, system integration, commissioning and installation of fire fighting systems including annual maintenance contracts for fire protection systems. The Company undertakes above activities from Maharashtra and Andhra Pradesh and has marketing offices in Maharashtra, Tamil Nadu, Andhra Pradesh, Gujarat and Uttar Pradesh. As part of its business activities, the Company has formed/acquired domestic/foreign subsidiaries (including a step down foreign subsidiary), has a stake in an associate and invested in a non-integrated un-incorporated joint venture for crude oil. NFPI is an ISO 9001:2000 certified Company. The Company made an initial public offer (‘IPO’) in India in May 2007 and its shares are listed on the BSE Limited and the National Stock Exchange of India Limited.”

**(B) Basis of preparation of financial statements:**

- (i) The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards prescribed under Section 133 of the Companies Act, 2013 (‘Act’) and other provisions of the Act (to the extent notified). The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles. The Company follows the mercantile systems of accounting and recognises income and expenditure on an accrual basis except stated otherwise
- (ii) The preparation of the financial statements in conformity with the Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting periods. These estimates are based upon the Management’s best knowledge of current events and actions. Actual results could differ from these estimates.

**2 Accounting policies:**

Significant accounting policies are summarised below:

**(a) Fixed Assets and capital work in progress:**

- (i) Property, Plant and Equipments are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.
- (ii) Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful life. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the Management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.
- (iii) Capital work in progress (CWIP) includes fixed assets not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest, if any.

**(b) Depreciation, amortisation and impairment:****(i) Depreciation-Property, Plant and Equipments:**

Depreciation on fixed assets are provided on written down value method in accordance with the provisions of the Act in the manner and at the rates specified in Schedule II to the Act. Depreciation on additions/deductions is calculated pro rata from/to the number of days of additions/deductions.

**a) Depreciation on assets costing less than ₹5,000**

Individual assets costing less than ₹5,000 are depreciated in full in the year of acquisition.

**(ii) Amortisation-intangibles:**

“Intangible assets are initially measured at cost and amortised so as to reflect the pattern in which the asset’s economic benefits are consumed. Expenditure on computer software is amortised on straight line method over a period of two year.”

**(iii) Impairment of assets:**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

**(c) Investments:**

Trade investments are investments made to enhance the Company's business interests. Investments those are readily realisable and intended to be held for not more than a year are classified as "Current Investments". All other investments are classified as non-current (long term) investments.

Non-current investments including investments in subsidiaries and an associate are carried at cost and provisions recorded to recognise any decline, other than temporary, in the carrying amount of each investment.

**(d) Inventories:**

"Inventories are valued as follows:

Items of inventories are valued at lower of cost, computed on First In First Out basis and net realisable value. Such costs include material cost and other costs incurred in bringing the goods to their present location and condition. Goods in transit are valued at cost, which represents the costs incurred up to the stage at which the goods are in transit. Packing material is charged to Statement of Profit and Loss as consumption in the year of purchase."

**(e) Revenue recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and it can be reliably measured.

- (i) Revenue from domestic sales is recognised on dispatch, which coincides with transfer of significant risks and rewards to customers and stated net of taxes and returns, as applicable. Revenue from exports is recognised when the significant risks and rewards of ownership of goods have been passed to customer.
- (ii) Fixed price contracts: Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably. When the outcome of the contract is ascertained reliably contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date to the total estimated contract costs.
- (iii) Income from services rendered on project related activities is recognised on due dates of the relevant contracts and is exclusive of service tax, wherever recovered.
- (iv) Liquidated damages/penalties, if any, are provided based on management's assessment of the estimated liability, as per contractual terms and/or acceptance.
- (v) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable
- (vi) The Company is entitled to refund of Special Additional Duty paid on imported goods traded or consumed in Company's activities within the prescribed time limit. Accordingly, refund is accrued on sale/consumption of such goods.
- (vii) Dividend income is recognised when the right to receive dividend is established.

**(f) Taxation:**

- (i) Tax expense comprises current tax and deferred tax.
  - (a) Current tax is measured at the amounts expected to be paid to the Tax Authorities in accordance with the provisions of the Income Tax Act, 1961 prevailing for the relevant assessment year.  
In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement in the Balance Sheet.
  - (b) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods in the Statement of Profit and Loss and the cumulative effect thereof is reflected in the Balance Sheet. In respect of deferred tax resulting from timing differences, which originate during the tax holiday period but is expected to reverse after such tax holiday period, is recognised in the year in which the timing differences originate using the tax rates and laws enacted or substantively enacted at the Balance Sheet date.
- (ii) Tax on distributed profits payable is computed as per the provisions of Section 115-O of the Income Tax Act, 1961 in accordance with the Guidance Note on Accounting for Corporate Dividend Tax regarded as tax on distribution of profits issued by the ICAI and is not considered in determination of the profits for the year.

**(g) Cash flow statement:**

The cash flow statement is prepared by the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and demand deposits with banks.

**(h) Foreign currency transactions:****(i) Initial recognition:**

Transactions for import/export of goods are recorded at a rate notified by the customs authorities for invoice purposes. Other foreign currency transactions are recorded in the reporting currency, by applying the foreign currency exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion:**

Monetary items are translated at the closing exchange rate as on the date of the Balance Sheet and non-monetary items are reported using the exchange rate that existed on the date of the transaction.

**(iii) Exchange differences:**

Exchange differences arising on settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year or reported in the previous financial statements are recognised as income or expenses in the year in which they arise and disclosed as a net amount in the financial statements.

**(i) Employee benefits:**

(i) Employee benefits in the form of provident and family pension fund are defined contribution schemes and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the funds are due. The Company has no other obligations other than the contributions payable.

(ii) The present value of the obligation of gratuity is determined based on an actuarial valuation conducted by an independent actuary, using the projected unit credit method. Actuarial gains and losses on such valuation are recognised immediately in the Statement of Profit and Loss. The fair value of plan assets is administered by Life Insurance Corporation of India, is reduced from gross obligation under the defined benefit plan, to recognise the obligation on a net basis value.

**(iii) Leave encashment**

Provision for leave encashment is made on the basis of value of unavailed leave outstanding as at the year end. For valuation purpose, last drawn salary is considered. Unavailed leave outstanding as at the year end can be carried forward only upto the end of next financial year. Leave encashment is permitted only at the time of retirement/resignation and not otherwise.

**(j) Earnings per share:**

The basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for effects of all dilutive potential equity shares, except where the results are anti-dilutive. The number of shares and potentially dilutive equity shares are adjusted for share splits and bonus shares issued including for changes effected prior to the approval of the financial statements by the Board of Director.

**(k) Provisions, contingent liabilities and contingent assets:**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the Notes to the Financial Statements. Contingent assets are neither recognised nor disclosed in the Financial Statements.

**(l) Operating leases:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease period unless another systematic basis is more representative of the time pattern of the users benefit.

**(m) Exploration and Development Costs:**

The Company follows successful efforts method for accounting of oil & gas exploration and production activities, in respect of its participating interest in un-incorporated joint venture which includes:

(i) Survey costs are recognised as revenue expenditure in the year in which these are incurred.

(ii) Cost of exploratory wells is carried as exploratory wells in progress. Such exploratory wells in progress are capitalised in the year in which the producing property is created or is written off in the year when determined to be dry/abandoned.

(iii) All wells appearing as exploratory wells in progress which are more than two years old from the date of completion of drilling are charged to Statement of Profit and Loss, except those wells which have proved reserves and the development of the fields in which the wells are located has been planned.

**(n) Dividend**

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and Interim dividend are recorded as a liability on the date of the declaration by the company's Board of Director.

**3 Share capital:****3.1 Authorised/issued, subscribed and fully paid up:**

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number	₹	Number	₹
Authorised: Equity shares of ₹2 (P.Y. ₹2) each (Refer Note 3.7)	375,000,000	750,000,000	375,000,000	750,000,000
<b>Issued, subscribed and fully paid up:</b> Equity shares of ₹2 (P.Y. ₹2) each, fully paid	292,269,622	584,539,244	292,269,622	584,539,244
<b>Total</b>	<b>292,269,622</b>	<b>584,539,244</b>	<b>292,269,622</b>	<b>584,539,244</b>

**3.2 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting year:**

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number	₹	Number	₹
Outstanding at the beginning of the year	292,269,622	584,539,244	292,269,622	584,539,244
Outstanding at the end of the year	292,269,622	584,539,244	292,269,622	584,539,244

**3.3 Terms/rights attached to equity shares**

Each holder of equity shares is entitled to one vote per equity share. They are entitled to receive dividend proposed by the Board of Directors and approved by shareholders in General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

**3.4 Shareholders holding more than 5% of the paid up equity share capital of the Company:**

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of shares held	% of holding	No. of shares held	% of holding
<b>Name of the shareholders</b>				
Nitin M. Shah	54,326,835	18.59%	60,226,835	20.61%
Nitin M. Shah (HUF)	15,462,000	5.29%	15,462,000	5.29%
Saroj N. Shah	61,963,633	21.20%	61,963,633	21.20%
Rahul N. Shah	18,831,333	6.44%	18,831,333	6.44%
Kunal N. Shah	30,673,000	10.49%	30,673,000	10.49%

**3.5 Aggregate number of bonus shares and shares bought back for the period of five years immediately preceding the reporting date:**

Particulars	Bonus shares	Shares bought back
<b>2015-16</b>	-	-
2014-15	73,063,511	-
2013-14	-	1,346,583
2012-13	-	-
2011-12	157,536,989	-



**4 Reserves and surplus:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Securities Premium Reserve</b>		
Balance at the beginning of the year	133,894,355	133,894,355
<b>Revaluation Reserve</b>		
Balance at the beginning of the year	5,542,521	5,542,521
Less : Transferred to Building and plant & machinery on reversal of revaluation reserves	(5,542,521)	-
Balance at the beginning and at the end of the year	-	5,542,521
<b>General Reserve</b>		
Balance at the beginning and at the end of the year	213,162,174	213,162,174
<b>Surplus in Statement of Profit and Loss</b>		
Balance at the beginning of the year	730,009,814	675,623,051
Add: Profit/ (loss) for the year	(964,233,336)	54,386,763
Balance at the end of the year	(234,223,522)	730,009,814
<b>Total</b>	<b>112,833,007</b>	<b>1,082,608,864</b>

**5 Long-term borrowings:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Term Loans</b>		
Secured		
From financial institutions/non banking financial companies (Refer Notes 5.1- 5.4)	573,160,834	684,203,486
From a bank		
Vehicle loan (Refer Note 5.5)	3,493,068	
	576,653,902	684,203,486
Less: Current maturities of long-term debt	186,696,296	110,970,846
<b>Total</b>	<b>389,957,606</b>	<b>573,232,640</b>

**5.1 IFCI Limited**

**5.1.1** The term loan outstanding as at March 31, 2017 of ₹ 77,812,500 (P.Y. ₹181,562,500) is secured by exclusive first charge on the commercial property owned by the promoters, situated at Ghatkopar - Mumbai and industrial land at village Khalapur, district - Raigarh, exclusive pledge of ₹9,529,587 (P.Y. ₹9,573,527) equity shares of the Company, owned by the promoters, so as to give security cover of 1.5 times of the loan amount and personal guarantee of Nitin M Shah and Rahul N Shah.

**5.1.2** The aforesaid loan is repayable in 8 quarterly installments of ₹2,59,37,500 each at the end of 15th, 18th, 21st, 24th, 27th, 30th, 33rd and 36th month, starting from November 03, 2014 and rate of interest ranges from 14% per annum to 14.50% per annum.

**5.2 Aditya Birla Finance Limited**

**5.2.1** The term loan outstanding as at March 31, 2017 of ₹42,583,277 (P.Y. ₹48,365,449) is secured by exclusive charge on office no. 801, 8th floor, Wing C, Neelkanth Business Park, Kirol Road, Vidyavihar West, Mumbai 400086.

**5.2.2** The aforesaid loan is repayable in 84 monthly installments of ₹945,545 each starting from April 05, 2015 and carries rate of interest of 12.15% per annum.

**5.3 IFCI Limited**

**5.3.1** The term loan outstanding as at March 31, 2017 of ₹400,000,000 (P.Y. ₹ 400,000,000) is secured by exclusive charge on the immovable property owned by Nitin M. Shah (HUF) situated at 7001, 70th floor, World One Tower, Lower Parel, Mumbai 400 013, exclusive charge on an immovable property owned by the promoters such that the combined distress value of both the properties shall provide a cover of one time of the loan outstanding, pledge of ₹19,200,803 (P.Y. ₹14,590,803) equity shares of the Company owned by the promoters, so as to give security cover of 1.25 times of the loan amount and personal guarantee of Nitin M Shah and Rahul N Shah.

**5.3.2** The aforesaid loan is for a period of five years including moratorium period of two year Repayment will be in 36 equal monthly installments beginning from 25th month and continuing till 60th month and rate of interest ranges from 14% to 14.50% per annum.

**5.4 PNB Housing Finance Limited**

**5.4.1** The term loan outstanding as at March 31, 2017 of ₹52,765,057 (P.Y. ₹54,275,537) taken from a financial institution is co-borrowed along with Nitin M. Shah and Rahul N. Shah, promoters of the Company which is secured by mortgage of property owned by the Company and situated at C-802, Neelkanth Business Park, Kirol Road, Vidyavihar -W, Mumbai 400 077.

**5.4.2** Loan is repayable in 180 equal monthly installments of ₹662,468 each commencing from July 10, 2015 and carries an interest rate of 12.00% per annum.

**5.5** Vehicle loan taken from a bank and outstanding as at March 31, 2017 of ₹3,493,068 (P.Y. ₹ NIL) is secured by the hypothecation of the underlying specific vehicle.

**5.5.1** The aforesaid loan is re-payable in 60 monthly installments of ₹77,725 each and carries rate of interest of 9.51% per annum.

## **6 Deferred tax assets / (liabilities) (net)**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Deferred tax liability on account of:</b>		
- Difference in WDV between book and income tax records (A)	5,059,552	9,334,298
<b>Deferred tax asset on account of:</b>		
- Employee benefits and gratuity	(3,637,421)	(2,997,527)
- Provision for doubtful debts and advances	(1,422,131)	(3,617,020)
Sub-total (B)	(5,059,552)	(6,614,547)
<b>Net Deferred tax assets/(liability) (A) - (B)</b>	0.00	(2,719,751)
Opening Balance	(2,719,751)	1,578,129
Deferred tax expenses for the year	(2,719,751)	4,297,880

On the consideration of prudence and in the absence of virtual certainty of sufficient future taxable income, deferred tax asset is recognised only up to deferred tax liability by the Management.

## **7 Long-term provisions:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Provision for gratuity (net) (Refer Note 28.1)	6,062,185	3,649,476
<b>Total</b>	<b>6,062,185</b>	<b>3,649,476</b>

## **8 Short-term borrowings:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Secured (Refer Notes 8.1 to 8.3)</b>		
Repayable on demand from banks:		
- Cash credit	1,498,338,944	1,030,650,739
- Temporary overdraft/ working capital demand loan	-	126,782,033
Foreign currency loans*	171,400,839	1,534,388,498
(* buyers line of credit/packing credit facilities availed by the Company)		
<b>Unsecured</b>		
From Directors	228,463,774	-
<b>Total</b>	<b>1,898,203,557</b>	<b>2,691,821,270</b>

**8.1** The above borrowings are availed through a consortium agreement with bankers namely IDBI Bank Limited (Lead bank), Bank of Baroda, Dena Bank and Axis Bank Limited.

### **8.1.1 Security**

First pari passu charge by way of hypothecation or indenture of mortgage and /or pledge of borrowers current assets, namely, stock of raw materials, semi finished and finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts and all movable current assets, both present and future.

First pari passu charge on immovable and movable assets of the Company both present and future including its location at (i) factory at A-117, TTC Industrial area, Pawana Village, Navi Mumbai-400 705 (ii) office premises at 501/502 Delta Technology Street, Hiranandani Gardens, Powai, Mumbai - 400 076 and (iii) immovable properties of Eurotech Cylinders Private Limited, situated at EL-29, TTC Industrial Area, Mahape, Navi Mumbai 400 701 (only for IDBI Bank Limited).

Personal guarantees of Nitin M. Shah and Rahul N. Shah

### **8.1.2 Credit facilities availed**

Working capital loan and other non-fund based facilities.

**8.1.3** Rate of interest ranges from 11.65% to 14.5% per annum.

Packing credit Rate of interest ranges from 3.12% to 3.14% per annum.

**8.2** IDBI Bank Limited:

**8.2.1** Primary security: First pari passu charge on immovable properties of Eurotech Cylinders Private Limited at EL-29, TTC, Navi Mumbai 400 705.

Collateral security: Second pari passu charge on (i) entire current assets and movable assets of the Company both present and future (ii) 501/502 Delta, Technology Street, Hiranandani Gardens, Powai, Mumbai 400076 and its factory at A-117, TTC Industrial Area, Pawana Village, Navi Mumbai 400 705. Pledge of promoters shares held in the Company to the extent of 100% of the exposure.

Personal guarantees of the Nitin M. Shah and Rahul N. Shah

**8.2.2** Credit facilities availed: Standby letter of credit

**8.3** Axis Bank Limited:

**8.3.1** Primary security: Negative lien on receivables of Nitin Ventures FZE.

**8.3.2** Collateral security: Pledge of the Company's shares having aggregate market value of atleast 75% of the facility amount.

Pari passu second charge on fixed assets of the Company (i) factory at A-117, TTC Industrial area, Pawana Village, Navi Mumbai-400 705 (ii) office premises at 501/502 Delta Technology Street, Hiranandani Gardens, Powai, Mumbai - 400 076 and (iii) on the entire current assets of the Company both present and future.

Personal guarantees of Nitin M. Shah and Rahul N. Shah.

**8.3.3** Credit facilities availed

Stand by letter of credit.

**8.4** Details of delay: The Company has delayed in the repayment of its loans to banks in cash credit account and the amount of overdue amount outstanding as at 31.03.2017 is ₹ **480,803,501** (P.Y. ₹ 238,826,241) on account of principal and ₹ **63,129,721** (P.Y. ₹ 10,740,795) on account of Interest aggregating to ₹ **543,933,222** (P.Y. ₹ 249,567,036).

## 9 Trade payables:

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Total outstanding dues of micro and small enterprises (Refer Note 9.1)	<b>2,248,543</b>	1,324,859
Total outstanding of creditors other than micro and small enterprises	<b>2,056,999,720</b>	674,534,277
<b>Total</b>	<b>2,059,248,263</b>	675,859,136

### 9.1 Disclosure under the Micro ,Small and Medium Enterprises Development Act, 2006 :

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
1 The principal amount remaining unpaid to any supplier at the end of the accounting year.	<b>1,759,656</b>	875,611
2 Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	<b>39,639</b>	6,636
3 the amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day.	-	-
4 The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	<b>99,179</b>	108,581
5 The amount of interest accrued and remaining unpaid; and	<b>488,887</b>	449,248
6 The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid.	<b>350,069</b>	340,667

Amounts due of Micro and Small Enterprises are disclosed on the basis of and to the extent of information available with the Company. This has been relied upon by the auditor.

**10 Other current liabilities:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Invoices raised in respect of incomplete contracts	-	85,164,459
Less: Adjustment against aggregated amount of cost incurred and recognised profit (less recognised losses) (Refer Note 40)	-	77,813,593
	-	7,350,866
Current maturities of long-term debt (Refer Note 5)	186,696,295	110,970,846
Interest accrued but not due on borrowings	3,705,968	18,029,909
Income received in advance	864,219	846,812
Unpaid dividends*	351,960	452,062
Other liabilities	4,287,481	5,937,590
Book overdrawn balances	2,798	383,478
<b>Other payables:</b>		
-Statutory dues (contribution to PF, withholding taxes, etc.)	7,091,400	4,131,831
-Salaries and bonus	7,578,260	5,698,421
-Advance from customers [including advance from subsidiary ₹ 13,567,845 (Previous Year Rs. Nil)]	16,080,520	16,948,725
<b>Total</b>	<b>226,658,901</b>	<b>170,750,540</b>

(\* There are no unpaid dividends which are required to be transferred to Investor Education and Protection Fund)

**11 Short-term provisions:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Provision for employee benefits		
For gratuity (net) (Refer Note 28.1)	3,520,986	2,822,975
For compensated absences (unfunded) (Refer Note 28.1)	2,188,419	2,188,419
Provision- Others		
For income tax (net of advance tax ₹81,100,372 P.Y. ₹75,383,924) (Refer Note 43)	8,407,160	5,804,066
For proposed dividend	-	-
For corporate dividend tax on proposed dividend	7,496,586	7,496,586
<b>Total</b>	<b>21,613,151</b>	<b>18,312,046</b>

## 12 Property, Plant and Equipments as at March 31, 2017:

Description	Gross block			Accumulated depreciation				Net block As at March 31, 2017
	As at April 1, 2016	Additions	Adjustments/ disposals	As at March 31, 2017	Up to April 1, 2016	Depreciation charge for the year *	Adjustments/ disposals	Up to March 31, 2017
	₹	₹	₹	₹	₹	₹	₹	₹
<b>Owned</b>								
Land - Freehold	40,222,548	-	-	40,222,548	-	-	-	40,222,548
Land - Leasehold	3,240,000	-	-	3,240,000	722,320	36,120	-	2,481,560
Buildings**	193,056,937	-	222,527	192,834,410	29,571,491	8,947,964	-	154,314,955
Plant and equipments	169,982,096	135,000	5,319,994	164,797,102	47,643,352	16,935,934	-	100,217,815
Furniture and fixtures	14,010,107	122,497	-	14,132,604	10,995,475	1,008,980	-	2,128,149
Office equipments	4,997,991	2,160,149	3,040,461	4,117,679	4,613,022	758,134	3,040,461	1,786,984
Vehicles	30,126,272	4,011,021	-	34,137,293	19,042,983	5,736,020	-	9,358,290
Computer systems	1,330,388	105,395	-	1,435,783	1,056,981	182,889	-	195,913
Cylinders	49,036,000	-	-	49,036,000	16,723,244	12,925,103	-	19,387,653
<b>Total</b>	<b>506,002,339</b>	<b>6,534,062</b>	<b>8,582,982</b>	<b>503,953,419</b>	<b>130,368,868</b>	<b>46,531,144</b>	<b>3,040,461</b>	<b>330,093,868</b>

## Property, Plant and Equipments as at March 31, 2016:

Description	Gross block			Accumulated depreciation				Net block As at March 31, 2016
	As at April 1, 2015	Additions	Adjustments/ disposals	As at March 31, 2016	Up to April 1, 2015	Depreciation charge for the year *	Adjustments/ disposals	Up to March 31, 2016
	₹	₹	₹	₹	₹	₹	₹	₹
<b>Owned</b>								
Land - Freehold	40,222,548	-	-	40,222,548	-	-	-	40,222,548
Land - Leasehold	3,240,000	-	-	3,240,000	686,200	36,120	-	2,517,680
Buildings	128,831,175	64,225,762	-	193,056,937	19,581,882	9,989,609	-	163,485,446
Plant and equipments	69,123,786	135,960,000	35,101,690	169,982,096	47,325,704	17,350,423	17,032,775	122,338,744
Furniture and fixtures	14,010,107	-	-	14,010,107	8,079,057	2,916,418	-	3,014,632
Office equipments	4,951,591	46,400	-	4,997,991	3,508,168	1,104,854	-	384,969
Vehicles	23,879,005	11,918,267	5,671,000	30,126,272	16,702,826	7,088,340	4,748,183	11,083,289
Computer systems	842,989	487,399	-	1,330,388	591,797	465,184	-	273,407
Cylinders	24,076,000	24,960,000	-	49,036,000	3,055,806	13,667,438	-	32,312,756
<b>Total</b>	<b>309,177,201</b>	<b>237,597,828</b>	<b>40,772,690</b>	<b>506,002,339</b>	<b>99,531,440</b>	<b>52,618,386</b>	<b>21,780,958</b>	<b>375,633,471</b>

## 13 Intangible asset as at March 31, 2017:

Description	Gross block				Accumulated amortisation			Net block	
	As at April 1, 2016	Additions	Adjustments/ disposals	As at March 31, 2017	Up to April 1, 2016	Amortisation charge for the year	Adjustments/ disposals	Up to March 31, 2017	As at March 31, 2017
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Owned									
Computer software*	25,303,974	-	-	25,303,974	24,789,214	445,359	-	25,234,573	69,401
Total	25,303,974	-	-	25,303,974	24,789,214	445,359	-	25,234,573	69,401

## Intangible asset as at March 31, 2016:

Description	Gross block			Accumulated amortisation				Net block	
	As at April 1, 2015	Additions	Adjustments/ disposals **	As at March 31, 2016	Up to April 1, 2015	Amortisation charge for the year	Adjustments/ disposals	Up to March 31, 2016	As at March 31, 2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>Owned</b>									
Computer software*	12,245,636	558,338	12,500,000	25,303,974	11,816,169	12,973,045	-	24,789,214	514,760
Total	12,245,636	558,338	12,500,000	25,303,974	11,816,169	12,973,045	-	24,789,214	514,760

(\*other than internally generated)

(\*\* In compliance with revised Accounting Standard 10 "Fixed Assets", the Company has decided to apply the cost approach for capitalisation of fixed assets and hence, balance of revaluation reserve has been adjusted to cost of building)

## 14 Capital Work-in-progress:

Description	As at	
	March 31, 2017	March 31, 2016
	₹	₹
Balance, at the beginning of the year	16,217,923	-
Add: Additions during the year	3,706,433	16,217,923
Balance, at the end of the year	19,924,356	16,217,923

**15 Non-current investments:**

No.	Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
I	Investment in equity instruments (fully paid up, face value of ₹10 each, unless otherwise stated)		
1	In subsidiaries (unless otherwise stated)-Unquoted, trade		
(i)	Domestic (wholly owned subsidiary):		
	<b>10,000</b> (P. Y. 10,000) of Eurotech Cylinders Private Limited	<b>100,000</b>	100,000
(ii)	Foreign (wholly owned subsidiaries):		
(a)	<b>10</b> (P. Y. 10) of Nitin Ventures FZE, UAE Equity Share of 1,000,000 Dhs each	<b>110,209,425</b>	110,209,425
(b)	<b>100,000</b> (P. Y. 100,000) of Nitin Global Pte Limited, Singapore Ordinary shares, with no par value in USD	<b>4,761,000</b>	4,761,000
(iii)	In an Associate - Unquoted, trade (extent of holding <b>40%</b> (P. Y. 40%) [Refer Note 45] <b>2,336,496</b> (P.Y.2,336,496)- Worthington Nitin Cylinders Private Limited) * (Net of diminution in the value of investment - <b>₹3,83,40,288</b> (P.Y. ₹ 3,310,330))	<b>419,504,163</b>	457,844,451
		<b>534,574,588</b>	572,914,876
II	Investment in bonds-Quoted, non trade <b>2,500</b> (P.Y. 2,500) of 9.35% IFCI Limited - Non convertible debentures of ₹1,000 each	<b>2,500,000</b>	2,500,000
	<b>Total</b>	<b>537,074,588</b>	575,414,876
<b>Note:</b>			
	Aggregate book value of unquoted investments	<b>534,574,588</b>	572,914,876
	Aggregate book value of quoted investments	<b>2,500,000</b>	2,500,000
	Market value of quoted investments	<b>2,541,200</b>	2,611,125

**16 Long-term loans and advances:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Unsecured, considered good		
Capital advances	<b>3,113,300</b>	3,113,300
Sundry deposits		
Considered good	<b>10,356,931</b>	8,022,554
Considered doubtful	<b>1,949,509</b>	2,024,021
	<b>12,306,440</b>	10,046,575
Less:Provision for doubtful deposits	<b>1,949,509</b>	2,024,021
	<b>10,356,931</b>	8,022,554
Income tax paid under protest	<b>8,400,000</b>	8,400,000
<b>Total</b>	<b>21,870,231</b>	19,535,854

**17 Other non-current assets**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Unsecured, considered good		
Claims receivable (Refer Note 33 (c))	<b>226,373,172</b>	226,731,913
Fixed deposits having maturity of more than one year from the date of the Balance Sheet*	<b>30,507,702</b>	-
<b>Total</b>	<b>256,880,874</b>	226,731,913

(\* pledged with banks for credit facilities availed)

**18 Inventories:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Materials and components (including materials and components in transit of ₹ Nil(P. Y . ₹ 25,826,862)	<b>881,344,572</b>	1,228,432,306
Stock-in-trade	<b>10,483,762</b>	119,000,000
<b>Total</b>	<b>891,828,334</b>	1,347,432,306



**19 Trade receivables:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<u>Unsecured</u>		
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered good (Refer Note 46)	2,340,476,738	1,580,008,015
- Considered doubtful	201,848,064	8,426,775
Others-considered good *	588,275,610	1,202,587,895
	3,130,600,412	2,791,022,685
Less: Provision for doubtful debts	201,848,064	8,426,775
<b>Total</b>	<b>2,928,752,348</b>	<b>2,782,595,910</b>

(\* Includes dues from subsidiary/step-down company ₹965,431 (P.Y. ₹ 8,837,004)

**20 Cash and bank balances:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Cash and cash equivalents		
Cash on hand	47,679	48,768
Balances with banks		
- in current accounts	8,354,918	58,464,678
	8,402,597	58,513,446
Other bank balances		
- In fixed deposit accounts - original maturity more than 3 months**	12,867,169	50,471,531
- In fixed deposit accounts - original maturity of 3 months or less**	118,062	264,034
- In earmarked accounts - unclaimed and unpaid dividend accounts*	351,960	452,062
<b>Total</b>	<b>21,739,788</b>	<b>109,701,073</b>

(\* earmarked for payment of unpaid dividend only)

(\*\* pledged with banks for credit facilities availed)

**21 Short-term loans and advances:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Unsecured, considered good		
Loan to subsidiaries (Refer Note 34 (I))	87,258,019	42,909,469
Loans to body corporates and others	103,053,684	62,235,111
Loans and advances to employees/others	1,267,982	7,200,663
Advances to suppliers (Including advance to subsidiary ₹ 27,070,116 (Previous Year ₹ Nil)	91,321,642	222,698,246
Prepaid expenses	1,077,820	2,895,944
Balances with government authorities:		
- VAT refund receivable	1,326,629	186,529
<b>Total</b>	<b>285,305,776</b>	<b>338,125,962</b>

**22 Other current assets:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Unsecured, considered good		
Unbilled revenue	2,439,667	-
Special additional duty incentive (DEPB)	2,071,640	9,005,904
(Net of provision ₹ 724,582 (P.Y. ₹ 724,582 )		
Accrued interest on loans, fixed deposits and bonds	1,065,043	2,583,015
<b>Total</b>	<b>5,576,350</b>	<b>11,588,919</b>

**23 Revenue from operations:**

(Refer Note 23.2)

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Sale of products	4,988,521,634	4,569,910,253
Less : Excise Duty	1,182,172	-
Less : Sales return	2,367,179,250	-
<b>Total</b>	<b>2,620,160,212</b>	<b>4,569,910,253</b>
Sale of services (AMC)	33,728,912	33,687,286
Operating revenue-consultancy fees	33,536,850	-
<b>Total</b>	<b>2,687,425,974</b>	<b>4,603,597,539</b>

**23.1 Particulars of sale of products:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Primarily project related activities	525,057,096	491,379,690
Cylinders, fire protection, detection equipments etc.	2,095,103,116	4,078,530,563
<b>Total</b>	<b>2,620,160,212</b>	<b>4,569,910,253</b>

**23.2** The Company's turnover from manufacturing activities is below the excisable limit. Hence, the Company is not liable to collect and pay excise duty on sale of products. However, the Company has opted for voluntary registration under The Central Excise Act, 1944 during the year ended March 31, 2017.

**24 Other income:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Interest income on:		
- deposits with banks	2,847,480	3,228,597
- loans given	20,189,847	17,896,433
- overdue trade receivables and others	649,362	251,536
Profit on sale of assets (net)	-	10,398,607
Gain on foreign currency transactions (net)	-	72,722,584
Liability no longer required written back	4,456,922	3,751,967
Provision for doubtful debts in earlier years, now recovered	1,144,508	1,156,167
<b>Total</b>	<b>29,288,119</b>	<b>109,405,891</b>

**25 Cost of materials and components consumed:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Opening inventories	1,228,432,306	1,051,563,460
Add: Purchases	62,388,221	1,852,299,969
	<b>1,290,820,527</b>	<b>2,903,863,429</b>
Less: Closing inventories	881,344,572	1,228,432,306
<b>Total</b>	<b>409,475,955</b>	<b>1,675,431,123</b>

**25.1 Particulars of materials and components consumed:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Fire alarm, detection equipments etc.	239,461,539	831,851,553
Cylinders	102,368,989	636,663,827
Gases/fire fighting chemicals	49,137,115	134,034,490
Fire fighting equipments	18,508,312	72,881,253
<b>Total</b>	<b>409,475,955</b>	<b>1,675,431,123</b>

**26 Purchases of stock-in-trade:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Fire alarm, detection equipments etc.	1,829,652,625	2,271,516,377
Cylinders etc.	215,316,427	36,356,931
<b>Total</b>	<b>2,044,969,052</b>	<b>2,307,873,308</b>

**27 Changes in inventory of stock-in-trade:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Inventory at the end of the year:		
Stock in trade	10,483,762	119,000,000
Inventory at the beginning of the year:		
Stock in trade	119,000,000	136,667,608
Less: Inventory transferred to fixed assets (Refer Note 13)	-	12,500,000
	119,000,000	124,167,608
<b>Total</b>	<b>108,516,238</b>	<b>5,167,608</b>

**28 Employee benefits expense:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Salaries, wages and bonus	71,260,321	71,214,226
Contributions to provident and other funds (Refer Note 28.1)	2,530,631	2,484,100
Contributions to gratuity fund (Refer Note 28.1)	3,313,522	886,125
Employees welfare	7,146,994	5,680,533
<b>Total</b>	<b>84,251,468</b>	<b>80,264,984</b>

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

No.	Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
<b>(i) Defined Contribution Plan:</b>			
	Company's contribution to provident fund	2,197,326	2,158,379
	Company's contribution to ESIC	325,349	317,477
	Company's contribution to Maharashtra Labour Welfare Fund	7,956	8,244
		<b>2,530,631</b>	<b>2,484,100</b>
<b>(ii) Defined Benefit Plans - Gratuity:</b>			
a) Liability recognised in the Balance Sheet:			
1 Present value of obligation:			
	Opening balance	9,290,207	8,614,998
	Current service cost	1,040,375	1,050,395
	Interest cost	746,933	685,754
	Benefit paid from the fund	(457,769)	(321,577)
	Actuarial (Gain)/ loss on obligation	1,762,386	(739,363)
	Closing balance	12,382,132	9,290,207
Less:			
2 Fair value of plan assets:			
	Opening balance	2,817,756	3,028,672
	Expected return on plan assets less loss on investments	226,548	241,082
	Actuarial (loss) on plan assets	9,624	(130,421)
	Benefit paid from the fund	(457,769)	(321,577)
	Employers' contribution	202,802	-
	Closing balance	2,798,961	2,817,756
	Amount recognised in the Balance Sheet	9,583,171	6,472,451
	Expenses during the year :		
	Current service cost	1,040,375	1,050,395
	Interest cost	746,933	685,754
	Expected return on plan assets	(226,548)	(241,082)
	Actuarial (Gain)/loss	1,752,762	(608,942)
		3,313,522	886,125
c) Actual return on plan assets:		236,172	110,661
d) Break up of plan assets* :			
(i) Government of India securities		NA	NA
(ii) Public securities		NA	NA
(iii) State government securities		NA	NA
(iv) Private sector securities		NA	NA

No.	Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
(v)	Others (LIC of India - Insurer Managed Fund)	100%	100%
e)	Principal actuarial assumptions :		
	Rate of discounting	7.29%	8.04%
	Expected return on plan assets	7.29%	8.04%
	Rate of increase in salaries	7.00%	7.00%
	Attrition Rate	2.00%	2.00%
f)	Expected contribution for next year	3,520,986	2,822,975

Experience adjustment	2016-17 ₹	2015-16 ₹	2014-15 ₹	2013-12 ₹	2012-13 ₹
On plan liability loss / (gain)	911,296	(675,388)	(773,732)	140,372	69,434
On plan asset (loss) /gain	9,624	(130,421)	(45,946)	(84,469)	170,574
Other adjustments	851,090	(63,975)	(491,624)	939,878	269,993

In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables. The base being the Indian Assured Lives Mortality 2006-08 ultimate tables.

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

\* The details of the composition of the plan assets, by category, from the insurers have not been received and hence the disclosures as required by Accounting Standard (AS) – 15 "Employee Benefits" have not been given.

The liability towards leave compensated absences amounts to ₹ 2,188,419 (P.Y. ₹21,88,419)

**Other disclosures:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Defined benefit obligation	12,382,132	9,290,207
Plan assets	2,798,961	2,817,756
(Deficit)	(9,583,171)	(6,472,451)

**29 Finance costs:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Interest expense on:		
Borrowings	361,515,678	299,447,089
Others (Interest on delayed payment of Income tax and dividend distribution tax)	5,906,081	3,387,117
Other borrowing costs	59,273,231	44,352,088
<b>Total</b>	<b>426,694,990</b>	<b>347,186,294</b>

**30 Other expenses:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Sub-contract charges and site expenses	13,975,401	14,871,539
Conveyance and travelling	21,693,927	23,482,753
Miscellaneous expenses	10,748,457	14,877,095
Rent and lease rent (Refer Note 32)	2,413,876	2,884,705
Repairs - Other assets	4,092,493	3,377,041
Repairs-Building	2,989,755	2,267,865
Insurance premium	1,150,951	1,274,133
Payments to auditors (including service tax) (Refer Note 30.6)	3,422,833	3,815,588
Legal and professional fees	12,763,672	15,293,895
Donations and charity	2,311,111	7,511,111
CSR Expenses (Refer Note 30.1)	-	2,540,000
Vehicle expenses	2,491,963	2,339,980
Sitting fees to Non Executive Directors	520,000	450,000
Sales promotion and advertisement	11,817,262	7,609,578

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Bad debts written off/liquidated damages	142,623,179	28,646,885
Provision for doubtful debts (net)	192,276,782	291,631
Provision for doubtful deposits, advances and claims	-	814,224
Provision for diminution in the value of Investment	38,340,288	-
Loans written-off	15,000,000	-
Distribution expenses (net)	11,530,851	14,677,082
Survey cost incurred for mineral rights	358,741	1,084,360
Loss on foreign currency transactions (net)	71,017,716	-
Rates and taxes	1,243,716	5,447,182
<b>Total</b>	<b>562,782,974</b>	<b>153,556,647</b>

**30.1 Disclosure in respect of expenditure on Corporate Social Responsibility Activities:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
a) Gross Amount required to be spent by the Company during the year	2,495,341	3,165,788
b) Amount spent during the year	-	2,540,000

# The above expenditure includes contribution to funds, expenses through registered trusts / registered society or company established under section 8 of the Act and direct expenses by the Company.

**30.2 Value of imports calculated on CIF basis:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Materials and components	13,837,164	301,780,609
Purchase of stock-in-trade	183,289,964	2,307,690,835
<b>Total</b>	<b>197,127,128</b>	<b>2,609,471,444</b>

**30.3 Value of consumption of imported and indigenous materials and components and percentage to total consumption:**

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
	₹	%	₹	%
<b>Materials and components</b>				
Imported	349,078,252	85.25%	1,098,915,274	65.59%
Indigenous	60,397,703	14.75%	576,515,849	34.41%
<b>Total</b>	<b>409,475,955</b>	<b>100.00%</b>	<b>1,675,431,123</b>	<b>100.00%</b>

**Note** The values of materials and components consumed have been arrived on the basis of opening inventories plus purchases less closing inventories. The consumption is net of adjustments for shortages/excess, if any.

**30.4 Expenditure in foreign currency on account of (on accrual basis):**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Travelling	3,878,927	759,132
Finance costs	4,783,714	16,900,404
License/professional fees/membership and subscription	1,128,680	254,563
<b>Total</b>	<b>9,791,322</b>	<b>17,914,099</b>

**30.5 Earnings in foreign exchange (on accrual basis):**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Exports sales at FOB (incl. sales to SEZ/EOU units)	531,759,408	2,617,665,236
<b>Total</b>	<b>531,759,408</b>	<b>2,617,665,236</b>

**30.6 Payments to auditors (including service tax):**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Statutory audit fees	2,030,000	2,731,850
Limited review fees	973,000	790,050
Certification fees	229,800	229,000
Re-imbursement of expenses	190,033	64,688
<b>Total</b>	<b>3,422,833</b>	<b>3,815,588</b>

**31 Segment information:**

As the Company publishes standalone financial statements along with the consolidated financial statements in the annual report, in terms of AS-17 'Segment Reporting', segment information has been provided in the Notes to the Consolidated Financial Statements.

**32 Operating lease:**

- (a) In respect of a property acquired on lease (located at Vishakhapatnam), the future minimum lease rentals under non-cancellable operating lease are as follows:

Particulars	Future minimum lease payments	
	As at	
	March 31, 2017 ₹	March 31, 2016 ₹
Not later than one year	772,359	887,859
Later than one year and not later than five years	3,282,528	3,572,162
Later than five years	-	482,725
<b>Total</b>	<b>4,054,887</b>	<b>4,942,746</b>

Note:(a) In the previous year, the impact of escalation in lease payments which may arise is not considered due to its uncertainty.

(b) Lease payments recognised in the Statement of Profit and Loss: ₹ 24,13,876 (P. Y. ₹28,84,705).

(c) Lease rentals are charged on the basis of agreed terms.

**33 Disclosures in respect of a joint venture:**

Information as required by AS-27 'Financial Reporting of Interests in Joint Ventures':

- (a) Name of the field in a joint venture, description of interest etc.:

Name of the field in a joint venture	Description of interest/ (Description of job)	Proportion of ownership interest	Country of	
			Incorporation	Residence
RJ-ONN-2004/1 Rajasthan	Non integrated joint venture (crude oil block)	11.11% (P.Y.11.11%)	*	India

(\*Not applicable as it is an un-incorporated joint venture)

- (b) The audited financials of the joint venture as of March 31, 2017 are not available and hence, other disclosures relating to the joint venture have not been given.
- (c) The Company is carrying an amount of ₹226,373,172 (Previous Year ₹ 226,731,913) which is its share of costs incurred in an oil block exploration operated by Gas Authority of India Limited (GAIL). The Company and GAIL are engaged in arbitration proceedings for non compliance of certain terms of Joint Operating Agreement as entered into. Based on its own assessment which is also backed by its legal advice, the Company believes that it will be able to recover its entire investment amount of ₹226,373,172. Thus there is no impairment considered necessary by the management to the carrying value of this asset carried as 'Claims Receivable' under other non current assets.

**34 I) Disclosure under regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Loans and advances in the nature of loans given to subsidiaries:

Particulars	Balance		Maximum outstanding	
	As at March 31, 2017	As at March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016
	₹	₹	₹	₹
<b>Domestic subsidiary</b>				
Eurotech Cylinders Private Limited	-	-	-	35,000,000

Particulars	Balance		Maximum outstanding	
	As at March 31, 2017	As at March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016
	₹	₹	₹	₹
<b>Foreign subsidiaries</b>				
Nitin Ventures FZE	31,026,368	29,577,700	31,026,368	29,577,700
Nitin Global PTE Limited	55,561,544	12,646,218	443,632,218	12,646,218
Nitin Fire Protection Middle-East FZE	670,107	685,551	702,312	685,551
<b>Total</b>	<b>87,258,019</b>	<b>42,909,469</b>	<b>475,360,898</b>	<b>77,909,469</b>

- (a) Loans and advances shown above fall under the category of loans and advances in the nature of loans where there is no repayment schedule, is repayable on demand and is interest free.
- (b) The above subsidiaries have not made investments in the shares of the Company.
- (c) Loans to employees have been considered to be outside the purview of disclosure requirements.

## II) Disclosure under Section 186(4) of the Companies Act, 2013:

Loans given during the year:

Particulars	Opening balance	Additions during the year	Deletions during the year	Closing balance	Purpose
	₹	₹	₹	₹	
Nitin Venture Fze	29,577,700	1,448,668	-	31,026,368	Reimbursement of expenses
Nitin Global Pte Ltd	12,646,218	430,986,000	388,070,674	55,561,544	Reimbursement of expenses / LC devolvement funding
Nitin Fire Protection Middle-East FZE	685,551	-	15,444	670,107	Reimbursement of expenses
Aadi Industries*	19,850,330	-	19,850,330	-	Commercial loan
Mishal Construction Private Limited	5,270,000	600,000	270,000	5,600,000	Commercial loan
Multiventure Infotech Private Limited	3,225,318	580,557	-	3,805,875	Commercial loan
Sanghavi Creators Private Limited	19,978,598	2,397,432	-	22,376,030	Commercial loan
Sanghvi Buildcon Private Limited	-	4,925,637	1,000,000	3,925,637	Commercial loan
Sanghvi Land Developers Private Limited	-	53,491,793	3,500,000	49,991,793	Commercial loan
Shreenath Corporation	6,005,865	570,557	-	6,576,422	Commercial loan
Porwal Venture Private Limited	7,950,000	900,000	1,260,000	7,590,000	Commercial loan
Kalash Tex Trading Private Limited	-	31,400,000	31,400,000	-	Commercial loan
Harsha Textiles	2,911,350	276,578	-	3,187,928	Commercial loan

**Note:** The above particulars does not include advances given for supply of goods and loans given to employees, as per the provisions of the Act.

Balances as reflected above includes outstanding for interest accrued and exchange rate variations, where ever applicable.

\* Written off during the year

- b) Investments during the year:

Opening balance	Additions during the year	Deletions / Diminution during the year*	Closing balance
₹	₹	₹	₹
575,414,876	-	38,340,288	537,074,588

**Note:** The above investments in subsidiaries and in an associate are made for business purposes to enhance growth prospects and explore acquisition opportunities.

(\* provision for diminution in the value of investments)

- c) Guarantee given during the year:

Corporate financial guarantee given to a bank on behalf of:	Opening balance (Limit)	Additions during the year	Deletions during the year	Closing balance (Limit)
Eurotech Cylinders Private Limited	80,000,000	-	-	80,000,000

Closing outstanding balance is ₹80,831,230.

**Note:** The above guarantee has been given to meet working capital requirements of the subsidiary.

- d) Standby letter of credit facility given:

Standby letter of credit facility (outstanding balance)	Opening balance	Additions during the year	Translation effect	Deletions during the year	Closing balance
Nitin Venture FZE	1,209,912,096	-	22,068,944	-	1,187,843,152
Nitin Global Pte Limited	354,881,015	73,392,000	10,064,045	-	418,208,970
<b>Total</b>	<b>1,564,793,111</b>	<b>73,392,000</b>	<b>32,132,989</b>	<b>-</b>	<b>1,606,052,122</b>

**Note:** Guarantees given as above is to meet working capital requirements of the subsidiaries.



35 Consequent to dilution of equity stake in Worthington Nitin Cylinders Private Limited (WNCPL) in December 2010, the Company has taken over the outstanding claim of a derivative contract amounting to ₹ 50,133,481(excluding interest). On referring the matter to a legal counsel, it has opined that the said contract is not valid as per Reserve Bank of India regulations and hence, no liability is expected on the Company. The Company has filed a petition in the Honorable High Court of Bombay challenging the legality of the contract. The petition is pending for disposal. Further, the Company has not determined the quantum of mark to market losses as of the Balance Sheet date. Pending decision, no provision is made in the books of account.

36 **Derivative instruments and unhedged foreign currency exposure:**

(a) There are no outstanding forward exchange contracts as at the year end.

(b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As at March 31, 2017		As at March 31, 2016	
	Amounts outstanding in foreign currency	Equivalent INR	Amounts outstanding in foreign currency	Equivalent INR
<b>Receivables:</b>				
Non-current investments	\$ 2,824,000	114,970,425	\$ 2,824,000	114,970,425
Trade receivables for exports	\$ 33,601,348	2,178,664,362	\$ 34,356,421	2,278,961,066
Trade receivables for exports	£ 21,279	1,721,039	£ 21,279.00	2,023,382
Advances to suppliers	\$ 1,131,753	73,381,306	\$ 2,250,625	149,290,483
Advances to suppliers	£ -	-	£ 246.29	23,419
<b>Payables :</b>				
"Short term secured borrowings (buyers line of credit/packing credit facility)"	\$ 2,643,500	171,400,839	\$ 23,131,636	1,534,388,511
Trade payables for imports	\$ 3,778,491	244,992,046	\$ 3,823,906	253,650,754
Trade payables for imports	£ 450,776	36,458,628	£ 305,817	29,079,623
Trade payables for imports	€ 967	66,928	€ 2,067	155,185
Interest accrued but not due on borrowings	\$ -	-	\$ 141,654	9,396,333

37. **Related party disclosures:**

(a) Parties where control/significant influence exists and/or other related parties with whom transactions (material) have taken place include:

(i)

No	Name of the related party	Relationship
1	Eurotech Cylinders Private Limited	Domestic subsidiaries
2	Nitin Fire Protection Appliances Private Limited	
3	Nitin Fire Protection Systems Private Limited	
4	Nitin Ventures FZE, UAE	Foreign subsidiaries
5	Nitin Global Pte Limited, Singapore	
6	Nitin Fire Protection Middle East Fze, UAE (effective February 2, 2016)	
7	New Age Company LLC, UAE	Step down foreign subsidiaries of Nitin Ventures FZE
8	Firetec Systems Limited, UK	
9	Oil Block (RJ-ONN-2004/1)	Un-incorporated joint venture
10	Worthington Nitin Cylinders Private Limited (WNCPL)	Associate
11	Nitin M. Shah (Non Executive Chairman effective November 10, 2015 and Chairman and Managing Director upto November 9, 2015)	Key Management Personnel (KMP) Represented on the Board
12	Rahul N. Shah (Whole time Director)	
13	Kunal N. Shah (Whole time Director)	
14	Saroj N. Shah (spouse of Nitin M. Shah)	Relatives of KMP's
15	Nitin M. Shah (HUF)	
16	Rahul N. Shah (HUF)	
17	Reshma N. Shah (daughter of Nitin M. Shah)	Companies in which a KMP has significant influence
18	New Age Industries LLC, UAE	
19	New Age Electromechanical Contracting Company LLC, UAE	
20	Nitie Fire Protection Oil and Gas Field Services LLC, UAE	

## (ii) Transactions with related parties (including re-imbursement of expenses):

No.	Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
<b>I</b>	<b>Capital transactions</b>		
	Assets		
<b>1</b>	<b>Capital work in progress (net)</b>		
	Un-incorporated joint venture		
	Oil Block (RJ-ONN-2004/1)	<b>358,741</b>	1,084,360
	(charge to survey cost incurred for mineral rights is more than the contribution made)		
<b>2</b>	<b>Advances to suppliers / Loans given etc.</b>		
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	<b>5,679,000</b>	510,677,070
	Foreign subsidiaries		
	Nitin Ventures FZE	<b>170,914</b>	27,925,350
	Nitin Fire Protection Middle-East FZE	<b>15,444*</b>	-
	(* exchange difference)		
	Nitin Global Pte Limited	<b>430,986,000</b>	-
	Associate		
	Worthington Nitin Cylinders Private Limited	<b>4,299,276</b>	3,090,000
<b>3</b>	<b>Advances given for supply of goods, now received back</b>		
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	-	510,677,070
	Associate		
	Worthington Nitin Cylinders Private Limited	<b>3,028,276</b>	1,200,000
	Foreign subsidiary		
	Nitin Global Pte Limited	<b>387,118,772</b>	-
	(net of exchange difference)		
<b>4</b>	<b>Advances received for supply of goods</b>		
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	<b>34,706,077</b>	-
<b>5</b>	<b>Return of advances taken for supply of goods</b>		
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	<b>15,459,232</b>	-
	<b>Liabilities</b>		
<b>1</b>	<b>Unsecured loans / security deposit taken</b>		
	Nitin M. Shah	<b>177,551,383</b>	43,000,000
	Rahul N. Shah	<b>116,747,897</b>	150,000
<b>2</b>	<b>Unsecured loans / security deposit repaid</b>		
	KMP's/NED		
	Nitin M. Shah	<b>76,060,000</b>	43,000,000
	Rahul N. Shah	<b>350,000</b>	150,000
<b>II</b>	<b>Revenue transactions</b>		
	<b>Income</b>		
<b>1</b>	<b>Sale of products (net of taxes)</b>		
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	<b>1,870,850</b>	113,184,610
	<b>Step down foreign subsidiaries of Nitin Ventures FZE</b>		
	New Age Company LLC, UAE	<b>995,606</b>	-

No.	Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
<b>2</b>	<b>Reimbursement of bank charges / Expenses</b>		
	Nitin Global Pte Limited	-	6,800,985
	Nitin Ventures FZE	1,448,668	17,308,672
	Nitin M. Shah (HUF)	66,534	-
	Nitin M. Shah	101,384	-
	Rahul N. Shah (HUF)	73,277	-
	<i>Expenditure</i>		
<b>1</b>	<b>Purchase of materials and components (net of taxes)</b>		
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	2,144,775	75,608,504
	Foreign subsidiary		
	Firetec Systems Limited	-	12,030,025
<b>2</b>	<b>Rent (net of taxes)</b>		
	KMP		
	Nitin M. Shah	800,000	400,000
	Saroj N. Shah	800,000	400,000
<b>3</b>	<b>Remuneration**</b>		
	Nitin M. Shah	-	3,616,000
	Rahul N. Shah	1,993,400	54,000
	Kunal N. Shah	1,979,000	54,000
<b>4</b>	<b>Interest/Reimbursement of expenses</b>		
	Nitin M. Shah (HUF)	9,555,430	228,926
	Rahul N. Shah	3,780,940	-
<b>5</b>	<b>Survey cost incurred for mineral rights</b>		
	Un-incorporated joint venture		
	Oil Block (RJ-ONN-2004/1)	358,741	1,084,360
<b>6</b>	<b>Provision for diminution in value of investment</b>		
	Worthington Nitin Cylinders Private Limited	38,340,288	-
<b>III</b>	<b>Additional Standby letter of credit facility provided (Including translation effect)</b>		
	Foreign subsidiaries (incl. a step down foreign subsidiary)		
	Nitin Ventures FZE (including New Age Company LLC)		68,225,904
	Nitin Global Pte Limited	73,392,000	-
<b>IV</b>	<b>Standby letter of credit facility surrendered</b>		
	Nitin Global Pte Limited	-	48,829,645
<b>V</b>	<b>Corporate financial guarantees repaid</b>		
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	-	70,847,672

(\*\* excluding incremental liability for gratuity as employee wise breakup of such liability based on estimation is not ascertainable)

## (b) Amounts outstanding for related parties:

No.	Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
	<b>Assets</b>		
<b>1</b>	<b>Non current investments/other non-current assets</b>		
<b>(i)</b>	<b>Equity Shares</b>		
a	Non current investments		
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	100,000	100,000
	Foreign subsidiaries		
	Nitin Ventures FZE	110,209,425	110,209,425
	Nitin Global Pte Limited	4,761,000	4,761,000
	Non current investment		
	Associate		
	Worthington Nitin Cylinders Private Limited	419,504,163	457,844,451
<b>(ii)</b>	<b>Other non current assets</b>		
	Un-incorporated joint venture		
	Oil Block (RJ-ONN-2004/1)	226,373,172	226,731,913
<b>2</b>	<b>Trade receivables (net of trade payables, if any)</b>		
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	-	8,837,004
	<b>Step down foreign subsidiaries of Nitin Ventures FZE</b>		
	New Age Company LLC, UAE	965,431	-
<b>3</b>	<b>Loans and advances (includes outstanding towards reimbursement of expenses and advance for supply of goods)</b>		
	Foreign subsidiaries		
	Nitin Ventures FZE	58,096,483	57,105,853
	Nitin Global Pte Limited	55,561,544	12,646,218
	Nitin Fire Protection Middle-East FZE	670,107	685,551
	Associate		
	Worthington Nitin Cylinders Private Limited	3,749,276	2,478,276
<b>II</b>	<b>Equity and Liabilities</b>		
<b>1</b>	<b>Short term borrowings</b>		
	<b>KMP'S</b>		
	Nitin M. Shah	108,663,033	-
	Rahul N Shah	119,800,742	-
<b>2</b>	<b>Other Current Liabilities</b>		
a	Dues (Excluding outstanding salary payable, if any)		
	Nitin M. Shah	360,000	189,375
	Saroj N Shah	360,000	-
b	Advance from customers		
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	13,567,845	-
<b>III</b>	<b>Guarantees given</b>		
<b>1</b>	<b>Corporate financial guarantees given</b>		
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	80,831,230	68,852,966
<b>IV</b>	<b>Standby letter of credit facility provided</b>		
<b>1</b>	<b>Foreign subsidiaries</b>		
	Nitin Ventures FZE	1,187,843,152	1,209,912,096
	Nitin Global PTE	418,208,970	354,881,015

**Notes :**

- (a) Related party relationships are as identified by the Company on the basis of information available and have been relied upon by the auditors.
- (b) No amount has been written off or written back in respect of debts due from or to related party.

**38 Contingent liabilities not provided for in respect of :\***

No.	Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
i	Performance/bid-bond guarantees	38,993,937	34,271,352
ii	Corporate financial guarantees provided on behalf of a domestic subsidiary		
	- Limit	80,000,000	80,000,000
	- Outstanding	80,831,231	68,852,966
iii	Standby letters of credit provided on behalf of foreign subsidiaries (including a step down subsidiary) and an associate		
	- Limit (includes exchange rate translation difference, if any)	1,606,052,122	1,643,065,933
	- Outstanding	1,525,749,516	1,564,793,111
iv	Claim against the Company not acknowledged as debt:		
	- Income Tax	111,509,046	68,928,326
	(A.Y. 2009-10 - 2014-15) (Paid under Protest ₹84,00,000)		
	-Sales tax	6,012,821	3,796,333
	(F.Y. 2010-11 - F.Y. 2012-13 (Paid under Protest ₹32,40,607)		
	- Other matters	64,483,052	64,483,052

(\* other than attributable to interest in a joint venture-Refer Note 32)

**Note:**

Contingent liabilities in respect of above matters arising in the ordinary course of business, it is anticipated that no material liabilities will arise.

**39 Commitments:**

Estimated amount of contracts remaining to be executed on capital account (net of advances, unsecured and considered good) : ₹ 30,160,236(P.Y. ₹35,159,136).

**40 Disclosures pursuant to AS-7 (Revised):**

No.	Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a)	Contract revenue recognised for the financial year*	525,057,096	2,205,271,180
(b)	Aggregate of contract costs incurred and recognised profit (less recognised losses) upto the reporting date for contracts in progress	101,820,482	77,813,593
(c)	Advances received for contracts in progress	1,053,050	1,182,197
(d)	Retention money for contracts in progress	Nil	Nil
(e)	Gross amount due from customers for contract work (asset)	94,496,559	96,165,904
(f)	Gross amount due to customers for contract work (liability)	9,462,987	10,818,484

(\* in respect of completed and contracts in progress)

**41 Earnings Per Share (EPS):**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Profit / (Loss) for the year	(964,233,336)	54,386,763
Amount available for equity share holders	(964,233,336)	54,386,763
Weighted average number of equity shares (nos.)	292,269,622	292,269,622
Basic EPS	(3.30)	0.19
Diluted EPS	(3.30)	0.19

**42 Disclosure of traded goods:**

Particulars	Sales Value ₹	Closing Inventory ₹	Opening Inventory ₹
Fire alarm, detection equipments etc.	2,406,610,514	1,589,030	80,083,881
Cylinders etc.	213,549,698	8,894,732	38,916,119
<b>Total</b>	<b>2,620,160,212</b>	<b>10,483,762</b>	<b>119,000,000</b>

- 43 (i) In view of losses incurred during the year ended March 31, 2017, no provision for income tax is made for the aforesaid year ended.
- (ii) In view of book profits being in excess of taxable profits for the year ended March 31, 2016, as per computation of income, the provision for tax has been made as per MAT under section 115JB of the Income Tax Act, 1961. The Company is entitled to avail credit under section 115JAA (1A) which will be availed as and when due.
- 44 Sales include manufacturing sales of ₹ 11,095,432 (P.Y. ₹5,695,875) and materials and components consumed includes raw materials consumed for manufacturing activities amounting to ₹9,431,117 (P.Y. ₹4,770,295).
- 45 With regard to the Company's investment in Equity Shares of Worthington Nitin Cylinders Private Limited (WNCPL) carried at a cost of ₹ 419,504,163, as at 31.03.2017, the Management is in discussion with the majority shareholders of WNCPL and on the way forward, expect to recover the carrying amount and thus believes that there is no diminution other than temporary in the value of the investment as at 31.03.2017. In absence of the financial statements of WNCPL since 31.03.2015, the financial statements of WNCPL have been consolidated based on the annual financial statements for the year ended 31.03.2015 for the consolidated financial statements.
- 46 Trade receivables for the year ended 31.03.2017 includes ₹ 1,669,809,688 against exports made in earlier years, payments for which are not forthcoming. The company's management is making all efforts to recover the same and is confident of recovery. Hence, no provision is considered necessary.
- 47 Cost of materials consumed for the year ended 31.03.2017 includes ₹ 220,034,150 on account of write off of slow moving / non moving stock.
- 48 **Disclosure on Specified Bank Notes(SBN'S)**

During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R.308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016. The denomination wise SBN's and other notes as per the notification is given below:

in ₹

Particulars	SBNs*	Other denomination notes	Total
<b>Closing cash in hand as on November 8, 2016</b>	<b>658,500</b>	<b>16,934</b>	<b>675,434</b>
(+) Withdrawal from Bank	-	1,397,537	1,397,537
(+) Permitted receipts	-	773,589	773,589
(-) Permitted payments	88,000	1,949,880	2,037,880
(-) Amount deposited in Bank	570,500	-	570,500
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>	<b>238,180</b>	<b>238,180</b>

- 49 **Previous year:**  
Current year's figures are stated in bold prints and previous years figures are regrouped/restated wherever considered necessary.
- Signatures to Notes 1 to 49 of the Financial Statements**

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**For and on behalf of the Board of Directors**

Sd/-  
**Rahul N. Shah**  
Whole time Director  
DIN No. 00073226

Sd/-  
**Kunal N. Shah**  
Whole time Director  
DIN No. 00077216

Sd/-  
**Kamlesh Z. Gandhi**  
Chief Financial Officer

Sd/-  
**Sraban Kumar Karan**  
Company Secretary

Mumbai  
May 30, 2017

**INDEPENDENT AUDITOR'S REPORT****To the Members of Nitin Fire Protection Industries Limited  
Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated Financial Statements of Nitin Fire Protection Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding 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 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant rules framed thereunder. The respective Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

**Auditors' 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 thereunder.

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 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 Holding 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 accounting policies used and the reasonableness of the accounting estimates made by the Holding 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 in terms of their report referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Consolidated Financial Statements.

**Basis for Qualified Opinion**

- (a) As more fully explained in Note No. 36 to the notes to Consolidated Financial Statements, no provision has been made by the Holding Company in respect of its dispute with a bank for claim made by the bank for Rs. 5,01,33,481 on a derivative contract entered into by its erstwhile subsidiary, the liability for which has been taken over by the Holding Company. The Holding Company has not determined the quantum of mark to market losses as of March 31, 2017 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 comment on the extent of provision required, if any, in this regard.
- (b) As more clarified in Note No. 45 to the Notes to Consolidated Financial Statements, provision has not been made for diminution in the value of long-term investment in equity shares of Worthington Nitin Cylinders Private Limited (WNCPL) an associate Company, the Holding Company has an exposure in WNCPL aggregating Rs. 7,70,63,353 as at March 31, 2017. In the absence of the fair value of the investment as required under Accounting Standard 13 'Accounting for Investments' and audited financial statements of WNCPL for the period subsequent to March 31, 2015, we are unable to comment on the diminution, if any, on the carrying amount of the investment as at March 31, 2017. As stated in the note, the results of WNCPL have been consolidated based on the annual financial statement of the associate for the year ended March 31, 2015.
- (c) As more clarified in Note 33 to the Notes to Consolidated Financial Statements describing the reasons for not recognising impairment in the carrying value of claims receivables shown under other non-current assets representing the Holding Company's share of costs in an un-incorporated Joint Venture for Oil Block exploration amounting to Rs. 22,63,73,172 as at March 31, 2017. As stated in the note, the Holding Company and GAIL are engaged in arbitration proceedings in Delhi International Arbitration Centre. Pending the final outcome of such arbitration proceedings, we are unable to comment on the extent of impairment required, if any, on the carrying amount of claims receivables as at March 31, 2017.
- (d) As more clarified in Note 46 to the Notes to Consolidated Financial Statements regarding export trade receivables amounting to Rs. 1,66,98,09,688 which are outstanding for a long period of time, payments for which are not forthcoming. We are unable to comment on the recoverability of the same and consequential write off, if any.



## Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements referred to in sub-paragraph (a) of the Other Matters paragraph below in and on the other financial information of the subsidiaries and associate, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and except for the possible effects of the matters described in Basis for Qualified Opinion paragraph above, 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 consolidated state of affairs of the Group, its associates, as at March 31, 2017, their consolidated loss and their consolidated cash flows for the year ended on that date.

## Other Matters

- (a) We did not audit the financial statements of 4 subsidiaries, whose financial statements reflect total assets of Rs.8,29,18,23,835 and net assets of Rs.5,21,52,91,365 as at March 31, 2017, total revenues of Rs.10,26,75,48,972 and net cash flows amounting to Rs.(2,89,14,498) for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include Group's share of net loss of Rs.26,37,80,817 for the year ended March 31, 2014 and March 31, 2015, as considered in the Consolidated Financial Statements, in respect of 1 associate, whose financial statements have not been audited by us. 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 these subsidiaries, and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and associate, is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of Rs.57,14,59,727 and net assets of Rs.8,95,78,308 as at March 31, 2017, total revenues of Rs.31,78,03,119 and net cash flows amounting to Rs.67,79,533 for the year ended on that date, as considered in the Consolidated Financial Statements, whose financial statements have not been audited by us. These financial statements are unaudited and 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 these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and, except for the possible effects of the matters described in the Basis for Qualified Opinion above, 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. In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion above, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company 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. In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, 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;
- e. The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group and its Associate;
- f. On the basis of written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- h. With respect to the adequacy of the internal financial controls over financial reporting of the the Group and its associate incorporated in India and the operating effectiveness of such controls, we give our separate Report in the "Annexure A". Our Report expresses a Qualified opinion on the operating effectiveness of the holding company's internal financial controls over financial reporting.
- i. 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 Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate – Refer Note 38 to the Consolidated Financial Statements;

- ii) Except for the possible effects of the matter described in sub-paragraph (a) of the Basis of Qualified Opinion above, provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Notes 36, 40 and 41 to the Consolidated Financial Statements;
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies, incorporated in India;
- iv) The Holding Company and its subsidiary company, incorporated in India have provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed by us and based on the reports of other auditors, we report that the disclosures are in accordance with the books of account maintained by the Holding Company and its subsidiary company, incorporated in India (Refer Note No. 48 to the Consolidated Financial Statements)

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W-100048

Sd/-

**Snehal Shah**

Partner

Membership No.048539

Mumbai: May 30, 2017

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

**[Referred tounder 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Nitin Fire Protection Industries Limited on the consolidated financial statements for the year ended March 31,2017]**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary company which is company incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 the respective 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") issued by the ICAI 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 issued by the ICAI. 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 judgement, 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 the audit evidence obtained by the other auditor in terms of his reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

**Qualified Opinion**

According to the information and explanations given to us and based on our audit, material weaknesses have been identified in the operating effectiveness of the Holding Company's internal financial controls over financial reporting as at March 31, 2017 with respect to:

- a) provision for diminution in the value of an investment (fully describe in Note 45 to the Consolidated financial statement);
- b) provision for a claim on a derivative contract (fully describe in Note 36 to the Consolidated financial statement);
- c) Non-recognising impairment in the carrying value of claims receivables shown under other non-current assets (fully describe in Note 33 to the Consolidated financial statement);
- d) Export trade receivable are outstanding for a long period of time, payments for which are not forthcoming (fully describe in Note 46 to the Consolidated financial statement);

- e) determination of terms of sales and purchase of items of inventory and underlying documentation relating to internal movement of items of inventory; and
- f) policy documentation pertaining to human resources and payroll related matters, which could potentially impact the related account balances when determined and/or recognised.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Holding Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which are companies incorporated in India have maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2017, 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 ICAI and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2017.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Company and its subsidiary for the year ended March 31, 2017, and except for the material weaknesses relating to point (a) to (d) of qualified opinion which affects our opinion on consolidated financial statements of the Company, the other material weaknesses do not affect our opinion on the consolidated financial statements of the Company.

#### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 subsidiary company incorporated in India, is based on the corresponding reports of the auditors of such Company incorporated in India.

#### **For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W-100048

Sd/-

**Snehal Shah**

Partner

Membership No.048539

Place : Mumbai

Date : May 30, 2017

**Nitin Fire Protection Industries Limited**  
**Consolidated Balance Sheet as at March 31, 2017**

	Note No.	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
Share capital	4	584,539,244	584,539,244
Reserves and surplus	5	4,958,361,289	5,317,579,557
		5,542,900,533	5,902,118,801
<b>2 Non-current liabilities</b>			
Long-term borrowings	6	391,214,813	598,074,842
Deferred tax liabilities (net)	7	-	3,935,817
Long-term provisions	8	38,830,437	31,084,338
		430,045,250	633,094,997
<b>3 Current liabilities</b>			
Short-term borrowings	9	3,929,668,673	4,795,683,697
Trade payables	10		
- total outstanding dues of micro and small enterprises		2,248,543	1,324,859
- total outstanding dues other than micro and small enterprises		3,297,751,437	1,049,744,958
Other current liabilities	11	245,286,560	416,240,259
Short-term provisions	12	62,592,968	38,452,967
		7,537,548,181	6,301,446,740
<b>Total</b>		13,510,493,964	12,836,660,538
<b>B ASSETS</b>			
<b>1 Non current assets</b>			
Fixed assets			
- Property, Plant and Equipments	13	1,090,654,155	1,042,295,328
- Intangible assets	14	941,841,329	825,768,275
- Capital work -in- progress	15	19,924,356	16,217,923
Goodwill on consolidation		1,006,919,727	1,030,125,659
Non-current investments	16	79,563,353	380,815,347
Long-term loans and advances	17	68,952,581	999,247,888
Other non-current assets	18	476,252,541	271,543,834
		3,684,108,042	4,566,014,254
<b>2 Current assets</b>			
Current investments	19	1,636,504	15,800,113
Inventories	20	2,995,505,670	2,641,183,095
Trade receivables	21	4,702,564,969	4,907,354,097
Cash and bank balances	22	56,987,415	157,736,624
Short-term loans and advances	23	1,999,693,216	508,191,482
Other current assets	24	69,998,148	40,380,873
		9,826,385,922	8,270,646,284
<b>Total</b>		13,510,493,964	12,836,660,538
<b>The accompanying notes 1 to 52 are an integral part of the Consolidated Financial Statements</b>			

In terms of our report attached

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 103523W/W-100048

Sd/-

**Snehal Shah**

Partner

Membership No.: 048539

**For and on behalf of the Board of Directors**

Sd/-

**Rahul N. Shah**

Whole time Director

DIN No. 00073226

Sd/-

**Kamlesh Z. Gandhi**

Chief Financial Officer

Sd/-

**Kunal N. Shah**

Whole time Director

DIN No. 00077216

Sd/-

**Sraban Kumar Karan**

Company Secretary

Mumbai

May 30, 2017

Mumbai

May 30, 2017

## Statement of Profit and Loss for the year ended March 31, 2017

	Note No.	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
<b>A Revenue</b>			
Revenue from operations	25	13,268,949,006	14,797,006,134
Less : Excise Duty		1,182,172	-
		13,267,766,834	14,797,006,134
Other income	26	41,940,097	145,462,298
<b>Total revenue</b>		13,309,706,931	14,942,468,432
<b>B Expenses</b>			
Cost of materials and components consumed	27	3,915,621,184	5,420,561,275
Purchases of stock-in-trade		5,623,817,122	5,623,590,963
Changes in inventory of stock-in-trade	28	(353,755,341)	(243,512,021)
Employee benefits expense	29	524,412,102	458,646,271
Finance costs	30	602,961,270	525,005,215
Depreciation and amortization expense	13-14	247,067,856	244,651,366
Other expenses	31	2,768,842,761	1,902,815,303
<b>Total expenses</b>		13,328,966,954	13,931,758,372
<b>Profit /(Loss) before tax</b>		(19,260,023)	1,010,710,060
Tax expenses: (Refer Note 44)			
- Current tax		258,295	18,313,869
- Tax adjustment of earlier years (net)		-	2,634,681
- Deferred tax		(3,935,819)	4,416,270
<b>Profit /(Loss) after tax</b>		(15,582,499)	985,345,240
(Less):Share of (loss) -Associate		(263,780,817)	-
<b>Profit/(Loss) after tax attributable to the Group</b>		(279,363,316)	985,345,240
Earnings per equity share of ₹ 2 (P.Y. ₹2) each	43		
Basic		(0.96)	3.37
Diluted		(0.96)	3.37
<b>The accompanying notes 1 to 52 are an integral part of the Consolidated Financial Statements</b>			

In terms of our report attached

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 103523W/W-100048

Sd/-

**Snehal Shah**

Partner

Membership No.: 048539

Mumbai

May 30, 2017

**For and on behalf of the Board of Directors**

Sd/-

**Rahul N. Shah**

Whole time Director

DIN No. 00073226

Sd/-

**Kamlesh Z. Gandhi**

Chief Financial Officer

Mumbai

May 30, 2017

Sd/-

**Kunal N. Shah**

Whole time Director

DIN No. 00077216

Sd/-

**Sraban Kumar Karan**

Company Secretary

## Consolidated Cash Flow Statement for the year ended March 31, 2017

	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
<b>A Cash flow from operating activities</b>		
Net profit before taxation	(19,260,023)	1,010,710,060
Adjustments for:		
Depreciation and amortisation	247,067,856	244,651,366
Unrealised foreign exchange difference-net (gain)/loss	-	(50,899,622)
Interest income (gross)	(34,384,898)	(36,545,122)
Finance cost	602,961,270	525,005,215
Bad debts/liiquidated damages	156,491,871	28,646,885
Provision for doubtful debts	192,276,782	6,088,522
Provision for doubtful deposits, advances and claims	-	813,724
Liability no longer required written back	(5,220,695)	(8,373,716)
Provision for doubtful debts written back	-	(2,930,248)
Loan written - off	15,000,000	-
(Gain)/loss on sale of fixed assets (net)	21,013,930	(10,666,080)
Dividend income	(400,467)	(23,379)
Exchange difference (net)	109,415,897	39,281,504
Excess provision of revaluation and other reseves	-	-
Loss on sale of investments	1,427,239	-
Operating profit before working capital changes	1,286,388,761	1,745,759,110
Adjustments for:		
(Increase) in value of Inventories	(354,322,575)	(225,332,678)
(Increase)/decrease in value of trade and other receivables	(1,841,184,856)	46,973,620
Increase/(decrease) in value of trade and other payables	2,059,610,155	(442,241,262)
Increase in short term provision	15,549,445	17,364,572
Increase in long term provision	7,746,099	7,081,247
(Decrease) in working capital	(112,601,733)	(596,154,502)
<b>Cash generated from/(used in) operations</b>	<b>1,173,787,028</b>	<b>1,149,604,608</b>
Taxes paid (net of refunds, if any)	2,011,669	(18,353,015)
<b>Net cash generated from/(used in) operating activities</b>	<b>1,175,798,697</b>	<b>1,131,251,593</b>
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets*	346,453,843	(1,719,940,417)
(*includes movement in: capital advances/capital work in progress)		
(Purchase)/sale of investments	24,734,807	(15,800,113)
Interest received	34,833,958	41,063,347
<b>Deposits (placed)/matured with banks (net)</b>	<b>(8,911,852)</b>	<b>3,852,268</b>
Proceeds on sale of fixed assets	(231,920)	132,291,258
Dividend income	400,467	23,379
<b>Net cash (used in) investing activities</b>	<b>397,279,303</b>	<b>(1,558,510,279)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from long term borrowings	4,750,275	455,200,000
(Repayment) of long term borrowings	(176,839,318)	(61,945,066)
Proceeds/(repayment) from/of short term borrowings (net)	(866,015,024)	126,212,035
Finance charges	(614,055,150)	(510,050,281)
Dividends distributed (including corporate dividend tax)	(90,101)	(58,393,711)
<b>Net cash generated from/(used in) financing activities</b>	<b>(1,652,249,318)</b>	<b>(48,977,023)</b>
Effect of foreign exchange on cash and cash equivalents	-	(1,723,577)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(79,171,318)</b>	<b>(476,235,709)</b>
<b>Cash and cash equivalents, (opening)</b>	<b>99,649,902</b>	<b>575,885,611</b>
<b>Cash and cash equivalents,(closing)</b>	<b>20,478,584</b>	<b>99,649,902</b>
<b>Net increase/(decrease) as disclosed above</b>	<b>(79,171,318)</b>	<b>(476,235,710)</b>

Notes:

1 Brackets indicate a cash outflow or deduction.



## 2 Components of cash and cash equivalents (closing):

	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Cash on hand	1,715,337	2,515,014
Bank balances:		
With banks on:		
- Current accounts	18,645,185	96,870,854
- Deposit/margin accounts (maturity period more than three months and within one year)	36,156,872	57,634,660
- Fixed deposit having maturity value less than 3 months	118,062	264,034
- Unclaimed and unpaid dividend accounts	351,959	452,062
	56,987,415	157,736,624
Less: Deposit/margin accounts (maturity period more than three months and within one year)	36,156,872	57,634,660
Unclaimed and unpaid dividend accounts	351,959	452,062
Cash and cash equivalents as shown above	20,478,584	99,649,902
<b>The accompanying notes 1 to 52 are an integral part of the Consolidated Financial Statements</b>		

In terms of our report attached

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 103523W/W-100048

Sd/-

**Snehal Shah**

Partner

Membership No.: 048539

Mumbai

May 30, 2017

**For and on behalf of the Board of Directors**

Sd/-

**Rahul N. Shah**

Whole time Director

DIN No. 00073226

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Chief Financial Officer

Mumbai

May 30, 2017

Sd/-

**Kunal N. Shah**

Whole time Director

DIN No. 00077216

Sd/-

**Sraban Kumar Karan**

Company Secretary

**Notes to the Consolidated Financial Statements****1 Corporate information**

Nitin Fire Protection Industries Limited (NFPIL or Holding Company or 'Company' used interchangeably) is a public limited Company and made an initial public offer ('IPO') in May 2007. NFPIL's shares are listed on the BSE Limited and the National Stock Exchange of India Limited and is also the flagship company of the Group, which apart from the Company itself comprises of its subsidiaries (including step down subsidiaries), its interest in a non-integrated un-incorporated joint venture and share of profits in an associate. NFPIL together with its subsidiaries (including step down subsidiaries) are principally engaged in the business of manufacturing fire fighting equipment (gas based and water based fire extinguishers) under the brand name 'NITIE' (also certified by the Bureau of Indian Standard (BIS)), providing turnkey solutions including procurement, designing, system integration, commissioning and installation of fire fighting systems including annual maintenance contracts for fire protection systems. NFPIL has also invested in a non-integrated un-incorporated joint venture for crude oil. The associate is in the business of manufacturing high-pressure seamless compressed natural gas (CNG) cylinders. The Group undertakes project related and manufacturing/marketing activities from Maharashtra, Andhra Pradesh in India, Abu Dhabi, Dubai, Jabel Ali, Sharjah and Ras Al Khaimah in UAE, Singapore and London in UK.

**2 Basis of Consolidation****A Basis of accounting**

- (i) The Holding Company maintains its accounts in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, except for revaluation of certain fixed assets and follows accrual basis of accounting. GAAP comprises mandatory accounting standards under the Rules issued by the Central Government in exercise of the power conferred under sub-section (I) (c) of section 134, the relevant provisions of the Act, guidelines issued by the Securities and Exchange Board of India and other relevant pronouncements of the ICAI.
- (ii) The preparation of the CFS in conformity with GAAP requires that the Management of the Group make estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balances of assets and liabilities and the disclosure relating to contingent assets and liabilities as at the date of the CFS. These estimates are based upon the Management of the Group's best knowledge of current events and actions. Actual results could differ from these estimates.
- (iii) The accounts of the domestic subsidiary and an associate are prepared on the same basis as that of the Holding Company (except that no revaluation of fixed assets is carried out by the domestic subsidiary and an associate) and those of the foreign subsidiaries (including step down subsidiaries), have been prepared in compliance with local laws and applicable Accounting Standards.

- B** The Consolidated Financial Statements relate to NFPIL and its subsidiaries, joint venture and an associate. The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) "Consolidated Financial Statements", Accounting Standard 23 (AS 23) "Accounting for Investment in Associates in Consolidated Financial Statements" and Accounting Standard 27 (AS 27) "Financial Reporting of Interests in Joint Ventures" notified by the Companies (Accounting Standard) Rules, 2006.

**Particulars of Group components consolidated in the Consolidated Financial Statements (CFS):**

No.	Particulars	Country of incorporation	Proportion of ownership interest (%)	
			As at March 31, 2017	As at March 31, 2016
<b>a</b>	<b>Domestic subsidiary</b>			
(i)	Eurotech Cylinders Private Limited	India	100	100
<b>b</b>	<b>Foreign subsidiaries (including step down subsidiaries)</b>			
(i)	Nitin Venture FZE	United Arab Emirates (UAE)	100	100
(ii)	Nitin Global PTE Limited	Singapore	100	100
(iii)	New Age Company LLC*	UAE	49	49
(iv)	Firetec Systems Limited**	United Kingdom (UK)	100	100
(v)	Nitin Fire Protection Middle East Fze (effective February 2, 2016. No share capital is issued and also no commercial operations have started)	UAE	100	100
<b>c</b>	<b>Associate</b>			
(i)	Worthington Nitin Cylinders Private Limited (WNCPL)	India	@	@
<b>d</b>	<b>Non-integrated un-incorporated joint venture</b>			
(i)	Oil Block - RJ-ONN-2004/1-Rajasthan (field in the non-integrated un-incorporated Joint Venture)(Refer Note 34)	***	11.11	11.11

(\* A step down subsidiary with shareholding through Nitin Venture FZE and consolidated by virtue of 100% beneficial control over ownership.)

(\*\* A step down subsidiary with shareholding through Nitin Ventures FZE)

(@ Not consolidated -Refer Note 45)

(\*\*\*Not applicable as it is an unincorporated Joint Venture)

**C Principles of consolidation**

The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the subsidiary companies, a jointly controlled entity and an associate used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2017.
- (ii) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- (iii) The consolidated financial statements include the share of profit / loss of the an associate company which have been accounted for using equity method as per AS 23 Accounting for Investments in Associates in Consolidated Financial Statements. Accordingly, the share of profit/ loss of an associate company ( the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments (Refer Note 45).
- (iv) Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- (v) Goodwill arising on consolidation of domestic subsidiaries is amortised over a period of five years and also tested for impairment on an annual basis. Goodwill arising on consolidation of foreign subsidiaries is not amortised but tested for impairment on an annual basis.
- (vi) The Financial Statements of Nitin Global PTE Limited -a foreign subsidiary whose operations are considered as integral foreign operations, are recorded in a currency other than of its incorporation as it is acceptable to local government authorities and then translated for incorporation in the CFS in local currency as under:
  - (a) Revenue items (except opening/closing inventories and income tax) are converted at the simple average of yearly exchange rates prevailing during the year.
  - (b) Monetary items are converted at the year-end exchange rate.
  - (c) Non-monetary items (excluding closing inventories) are reported using the exchange rate at the date of the transaction.
- (vii) The Financial Statements of Nitin Venture FZE, New Age LLC and Firetec Systems Limited - foreign subsidiaries whose operations are considered as non integral foreign operations, are recorded in a currency other than of its incorporation as it is acceptable to local government authorities and then translated for incorporation in the CFS in local currency as under:
  - (a) All monetary and non monetary assets and liabilities are translated at the rate prevailing on the balance sheet date.
  - (b) All revenue and expense transactions during the year are translated at yearly average rate.
  - (c) The resultant translation adjustment is reflected as 'Foreign Currency Translation Reserve and included under Reserves and Surplus'.
- (viii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances with certain exceptions as mentioned below and are presented to the extent possible, in the same manner as the Company's separate financial statements.

In respect of the following items in the consolidated financial statements, the accounting policies followed by the Nitin Venture FZE, New Age LLC and Firetec Systems Limited is different than that of the Company (Refer Notes 2(d), 2(e) and 2(h)):

Particulars	Amount ₹	Proportion to the item	Amount ₹	Proportion to the item
	As at March 31, 2017		As at March 31, 2016	
Fixed Assets:				
Tangibles	715,548,457	65.61%	617,600,249	59.25%
Intangible	916,467,954	97.31%	280,614,589	91.73%
Inventory	1,661,229,728	55.46%	1,244,682,813	47.13%
	For the year ended March 31, 2017		For the year ended March 31, 2016	
Depreciation and amortisation:				
Depreciation of tangible assets	84,908,931	62.67%	173,951,002	75.09%
Amortisation of intangible assets	34,450,502	30.88%	27,518,125	67.96%

**3 Significant accounting policies****(a) Fixed assets and capital work-in-progress:**

- (i) Property, Plant and Equipments are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the CFS. Any expected loss is recognised immediately in the Consolidated Statement of Profit and

Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Consolidated Statement of Profit and Loss.

- (ii) Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful life. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the Management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Consolidated Statement of Profit and Loss.
- (iii) Capital work in progress (CWIP) includes fixed assets not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest, if any.
- (iv) Machinery spares which can be used only in connection with an item of fixed asset and whose use is not of regular nature are capitalised and written off over the estimated useful life of the relevant asset. The written down value of such spares is charged to the Consolidated Statement of Profit and Loss on issue for consumption.
- (v) "In respect of one foreign subsidiary, intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation year and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation year or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expenses on intangible assets with finite lives is recognised in Statement of Profit and Loss in the expense category consistent with the function of the intangible asset."

**(b) Depreciation, amortisation and impairment:**

**(i) Depreciation-tangibles:**

Depreciation on fixed assets are provided on written down value method in accordance with the provisions of Section 123 of the Act in the manner and at the rates specified in Schedule II to the Act. Depreciation on additions/deductions is calculated pro rata from/to the number of days of additions/deductions.

**(a) Useful lives/ depreciation rates**

"Depreciation on additions/deductions is calculated pro rata from/to the number of days of additions/deductions. In respect of an asset for which impairment loss is recognised, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Leasehold Land is amortised over the period of lease."

**(b) Depreciation on assets costing less than ₹5,000**

Individual assets costing less than ₹5,000 are depreciated in full in the year of acquisition.

**(c) In respect of one foreign subsidiary Company, depreciation is recognised so as to write off the cost of assets, less their residual values over their useful lives, using the straight-line method as follows:**

Buildings	5-20 years
Plant and equipment	4 years
Motor vehicles	5 years
Furniture, fixtures and office equipment	4 years

**(ii) Amortisation-intangibles:**

"Intangible assets (Other than for goodwill arising on consolidation of subsidiaries, a step down subsidiary and an associate) are initially measured at cost and amortised so as to reflect the pattern in which the asset's economic benefits are consumed. Expenditure on computer software is amortised on straight-line method over a period of two years. "

Expenditure on agency rights (having infinite life acquired in business combination) and product listing fees are amortised over a period of ten years.

**(iii) Impairment of assets:**

"The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease

to the extent a revaluation reserve is available for that asset. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.”

**(c) Goodwill arising on consolidation:**

Goodwill arising on consolidation is in respect of acquisition of subsidiaries (including step down subsidiaries) and an associate. In respect of subsidiaries (including step down subsidiaries), goodwill on consolidation is disclosed separately under non current assets and in respect of an associate; goodwill is included in the carrying amount of the investment of the associate in the schedule of investments. Goodwill arising on acquisition of subsidiaries is amortised over a period of five years and is stated net of amortisation but that arising on acquisition of a step down subsidiary and an associate is not amortised. However, goodwill arising on consolidation (subsidiaries, a step down subsidiary and an associate) is evaluated for impairment annually and whenever events or changes in circumstances indicate that its carrying amount may be impaired, for diminution other than temporary and is stated net of impairment losses, if any.

**(d) Investments:**

Trade investments are investments made to enhance the Group’s business interests. Investments that are readily realisable and intended to be held for not more than a year are classified as ‘Other Current Assets’. All other investments are classified as “Non Current (long term) Investments”.

Non current investments are carried at cost and provisions recorded to recognise any declines, other than temporary, in the carrying amount of each investment.

**(e) Inventories:**

“Inventories of the Holding Company and Indian Subsidiary Company are valued as follows:

Items of inventories are valued at lower of cost, computed on First In First Out basis and net realisable value. Such costs include material cost and other costs incurred in bringing the goods to their present location and condition. In case of manufactured inventories and work in progress, cost includes an appropriate share of labour and overheads. Goods in transit are valued at cost, which represents the costs incurred up to the stage at which the goods are in transit.

Provision for obsolescence is made, wherever necessary.

In case of one foreign subsidiary Company, Inventories have been valued at lower of cost and net realisable value. Cost is determined by Weighted average method. Cost includes purchase costs and other expenses incurred in bringing the inventories to their present location and condition. Net realisable value is the estimate of selling price in the ordinary course of business, less the cost of selling expenses.”

**(f) Revenue recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and it can be reliably measured.

- (i) Revenue from domestic sales is recognised on dispatch, which coincides with transfer of significant risks and rewards to customers and stated net of taxes and returns, as applicable. Revenue from exports is recognised when the significant risks and rewards of ownership of goods have passed to customers.
- (ii) Fixed price contracts: Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably. When the outcome of the contract is ascertained reliably contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date to the total estimated contract costs.
- (iii) Income from services rendered on project related activities is recognised on due dates of the relevant contracts and is exclusive of service tax, wherever recovered and income from management services provided by a foreign subsidiaries is accounted on accrual basis.
- (iv) Liquidated damages/penalties, if any, are provided based on Management’s assessment of the estimated liability, as per contractual terms and/or acceptance.
- (v) Dividend income on investments is accounted for when the right to receive the payment is established. Other income is accounted on accrual basis as and when the right to receive arises.
- (vi) The Group is entitled to refund of Special Additional Duty paid on imported goods traded or consumed in its activities within the prescribed time limit. Accordingly, refund is accrued on sale/consumption of such goods.
- (vii) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(g) Taxation:****1 Indian companies:**

- (i) Tax expense comprises current tax and deferred tax.
- (a) Current tax is measured at the amounts expected to be paid to the Tax Authorities in accordance with the provisions of the Income Tax Act, 1961 prevailing for the relevant assessment years.  
  
In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement in the Balance Sheet.
- (b) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods in the Consolidated Statement of Profit and Loss and the cumulative effect thereof is reflected in the Balance Sheet. In respect of deferred tax charge or credit resulting from timing differences which originate during the tax holiday period but is expected to reverse after such tax holiday period, deferred tax is recognised in the year in which the timing differences originate using the tax rates and laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and liabilities pertaining to consolidated entities are not set off against each other as the Holding Company does not have a legal right to do so.
- (ii) Tax on distributed profits payable is computed as per the provisions of Section 115O of the Income Tax Act, 1961 in accordance with the Guidance Note on Accounting for Corporate Dividend Tax regarded as tax on distribution of profits issued by the ICAI and is not considered in determination of the profits for the year.

**2 Foreign companies:**

Foreign companies recognise tax expenses in accordance with the applicable local laws.

**(h) Consolidated cash flow statement:**

The consolidated cash flow statement is prepared by the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and presents the cash flows by operating, investing and financing activities of the Group. Cash and cash equivalents presented in the consolidated cash flow statement consists of cash on hand and demand deposit with banks.

**(i) Foreign currency transactions and balances:**

“(Other than those relating to foreign subsidiaries including a step down subsidiaries)”

**(i) Initial recognition:**

Transactions for import/export of goods are recorded at a rate notified by the customs authorities for invoice purposes. Other foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion:**

Monetary items are translated at the year-end exchange rate and non-monetary items are reported using the exchange rate that existed on the date of the transaction.

**(iii) Exchange differences:**

Exchange differences arising on settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year or reported in the previous financial statements are recognised as income or expenses in the year in which they arise, except in cases where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying costs of such assets and the same is disclosed as a net amount in the CFS.

**(j) Employee benefits:****1 Holding Company and Indian Subsidiary Company:**

- (i) Employee benefits in the form of provident and family pension fund are defined contribution schemes and the contributions are charged to the Consolidated Statement of Profit and Loss of the year when the contributions to the funds are due. The Group has no other obligations other than the contributions payable.
- (ii) The present value of the obligation of gratuity is determined based on an actuarial valuation carried out by an independent actuary, using the projected unit credit method. Actuarial gains and losses on such valuation are recognised immediately in the Consolidated Statement of Profit and Loss. The fair value of plan assets is administered by Life Insurance Corporation of India, is reduced from gross obligation under the defined benefit plan, to recognise the obligation on a net basis value.
- (iii) Leave encashment

Provision for leave encashment is made on the basis of value of unavailed leave outstanding as at the year end. For valuation purpose, last drawn salary is considered. Unavailed leave outstanding as at the year end can be carried forward only upto the end of next financial year. Leave encashment is permitted only at the time of retirement/resignation and not otherwise.

**2 Foreign subsidiary companies:**

Provision is made for end-of-service gratuity payable and leave benefit to the employees at the reporting date in accordance with the local labour laws.

**(k) Earnings per share:**

The basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the period are adjusted for effects of all dilutive potential equity shares, except where the results are anti-dilutive. The number of shares and potentially dilutive equity shares are adjusted for share splits and bonus shares issued including for changes effected prior to the approval of the Financial Statements by the Board of Directors.

**(l) Provisions, contingent liabilities and contingent assets:**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the Notes to the CFS. Contingent assets are neither recognised nor disclosed in the CFS.

**(m) Operating leases:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognised as an expense in the Consolidated Statement of Profit and Loss on a straight line basis over the lease period unless another systematic basis is more representative of the time pattern of the users benefit.

**(n) Exploration and Development Costs:**

The group follows successful efforts method for accounting of oil and gas exploration and production activities, in respect of its participating interest in un-incorporated joint venture which includes:

- (i) Survey costs are recognised as revenue expenditure in the year in which these are incurred.
- (ii) Cost of exploratory wells is carried as exploratory wells in progress. Such exploratory wells in progress are capitalised in the year in which the producing property is created or is written off in the year when determined to be dry/abandoned.
- (iii) All wells appearing as exploratory wells in progress which are more than two years old from the date of completion of drilling are charged to Statement of Profit and Loss, except those wells which have proved reserves and the development of the fields in which the wells are located has been planned.

**(o) Dividend**

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and Interim dividend are recorded as a liability on the date of the declaration by the company's Board of Directors.



**4 Share capital:****4.1 Authorised/issued, subscribed and fully paid up:**

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number	₹	Number	₹
<b>Authorised:</b> Equity shares of ₹2 (P.Y.₹2) each (Refer Note 4.7)	375,000,000	750,000,000	375,000,000	750,000,000
<b>Issued, subscribed and fully paid up:</b> Equity shares of ₹2 (P.Y.₹2) each, fully paid	292,269,622	584,539,244	292,269,622	584,539,244
<b>Total</b>	292,269,622	584,539,244	292,269,622	584,539,244

**4.2 Reconciliation of number of equity shares outstanding and amounts at the beginning and at the end of the reporting year:**

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number	₹	Number	₹
Outstanding at the beginning of the year	292,269,622	584,539,244	292,269,622	584,539,244
Outstanding at the end of the year	292,269,622	584,539,244	292,269,622	584,539,244

**4.3 Terms/rights attached to equity shares**

Each holder of equity shares is entitled to one vote per equity share. They are entitled to receive dividend proposed by the Board of Directors and approved by shareholders in General Meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**4.4 Shareholders holding more than 5% of the paid up equity share capital of the Company:**

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of shares held	% of holding	No. of shares held	% of holding
<b>Name of the shareholders</b>				
Nitin M. Shah	54,326,835	18.59%	60,226,835	20.61%
Nitin M. Shah (HUF)	15,462,000	5.29%	15,462,000	5.29%
Saroj N. Shah	61,963,633	21.20%	61,963,633	21.20%
Rahul N. Shah	18,831,333	6.44%	18,831,333	6.44%
Kunal N. Shah	30,673,000	10.49%	30,673,000	10.49%

**4.5 Aggregate number of bonus shares and shares bought back during the period of five years immediately preceding the reporting date:**

Particulars	Bonus shares	Shares bought back
2015-16	-	-
2014-15	73,063,511	-
2013-14	-	1,346,583
2012-13	-	-
2011-12	157,536,989	-

**5 Reserves and surplus:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Securities Premium Reserve</b>		
Balance at the beginning of the year	133,894,355	133,894,355
<b>Revaluation Reserve</b>		
Balance at the beginning and at the end of the year	5,542,521	5,542,521
Less :Transferred to Building and Plant and machinery on reversal of revaluation reserve	(5,542,521)	-
	-	5,542,521
<b>General Reserve</b>		
Balance at the beginning and at the end of the year	232,037,174	232,037,174
<b>Statutory Reserve</b>		
Balance at the beginning and at the end of the year	39,104,945	39,104,945
<b>Foreign Currency Translation Reserve</b>		
Balance at the beginning of the year	542,471,123	-
Add/(less):Movement during the year	(74,312,432)	542,471,123
Balance at the end of the year	468,158,691	542,471,123
<b>Surplus in Statement of Profit and Loss</b>		
Balance at the beginning of the year	4,364,529,439	3,379,184,199
Add: Profit / (Loss) attributable to the Group	(279,363,316)	985,345,240
	-	-
Balance at the end of the year	4,085,166,123	4,364,529,439
<b>Total</b>	<b>4,958,361,289</b>	<b>5,317,579,557</b>

**6 Long-term borrowings:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Secured</b>		
From financial institutions/non banking financial companies (Refer Notes 6.1- 6.4 )	573,160,834	684,203,486
From banks (Refer Notes 6.6 and 6.7)	-	65,796,665
Vehicle loan (Refer Note 6.5 and 6.8)	4,750,275	-
	577,911,109	750,000,151
Less: Current maturities of long-term debt	186,696,296	151,925,309
<b>Total</b>	<b>391,214,813</b>	<b>598,074,842</b>

**6.1 IFCI Limited**

**6.1.1** The term loan outstanding as at March 31, 2017 of ₹77,812,500 (P.Y. ₹181,562,500) is secured by exclusive first charge on the commercial property owned by the promoters, situated at Ghatkopar - Mumbai and industrial land at village Khalapur, district - Raigarh, exclusive pledge of ₹9,529,587 (P.Y. ₹9,573,527) equity shares of the Company, owned by the promoters, so as to give security cover of 1.5 times of the loan amount and personal guarantee of Nitin M Shah and Rahul N Shah.

**6.1.2** The aforesaid loan is repayable in 8 quarterly installments of ₹2,59,37,500 each at the end of 15th, 18th, 21st, 24th, 27th, 30th, 33rd and 36th month, starting from November 03, 2014 and rate of interest ranges from 14% per annum to 14.50% per annum.

**6.2 Aditya Birla Finance Limited**

**6.2.1** The term loan outstanding as at March 31, 2016 of ₹42,583,277 (P.Y. ₹48,365,449) is secured by exclusive charge on office no. 801, 8th floor, Wing C, Neelkanth Business Park, Kirol Road, Vidyavihar (West), Mumbai 400086.

**6.2.2** The aforesaid loan is repayable in 84 monthly installments of ₹945,545 each starting from April 05, 2015 and carries rate of interest of 12.35% per annum.

**6.3 IFCI Limited**

**6.3.1** The term loan outstanding as at March 31, 2017 of ₹400,000,000 (P.Y. ₹400,000,000) is secured by exclusive charge on the immovable property owned by Nitin M. Shah (HUF) situated at 7001, 70th floor, World One Tower, Lower Parel, Mumbai 400 013, exclusive charge on an immovable property owned by the promoters such that the combined distress value of both the properties shall provide a cover of one time of the loan outstanding , pledge of ₹19,200,803 (P.Y. ₹14,590,803) equity shares of the Company owned by the promoters, so as to give security cover of 1.25 times of the loan amount and personal guarantee of Nitin M Shah and Rahul N Shah.

**6.3.2** The aforesaid loan is for a period of five years including moratorium period of two year Repayment will be in 36 equal monthly installments beginning from 25th month and continuing till 60th month and rate of interest ranges from 14% to 14.50% per annum.

#### **6.4 PNB Housing Finance Limited**

**6.4.1** The term loan outstanding as at March 31, 2017 of ₹ **52,765,057** (P.Y. ₹54,275,537) taken from a financial institution is co-borrowed along with Nitin M. Shah and Rahul N. Shah, promoters of the Company which is secured by mortgage of property owned by the Company and situated at C-802, Neelkanth Business Park, Kirol Road, Vidyavihar -W, Mumbai 400 086.

**6.4.2** Loan is repayable in 180 equal monthly instalments of ₹ 662,468 each commencing from August 10, 2015 and carries an interest rate of 14.35% per annum.

#### **6.5 Emirates Islamic Bank (Nitin Ventures Fze)**

**6.5.1** Vehicle loan outstanding as at March 31, 2017 of ₹ **2,521,443** (P.Y. ₹ 3,972,945) is repayable in 48 equal monthly installments of ₹107,782.

##### **6.5.2 Security.**

Hypothecation of the underlying asset.

**6.5.3** Rate of interest is 6.40% per annum.

#### **6.6 Invest Bank (Nitin Ventures Fze)**

**6.6.1** Term loan of ₹ **Nil** (P.Y. ₹ 39,896,520) is repayable in 36 equal monthly instalments of ₹ 2,023,737 each.

##### **6.6.2 Security.**

Hypothecation of the underlying asset.

**6.6.3** Rate of interest is 6.50% per annum.

#### **6.7 Invest Bank (Nitin Ventures Fze)**

**6.7.1** Term loan of ₹ **Nil** (P.Y. ₹ 3,5572,906) is repayable in 35 equal monthly instalments of ₹ 1,299,890.

##### **6.7.2 Security.**

Hypothecation of the underlying asset.

**6.7.3** Rate of interest is 6.50% per annum.

#### **6.8 ICICI Bank Limited**

**6.8.1** Vehicle loan taken from a bank and outstanding as at March 31, 2017 of ₹**3,493,068** (P.Y. ₹NIL) is secured by the hypothecation of the underlying asset.

**6.8.1** The aforesaid loan is re-payable in 30 monthly installments of ₹ 77,725 each and carries rate of interest of 9.51% per annum.

#### **7 Deferred tax assets/liabilities (net):**

**7.1** Computation of cumulative deferred tax assets or liabilities has not been made in respect of foreign subsidiaries of the Holding Company. In the opinion of the management, the impact is not material. Further, no deferred tax asset has been determined on the un-absorbed loss and unabsorbed depreciation on the Indian subsidiary of the Group.

##### **7.2**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Deferred tax liability on account of: (A)</b>		
- Difference in WDV between book and income tax records	(5,059,552)	(10,550,365)
<b>Sub total (A)</b>	<b>(5,059,552)</b>	<b>(10,550,365)</b>
<b>Deferred tax asset on account of: (B)</b>		
- Employee benefits	3,637,421	2,997,527
- Provision for doubtful debts and advances	1,422,131	3,617,021
<b>Sub-total (B)</b>	<b>5,059,552</b>	<b>6,614,548</b>
<b>Net Deferred tax assets/(liability) (A) - (B)</b>	<b>-</b>	<b>(3,935,817)</b>
Opening Balance	(3,935,817)	480,452
Charge for the year	(3,935,817)	4,416,270

On the consideration of prudence and in the absence of virtual certainty of sufficient future taxable income, deferred tax asset is recognised only up to deferred tax liability by the Management.

**8 Long-term provisions:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Provision for gratuity (net) (Refer Note 29.1)	38,830,437	31,084,338
<b>Total</b>	<b>38,830,437</b>	<b>31,084,338</b>

**9 Short-term borrowings:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Secured (Refer Note 9.1 to 9.7)</b>		
Loans repayable on demand from banks		
- Cash credit	1,498,338,944	1,030,650,739
- Temporary overdraft/Working capital demand loan	1,263,487,294	195,634,999
- Bank loans	22,880,094	1,225,685,993
-Bills discounted	103,963,469	238,195,673
-Trust Receipts	44,119,587	91,763,873
-Bank overdraft	132,168,068	124,482,907
Foreign currency loans (* buyers line of credit/packing credit facilities availed by the Company)*	171,400,840	1,534,388,498
	<b>3,236,358,296</b>	<b>4,440,802,682</b>
<b>Unsecured (Refer Note 9.8)</b>		
From banks	421,604,204	354,881,015
From Directors	271,706,173	-
	<b>693,310,377</b>	<b>354,881,015</b>
<b>Total</b>	<b>3,929,668,673</b>	<b>4,795,683,697</b>

(\* includes buyers line of credit/packing credit availed by the Group)

**9.1 IDBI Bank limited, Bank of Baroda, Dena Bank and Axis Bank Limited (Holding Company)**

**9.1.1** The borrowings are availed through a consortium agreement with above banks with IDBI Bank Limited being the lead bank.

**9.1.2 Security**

First pari passu charge by way of hypothecation or indenture of mortgage and /or pledge of borrowers current assets, namely, stock of raw materials, semi finished and finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts and all movable current assets, both present and future.

First pari passu charge on immovable and movable assets of the Company both present and future including its location at (i) factory at A-117, TTC Industrial area, Pawana Village, Navi Mumbai-400 705 (ii) office premises at 501/502 Delta Technology Street, Hiranandani Gardens, Powai, Mumbai - 400 076 and (iii) immovable properties of Eurotech Cylinders Private Limited, situated at EL-29, TTC Industrial Area, Mahape, Navi Mumbai 400 701 (only for IDBI Bank Limited).

Personal guarantees of Nitin M. Shah and Rahul N. Shah

**9.1.3 Credit facilities availed**

Working capital loan and other non-fund based facilities.

**9.1.4** Rate of interest ranges from 11.65% to 14.5% per annum.

Packing credit Rate of interest ranges from 3.12% to 3.14% per annum.

**9.2 IDBI Bank Limited:(Holding Company)**

**9.2.1** Primary security: First pari passu charge on stock & book debts and entire movable assets of the company both present & future.

Collateral security: Second pari passu charge on (i) entire current assets and movable assets of the Company both present and future (ii) 501/502 Delta, Technology Street, Hiranandani Gardens, Powai, Mumbai 400076 and its factory at A-117, TTC Industrial Area, Pawana Village, Navi Mumbai 400 705. Pledge of promoters shares held in the Company to the extent of 100% of the exposure. (iii) immovable properties of Eurotech Cylinders Private Limited at EL-29, TTC, Navi Mumbai 400 705.

Personal guarantees of the Nitin M. Shah and Rahul N. Shah

**9.2.2** Credit facilities availed: Standby letter of credit

**9.3 Axis Bank Limited: (Holding Company)**

**9.3.1** Primary security: Negative lien on receivables of Nitin Ventures Fze and New Age Company LLC .

**9.3.2** Collateral security: Pledge of the Company's shares having aggregate market value of atleast 75% of the facility amount.

Pari passu second charge on fixed asset of the Company (i) factory at A-117, TTC Industrial area, Pawana Village, Navi Mumbai-400705 (ii) office premises at 501/502 Delta Technology Street, Hiranandani Gardens, Powai, Mumbai-400076 and (iii) on the entire current assets of the Company both present and future.

Personal guarantees of Nitin M. Shah and Rahul N. Shah.

### 9.3.3 Credit facilities availed

Stand by letter of credit.

9.4 Details of delay: The Company has delayed in the repayment of its loans to banks in cash credit account and the amount of overdue amount outstanding as at 31.03.2017 is ₹ 480,803,501 (P.Y. ₹ 238,826,241) on account of principal and ₹ 63,129,721 (P.Y. ₹ 10,740,795) on account of Interest aggregating to ₹ 543,933,222 (P.Y. ₹ 249,567,036).

### 9.5 IDBI Bank Limited :(Eurotech Cylinders Private Limited)

#### 9.5.1 Primary security

First charge on the current assets of the Company both present and future, collateral security by way of equitable mortgage (second charge) on office premise at D-20/4, T.T.C. Industrial Area, Turbhe, Navi Mumbai 400 705 belonging to the Holding Company and also corporate guarantee of the Holding Company.

#### 9.5.2 Collateral security

Corporate guarantee of the holding company

### 9.5.3 Credit facilities availed

Working capital loan.

9.5.4 Rate of interest ranges from 14% to 14.25% per annum.

### 9.6 Axis Bank Limited (Nitin Ventures FZE)

#### 9.6.1 Primary security

Secured against stock and book debts.

#### 9.6.2 Collateral security

Corporate guarantee of the holding company

### 9.6.3 Credit facilities

Working capital loan of ₹ 1,214,094,075 (P.Y. ₹ 1,209,912,096) backed by stand by letter of credit (SBLC) from Axis Bank Limited, India.

9.6.4 Rate of interest being 4.85% + 3 Month Libor.

### 9.7 Invest Bank (Nitin Ventures FZE)

#### 9.7.1 Primary security

Plant and machinery and for bills discounting acceptable third party post dated cheques.

#### Collateral security

First degree mortgage over property owned by Nitin M. Shah including his personal guarantee.

First degree mortgage over property owned by the Entity in which a KMP has substantial interest along with corporate guarantee of Nitin Ventures FZE for credit facility availed by New Age Company LLC.

### 9.7.2 Credit facilities

Business term loans and bills discounting facility.

9.7.3 Trust receipt availed are to be utilised for the settlement of bills under sight / acceptances / regular / local letters of credit issued by the bank. Repayment on the agreed maturity dates for each Trust Receipt.

9.7.4 Bank borrowings to the group is governed by restrictive covenants relating to the subsidiary's net worth gearing ratio and interest cover.

9.7.5 Rate of interest is 6.5% per annum.

### 9.8 Details of unsecured loans:

9.8.1 Unsecured loans represents amounts withdrawn by foreign subsidiaries against standby letter of credit facility availed and is guaranteed by the Holding Company.

9.8.2 Interest rate on foreign buyers credit is LIBOR plus spread.

**10 Trade payables:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Total outstanding dues of micro and small enterprises	2,248,543	1,324,859
Total outstanding dues other than micro and small enterprises	3,297,751,437	1,049,744,958
<b>Total</b>	<b>3,299,999,980</b>	<b>1,051,069,817</b>

**10.1** Disclosure under the Micro ,Small and Medium Enterprises Development Act, 2006 : (Holding Company and Indian subsidiary Company) Amounts due to Micro and Small Enterprises are disclosed on the basis of and to the extent of information available with the Group. This has been relied upon by the auditors:

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
1 The principal amount remaining unpaid to any supplier at the end of the accounting year.	1,759,656	875,611
2 Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	39,639	6,636
3 The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day.	-	-
4 The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	99,179	108,581
5 The amount of interest accrued and remaining unpaid; and	488,887	449,248
6 The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid.	389,708	340,667

Amounts due of Micro and Small Enterprises are disclosed on the basis of and to the extent of information available with the Company. This has been relied upon by the auditor.

**11 Other current liabilities:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Invoices raised in respect of incomplete contracts	-	85,164,459
Less: Adjustment against aggregated amount of cost incurred and recognised profit (less recognised losses) (Refer Note 40)	-	77,813,593
	-	7,350,866
Current maturities of long-term debt (Refer Note 6)	186,696,295	151,925,309
Interest accrued but not due on borrowings	7,218,948	18,312,828
Unpaid dividends*	351,960	442,061
Income received in advance	864,219	846,812
Other liabilities	4,287,481	6,049,738
Book overdrawn balances	2,798	84,089,771
Other payables:		
- Statutory dues (contributions to PF, withholding taxes etc.)	14,008,788	6,716,434
Salaries and bonus	20,648,360	73,626,727
Advance from customers	11,207,711	66,879,713
<b>Total</b>	<b>245,286,560</b>	<b>416,240,259</b>

(\* There are no unpaid dividends which are required to be transferred to Investor Education and Protection Fund)

**12 Short term provisions:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Provision for employee benefits:		
For gratuity-net (Refer Note 29.1)	3,520,986	2,822,975
For compensated absences (unfunded) (Refer Note 29.1)	23,411,722	2,188,419
For employee benefits	18,308,930	24,680,799
Provision- Others		
For income tax *(Refer Note 3(g),44)	9,854,744	1,264,188
For corporate dividend tax on proposed dividend	7,496,586	7,496,586
<b>Total</b>	<b>62,592,968</b>	<b>38,452,967</b>

(\*net of Advance tax and ,if any)

**Fixed Assets:****13 Property, Plant and Equipments as at March 31, 2017:**

₹

Description	Gross block				Accumulated depreciation					Net block As at March 31, 2017		
	As at April 1, 2016	Additions	Disposals/ deductions	Foreign exchange difference	As at March 31, 2017	Up to April 1, 2016	Depreciation charge for the year *	On Disposals/ deductions	Charged to cost of sales		Foreign exchange difference	Up to March 31, 2017
<b>Owned</b>												
Land - Freehold	40,222,548	-	-	-	40,222,548	-	-	-	-	-	-	40,222,548
Land - Leasehold	3,240,000	-	-	-	3,240,000	722,320	36,120	-	-	-	758,440	2,481,560
Buildings	596,296,874	122,839,451	222,527	(7,541,796)	711,372,002	151,537,057	37,168,344	-	-	(3,054,661)	185,650,740	525,721,262
Plant and equipments	769,388,387	171,712,018	170,658,424	(13,269,912)	757,172,069	313,797,992	48,583,853	149,635,101	129,106,552	(6,174,225)	335,679,071	421,492,998
Furniture and fixtures	85,164,305	41,104,599	-	(1,414,543)	124,854,361	52,243,164	22,094,978	-	-	(1,467,594)	72,870,548	51,983,813
Office equipments	18,414,483	3,235,712	3,040,461	(302,235)	18,307,499	15,487,240	1,985,166	3,040,461	-	(286,148)	14,145,797	4,161,702
Vehicles	99,378,278	6,972,944	-	(1,387,102)	104,964,120	68,697,774	12,452,185	-	-	(1,175,008)	79,974,951	24,989,169
Computer systems	1,866,513	105,395	-	(43,589)	1,928,319	1,503,269	244,104	-	-	(32,503)	1,714,870	213,449
Cylinders	49,036,000	-	-	-	49,036,000	16,723,244	12,925,102	-	-	-	29,648,346	19,387,654
<b>Total</b>	<b>1,663,007,388</b>	<b>345,970,119</b>	<b>173,921,412</b>	<b>(23,959,177)</b>	<b>1,811,096,918</b>	<b>620,712,060</b>	<b>135,489,852</b>	<b>152,675,562</b>	<b>129,106,552</b>	<b>(12,190,139)</b>	<b>720,442,763</b>	<b>1,090,654,155</b>

13.1 In respect of a foreign subsidiary company, a building having carrying value of ₹309,562,753 (P.Y. ₹230,958,555) is constructed on leasehold land obtained from Dubai Investment - Park Authority on a renewable lease of 20 years.

**Property, Plant and Equipments as at March 31, 2016:**

₹

Description	Gross block				Accumulated depreciation					Net block		
	As at April 1, 2015	Additions	Disposals/ deductions	Foreign exchange difference	As at March 31, 2016	Up to April 1, 2015	Depreciation charge for the year *	On Disposals/ deductions	Charged to cost of sales	Foreign exchange difference	Up to March 31, 2016	As at March 31, 2016
<b>Owned</b>												
Land - Freehold	40,222,548	-	-	-	40,222,548	-	-	-	-	-	-	40,222,548
Land - Leasehold	3,240,000	-	-	-	3,240,000	686,200	36,120	-	-	-	722,320	2,517,680
Buildings	515,147,479	126,593,878	102,633,447	57,188,964	596,296,874	90,711,436	49,285,335	-	-	11,540,286	151,537,057	444,759,817
Plant and equipments	321,149,174	448,027,108	35,101,690	35,313,795	769,388,387	175,459,503	54,194,023	17,032,775	84,076,798	17,100,443	313,797,992	455,590,395
Furniture and fixtures	41,559,569	34,060,816	-	9,543,920	85,164,305	33,565,142	15,242,908	-	-	3,435,114	52,243,164	32,921,141
Office equipments	15,173,917	1,687,277	1,050,630	2,603,919	18,414,483	12,468,797	1,836,382	1,050,630	-	2,232,691	15,487,240	2,927,243
Vehicles	74,797,942	18,826,374	7,304,448	13,058,410	99,378,278	52,030,431	12,774,763	6,381,632	-	10,274,212	68,697,774	30,680,504
Computer systems	2,207,107	487,399	709,882	(118,111)	1,866,513	1,978,459	548,101	709,882	-	(313,409)	1,503,269	363,244
Cylinders	24,076,000	24,960,000	-	-	49,036,000	3,055,806	13,667,438	-	-	-	16,723,244	32,312,756
<b>Total</b>	<b>1,037,573,736</b>	<b>654,642,852</b>	<b>146,800,097</b>	<b>117,590,897</b>	<b>1,663,007,388</b>	<b>369,955,774</b>	<b>147,585,071</b>	<b>25,174,919</b>	<b>84,076,798</b>	<b>44,269,337</b>	<b>620,712,060</b>	<b>1,042,295,328</b>



## Fixed Assets:

## 14 Intangible assets as at March 31, 2017:

₹

Description	Gross block			Accumulated Amortisation				Net block			
	As at April 1, 2016	Additions	Adjustments/ disposals/ deductions	Foreign exchange difference	As at March 31, 2017	Up to April 1, 2016	Amortisation charge for the year	On Deductions	Foreign exchange difference	Up to March 31, 2017	As at March 31, 2017
<b>Owned</b>											
Agency Rights	478,072,288	-	-	(10,769,670)	467,302,618	47,807,249	48,352,615	-	(2,699,302)	93,460,563	373,842,056
Product listing fees	193,159,272	151,765,911	-	(4,663,947)	340,261,236	12,645,507	28,329,619	-	(1,271,834)	39,703,292	300,557,944
Computer software*	305,918,563	91,053,970	-	(6,342,334)	390,630,199	90,929,092	34,895,769	-	(2,635,992)	123,188,870	267,441,329
<b>Total</b>	<b>977,150,122</b>	<b>242,819,882</b>	<b>-</b>	<b>(21,775,951)</b>	<b>1,198,194,053</b>	<b>151,381,848</b>	<b>111,578,004</b>	<b>-</b>	<b>(6,607,128)</b>	<b>256,352,724</b>	<b>941,841,329</b>

## Intangible assets as at March 31, 2016:

₹

Description	Gross block				Accumulated Amortisation					Net block	
	As at April 1, 2015	Additions	Adjustments/ disposals/ deductions **	Foreign exchange difference	As at March 31, 2016	Up to April 1, 2015	Amortisation charge for the year	On Deductions	Foreign exchange difference	Up to March 31, 2016	As at March 31, 2016
<b>Owned</b>											
Agency Rights	329,865,643	-	-	148,206,645	478,072,288	-	47,178,904	-	628,345	47,807,249	430,265,039
Product listing fees	-	193,159,272	-	-	193,159,272	-	9,396,221	-	3,249,286	12,645,507	180,513,765
Computer software*	254,455,153	7,576,093	12,500,000	56,387,317	305,918,563	46,775,789	40,491,170	-	3,662,133	90,929,092	214,989,471
<b>Total</b>	<b>584,320,796</b>	<b>200,735,365</b>	<b>12,500,000</b>	<b>204,593,962</b>	<b>977,150,123</b>	<b>46,775,789</b>	<b>97,066,295</b>	<b>-</b>	<b>7,539,764</b>	<b>151,381,848</b>	<b>825,768,275</b>

(\*other than internally generated)

(\*\* held as inventory of stock in trade in earlier years and entirely amortised during the year)

## 15 Capital Work in progress:

₹

Description	As at	
	March 31, 2017	March 31, 2016
Balance at the beginning of the year	16,217,923	-
Add: Additions during the year	3,706,433	16,217,923
Balance at the end of the year	19,924,356	16,217,923

**16 Non-current investments:**

No.	Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
I	Investment in equity instruments (fully paid up, face value of ₹10 each, unless otherwise stated)		
(i)	In an Associate - Unquoted, trade (extent of holding <b>40%</b> (P. Y. 40%) (Refer Note. 46) <b>₹2,336,496</b> (P.Y.2,336,496)- Worthington Nitin Cylinders Private Limited) (Net of diminution in the value of investment-₹3,310,330 (P.Y. ₹3,310,330))	<b>77,063,353</b>	340,844,170
2	Investment in bonds-Quoted, non trade <b>₹2,500</b> (P.Y.2,500) of 9.35% IFCI Limited - Non convertible debentures of ₹1,000 each	<b>2,500,000</b>	2,500,000
3	Investment in units of mutual fund- quoted/ non trade <b>Nil</b> (P.Y.8) BGF-European Eqty Inc A6H Usd Dis <b>Nil</b> (P.Y. <b>500,000</b> ) Lion Cap Bos Emk Bd Usd Dis	- -	6,245,196 31,225,981
	<b>Total</b>	<b>79,563,353</b>	<b>380,815,347</b>

Notes:

Aggregate book value of unquoted investments	<b>77,063,353</b>	340,844,170
Aggregate book value of quoted investments	<b>2,500,000</b>	39,971,177
Aggregate market value of quoted investments	<b>2,541,200</b>	41,882,407

**17 Long-term loans and advances:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Unsecured, considered good		
Capital advances	<b>41,334,558</b>	980,284,834
Sundry deposits and advances		
- Considered good	<b>10,897,431</b>	8,563,054
- Considered doubtful	<b>1,949,509</b>	2,024,021
	<b>12,846,940</b>	10,587,075
Less:Provision for doubtful deposits and advances	<b>1,949,509</b>	2,024,021
	<b>10,897,431</b>	8,563,054
Advance Payment against taxes	<b>6,320,592</b>	-
Income tax paid under protest	<b>10,400,000</b>	10,400,000
<b>Total</b>	<b>68,952,581</b>	<b>999,247,888</b>

**18 Other non-current assets**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Claims receivable - Refer Note 33	<b>226,373,172</b>	226,731,913
Unamortised expenses	<b>670,108</b>	685,551
Fixed deposits having maturity of more than one year from the date of the Balance Sheet*	<b>30,507,702</b>	-
Retention receivables	<b>218,701,559</b>	44,126,370
<b>Total</b>	<b>476,252,541</b>	<b>271,543,834</b>

(\*pledged with banks for credit facilities availed)

**19 Current investments**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Equity instruments-fully paid up</b>		
<b>9,000</b> (P.Y.9,000) nos Singapore Telecommunications Limited -No par value	<b>1,636,504</b>	2,351,953
<b>Fixed income</b>		
<b>Nil</b> (P.Y. <b>200,000</b> ) nos - Vedanta Resource 6.75070616 JDREG	-	13,448,160
<b>Total</b>	<b>1,636,504</b>	<b>15,800,113</b>

Note: [Aggregate Book/ market value of Quoted investments 1,636,504 / 15,800,113]

**20 Inventories:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Materials and components including materials and components in transit of ₹ Nil (P. Y. ₹ 25,826,862)	2,049,857,891	2,050,067,094
Less: Provision for slow and non moving inventory	33,690,066	34,466,503
	2,016,167,825	2,015,600,591
Stock-in-trade (traded goods)	979,337,845	625,582,504
<b>Total</b>	<b>2,995,505,670</b>	<b>2,641,183,095</b>

**20.1** In respect of a foreign subsidiary, a provision for slow moving inventory is made for ₹33,690,066 (P.Y ₹ 34,466,503)

**21 Trade receivables:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
-Considered good	4,008,039,673	3,338,345,894
-Considered doubtful	298,547,114	109,167,002
Others -considered good	694,525,296	1,569,008,203
	5,001,112,083	5,016,521,099
Less:Provision for doubtful debts	298,547,114	109,167,002
<b>Total</b>	<b>4,702,564,969</b>	<b>4,907,354,097</b>

Note:

During the year, one of the foreign subsidiaries of the Group has discounted trade receivables with an aggregate carrying amount of ₹ 103,963,443 (P.Y. ₹ 863,566,799) to a bank with a cash proceed of ₹ 93,567,099 (P.Y. ₹ 772,210,119). If the trade receivables are not paid at maturity, the bank has the right to request the group to pay the unsettled balance. As the group has not transferred the significant risk and reward relating to these trade receivables, it continues to recognise the full carrying amount of the receivables and has recognised the cash received on the transfer as secured borrowings (Refer Note 9.7.1)

**22 Cash and bank balances:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Cash and cash equivalents		
Cash on hand	1,715,337	2,515,014
Balances with banks:		
- in current accounts	18,645,185	96,870,854
- in fixed deposit accounts- original maturity of 3 months or less*	118,062	264,034
	20,478,584	99,649,902
Other cash and bank balances		
- Deposit/margin accounts (maturity period within one year)*	36,156,872	57,634,660
- Unclaimed and unpaid dividend accounts**	351,959	452,062
<b>Total</b>	<b>56,987,415</b>	<b>157,736,624</b>

(\*pledged with banks for credit facilities availed and margin money requirements )

(\*\*earmarked for payment of unpaid dividend only)

**23 Short-term loans and advances:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Unsecured, considered good</b>		
Loans and advances to employees and others	369,904,736	29,701,920
Prepaid expenses	52,287,928	65,060,120
Sundry deposits	8,779,600	7,753,498
Loans to body corporates and others	196,969,356	167,832,865
Advances to suppliers	1,368,754,425	237,624,370
Balances with government authorities:		
- VAT refund receivable	2,997,171	218,709
<b>Total</b>	<b>1,999,693,216</b>	<b>508,191,482</b>

**24 Other current assets:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Unsecured, considered good		
Unbilled revenue	2,439,667	-
Amount due from customers for contract work	46,905,507	12,823,215
Special additional duty incentive (DEPB) (Net of provision ₹ 724,582 (P.Y. ₹ 724,582 )	2,071,640	9,425,384
Accrued interest on loans, bonds and fixed deposits	18,581,334	18,132,274
<b>Total</b>	<b>69,998,148</b>	<b>40,380,873</b>

**25 Revenue from operations:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Sale of products	15,100,739,955	14,347,843,138
Sale of services (AMC)	501,851,451	449,162,996
	15,602,591,406	14,797,006,134
Less : Excise Duty	1,182,172	-
	15,601,409,234	14,797,006,134
Less : Sales return	2,367,179,250	-
Add: Operating revenue-consultancy fees	33,536,850	-
	13,267,766,834	14,797,006,134
<b>Total</b>	<b>13,267,766,834</b>	<b>14,797,006,134</b>

**25.1** The Holding Company's turnover from manufacturing activities is below the excisable limit. Hence, the Holding Company is not liable to collect and pay excise duty on sale of products. However, the Holding Company has opted for voluntary registration under The Central Excise Act, 1944 during the year ended March 31, 2017.

**26 Other income:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Interest income on:		
- deposits with banks	2,955,660	3,495,255
- loans given	30,779,876	32,798,331
- over due trade receivables and others	649,362	251,536
Dividend Income on non-current investments- others	-	23,379
Profit on sale of fixed assets (net)	-	10,666,080
Dividend Income on current investments	400,467	-
Service charges and other miscellaneous receipts	226,312	843,627
Gain on foreign exchange fluctuation on consolidation (net)	563,217	-
Gain on foreign currency transactions (net)	-	84,923,950
Liability no longer required written back	5,220,695	8,373,716
Debts written off in earlier years, now realised	1,144,508	1,156,176
Provision for doubtful debts written back	-	2,930,248
<b>Total</b>	<b>41,940,097</b>	<b>145,462,298</b>

**27 Cost of materials and components consumed:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Opening inventories	2,050,067,094	2,058,166,240
Add: Purchases (Net)	3,915,411,980	5,412,462,129
	5,965,479,074	7,470,628,369
Less: Closing inventories	2,049,857,890	2,050,067,094
<b>Total</b>	<b>3,915,621,184</b>	<b>5,420,561,275</b>

**28 Changes in inventories of stock-in-trade:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Closing inventories		
Stock in trade	979,337,845	625,582,504
Opening inventories		
Stock in trade	625,582,504	394,570,483
Less: Inventory transferred to fixed assets (Refer Note 14)	-	12,500,000
	625,582,504	382,070,483
<b>Total</b>	<b>(353,755,341)</b>	<b>(243,512,021)</b>

**29 Employee benefits expense:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Salaries, wages and bonus	493,701,069	428,565,546
Contributions to provident fund, gratuity and other funds	17,332,891	19,247,505
Employees welfare	13,378,141	10,833,220
<b>Total</b>	<b>524,412,102</b>	<b>458,646,271</b>

**29.1 As per Accounting Standard 15 “Employee benefits”, the disclosures as defined in the Accounting Standard are given below (Holding Company):**

No.	Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
<b>(i) Defined Contribution Plan:</b>			
	Company's contribution to provident fund	2,197,326	2,158,379
	Company's contribution to ESIC	325,349	317,477
	Company's contribution to Maharashtra Labour Welfare Fund	7,956	8,244
		<b>2,530,631</b>	<b>2,484,100</b>
<b>(ii) Defined Benefit Plans - Gratuity:</b>			
<b>a) Liability recognised in the Balance Sheet:</b>			
1	Present value of obligation:		
	Opening balance	9,290,207	8,614,998
	Service cost	1,040,375	1,050,395
	Interest cost	746,933	685,754
	Benefit paid from the fund	(457,769)	(321,577)
	Actuarial (gain)/loss on obligation	1,762,386	(739,363)
	Closing balance	<b>12,382,132</b>	<b>9,290,207</b>
	<b>Less:</b>		
2	Fair value of plan assets:		
	Opening balance	2,817,756	3,028,672
	Expected return on plan assets less loss on investments	226,548	241,082
	Actuarial gain on plan assets	9,624	(130,421)
	Benefit paid from the fund	(457,769)	(321,577)
	Employers' contribution	202,802	-
	Closing balance	<b>2,798,961</b>	<b>2,817,756</b>
	<b>Amount recognised in the Balance Sheet</b>	<b>9,583,171</b>	<b>6,472,451</b>
<b>b) Expenses during the year :</b>			
	Service cost	1,040,375	1,050,395
	Interest cost	746,933	685,754
	Expected return on plan assets	(226,548)	(241,082)
	Actuarial (gain)/loss	1,752,762	(608,942)
		<b>3,313,522</b>	<b>886,125</b>
<b>c) Actual return on plan assets:</b>		<b>236,172</b>	<b>110,661</b>
<b>d) Break up of plan assets* :</b>			
1	Government of India securities	NA	NA
2	Public securities	NA	NA
3	State government securities	NA	NA
4	Private sector securities	NA	NA
5	Others (LIC of India - Insurer Managed Fund)	100%	100%
<b>e) Principal actuarial assumptions :</b>			
	Rate of discounting	7.29%	8.04%
	Expected return on plan assets	7.29%	8.04%
	Rate of increase in salaries	7.00%	7.00%
	Attrition Rate	2.00%	2.00%
<b>f) Expected contribution for next year</b>		<b>3,520,986</b>	<b>2,822,975</b>

**29.1 As per Accounting Standard 15 “Employee benefits”**

Experience adjustment	2016-17	2015-16	2014-15	2013-12	2012-13
	₹	₹	₹	₹	₹
On plan liability loss / (gain)	911,296	(675,388)	(773,732)	140,372	69,434
On plan asset (loss) /gain	9,624	(130,421)	(45,946)	(84,469)	170,574
Other adjustments	851,090	(63,975)	(491,624)	939,878	269,993

In assessing the Company’s post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables. The base being the Indian Assured Lives Mortality 2006-08 ultimate tables.

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

\* The details of the composition of the plan assets, by category, from the insurers have not been received and hence the disclosures as required by Accounting Standard (AS) – 15 “Employee Benefits” have not been given.

The liability towards leave compensated absences amounts to ₹ 2,188,419 (P.Y. ₹21,88,419)

**Other disclosures:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Defined benefit obligation	12,382,132	9,290,207
Plan assets	2,798,961	2,817,756
(Deficit)	(9,583,171)	(6,472,451)

**30 Finance costs:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Interest expense on:		
Borrowings	485,173,824	447,860,765
Others (Interest on delayed payment of Income tax and dividend distribution tax)	5,906,081	3,387,117
Other borrowing costs	111,881,365	73,757,333
<b>Total</b>	<b>602,961,270</b>	<b>525,005,215</b>

**31 Other expenses:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Sub-contract charges and site expenses	1,787,115,710	1,302,944,962
Conveyance and travelling	34,227,034	36,339,466
Miscellaneous expenses	79,825,816	320,967,215
Rent and lease rent (Refer Note 34)	59,297,299	39,284,088
Repairs - Other assets	5,806,338	5,640,034
Repairs-Building	2,989,755	2,267,865
Insurance premium	14,797,085	10,843,612
Payments to auditors (including service tax)	4,835,782	7,084,795
Legal and professional fees	61,204,884	37,509,689
Donations and charities	2,311,111	7,536,111
CSR Expenses (Refer Note 31.1)	-	2,540,000
Loss on sale of securities	1,427,239	-
Vehicle expenses	21,965,497	20,928,275
Sitting fees to Non Executive Directors	520,000	450,000
Sales promotion and advertisement	11,817,262	27,990,351
Bad debts written off/liquidated damages	156,491,871	28,646,885
Provision for doubtful debts	192,276,782	6,088,522
Provision for doubtful deposits, advances and claims	-	813,724
Survey cost incurred for mineral rights	358,741	1,084,360
Distribution expenses (net)	224,428,776	34,972,148
Rates and taxes	2,219,381	5,489,600
Loans written-off	15,000,000	-
Loss on sale of assets	21,013,930	-
Loss on foreign exchange fluctuation on consolidation (net)	-	3,393,601
Exchange loss	68,912,468	-
<b>Total</b>	<b>2,768,842,761</b>	<b>1,902,815,303</b>

**31.1 Disclosure in respect of expenditure on Corporate Social Responsibility Activities:**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
a) Gross Amount required to be spent by the Company during the year	2,495,341	3,165,788
b) Amount spent during the year #	-	2,540,000

An Indian Subsidiary Company does not fulfill the conditions related to CSR as stipulated in Section 135 of the Act. Accordingly, there is no disclosure given in respect of the Indian subsidiary Company.

# The above expenditure includes contribution to funds, expenses through registered trusts / registered society or company established under section 8 of the Act and direct expenses by the Holding Company.

**32 Segment information:**

The Group's activities involve predominantly one business segment i.e. manufacturing fire fighting equipment (gas based and water based fire extinguishers), providing turnkey solutions including procurement, designing, system integration, commissioning and installation of fire fighting systems including annual maintenance contracts for fire protection systems which is considered to be within a single business segment since these are subject to similar risks and returns. Accordingly, the above business activity comprise the primary basis of segmental information as set out in these CFS, which therefore reflect the information required by AS 17 - Segment Reporting, with respect to primary segment. The auditors rely upon the above classification of primary segment.

The Group has identified India and rest of the world as geographical segments for secondary segmental reporting. Geographical sales and services are segregated based on the location of the customer who is invoiced or in relation to which the sale is otherwise recognised.

**32.1**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Segment sales and services</b>		
India	2,181,716,671	2,273,386,079
Outside India	11,086,050,163	12,523,620,055
<b>Total</b>	<b>13,267,766,834</b>	<b>14,797,006,134</b>
<b>Segment assets</b>		
India	2,647,443,610	2,945,823,185
Outside India	10,679,236,660	9,348,814,059
Unallocable	183,813,693	542,023,294
<b>Total</b>	<b>13,510,493,963</b>	<b>12,836,660,538</b>

**33 Disclosures in respect of a joint venture:**

Information as required by AS-27 'Financial Reporting of Interests in Joint Ventures':

(a) Name of the field in a joint venture, description of interest etc.:

Name of the field in a joint venture	Description of interest/ (Description of job)	Proportion of ownership interest	Country of Incorporation/ Residence*
RJ-ONN-2004/1 Rajasthan	Non integrated joint venture (crude oil block)	11.11% (P.Y.11.11%)	India

(\*Country of Incorporation not applicable as it is an un-incorporated joint venture)

- (b) The financials of the joint venture as of March 31, 2017 are not available and hence, other disclosures relating to the joint venture have not been given.
- (c) The Holding Company is carrying an amount of ₹226,373,172 which is its share of costs incurred in an oil block exploration operated by Gas Authority of India Limited (GAIL). The Holding Company and GAIL are engaged in arbitration proceedings for non compliance of certain terms of Joint Operating Agreement as entered into. Based on its own assessment which is also backed by its legal advice, the Holding Company believes that it will be able to recover its entire investment amount of ₹226,373,172. Thus there is no impairment considered necessary by the management to the carrying value of this asset carried as 'Claims Receivable' under other non current assets.



**34 Operating lease:**

- (a) In respect of a property acquired on lease, the future minimum lease rentals payable on non-cancellable lease are as follows: (Holding Company)

Particulars	Future minimum lease payments as at	
	As at	
	March 31, 2017 ₹	March 31, 2016 ₹
Not later than one year	772,359	887,859
Later than one year and not later than five years	3,282,528	3,572,162
Later than five years	-	482,725
<b>Total</b>	<b>4,054,887</b>	<b>4,942,746</b>

Note: In the previous year, the impact of escalation in lease payments which may arise is not considered due to its uncertainty.

- (b) Lease payments recognised in the Consolidated Statement of Profit and Loss: ₹ 59,297,299 (P.Y. ₹39,284,088)  
(c) Lease rentals are charged on the basis of agreed terms.

**35 Disclosures in respect of a Associate:**

- (a) Non - current investment:

Name of the Company	No. of equity shares held	Original cost of investment	Face Value	Goodwill / Capital Reserve	Accumulated loss	Carrying amount of investment (net of provision) As at March 31, 2017
		₹	₹	₹	₹	₹
Worthington Nitin Cylinders Private Limited	2,336,496 (P.Y. 2,336,496)	452,264,534 (P.Y. 452,264,534)	10 (P.Y.10)	Nil (P.Y.Nil)	375,201,181 (P.Y. 108,110,029)	77,063,353 (P.Y. 340,844,179)

- (b) As the financials are not available, the Group's share in contingencies and capital commitments for which it is contingently liable is not disclosed for the current year as well as for the previous year.

- 36** Consequent to dilution of equity stake in Worthington Nitin Cylinders Private Limited (WNCPL) in December 2010, the Holding Company has taken over the outstanding claim of a derivative contract amounting to ₹ 50,133,481(excluding interest). On referring the matter to a legal counsel, it has opined that the said contract is not valid as per Reserve Bank of India regulations and hence, no liability is expected on the Holding Company. The Holding Company has filed a petition in the Honorable High Court of Bombay challenging the legality of the contract. The petition is pending for disposal. Further, the Holding Company has not determined the quantum of mark to market losses as of the Balance Sheet date. Pending decision, no provision is made in the books of account.

**37. Related party disclosures:**

- (i) Parties where control/significant influence exists and/or other related parties with whom transactions (material) have taken place include:

No	Name of the related party	Relationship
1	Oil Block (RJ-ONN-2004/1)	Un-incorporated joint venture
2	Worthington Nitin Cylinders Private Limited	Associate
3	Nitin M. Shah (Non Executive Chairman w.e.f. November 10, 2015 and Chairman and Managing Director upto November 9, 2015)	Key Management Personnel (KMP) Represented on the Board
4	Rahul N. Shah (Whole time Director)	
5	Kunal N. Shah (Whole time Director)	Relatives of KMP's
6	Saroj N. Shah (spouse of Nitin M. Shah)	
7	Nitin M. Shah (HUF)	
8	Rahul N. Shah (HUF)	Companies in which a KMP has significant influence
9	Reshma N. Shah (daughter of Nitin M. Shah)	
10	New Age Industries LLC, UAE	
11	New Age Electromechanical Contracting Company LLC, UAE	
12	Nitie Fire Protection Oil and Gas Field Services LLC, UAE	

## 37. (ii) Transactions with related parties (including re-imbursements):

No.	Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
<b>I</b>	<b>Capital transactions</b>		
	<b>Assets</b>		
<b>1</b>	<b>Other non-current assets</b>		
	Claims receivable *		
	Un-incorporated joint venture		
	Oil Block (RJ-ONN-2004/1)	(358,741)	(1,084,360)
	(* charge to survey cost incurred for mineral rights is more than the contribution made)		
<b>2</b>	<b>Advances to suppliers / loans given</b>		
	Associate		
	Worthington Nitin Cylinders Private Limited	4,299,276	3,090,000
<b>3</b>	<b>Advances given for supply of goods, now received back</b>		
	Associate		
	Worthington Nitin Cylinders Private Limited	3,028,276	1,200,000
<b>4</b>	<b>Advances on capital account</b>		
	Enterprises in which a KMP has significant influence		
	New Age Electromechanical Contracting LLC	-	231,032,834
	New Age Industries LLC	-	385,761,579
	KMP		
	Nitin M. Shah	-	69,622,134
	<b>Equity and Liabilities</b>		
<b>1</b>	<b>Unsecured loans/security deposit taken</b>		
	<b>KMP's</b>		
	Nitin M. Shah #	220,793,782	43,000,000
	(# security deposit taken)		
	Rahul N.Shah	116,747,897	150,000
<b>2</b>	<b>Unsecured loans/security deposit repaid</b>		
	<b>KMP's</b>		
	Nitin M. Shah ^	119,302,399	43,000,000
	(^security deposit repaid)		
	Rahul N.Shah	350,000	150,000
<b>II</b>	<b>Revenue transactions</b>		
	<b>Income</b>		
	Enterprise in which a KMP has significant influence		
	New Age Electromechanical Contracting LLC	-	26,212
	<b>Expenditure</b>		
<b>1</b>	<b>Purchase of materials and components (net of taxes)</b>		
	Enterprise in which a KMP has significant influence		
	New Age Industries LLC	-	39,615,582
<b>2</b>	<b>Rent (net of taxes)</b>		
	KMP		
	Nitin M. Shah	800,000	400,000
	Relative of KMP		
	Saroj N. Shah	800,000	400,000

## (ii) Transactions with related parties (including re-imbursements):

No.	Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
3	<b>Remuneration**</b>		
	Nitin M. Shah	-	20,409,325
	Rahul N. Shah	1,993,400	54,000
	Kunal N. Shah	1,979,000	54,000
	Relative of a KMP		
	Saroj N. Shah	-	1,069,896
4	<b>Survey cost incurred for mineral rights</b>		
	Un-incorporated joint venture		
	Oil Block (RJ-ONN-2004/1)	358,741	1,084,360
5	<b>Interest/Reimbursement of expenses</b>		
	KMP		
	Rahul N. Shah	3,780,940	-
	Relative of KMP		
	Nitin M. Shah (HUF)	9,555,430	228,926

(\*\* excluding incremental liability for gratuity as employee wise breakup of such liability based on estimation is not ascertainable)

## (c) Amounts outstanding for related parties:

No.	Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>I</b>	<b>Assets</b>		
(i)	<b>Other non-current assets</b>		
	Claims receivable		
	Un-incorporated joint venture		
	Oil Block (RJ-ONN-2004/1)	226,373,172	226,731,913
(ii)	<b>Long term loans and advances</b>		
	Capital advances		
	Enterprises in which a KMP has significant influence		
	New Age Electromechanical Contracting LLC	231,032,847	231,032,847
	New Age Industries LLC	597,266,060	597,266,060
	KMP		
	Nitin M. Shah	69,676,343	69,676,343
(iii)	<b>Other non-current investments</b>		
	Equity Shares		
	Associate		
	Worthington Nitin Cylinders Private Limited	77,063,353	340,844,179
(iv)	<b>Trade receivables ( net of trade payable if any)</b>		
	Associate		
	Worthington Nitin Cylinders Pvt. Ltd.	-	2,478,276
	Enterprise in which AKMP has significant influant		
	New age Electro Mechanical contracting LLC	26,562	26,562

**Amounts outstanding for related parties:**

No.	Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>II</b>	<b><u>Equity and Liabilities</u></b>		
<b>(i)</b>	Short term borrowings		
	KMP		
	Nitin M. Shah	151,905,432	-
	Rahul N Shah	119,800,742	-
<b>(ii)</b>	Dues (Excluding outstanding salary payable, if any)		
	KMP		
	Nitin M. Shah	360,000	4,467,648
	Relative of a KMP		
	Saroj N. Shah	360,000	-

Notes:

- (a) Related party relationships are as identified by the Company on the basis of information available and relied upon by the auditors.
- (b) No amount has been written off or written back in respect of debts due from or to related party.

**38 Contingent liabilities not provided for in respect of :\***

No.	Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>i</b>	Performance/bid-bond and other guarantees	440,464,109	998,479,355
<b>ii</b>	Corporate financial guarantees provided on behalf of a domestic subsidiary :		
	- Limit	80,000,000	80,000,000
	- Outstanding	80,831,230	68,852,966
<b>iii</b>	Standby letter of credit provided by the Holding Company on behalf of its foreign subsidiaries (including a step down subsidiary)		
	- Limit	1,606,052,122	1,643,065,933
	- Outstanding	1,525,749,516	1,564,793,111
<b>iv</b>	Cheques discounted	-	111,150,346
<b>v</b>	Claim against the Group not acknowledged as debts:		
	- Income Tax demands for: (A.Y. 2009-10 - A.Y. 2014-15) (Paid under Protest ₹ 84,00,000)	113,346,046	74,868,526
	-Sales tax (F.Y. 2010-11 - F.Y. 2012-13 (Paid under Protest ₹32,40,607)	6,012,821	3,796,333
	- Other matters	64,483,052	64,483,052

(\* other than attributable to a interest in a joint venture and an associate- Refer Notes 33 and 35)

**Note:**

Contingent liabilities in respect of above matters arising in the ordinary course of business, it is anticipated that no material liabilities will arise.

**39 Commitments:**

Estimated amount of contracts remaining to be executed on capital account (net of advances, unsecured and considered good) :  
₹ 35,423,736(P.Y. ₹40,422,636).

**40 Disclosures pursuant to AS-7 : (Holding Company)**

No.	Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a)	Contract revenue recognised for the financial year*	525,057,096	2,205,271,180
(b)	Aggregate of contract costs incurred and recognised profit (less recognised losses) upto the reporting date for contracts in progress	101,820,482	77,813,593
(c)	Advances received for contracts in progress	1,053,050	1,182,197
(d)	Retention money for contracts in progress	Nil	Nil
(e)	Gross amount due from customers for contract work (asset)	94,496,559	96,165,904
(f)	Gross amount due to customers for contract work (liability)	9,462,987	10,818,484

(\* in respect of completed and contracts in progress)

**41 Derivative instruments and unhedged foreign currency exposure: (Indian Entities)**

(a) There are no outstanding forward exchange contracts as at the year end.

(b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As at March 31, 2017 ₹		As at March 31, 2016 ₹	
	Amounts outstanding in foreign currency	Equivalent INR	Amounts outstanding in foreign currency	Equivalent INR
<b>Receivables:</b>				
Trade receivables for exports	\$ 33,601,348	2,178,664,362	\$ 34,356,421	2,278,961,066
Trade receivables for exports	£ 21,279	1,721,039	£ 21,279	2,023,382
Advances to suppliers	\$ 1,131,753	73,381,306	\$ 2,250,625	149,290,483
Advances to suppliers	£ -	-	£ 246	23,419
<b>Payables :</b>				
Short term secured borrowings (buyers line of credit/packing credit facility)	\$ 2,643,500	171,400,839	\$ 23,131,636	1,534,388,511
Trade payables for imports	\$ 3,778,491	244,992,046	\$ 3,823,906	253,650,754
Trade payables for imports	£ 450,776	36,458,628	£ 305,817	29,079,623
Trade payables for imports	€ 967	66,928	€ 2,067	155,185
Advance from customers	\$ 1,000,000	64,838,600	\$ 1,000,000	63,482,373
Interest accrued but not due on borrowings	-	-	\$ 141,654	9,396,333

**42 Earnings Per Share (EPS):**

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Profit / (Loss) for the year	(279,363,316)	985,345,240
Amount available for equity share holders	(279,363,316)	985,345,240
Weighted average number of equity shares (nos.)	292,269,622	292,269,622
Basic EPS	(0.96)	3.37
Diluted EPS	(0.96)	3.37

**43 Additional Information, as required under Schedule III to the Act of enterprises consolidated as subsidiary/associate/joint venture:**

	Name of the entity	Net assets, i.e., total assets less total liabilities		Share in profit	
		As % of consolidated net assets	₹	As % of consolidated profit/(loss)	₹
	1	2	3	4	5
<b>1 Holding company</b>					
(i)	Nitin Fire Protection Industries Limited	11.06	697,372,251	(304.59)	(964,233,336)
<b>2 Subsidiaries</b>					
a Domestic					
(i)	Eurotech Cylinders Private Limited	3.86	243,442,561	(8.46)	(26,776,534)
b Foreign					
(i)	Nitin Ventures Fze* (* includes New Age Co. LLC (UAE) and Firetec Systems Limited (UK))	78.85	4,971,848,804	296.02	937,111,959
(ii)	Nitin Global Pte Limited	1.42	89,578,308	0.35	1,111,015
(iii)	Nitin Fire Protection Middle East Fze, UAE **	-	-	-	-
<b>3 Associate</b> (Investment as per equity method upto March 31, 2015 and thereafter held as non current investments -Refer Note 45)					
(i)	Domestic Worthington Nitin Cylinders Private Limited	1.22	77,063,353	(83.33)	(263,780,817)
<b>4 Un-incorporated joint venture</b>					
(i)	Domestic Oil Block - RJ-ONN-2004/1-Rajasthan	3.59	226,373,172	-	-
	<b>Sub total</b>	100.00%	6,305,678,448	100.00%	(316,567,713)
	Less: Inter company adjustments , eliminations etc.		762,777,916	-	37,204,397
	<b>Total</b>	-	5,542,900,532	-	(279,363,316)

(\*\* no statement of profit and loss is prepared and also no equity shares have been issued)

- 44** In view of losses incurred by the Holding Company and its subsidiary viz. Eurotech Cylinders Private Limited, no provision for income tax is made by the said companies.
- 45** With regard to the Holding Company's investment in Equity Shares of Worthington Nitin Cylinders Private Limited (WNCPL) carried at a cost of ₹ 77,063,353 as at 31.03.2017, the Management is in discussion with the majority shareholders of WNCPL and on the way forward, expect to recover the carrying amount and thus believes that there is no diminution other than temporary in the value of the investment as at 31.03.2017. In absence of the financial statements of WNCPL since 31.03.2015, the results of WNCPL have been consolidated based on the annual results for the year ended 31.03.2015.
- 46** Trade receivables for the year ended 31.03.2017 includes ₹ 1,669,809,688 against exports made in earlier years, payments for which are not forthcoming. The Holding company's management is making all efforts to recover the same and is confident of recovery. Hence, no provision is considered necessary.
- 47** Cost of materials consumed for the year ended 31.03.2017 includes ₹ 220,034,150 on account of write off of slow moving / non moving stock.
- 48 Disclosure on Specified Bank Notes(SBN'S) - (Indian Entities)**

During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R.308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016. The denomination wise SBN's and other notes as per the notification is given below:

(In ₹)

Particulars	SBNs*	Other denomination notes	Total
<b>Closing cash in hand as on November 8, 2016</b>	<b>748,500</b>	<b>137,411</b>	<b>885,911</b>
(+) Withdrawal from Bank		<b>1,397,537</b>	<b>1,397,537</b>
(+) Permitted receipts		<b>903,589</b>	<b>903,589</b>
(-) Permitted payments	<b>88,000</b>	<b>1,949,880</b>	<b>2,037,880</b>
(-) Amount deposited in Bank	<b>660,500</b>		<b>660,500</b>
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>	<b>488,657</b>	<b>488,657</b>

**49 Effect on formation of subsidiary on the CFS :**

As the wholly owned foreign subsidiary viz. Nitin Fire Protection Middle East Fze had not commenced operations during the previous year ended March 31, 2017 and further, the Holding Company has not subscribed to its equity shares, there is no effect on group profit and also on the net assets of the Group for the aforesaid previous year.

**50 Goodwill on consolidation:**

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Opening Balance</b>	<b>1,030,125,659</b>	<b>710,777,577</b>
Add/(less): Exchange difference during the year on translation of Goodwill of foreign subsidiary	(23,205,932)	319,348,082
<b>Total</b>	<b>1,006,919,727</b>	<b>1,030,125,659</b>

**51 Previous year:**

Current year's figures are stated in bold prints and previous years figures are regrouped/restated wherever considered necessary.

**52 Salient features of financial statements of subsidiaries/associate /joint venture as per Companies Act, 2013**

Part A

**Subsidiaries**

Particulars	Reporting currency	Eurotech Cylinders Private Limited, India	Nitin Ventures FZE, UAE *	Nitin Global PTE Limited, Singapore**	Nitin Fire Protection Middle East Fze, UAE **
Share capital	INR	100,000	110,209,425	4,761,000	Nil
	USD	NA	2,724,000	100,000	Nil
Reserve and surplus	INR	243,342,561	4,861,639,379	84,817,308	Nil
	USD	NA	74,475,987	1,283,376	Nil
Total assets	INR	437,813,609	7,854,010,226	570,789,620	670,108
	USD	NA	121,651,307	8,803,238	10,335
Total liabilities	INR	437,813,609	7,854,010,226	570,789,620	670,108
	USD	NA	121,651,307	8,803,238	10,335
Investments	INR	Nil	Nil	1,636,504	Nil
	USD	NA	Nil	25,240	Nil
Turnover (excluding other income)	INR	26,050,105	10,241,498,867	317,803,119	Nil
	USD	NA	152,654,050	4,736,995	Nil
Profit/(loss) before taxation	INR	(27,992,602)	937,111,959	1,369,310	Nil
	USD	NA	15,147,239	12,015	Nil
Provision for taxation*	INR	(1,216,068)	Nil	258,295	Nil
(*including deferred tax and charge for earlier years)	USD	NA	Nil	3,850	Nil
Profit(loss) after taxation	INR	(26,776,534)	937,111,959	1,111,015	Nil
	USD	NA	15,147,239	8,165	Nil
Proposed dividend	INR	Nil	Nil	Nil	Nil
	USD	NA	Nil	Nil	Nil
% of shareholding	-	100	100	100	100

(\* includes New Age Co. LLC (UAE) and Firetec Systems Limited (UK))

As on 31.03.2017: 1US\$ = 64.8386

\*\* Financial Information is based on unaudited results.

The above statement also indicates performance and financial position of each of the subsidiaries.

Name of the subsidiaries which are liquidated during the year:

**Sl.no. Name of the companies**

- 1 Nitin Fire Protection Appliances Private Limited (effective October 1, 2016)
- 2 Nitin Fire Protection Systems Private Limited (effective October 1, 2016)



**Part B****Associate and joint venture**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to associate company and joint venture

Sr.no.	Name of Associates/Joint Ventures	Latest audited balance sheet date	Shares of associate/joint venture held by the Company on the year end		Profit/(loss) for the year					Reason why associate/joint venture is not consolidated
			No.	Amount of investment in associate/joint venture	Extent of holding (%)	Networth attributable to shareholding as per latest audited balance sheet ₹	Considered in consolidation	Not considered in consolidation	Description of how there is significant influence	
<b>Associate</b>										
<b>1</b>	Worthington Nitin Cylinders Private Limited	March 31, 2015	2,336,496	77,063,353	40.00	137,026,962	NA	Refer Note 1	Refer Note 2	Refer Note 1
<b>Joint venture</b>										
<b>2</b>	Oil Block - RJ ONN-2004/1-Rajasthan	March 31, 2015	NA	226,373,172	11.11	NA	NA	Refer Note 3	Refer Note 4	NA

(\* Share of participating interest in an un-incorporated joint venture)

**Notes:**

- 1 Due to unavailability of the audited financial statements for the years ended March 31, 2016 and March 31, 2017, the same is not considered for consolidation.
- 2 Significant influence due to percentage of holding.
- 3 No statement of profit and loss is prepared.
- 4 No significant influence.

Signatures to Notes 1 to 52 of the Consolidated Financial Statements

**For and on behalf of the Board of Directors**

Sd/-  
**Rahul N. Shah**  
 Whole time Director  
 DIN No. 00073226

Sd/-  
**Kunal N. Shah**  
 Whole time Director  
 DIN No. 00077216

Sd/-  
**Kamlesh Z. Gandhi**  
 Chief Financial Officer

Sd/-  
**Sraban Kumar Karan**  
 Company Secretary

May 30, 2017  
 Mumbai

**NITIN FIRE PROTECTION INDUSTRIES LIMITED**

Reg. Off.: 801 &amp; 802, C-wing, Neelkanth Business Park, Kirol Road, Vidhyavihar (W), Mumbai - 400086.

Phone: +91-22-40457000, Fax No. +91 22 25701110

CIN - L29193MH1995PLC092323 Email: cs@nitinfire.com Website: www.nitinfire.com

Branch Office: 501, Delta, Technology Street, Hiranandani Powai, Mumbai – 400 076.

Please complete the attendance slip and hand it over at the entrance of the Meeting hall.

Please also bring your copy of the Annual Report.

**ATTENDANCE SLIP**

I hereby record my presence at the 22nd Annual General Meeting of the Company held on Friday, the September 29, 2017 at 2.15 p.m. at “Rangaswar”, 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai - 400 021.

Regd Folio No.: /DPID NO : \_\_\_\_\_

No. of shares : \_\_\_\_\_

Name of the shareholder : \_\_\_\_\_  
(in capital letters)\_\_\_\_\_  
Signature of the shareholder or proxy**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]****22nd Annual General Meeting on September 29, 2017**

CIN:	L29193MH1995PLC092323
Name of the company:	<b>NITIN FIRE PROTECTION INDUSTRIES LIMITED</b>
Registered office:	801 & 802, C-wing, Neelkanth Business Park, Kirol Road, Vidhyavihar (W), Mumbai - 400086
Branch office:	501, Delta, Technology Street, Hiranandani Powai, Mumbai – 400 076

Name of the member (s)	
Name of the member (s)	
E-mail Id:	
Folio No/ Client Id :	
DP ID:	

I/we being the member(s) hold ..... shares of the above named company, hereby appoint.

1. Name: ..... E-mail Id: .....  
Address: .....  
Signature: ..... or failing him
2. Name: ..... E-mail Id: .....  
Address: .....  
Signature: ..... or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the company, to be held on Friday, September 29, 2017 at 2.15 p.m. at “Rangaswar”, 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai - 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Ordinary resolution to receive, consider and adopt the Audited Balance Sheet and the Audited Statement of Profit & Loss (Standalone & Consolidated) for the year ended 31st March, 2017 and Cash Flow Statement of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Report of the Auditors thereon.
2. Ordinary resolution for appointment of Mr. Kailat Hariharan Vaidyanathan (DIN – 00077323), Director, who retires by rotation and being eligible offers himself for re-appointment.
3. Ordinary Resolution for ratification of appointment of Auditors i.e; M/s. Haribhakti & Co. LLP, Chartered Accountants, Mumbai (Firm Registration Number 103523W/W-100048).
4. Special Resolution for appointment of Mr. Rahul N. Shah (DIN – 00073226), as the Whole-time Director and fix his remuneration.
5. Special Resolution for appointment of Mr. Kunal N. Shah (DIN – 00077216), as the Whole-time Director and fix his remuneration.
6. Ordinary Resolution for appointment of Mr. Hariharan V. Iyer, (DIN – 07539227), as an Independent Director.
7. Ordinary Resolution for appointment of Mr. Atul Mehta, (DIN – 00112451), as an Independent Director.
8. Special Resolution for keeping registers, indexes and records as required to be maintained under sections 88 and 94 of the Companies Act, 2013 in a place other than the registered office of the Company

9. Special Resolution for issue of Securities through Private Placement

Signed this..... day of..... 2017

Signature of shareholder

Signature of Proxy holder(s)

Affix revenue  
Stamp of ₹1/-

Notes:

- (i) The Proxy Form 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.
- (ii) The Proxy Form shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
- (iii) The Proxy Form is valid only if it is properly stamped and such stamp is cancelled.
- (iv) Blank, incomplete or undated Proxy Form shall not be considered valid.
- (v) The proxy-holder shall prove his/her identity at the time of attending the Meeting.

**Form No. SH-13-Nomination Form**  
**[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies**  
**(Share Capital and Debentures) Rules 2014]**

To,

(Name of the Company) \_\_\_\_\_

(Address of the Company) \_\_\_\_\_

\_\_\_\_\_ Pin code \_\_\_\_\_

I/ We \_\_\_\_\_

residing at \_\_\_\_\_

\_\_\_\_\_ the holder(s) of the securities particulars  
of which are given hereunder wish to make nomination and do hereby nominate the following person in whom shall vest, all the rights in  
respect of such securities in the event of my/our death.

**1) Particulars of the Securities (in respect of which nomination is being made)**

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.	
				From	To

**2) Particulars of Nominee**

Name:		Date of Birth : ____/____/____		Please affix recent passport size photograph of the Nominee signed across
Father's/ Mother's/ Spouse's name :		Occupation :	Nationality :	
E-mail id :				
Phone No :	Relationship with the security holder :			
Address: _____				Signature of the Nominee
_____ Pin code _____				

**3) In case Nominee is a Minor**

Date of birth : ____/____/____	Date of attaining Majority : ____/____/____	Name of guardian :
Address of Guardian: _____		Pin Code _____

Name of the Security Holder(s)	Signature
1.	
2.	
3.	
Name of witness	Signature of Witness with date
Address of witness : _____	
_____ Pin code : _____	
Place : _____ Date : ____/____/____	

The route map of the AGM venue is given below:



Y B Chavan Centre, General Jagannathrao, Bhosale Road,  
Nariman Point, Opp. Mantralaya, Mumbai - 400 021.









Protecting Life & Property Worldwide Since 1984

If undelivered please return to :

**NITIN FIRE PROTECTION INDUSTRIES LIMITED**

**Registered Office :**

801, C Wing, Neelkanth Business Park, Kiroli Road, Vidyavihar (West) Mumbai 400 086, INDIA.

Tel : +91 22 4045 7000 Fax : +91 22 2570 1110

Email : [nitinfire@vsnl.com](mailto:nitinfire@vsnl.com) Website : [www.nitinfire.com](http://www.nitinfire.com)

CIN No. L29193MH1995PLC092323