Date: September 30, 2022

To,
General Manager,
Listing Operation,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.
Scrip Code: 532854

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.
Symbol: NITINFIRE

Subject: Submission of Statement on Impact of Audit Qualifications (for audit report with modified opinion) being part of Standalone Financial statements for the year ending on March 31, 2019 as per Regulation 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Company currently under Corporate Insolvency Resolution Process and Liquidation as going concern

Dear Sir/Madam,

Pursuant to Regulation 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Statement on Impact of Audit Qualifications (for audit report with modified opinion) being part of Standalone Financial statements for the year ending on March 31, 2019, be approved and signed for submission with Stock Exchanges. As per Regulations 15(2A)& 15(2B) of the SEBI Listing Regulations, the submission of this statement be made, without any approval at Board Meeting and Audit Committee meeting, as required under the Regulation 29, but not applicable, due to the Company being under Corporate Insolvency Resolution Process (CIRP) and liquidation as going concern.

Kindly acknowledge the same.

Thanking you,
Yours' faithfully,
For Nitin Fire Protection Industries Limited

Nitin Fire Protection Industries Ltd. Liquidator

Uliyar Balakrishna Bhat
Liquidator

Encl.:
1. Statement on Impact of Audit Qualifications (for audit report with modified opinion) for the year ending on March 31, 2019

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, 2019 [Under Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	**S. No.**	**Particulars**	**Audited Figures (as reported before adjusting for qualifications)**	**Adjusted Figures (audited figures after adjusting for qualifications)**
	1.	Turnover / Total income	6,964.03	NA
	2.	Total Expenditure	57,484.17	NA
	3.	Net Profit/(Loss)	(50,522.16)	NA
	4.	Earnings Per Share	(17.29)	NA
	5.	Total Assets	5,522.41	NA
	6.	Total Liabilities	72,195.24	NA
	7.	Net Worth	(66,672.84)	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:		**Basis for Disclaimer of Opinion** (a) As explained in Note no. 36 to the Standalone Ind AS 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. 501.33 lakhs (excluding interest) 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 provision required in this regard as at March 31, 2019 on the above contract and has relied on a legal opinion obtained from an independent legal firm in financial year 2013-14 on the matter wherein no liability is expected. However, the Company has neither provided us any independent legal opinion as at March 31, 2019 nor any explanations to our enquiries on non-provisioning for the above matter. Pending the final settlement of the matter and in absence of sufficient appropriate evidence, we are unable to comment on the extent of provision required, if any. (b) As explained in Note no. 42 to the Standalone Ind AS Financial Statements, the Company has an exposure in Worthington Nitin Cylinders Private Limited		

aggregating Rs. 4,195.04 lakhs. The Company has made an estimated provision aggregating Rs. 3,244.55 lakhs towards impairment in the value of investment as at March 31, 2019. In the absence of the fair value of the investment by an independent valuer as required under Ind AS 28 'Investment in Associates and Joint Ventures', we are unable to comment on the extent of provision required towards impairment, if any.

(c) As explained in the Note no. 43 to the Standalone Ind AS Financial Statements, in relation to exposure in trade receivables aggregating Rs. 24,905.93 lakhs (net of adjustment of Rs. 5,500.74 lakhs) which are outstanding for a long period of time, payments for which are not forthcoming and are subject to independent confirmation and intimation to Reserve Bank of India on account of delayed recoveries in respect of balance receivable in foreign currency. The Company has made provision aggregating Rs. 23,090.62 lakhs by way of expected credit loss. In the absence of independent confirmations from the trade receivables, any other alternate audit evidences and non-recovery of any amount during the year and till date, we are unable to comment on the recoverability of the amount, adequacy or otherwise of the provision made and consequential impact, if any.

(d) As explained in Note no. 44 to the Standalone Ind AS Financial Statements, the trade payables aggregating Rs. 4,381.88 lakhs, advance to trade payable aggregating Rs. 7.96 lakhs, advance from customers aggregating Rs. 14.12 lakhs and security deposit given aggregating Rs. 267.86 lakhs are subject to independent confirmations/reconciliations. In the absence of independent confirmations/ reconciliations and any other alternate audit evidences, we are unable to comment on the consequential impact, if any.

(e) As explained in Note no. 45 to the Standalone Ind AS Financial Statements, due to expiry and non-renewal of The Loss Prevention Certification Board (LPCB) license by the Company, the traded goods consisting of firefighting equipment and other components, in the opinion of the management, would not fetch the carrying value as at March 31, 2019. The Company has made an estimated provision towards Non-moving inventories of Rs. 4,517.44 lakhs (apart from provision of Rs. 374.97 lakhs based on an independent valuation report) for which we have not been provided sufficient



	appropriate audit evidence. We are unable to comment on the adequacy of such provision made by the Company and its consequential impact, if any.
	(f) As explained in Note no. 46 to the Standalone Ind AS Financial Statements, the Company, during the year, has adjusted balances under Trade Payable and Trade Receivable aggregating Rs. 5,500.74 lakhs. These adjustments are subject to confirmation from respective counter parties and approval from Reserve Bank of India in case of the balances receivable/ payable in foreign currency. Pending such confirmations and approval, we are unable to comment on the consequential impact, if any.
	(g) As explained in Note no. 47 to the Standalone Ind AS Financial Statements, loans to subsidiaries aggregating Rs. 20,883.69 lakhs (including arising out of devolvement of stand by letter of undertaking issued in favor of subsidiaries in earlier period), advance for purchase of materials to subsidiary company of Rs. 267.28 lakhs and loans to other body corporates aggregating Rs. 1,335.78 lakhs, are outstanding for a long period of time. The Company has made provision for the entire amount of Rs. 22,486.75 lakhs, which includes provision amounting to Rs. 20,883.69 lakhs on loan to foreign subsidiaries, and for which we have not been provided sufficient appropriate audit evidence. The provision on loan to foreign subsidiaries is subject to confirmation from counter party and intimation to Reserve Bank of India on account of delayed recoveries of balance receivable in foreign currency. In the absence of independent confirmations from the subsidiaries and other body corporates, any other alternate audit evidences and non-recovery of any amount during the year and till date, we are unable to comment on the recoverability of the amount, adequacy or otherwise of the provision made and consequential impact, if any.
	(h) As explained in Note no. 48 to the Standalone Ind AS Financial Statements, the Company has made provision for interest accrued in respect of its borrowings from banks and financial institutions aggregating Rs. 11,086.50 lakhs. In the absence of independent confirmations in this regards, we are unable to comment on the adequacy of interest provision made by the Company and its consequential impact, if any.
	(i) As explained in Note no. 49 to the Standalone Ind AS Financial Statements, the Company has net carrying amount of Rs. 2,070.87 lakhs in respect of its Property, Plant and Equipment ("PPE") as at March 31, 2019. The Company has not carried out an impairment assessment of its PPE as required under Ind AS 36 'Impairment of Assets'. In the absence of sufficient appropriate audit evidence about the impairment

	provision of PPE, if any, we are unable to comment on the consequential impact, if any. (j) We have been informed by the RP that certain information and procedures as part of the CIRP are of confidential nature and could not be shared with anyone other than the committee of creditors and National Company Law Tribunal. Pending receipt of information, we are unable to comment on the consequential impact, if any.
b. **Type of Audit Qualification** : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Disclaimer of Opinion
c. **Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing	Repetitive and continuing: a. 9th Year (As Court case is still going on); b. From 2014-15; c. From 2016-17; d. From 2017-18; e. From 2018-19; f. From 2018-19; g. From 2018-19; h. From 2018-19; i. From 2018-19; j. From 2018-19
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:**	Corporate Insolvency & Resolution process (CIRP) and Liquidation on going concern
(iii) **Auditors' Comments on (i) or (ii) above:**	None further

III.	Signatories:
Liquidator/Resolution Professional/CEO/Managing Director	For Nitin Fire Protection Industries Ltd. U Balakrishna Bhat Liquidator Reg.No.IBBI/PA-001/IP-P00658/2017-18/11107 Email Id.: ubbhat@grabissonindia.in
~~CFO~~ / V.P. Finance	
Audit Committee Chairman	
Statutory Auditors HARIBHAKTI AND CO. LLP MUMBAI CHARTERED ACCOUNTANTS	For Haribhakti & Co. LLP Chartered Accountants Firm Registration No. 117366W/W100018 Snehal Shah Partner Membership NO. 048539
Place: Mumbai	
Date: 28/09/2022	