Limited Review Report

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

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

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

3. Emphasis of Matter

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

HARIBHAKTI & CO. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

4. *QUALIFICATION*

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

A) As more clarified in Note no. 4(a) to the Notes to the Unaudited Financial Results, no provision has been made by the Company in respect of its dispute with a bank for a claim made by the bank for Rs. 501.33 Lacs on a derivative contract entered into by its erstwhile subsidiary, the liability for which has been taken over by the Company. The Company has not determined the quantum of mark to market losses as of June 30, 2014 on the above contract and has relied on a legal opinion in the matter wherein no liability is expected. Pending the final settlement of the matter, we are unable to quantify the extent of provision required, if any, in this regard.

B) As more clarified in note no. 4(b) to the notes to the Unaudited Financial Results, provision of Rs. 4.50 Lacs has been made for penalty towards compounding of offence petitions filed for the alleged non-compliance of several provisions of the Companies Act, 1956 before Ministry of Finance, Department of Company Affairs. Based on opinion obtained, the Company expects maximum penalty of Rs. 4.50 Lacs on disposal of its petitions. Pending disposal of petition, we are unable to quantify the extent of additional provision required, if any, in this regard.

5. Based on our review conducted as above, *subject to the effects of our observations given in para 4,* nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Financial Results prepared in accordance with applicable accounting standards as specified under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Sumant Sakhardande
Partner
Membership No. 34828

HARIBHAKTI & CO. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Mumbai
August 14, 2014