HARIBHAKTI & CO.
Chartered Accountants

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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 December 31, 2012 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 statement is the responsibility of the Company's management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial statements 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 financial statements 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. a) *The company executes composite contracts with its customers for the supply and installation of fire protection system. Based on the nature of the activity, execution of work and the contracts entered into by the company, the contract revenue and contract costs need to be accounted by adopting the percentage of completion method as prescribed under AS - 7 "Construction Contracts". However, the company has accounted the revenue as per AS - 9 "Revenue Recognition" based on the dispatch of material and on completion of installation work. The impact due to the above on the financial statements is presently not ascertainable.*

   b) The Company is in a dispute with a bank for a claim made by the bank for Rs. 50,133,481 on a derivative contract entered into by its erstwhile subsidiary, the liability for which has been taken over by the Company. The erstwhile subsidiary is now an associate based on a sale of its 40% share and increase in paid up capital of the associate. The Company has not determined the quantum of mark to market losses as of December 31, 2012 on the above contract and has relied on a legal opinion in the matter as per which 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.

   Our audit report on the financial statements for the year ended March 31, 2012 was also qualified in respect of the matters stated above.

HARIBHAKTI & CO. MUMBAI CHARTERED ACCOUNTANTS

4. Based on our review conducted as above, *subject to the effects of our observations given in para 3*, 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 [Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 and/or Accounting Standards issued by Institute of Chartered Accountants of India] 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.
Chartered Accountants
Firm Registration No.103523W

HARIBHAKTI & Co. MUMBAI CHARTERED ACCOUNTANTS

Sumant Sakhardande
Membership No.: 34828

Mumbai
Date: February 10, 2013