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Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Liquidator of **Nitin Fire Protection Industries Limited**

Report on the Audit of the Standalone Ind AS Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying Standalone Ind AS Financial Statements of Nitin Fire Protection Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone Ind AS Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

We do not express an opinion on the accompanying Standalone Ind AS Financial Statements of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report and material uncertainty related to going concern section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Standalone Ind AS Financial Statements.

Basis for Disclaimer of Opinion

(a) The company is in Liquidation vide order dated 18-Jan-2022 and accordingly the Financials should reflect the net realizable value of the assets. As informed, the process for the sale of the assets of the company is underway as a going concern, the valuation report at the end of the year has not been shared and hence all the figures in the Financial statement are presented at historical cost. In absence of Valuation reports, no effect with respect to diminution, if any, in the value of assets have been provided by the company, as per the requirements of Ind AS 36 – Impairment of assets.

(b) As explained in Note no. 41 to the Standalone Ind AS Financial Statements, the Company has an investment in Worthington Nitin Cylinders Private Limited aggregating Rs. 4,195.04 lakhs as at March 31, 2023. During the previous year, the Company has made an estimated provision aggregating Rs. 3,772.17 lakhs (Including provision of Rs 181.30 lakhs made in earlier years) towards impairment in the value of investments as at that date. In the absence of the fair value of the investment by an independent valuer as required under Ind AS 28

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'Investment in Associates and Joint Ventures', we are unable to comment on the extent of provision required towards impairment, if any, in this regard and the resultant impact on loss, other equity and investment.

(c) As explained in Note no. 42 to the Standalone Ind AS Financial Statements, in relation to exposure in trade receivables aggregating Rs. 29,035.65 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 currencies. The Company has, in this regard, made provision of Rs. 28,605.24 lakhs as at March 31, 2023 by way of expected credit loss. In the absence of independent confirmations from the trade receivables and non-availability of other alternate audit evidence , we are unable to comment on the recoverability of the amount, adequacy or otherwise of provision made and consequential impact, if any in this regard and the resultant impact on loss, other equity and trade receivable.

(d) As explained in Note no. 43 to the Standalone Ind AS Financial Statements, the trade payables aggregating Rs. 6,241.65 lakhs, advance to trade payable aggregating Rs. 1.86 lakhs, advance from customers aggregating Rs 0.04 lakh and security deposit given aggregating Rs 1.03 lakhs are subject to independent confirmations. In the absence of independent confirmations and any other alternate audit evidences, we are unable to comment on the consequential impact, if any in this regard and the resultant impact on loss, other equity, trade payable and other current assets.

(e) As explained in Note no. 44 to the Standalone Ind AS Financial Statements, due to expiry and non-renewal of Loss Prevention Certification Board (LPCB) Licence by the Company during previous year, the traded goods consisting of firefighting equipment and other components, in the opinion of the management, would fetch its carrying value as at March 31, 2023. The Company has made an estimated provision towards non-moving inventories amounting Rs 5,004.23 Lakh (Including provision of Rs 486.90 Lakhs based on the independent valuation reports) as at March 31, 2020 and no further provision has been made during the financial year ended March 31, 2023. Further, we did not observe the counting of the physical inventories as at the year ended March 31, 2023. The Company has carried out physical verification of inventories on February 8, 2022 but physical verification report has not been provided to us. The records maintained by the Company are under updation and hence, for us to perform roll back procedure to ascertain the existence of inventories was not possible. Since inventories enter into the determination of the results of operations and cash flows, we are unable to determine whether any adjustments is required in respect of the loss for the year reported in the Statement of Profit and Loss and the net cash flows from operating activities reported in the Cash Flow Statement. We are unable to comment on the existence of inventory and adequacy of such provision made by the Company and its consequential impact, if any and the resultant impact on loss, other equity and inventories.

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(f) As explained in Note no. 45 to the Standalone Ind AS Financial Statements, as per the audited financial statements ended March 31, 2020, during the earlier years, the company, had 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 and the resultant impact on loss, other equity and investment.

(g) As explained in Note no. 46 to the Standalone Ind AS Financial Statements, loans to subsidiaries aggregating Rs. 24,215.86 lakhs (including arising out of devolvement of stand by letter of undertaking issued in favor of subsidiaries in earlier period) and advance for purchase of materials to subsidiary company of Rs. 343.26 Lakhs, are outstanding for a long period of time. The Company has made provision for the entire amount of Rs. 24,559.12 lakhs, which includes provision amounting to Rs. 24,215.86 lakhs on loan to foreign subsidiaries, and for which we have not been provided sufficient appropriate audit evidence. The provision on loan to foreign subsidiary 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, including foreign 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 and the resultant impact on loss, other equity and investment.

(h) As explained in Note no. 47 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. 43,743.18 lakhs. As informed the provision has been made based on claim admitted during the liquidation process. In the absence of independent confirmations in this regards, we are unable to comment on the interest provision made by the Company and its consequential impact, if any and the resultant impact on loss, other equity and investment.

(i) We have been informed by the Liquidator/ Resolution professional that certain information and procedures as part of the Corporate Insolvency Resolution Process ("CIRP") and liquidation 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 and the resultant impact on loss, other equity and investment.

(j) As explained in Note no. 18 the Standalone Financial Statements, the current maturities of long-term borrowings aggregating to Rs. 805.56 lakhs (PY Rs

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1,025.80 lakhs) and short-term borrowing aggregating to Rs 59,208.39 lakhs (PY Rs 58,897.16 lakhs) are subject to independent confirmations. In the absence of independent confirmations and any other alternate audit evidences, we are unable to comment on the consequential impact, if any in this regard and the resultant impact on loss, equity, current maturity of long term borrowing and short term borrowing.

(k) As explained in Note 51 to 54, balances appearing in the financial statements are subject to reconciliation with the returns and submissions made with statutory authorities. Hence, the effect thereof, on Profit/ Loss, Assets and Liabilities, if any, is not ascertainable. Non provision for Deferred Tax Assets/Liability. Further Revenue recognized in books of accounts has not been reconciled with form 26AS. TDS has not been deducted on interest on borrowings from other than banking / financial institution paid during the year. In the absence of such non compliances, we are unable to comment on the consequential impact, if any and the resultant impact on profit & loss, other equity and liabilities.

(l) The financial statements which describes that the Balance of Debtors, Creditors, Loans & Advances, Investments, Advance to Suppliers, balance with government authorities & Others and Advance from Customers & Others are subject to confirmation and reconciliation, if any. Hence, the effect thereof, on Profit/ Loss, Assets and Liabilities, if any, is not ascertainable.

(m) According to the information given to us the Company is required to prepare Consolidated Financial Statement but Company has not prepared the same so we are unable to comment upon the same.

(n) As the Company has not documented internal control framework which includes standard operating process for various areas of operations, risk control matrices, etc. and also due to the inability of the management to substantiate that there are adequate internal controls that exist and operate effectively, we are unable to comment on the presence and effectiveness of internal controls that are designed to prevent and detect any material misstatement, fraud, errors and omissions. Further CIRP process have been started form October 2018 and since then the internal audit has been discontinued. We have also issued a disclaimer of opinion in our report on the internal financial controls with reference to the financial statements under Section 143 (3) (i) of the Act of even date annexed to this report.

(o) We have not been provided with any documented framework to ascertain completeness and timely compliance with the provisions of various applicable statutes. Therefore, we are not able to comment on the completeness of compliances under applicable statutes. Further, during the course of audit, we have observed few instances of non-compliances with provisions of SEBI Listing



Obligations and Disclosure Requirements and The Companies Act, 2013. Major non-compliances observed are -

I. The Company has not prepared and presented Consolidated Ind AS Financial Statements for the year ended March 31, 2022 and March 31, 2023 as required under Section 129(3) of the Companies Act, 2013;
II. The Company has not appointed internal Auditors as required by Section 138 of the Companies Act, 2013;
III. As required by Section 203 of the Companies Act, 2013, the Company has not appointed full time Company Secretary;
IV. As required by Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the cost audit is not applicable to the Company;
V. The Company has not prepared and presented quarterly unaudited financial results (standalone and Consolidated) basis as required under the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for all the quarter of the financial year.
VI. The Company did not have a Chief Financial Officer (CFO) since financial year 2018-19 as required under section 203 of the Act.

In the absence of ascertainment of impact arising on account of such non-compliance of laws and regulations on the Ind AS standalone Financial Statements of the company, we are unable to comment on the said consequential impact.

Material Uncertainty Related to Going Concern

We draw attention to Note no. 49 to the Standalone Ind AS Financial Statements, regarding preparation of Standalone Ind AS Financial Statements on a going concern basis. The Company has incurred a net loss of Rs. 418.01 lakhs during the year ended March 31, 2023, the net worth of the Company as of date is fully eroded and it is negative Rs. 1,08,392.82 lakhs as of that date, and further, the Company's current liabilities exceeded its total assets by Rs. 1,08,256.41 lakhs as on March 31, 2023. Further, capacity utilization of the manufacturing facilities is very low. In view of the same and given the fact that liquidation is in progress, as per the Insolvency and Bankruptcy Code 2016 ("IBC"), it is required that the Company be managed as a going concern during CIRP and liquidation.

There exists material uncertainty on the Company's ability to continue as a going concern since the same is dependent upon the sale of the Company on going concern basis based on liquidation Order dated January 18, 2022 passed by National Company Law Tribunal. Accordingly, we are unable to comment on the appropriateness of the going concern assumption used in the preparation of Standalone Ind AS Financial Statements, as it is critically dependent upon liquidation as specified in the IBC.



Responsibilities of Board of Directors / RP/ Liquidator and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench admitted a petition for initiation of CIRP under section 7 of the IBC filed by one of the financial creditors of the Company dated June 4, 2018 and appointed an Interim Resolution Professional ("IRP") to manage the affairs of the Company in accordance with the provisions of the IBC vide order dated October 22, 2018. The Committee of Creditors ("COC") in its meeting held on November 20, 2018 passed a resolution confirming the appointment of the IRP as the Resolution Professional ("RP"). In view of the CIRP/Liquidation, the powers of the Board of Directors have been suspended and the said power of adoption of the Standalone Ind AS Financial Statements of the Company for the year ended March 31, 2023 vests with the RP/Liquidator in terms of the IBC. (Refer Note no. 1 to the Standalone Ind AS Financial Statements). Further vide order dated January 18, 2022 the RP is now appointed as Liquidator of the Company.

The Company's Board of Directors/ Liquidator/RP 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder. 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS Financial Statements, the Board of Directors/ RP/ Liquidator is responsible for assessing the Company's ability to continue as a going concern disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors/ RP/ Liquidator either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors/ Liquidator/ RP are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our responsibility is to conduct an audit of the Company's Standalone Ind AS Financial Statements in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India ("ICAI") and to issue an auditor's report. However,



because of the matters described in the Basis for Disclaimer of Opinion and material uncertainty related to going concern sections of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Standalone Ind AS Financial Statements.

We are independent of the Company in accordance with the Code of Ethics and provisions of the Act that are relevant to our audit of the Standalone Ind AS Financial Statements and we have fulfilled our ethical requirements in accordance with the Code of Ethics issued by ICAI and the requirements under the Act.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) 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. As described in the Basis for Disclaimer of Opinion section, we sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section above and clause (vi) of Annexure 1 to the Independent Auditor's Report, we are unable to state whether 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. Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards referred to in section 133 of the Act read with relevant rules issued thereunder;

e. After initiation of CIRP/ Liquidation process, Board of Directors the Company are suspended as on March 31, 2023, and accordingly we are unable to comment on the disqualification from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure 2";



g. 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 Ind AS Financial Statements - Refer Note no. 37 Contingent Liabilities to the Standalone Ind AS Financial Statements;

(ii) Except for the possible effects of the matters described in the Basis of Disclaimer of Opinion section 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.

(iii)There has been delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Details are as follows-

Year Ended	Date of Declaration	Unpaid Dividend Rs in Lakhs	Due date for Transfer to IEPF
31-Mar-13	31-Aug-13	0.26	14-Sep-20
31-Mar-15	21-Sep-15	1.22	23-Oct-22

(iv) (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, we are unable to comment that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above contain any material mis-statement.

(v) The company has not declared nor proposed or paid any dividend during the year and therefore compliance under section 123 of the Companies Act, 2013 is not applicable to the company.

h. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Parekh Shah & Lodha
Chartered Accountants
ICAI Firm Registration No: 107487W



Ravindra Chaturvedi
Partner
Membership No.048350
UDIN: 23048350BGWTIK2967
Place: Mumbai
Date: 27-09-2023

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 on the Standalone Ind AS financial statements for the year ended March 31, 2023]

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

i) In respect of its Property, Plant and Equipment and Intangibles Assets:

(a) A. The Company has not provided records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

B. The Company has not provided records showing full particulars, including quantitative details and situation of intangibles assets.

(b) As informed to us the Company has a program of physical verification of Property, Plant and Equipment to cover all the items in a phased manner over a period of three years, however not documentary proof has been provided. Further, the Property, Plant and Equipment of the Company have not been physically verified by the Company/ Resolution Professional/Liquidator during the year and as such, we cannot comment on material discrepancies existing, if any.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company except as per disclosure made in Note 3 to the Financial Statements, as follows:

Land/ Building	Total number of cases	Leasehold/ Freehold	Gross Block as on March 31, 2023	Net Block as on March 31, 2023
Leasehold Land	1	Leasehold	Rs 12.79 lakhs	Rs 11.59 lakhs

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued/ provided valuation report of its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year nor they have made any provision as per Ind AS 36- Impairment of Assets.



(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii) a) The inventory has not been physically verified by the Company/ Resolution Professional/ Liquidator as at March 31, 2023 accordingly, we cannot comment on material discrepancies existing, if any. Also, the frequency of inventory verification is not reasonable.

(b) As disclosed in note 61.12 to the financial statements and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. As the company is under CIRP/Liquidation hence the company has not filed the quarterly returns or statements with such banks.

iii) (A) The Company has provided loans or advances in the nature of loans, or stood guarantee, or provided security to any subsidiary, joint venture or associate which are repayable on demand is not prejudicial to the interest of company except to the extend interest not being charged.

(B) The Company has provided loans or advances in the nature of loans, or stood guarantee, or provided security to parties other than subsidiaries, joint ventures and associates.

(b) The investment made, guarantee provided, security given and terms and condition of the grant of all loans and advances in the nature of loans and guarantee provided are not prejudicial to the interest of the company.

(c) In respect of loans or advance in the nature of loans, the schedule of repayment of principal and payment of interest has not been stipulated thus we are unable to comment whether the repayments or receipts are regular.

(d) In respect of loans granted, since the Company has granted loans which are payable on demand and during the year the Company has not demanded such loan and interest so we are unable to comment whether, there is no amounts overdue for more than 90 days as at the balance sheet date.

(e) As per information given to us we are unable to comment whether no loan or advances in the nature of loan has fallen due during the year, which, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) As information given to us, we are unable to comment, that the company has not given any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to promoters, related parties as defined in clause (76) of section 2 of Companies Act, 2013



iv) As the statutory registers has not been provided for our verification, in respect of loans, investments, guarantees and securities, we unable to comment whether, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of Loans, Investments made, Guarantees, and Securities provided by it.

v) As per the information given to us the Company has not accepted any deposits from the public under the provisions of Section 73 to 74 of the Act and the rules framed there under and therefore reporting under clause 3(v) is of order is not applicable.

vi) We have broadly reviewed the books of account maintained by the company in respect of the products where the maintenance of cost records has been specified by the Central Government under sub-section (I) of section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records has not maintained by the company.

vii) In respect of statutory dues:

a) In our opinion, the company has generally been not in regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, There were undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for the period of more than six months from the date they become payable are as follows.

Name of the statute	Nature of the dues	Amount Rs. in lakhs	Period to which the amount relates	Due Date	Date of Payment
Maharashtra Labour Welfare Fund	Maharashtra Labour Welfare Fund	0.09	Since June 2019	July 2019	Unpaid
Income Tax Act, 1961	Tax Deducted at Source	18.77	Since June 2019	July 2019	Unpaid

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b) According to the information and explanations given to us and records of the Company examined by us, dues outstanding with respect to VAT, Sales Tax and Service Tax, Goods and Service tax & cess, on account of any dispute are as follows.

Name of the statute	Nature of dues	Amount Rs. in lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.20	A.Y. 2012-13	Demand for late payment of interest UIs
	Income Tax	0.25	A.Y. 2013-14	220(2)
	Income Tax	163.42	A.Y. 2016-17	Commissioner of Income Tax (Appeal)
The Central Sales Tax Act 1956	Sales Tax	0.93	F.Y. 2013-14	Commissioner of Sales Tax
	Sales Tax	22.81	F.Y. 2014-15	
	Sales Tax	96.14	F.Y. 2015-16	
	Sales Tax	114.72	F.Y. 2016-17	
GST	GST Dues u/s. 73	33.90	F.Y. 2017-18	Asst. Comm of State Tax, Mulund, Mumbai - 80.

viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon except for the details given below :-

Sr. No	Particulars	Amount of default as at March 31, 2023 (Including Interest due) Rs. In Lakhs	Period of default
1	**Aditya Birla**	611.34	March 2018 – March 2023
2	**IFCI Limited**	1,223.41	March 2018 – March 2023
3	**Bank of Baroda**	17,407.25	June 2017- March 2023
4	**IDBI Bank**	42,845.41	January 2018- March 2023
5	**Axis Bank**	31,379.16	August 2017- March 2023
6	**ICICI Bank**	41.96	October 2018- March 2023

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b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and there are outstanding term loans at the beginning of the year and as company has not provided any information related to this hence we are unable to comment whether the term loan is applied for purpose which was obtained.

d) On examination of the financial statements of the Company has not raised any short-term fund therefore Clause 3 (ix) (d) is not applicable.

e) The Company does not raised any fund from entity or person on account of or to meet the obligation of its subsidiaries, joint ventures or associate Companies therefore the Clause 3 (ix) (e) is not applicable.

f) The Company does not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures or associate Companies; the Clause 3 (ix) (f) is not applicable.

x) a) The Company did not raise any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(x) (a) of the Order are not applicable to the Company.

b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of Clause 3(x) (b) of the Order are not applicable to the Company.

xi) a) 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/ Resolution Professional/ Liquidator.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) During the year no whistle-blower complaints have been raised and received by the company;

xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act. 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.



xiv) The requirement of internal audit is applicable to the company but company has not appointed internal auditor during the period under review, hence we are unable to comment upon the provisions of clause 3(xiv)(a) to (b) of the order.

xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934

c) The company is a not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, therefore the Clause 3 (xvi) (c) is not applicable.

d) The company does not have any CIC as part of the Group and hence reporting under clause 3(xvi) of the order is not applicable.

xvii) The Company has incurred cash losses during the financial year and the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year.

xix) On the basis of the financial ratios, ageing and expected dates of realisation financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, it has come to our attention, which causes us to believe that material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



xx) According to the Section 135 (1) towards Corporate Social Responsibility is not applicable to the Company, therefore Clause 3 (xx) is not applicable.

For **Parekh Shah & Lodha**
Chartered Accountants
ICAI Firm Registration No. 107487W



Ravindra Chaturvedi
Partner
Membership No.048350
UDIN: 23048350BGWTIK2967
Place: Mumbai
Date: 27-09-2023

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 Ind AS financial statements for the year ended March 31, 2023]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We were engaged to audit the internal financial controls with reference to financial statements of Nitin Fire Protection Industries Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's/ Resolution Professional (RP)/ Liquidator's Responsibility for Internal Financial Controls

The Company's Management/ Resolution Professional/ Liquidator is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (the "Guidance Note") 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matter described in the Disclaimer of Opinion paragraph below, further no standard operating procedure (SOP) provided for our review, hence we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls with reference to financial statements of the Company.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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.

Disclaimer of Opinion

The system of internal financial controls with reference to financial statements with regard to the Company were not made available to us to enable us to determine if the Company has established adequate internal financial controls with reference to financial statements and whether such internal financial controls were operating effectively as at March 31, 2023.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Standalone Ind AS Financial Statements of the Company, and the disclaimer has affected our opinion on the Standalone Ind AS Financial Statements of the Company and we have issued a disclaimer of opinion on the Standalone Ind AS Financial Statements.

For Parekh Shah & Lodha
Chartered Accountants
ICAI Firm Registration No. 107487W



Ravindra Chaturvedi
Partner
Membership No.048350
UDIN: 23048350BGWTIK2967
Place: Mumbai
Date: 27-09-2023

Nitin Fire Protection Industries Limited (Under Liquidation)
BALANCE SHEET AS AT MARCH 31, 2023
(Amounts are in Indian Rupees in Lakhs unless otherwise stated)

PARTICULARS	Note No	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	1,102.62	1,594.20
Intangible assets	3	-	-
Financial Assets			
(i) Investment in subsidiaries and associate	4	447.87	447.87
(ii) Other Financial Assets	5	-	-
Other non current assets	6	1.02	0.96
Total non current assets		1,551.51	2,043.02
Current Assets			
Inventories	7	103.07	27.71
Financial Assets			
(i) Trade receivables	8	430.41	181.52
(ii) Cash and Cash Equivalents	9	351.46	8.26
(iii) Bank Balances other than (ii) above	10	96.47	92.70
(iv) Loans	11	0.97	2.56
(v) Other Financial Assets	12	1.43	1.16
Other Current Assets	13	26.44	37.72
Total current assets		1,010.25	351.63
TOTAL ASSETS		2,561.76	2,394.66
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	5,845.39	5,845.39
Other Equity	15	(114,162.67)	(113,820.20)
Total Equity		(108,317.28)	(107,974.81)
Non Current Liabilities			
Financial Liabilities			
(i) Long Term Borrowings	16	-	-
Long term Provisions	17	138.01	143.35
Total non current liabilities		138.01	143.35
Current Liabilities			
Financial Liabilities			
(i) Short Term Borrowings	18	60,013.95	59,922.96
(ii) Trade Payables	19		
- Total outstanding dues to Micro and Small Enterprises		353.31	189.58
- Total outstanding dues to others		5,888.34	5,683.27
(iii) Other Financial Liabilities	20	44,009.67	44,326.28
Provisions	21	4.32	6.73
Other Current Liabilities	22	456.36	80.11
Income tax liabilities	23	15.08	17.19
Total current liabilities		110,741.03	110,226.12
Total liabilities		110,879.04	110,369.47
TOTAL EQUITY AND LIABILITIES		2,561.76	2,394.66
Significant Accounting Policies	1-2		
Notes forming part of the financial statements	3-60		

As per our attached report of even date
For Parekh Shah & Lodha
Chartered Accountants
ICAI Firm Registration No. 107487W

Ravindra Chaturvedi
Partner
Membership No. 048350
UDIN: 23048350BGWTIK2967
Place: Mumbai
Date: 27-09-2023

For and on behalf of Board of Directors of
Nitin Fire Protection Industries Limited (Under Liquidation)

U. Balakrishna Bhat
Liquidator
IBBI/IPA-001/IP-P00658/2017-18-11107

Place: Mumbai
Date: 27-09-2023

Nitin Fire Protection Industries Limited (Under Liquidation)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023
(Amounts are in Indian Rupees in Lakhs unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	24	470.01	439.34
Other income	25	2,238.80	822.86
Total income		2,708.82	1,262.20
Expenditure			
Cost of materials and components consumed	26	260.88	306.17
Purchase of stock-in-trade	27	-	-
Changes in inventory of stock-in-trade	28	-	-
Employee benefits expense	29	196.21	201.57
Finance costs	30	50.47	11,702.61
Depreciation and amortisation expense	31	67.51	74.19
Other expenses	32	2,475.57	1,039.03
Total expenses		3,050.64	13,323.57
Profit before exceptional items and taxes		(341.82)	(12,061.37)
Exceptional Items			
Prior period Expenses		6.21	2.48
Profit before tax		(348.03)	(12,063.85)
Income Tax expense			
Current Tax			
Adjustment of tax relating to earlier periods (net)	39	0.46	-
Deferred tax			
Total tax expenses		0.46	-
Loss after tax		(348.49)	(12,063.85)
Other comprehensive income :			
Items that will not be reclassified to profit or loss			
- Remeasurements gains / (loss) on defined benefit plans		6.02	-
- Income tax relating to the above items			
Other comprehensive income for the year, net of tax		6.02	-
Total comprehensive Income for the year, net of tax		(342.47)	(12,063.85)
Earnings per equity share			
Basic and Diluted [Nominal value of the shares ₹ 2 (₹ 2)	33	(0.12)	(4.13)
Significant accounting policies	1-2		

The accompanying notes are an integral part of these financial statements (1-60)

As per our attached report of even date

For Parekh Shah & Lodha
Chartered Accountants
ICAI Firm Registration No. 107487W

Ravindra Chaturvedi
Partner
Membership No. 048350
UDIN: 23048350BGWTIK2967
Place: Mumbai
Date: 27-09-2023

For and on behalf of Board of Directors of
Nitin Fire Protection Industries Limited (Under Liquidation)

U. Balakrishna Bhat
Liquidator
IBBI/IPA-001/IP-P00658/2017-18-11107

Place: Mumbai
Date: 27-09-2023

Nitin Fire Protection Industries Limited (Under Liquidation)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(Amounts are in Indian Rupees in Lakhs unless otherwise stated)

Sr. no	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A	**Cash flow from operating activities**		
	Net (loss) before taxation	(348.49)	(12,063.85)
	Adjustments for:		
	Depreciation and amortisation	67.51	74.19
	Unrealised foreign exchange difference-net (gain)/loss	(2,143.88)	(779.69)
	Interest income (gross)	(5.30)	(4.16)
	Finance cost	50.47	11,702.61
	Bad debts/balances written off and liquidated damages	2,278.24	815.95
	Remeasurements of the defined benefit plans	6.02	-
	Liability no longer required written back	(9.70)	(29.31)
	Operating profit before working capital changes	**(105.13)**	**(284.27)**
	Adjustments for:		
	Decrease in value of inventories	(75.36)	39.29
	Increase in other current assets	11.28	13.02
	Decrease in other non-current assets	(0.07)	-0.23
	Increase in other current financial Assets	(2.45)	-
	Increase in other current financial liabilities	(316.61)	11,701.14
	Increase/ (Decrease) in other current liabilities	376.26	41.64
	(Increase) in value of trade receivables	(373.55)	592.93
	Increase/(decrease) in value of trade payables	368.79	146.23
	Increase in provisions	(7.75)	(27.60)
	(Decrease) in working capital	-19.46	12,506.42
	Cash generated from/(used in) operations	**-124.58**	**12,222.15**
	Taxes paid (net of refunds, if any)	(2.11)	(12.14)
	Net cash generated from/(used in) operating activities	-126.69	12,210.01
B	**Cash flow from investing activities**		
	Purchase of fixed assets*		
	(*includes movement in capital work in progress)		
	(Purchase)/sale of investments		
	Interest received	5.30	4.38
	Maturity/(Placement) of Fixed Deposits with Banks	-	(3.95)
	Proceeds on sale of fixed assets	424.06	-
	Net cash generated from investing activities	429.37	0.43
C	Cash flow from financing activities		
	Proceeds from short term borrowings	90.99	20.63
	Repayment of long term borrowings	-	-
	(Repayment) of short term borrowings	-	
	Loans given to/ (refunded from) Subsidiary Companies	-	(588.43)
	Loans given to/ (refunded from) Others	-	6.71
	Finance charges	(50.47)	(11,702.61)
	Dividends distributed (including corporate dividend tax)	-	-
	Net cash generated from financing activities	40.52	(12,263.70)
	Net (decrease) in cash and cash equivalents	343.20	-53.26
	Cash and cash equivalents (opening)	8.26	61.52
	Cash and cash equivalents (closing)	351.46	8.26
	Net increase/(decrease) as disclosed above	343.20	-53.26

Nitin Fire Protection Industries Ltd. Liquidator

Nitin Fire Protection Industries Limited (Under Liquidation)
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023
(Amounts are in Indian Rupees in Lakhs unless otherwise stated)

Notes:

1 Brackets indicate a cash outflow or deduction.

2 Components of cash and cash equivalents (closing):

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.05	0.01
Bank balances:		
With banks on:		
- Current accounts	351.41	8.25
Deposits with maturity of more than 3 months but less than 12 months ***		-
Total	351.46	8.26

3 The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows". The accompanying notes are an integral part of these financial statements (1-60)

4 The net profit / loss arising due to conversion of current assets / current liabilities, receivable / payable in foreign currency is furnished under the head "Unrealized forex exchange (gain) / loss"

Particulars	Opening Balance		Foreign exchange changes
31-Mar-23			
Non current borrowings, Refer note 13(a)	1,025.80		-
Current borrowings, Refer note 13(b)	59,922.96		90.99

As per our attached report of even date

For Parekh Shah & Lodha
Chartered Accountants
ICAI Firm Registration No. 107487W

Ravindra Chaturvedi
Partner
Membership No. 048350
UDIN: 23048350BGWTIK2967
Place: Mumbai
Date: 27-09-2023

For and on behalf of Board of Directors of
Nitin Fire Protection Industries Limited (Under Liquidation)

U. Balakrishna Bhat
Liquidator
IBBI/IPA-001/IP-P00658/2017-18-11107

Place: Mumbai
Date: 27-09-2023

Nitin Fire Protection Industries Limited (Under Liquidation)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

Equity share capital

a. Equity shares of ₹ 2 each issued, subscribed and fully paid

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	₹	Number of shares	₹
Balance at the beginning	292,269,622	5,845.39	292,269,622	5,845.39
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current / previous reporting period	-	-	-	-
Changes in equity share capital during the year	-	-	-	-
Balance at the end	**292,269,622**	**5,845.39**	**292,269,622**	**5,845.39**

b. Other Equity

	Attributable to owners			
	Reserves and Surplus			
	Securities premium reserve	General reserve	Retained Earnings	Total
	₹	₹	₹	₹
Balance at March 31, 2021	1,338.94	2,131.62	(97,963.72)	(94,493.16)
Loss for the year	-	-	(7,263.20)	(7,263.20)
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income for the year	-	-	(7,263.20)	(7,263.20)
Transactions with owners of company		-		
Balance at March 31, 2022	1,338.94	2,131.62	(105,226.92)	(101,756.36)
Loss for the year	-	-	(12,063.85)	(12,063.85)
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income for the year	-	-	(12,063.85)	(12,063.85)
Transactions with owners of company		-		
Balance at March 31, 2023	1,338.94	2,131.62	(117,290.77)	(113,820.21)

The accompanying notes are an integral part of these financial statements (1-55)

For Parekh Shah & Lodha
Chartered Accountants
ICAI Firm Registration No. 107487W

Ravindra Chaturvedi
Partner
Membership No. 048350
UDIN: 23048350BGWTIK2967
Place: Mumbai
Date: 27-09-2023

For and on behalf of Board of Directors of
Nitin Fire Protection Industries Limited (Under Liquidation)

U. Balakrishna Bhat
Liquidator
IBBI/IPA-001/IP-P00658/2017-18-11107

Place: Mumbai
Date: 27-09-2023

Nitin Fire Protection Industries Limited (Under Liquidation)
Notes to the financial statements for the period ended March 31, 2023

1 Corporate Information:

Nitin Fire Protection Industries Limited (Under Liquidation) (NFPIL 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 . As part of its business activities, the Company has formed/acquired domestic subsidiaries. NFPIL 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.
The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench admitted a petition for initiation of CIRP under section 7 of the IBC filed by one of the financial creditors of the Company dated June 4, 2018 and appointed Mr. Uliyar Balakrishna Bhat as Interim Resolution Professional ("IRP") to manage the affairs of the Company in accordance with the provisions of the IBC vide order dated October 22, 2018. The Committee of Creditors ("COC") in its meeting held on November 20, 2018 passed a resolution confirming the appointment of the IRP as the Resolution Professional ("RP"). In view of the CIRP, the powers of the Board of Directors have been suspended and the said power of adoption of the Standalone Ind AS Financial Statements of the Company vests with the RP/Liquidator in terms of the IBC. Further vide order dated January 18, 2022 the RP Mr Uliyar Balakrishna Bhat is now appointed as Liquidator of the Company.

2 Significant accounting policies:

a Basis of accounting and preparation of Financial Statements:

Compliance with Indian Accounting Standards (Ind AS):

a) The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, provisions of the Companies Act, 2013, to the extent notified and pronouncements of the Institute of Chartered Accountants of India.

Disclosures under Ind AS are made only in respect of material items and in respect of the items that will be useful to the users of financial statements in making economic decisions.

Pursuant to the commencement of Liquidation as per the provisions of Section 33 of the IBC 2016, The Management of the affairs of the company is vested with the Liquidator and the powers of BOD stand suspended and be exercised by the Liquidator. The Liquidator expects to sale the company as going concerns and currently invites proposals from various investors.
The financial statements have been prepared on going concern basis.

Functional and Presentation Currency:

These financial statements are presented in Indian rupees, which is the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest thousand, except otherwise indicated.

Basis of measurement:

These Financial statements are prepared under the historical cost convention unless otherwise indicated.

Use of Estimates and Judgments:

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise. Estimates and underlying assumptions are reviewed on an ongoing basis.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the accounting policies.

- Measurement of defined benefit obligations (Refer note 29.1)
- Measurement and likelihood of occurrence of provisions and contingencies (Refer note 37)
- Estimation of tax expenses and liability (Refer note 39)
- Useful lives of property, plant, equipment and intangibles (Refer note 3)
- Impairment of financial assets such as trade receivables (Refer note 8)
- Revenue recognition

b Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes, Goods and Service Tax.

i) Sale of goods: Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Revenue is measured net of returns, trade discounts and volume rebates. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales contract.

ii) Rendering of services : In contracts involving rendering of services, revenue is recognised in profit or loss in the proportion of the stage of completion of the transaction at the reporting date and are measured net of sales tax, works contract tax, service tax and Goods and Service Tax.

iii) Contract revenue

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 work performed to date to the total estimated contract costs. The estimates of cost and progress of contracts are measured at each reporting date by the Management. The effect of such changes to estimates is recognized in the period in which such changes are determined. The estimated cost of each contract is determined based on the estimate of the cost to be incurred till the final completion of the contract and includes cost of materials, services, and other related overheads. Any projected losses on contracts under execution are recognised in full when identified.

iv) Interest income

Interest income from debt instruments is recognised using the EIR method or proportionate basis. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the Company estimated the expected cash flows by considering all the contractual terms of the financial instrument (for example prepayment, extension, call and similar options(but doses not consider the expected credit losses.

c Property, Plant and Equipment, Depreciation and Impairment:

i) Property, Plant and Equipment:

Property, plant and equipment are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated attributable costs of dismantling and removing the asset and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Gains or losses arising from derecognition of plant, property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use / disposed of

The Company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and used that as its deemed cost as at the date of transition (April 01, 2016).

The carrying values of Property, Plant and Equipment units at each Balance Sheet date are reviewed for impairment if any indication of impairment exists.

ii) Depreciation:

Depreciation on Property, Plant and Equipment has been provided on written down value basis and manner prescribed in Schedule II to the Act. Leasehold Land on a straight line basis over the period of lease.i.e.99 years.

Impact of Fixed Assets Valuation report

iii) Intangible Assets:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a Straight Line Basis over their estimated useful lives.

The Company has elected to continue with the carrying value of all its intangible assets as recognised in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

iv) Capital work in progress:

Expenditure during the construction/ pre-operative period is included under Capital Work-in-Progress and same is allocated to the respective Property, Plant and Equipment on the completion of project.

d Impairment of Assets:

i) Financial assets:

In accordance with Ind-AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI. Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in Statement of Profit and Loss.

ii) Non-financial assets:

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment if any indication of impairment exists.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). The impairment loss is recognised as an expense in the Statement of Profit and Loss.

Nitin Fire Protection Industries Ltd. Liquidator

e Investment in subsidiaries and associates:

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the long term investments.

The Company has elected to continue with the carrying value of all its equity investments in its subsidiaries and associates as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

f Inventories:

i) Raw Materials and components are valued at lower of cost arrived on First In First Out method (FIFO) and Net Realisable Value. Cost of raw materials comprises cost of purchases.

ii) Finished Goods are valued at lower of cost and net realisable value. Cost includes direct material, direct labour, excise duty and attributable overheads.

Impact of Inventory Valuation Report

iii) Traded goods are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a FIFO basis.

Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

g Employee Benefits:

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.
The obligations are presented as current liabilities in the Balance Sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligations

The Company operates the following post-employment schemes:
(a) defined benefit plans such as gratuity; and
(b) defined contribution plans such as provident fund and Employee State Insurance Fund (ESIC).

Defined Benefit Plans - Gratuity obligations
The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee Benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income they are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

- Defined contribution plan

The Company pays provident fund and ESIC contributions to publicly administered provident funds / ESIC as per local regulations. The Company has no further payment obligations once The contributions have been paid. The contributions are accounted for as Defined contribution Plans and The contributions are recognised as employee Benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

h Leases (where the Company is a lessee):

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values.

Leases of property, plant and equipment where the Company, as lessee, in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss as per the terms of the lease or on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

Nitin Fire Protection Industries Ltd. Liquidator

i Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

j Borrowing Costs:

Borrowing costs consist of interest and transactions costs incurred in connection with the borrowing of funds. Borrowing costs may include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

k Foreign Currency Transactions / Translations:

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss as either profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income and expenses accordingly.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss in the Statement of Profit and Loss. For example, translation differences on nonmonetary assets and liabilities such as equity instruments held at fair value through profit or loss are included in net profit in the Statement of Profit and Loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as Fair Value through Other Comprehensive Income ("FVOCI") are recognised in other comprehensive income ("OCI").

l Taxes on Income:

Income tax expense comprises current tax and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates items recognised directly in equity or in OCI.

The income tax expense or credit for the period is tax payable on the current year's taxable income based on the applicable income tax rate adjusted by change in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current tax comprises of expected tax payable or receivable on taxable income/loss for the year or any adjustment or receivable in respect of previous year. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amount expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the Balance Sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting date and are expected to apply to the Company when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits (Minimum alternate tax credit entitlement) only if it is probable that future taxable amounts will be available to utilise those temporary differences, unused losses and unused tax credits. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable or no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

m Earnings Per Share

(i) Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share
Diluted earnings per share is calculated by dividing:
- the net profit or loss after tax for the year attributable to owners of the Company , and
- the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

n Provisions:

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Nitin Fire Protection Industries Ltd. Liquidator

o **Contingent Liabilities:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

p **Cash and cash equivalents:**

Cash and cash equivalents in the Balance Sheet include cash on hand, cheques on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and overdrawn bank balances.

Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

q **Dividend:**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

r **Financial instruments:**

a. **Financial Liabilities**

Initial recognition and measurement:

Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement:

Financial liabilities are subsequently carried at fair value through profit and loss. For trade payables and other liabilities maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

b. **Financial Assets**

Initial recognition and measurement

Trade Receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through OCI or fair value through profit and loss.

i) **Financial assets amortised at cost**

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely consisting payments of principal and interest on the principal amount outstanding.

ii) **Financial assets at fair value through other comprehensive income:**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments principal and interest on the principal amount outstanding.

iii) **Financial assets at fair value through profit or loss:**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in OCI. Dividends on such equity instruments are recognised in the Statement of Profit or Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Dividends on such equity instruments are recognised in the Statement of Profit or Loss.

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Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
- the Company has transferred substantially all the risks and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

s Current-non-current classification:

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
b) it is held primarily for the purpose of trade;
c) it is expected to be realised on demand or within 12 months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.
All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the company's normal operating cycle;
b) it is held primarily for the purpose of trade;
c) it is due to be settled in demand or within 12 months after the reporting date; or
d) there is no unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.
All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

t Operating cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

u Recent Accounting Pronouncements:

On 28th March, 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to Ind AS 21, 'The Effects of Changes in Foreign Exchange Rates' and the new standard Ind AS 115, 'Revenue from Contract with Customers'. These amendments are applicable to the Company from 1st April, 2018.

Amendment to Ind AS 21:
On 28th March, 2018, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing 'Appendix B to Ind AS 21: Foreign currency transactions and advance consideration' which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. This amendment will come into force from 1st April, 2018.

Standard issued but not yet effective (Ind AS 115):

On 28th March, 2018, the MCA notified the Ind AS 115, Revenue from Contracts with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1st April, 2018.
The Company is in process of evaluating the impact due to above changes in accounting principles.

Nitin Fire Protection Industries Ltd. Liquidator

Nitin Fire Protection Industries Limited (Under Liquidation)
Notes to the financial statement for the year ended March 31, 2023
(Amounts are in Indian Rupees in Lakhs unless otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENTS

(₹ in lakhs)

		Gross carrying amount				Accumulated depreciation / amortisation					Net block	
		Carrying amount as at April 01, 2022	Additions during the year	Disposal / adjustments during the year	As at March 31, 2023	Up to April 01, 2022	Charge for the year	Disposal / adjustments during the year	Impairment loss	Up to March 31, 2023	As As March 31, 2022	As at March 31, 2023
A	Tangible Assets (Refer Note 48)											
	Land - Freehold (Refer note 1)	402.23	-	-	402.23	-				-	402.23	402.23
	Land - Leasehold	25.18	-	-	25.18	2.17	0.36			2.53	23.01	22.65
	Buildings (Refer note 1)	1,776.45	-	642.25	1,134.19	629.55	60.88	218		472.25	1,146.89	661.95
	Plant and equipments	1,171.54	-	-	1,171.54	1,165.75	1.05			1,166.80	5.79	4.74
	Furniture and fixtures	31.37	-	-	31.37	31.37	-			31.37	-	-
	Office equipments	26.07	-	-	26.07	26.07	-			26.07	-	-
	Vehicles (Refer note 1)	142.42	-	-	142.42	126.15	5.22	-		131.37	16.28	11.05
	Computer systems	5.36	-	-	5.36	5.36				5.36	-	-
	Cylinders	204.39	-	-	204.39	204.39				204.39	-	-
	Total A	3,785.00	-	642.25	3,142.75	2,190.81	67.51	218.19	-	2,040.13	1,594.20	1,102.62
B	Intangible assets											
	Computer software*	5.15	-	-	5.15	5.15				5.15	-	-
	Total C	5.15	-	-	5.15	5.15	-	-	-	5.15	-	-
	Total (A+B)	3,790.15	-	642.25	3,147.90	2,195.95	67.51	218.19	-	2,045.28	1,594.20	1,102.62

3 PROPERTY, PLANT AND EQUIPMENTS

		Gross carrying Amount				Accumulated depreciation / amortisation					Net block	
		Carrying amount as at April 01, 2021	Additions during the year	Disposal / adjustments during the year	As at March 31, 2022	Up to April 01, 2021	Charge for the year	Disposal / adjustments during the year	Impairment loss	Up to March 31, 2022	At March 31, 2021	At March 31, 2022
A	Tangible Assets (Refer Note 48)											
	Land - Freehold (Refer note 1)	402.23	-	-	402.23	-				-	402.23	402.23
	Land - Leasehold	25.18	-	-	25.18	1.81	0.36			2.17	23.37	23.01
	Buildings (Refer note 1)	1,776.45	-	-	1,776.45	564.80	64.75			629.55	1,211.65	1,146.89
	Plant and equipments	1,171.54	-	-	1,171.54	1,164.47	1.28			1,165.75	7.07	5.79
	Furniture and fixtures	31.37	-	-	31.37	31.37	-			31.37	-	-
	Office equipments	26.07	-	-	26.07	26.07	-			26.07	-	-
	Vehicles (Refer note 1)	142.42	-	-	142.42	118.35	7.80			126.15	24.08	16.28
	Computer systems	5.36	-	-	5.36	5.36				5.36	-	-
	Cylinders	204.39	-	-	204.39	204.39				204.39	-	-
	Total A	3,785.00	-	-	3,785.00	2,034.01	74.19	-	-	2,190.81	1,668.39	1,594.20
B	Intangible assets											
	Computer software*	5.15	-	-	5.15	5.15				5.15	-	-
	Total C	5.15	-	-	5.15	5.15	-	-	-	5.15	-	-
	Total (A+B)	3,790.15	-	-	3,790.15	2,039.15	74.19	-	-	2,195.95	1,668.39	1,594.20

Nitin Fire Protection Industries Ltd. Liquidator

Nitin Fire Protection Industries Limited (Under Liquidation)
Notes to the financial statement for the year ended March 31, 2023
(Amounts are in Indian Rupees in Lakhs unless otherwise stated)

Note :

1 Property, Plant and Equipment provided as security

Particulars	As at March 31, 2023 ₹	As at March 31, 2022 ₹
Land - Freehold	402.23	402.23
Buildings	661.95	1,146.89
Vehicles	11.05	16.28
Total	1,075.23	1,565.40

Note - 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.

2 On 15-03-2023, the property C-802, Neelkanth Business Park, Kirol Road, Vidyavihar -W, Mumbai 400 077., provided as security against the Loan of PNB, was sold by PNB by way of E-Auction to MMSPL Ventures Pvt Ltd for Rs. 503.99 lakhs. The WDV of the said property has been reduced from the assets and difference between the WDV and proceeds on such sale has been accordingly recorded in Profit & Loss account under note 25.

3 The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2023.

4 The company is in the process to updating fixed assets register showing full particulars, including quantitative details and situation of fixed assets and hence not been provided for verification.

5 As per financial statement Gross Value of Assets is Rs 3,790.15 & Accumulated depreciation is Rs 2,263.47 but as per books of accounts Gross Value is Rs 4,963.25 and Accumulated Depreciation is Rs 3,436.57.

6 The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed above are held in the name of the Company except the following-

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the company
(i) PPE	Land Building (Leasehold)	12.79	Alert Fire Protection Systems Private Limited	3/9/2012	Alert Fire Protection Systems Private Limited (AFPSPL) was wholly owned subsidiary of Nitin Fire Protection Industries Limited (Under Liquidation) (NFPIL). In 2012 AFPSPL was amalgamated with NFPIL. The company currently under the process to update the title deed.

Nitin Fire Protection Industries Ltd. Liquidator

Nitin Fire Protection Industries Limited (Under Liquidation)
Notes to the financial statements for the period ended March 31, 2023

4 Investment in Subsidiaries and associate:

No.	Particulars	Nos.	As at March 31, 2023 ₹ in lakhs	Nos.	As at March 31, 2022 ₹ in lakhs
I	Investment in Equity instruments of subsidiaries (Unquoted) (Fully paid up) (Trade)				
(i)	Domestic (wholly owned subsidiary):				
	Investment in Eurotech Cylinders Private Limited of face value ₹ 10 each	10,000	25.00	10,000	25.00
	Less: Provision for diminution in value of Investment		-		-
(ii)	Foreign (wholly owned subsidiaries):				
(a)	Investment in Nitin Ventures FZE , UAE of face value 1,000,000 Dhs each	10	1,102.09	10	1,102.09
	Less: Provision for diminution in value of Investment		-1,102.09		-1,102.09
(b)	Investment in Nitin Global Pte Limited, Singapore, Ordinary shares, with no par value in USD(100% holding)	100,000	47.61	100,000	47.61
	Less: Provision for diminution in value of Investment		-47.61		-47.61
(iii)	Investment in Equity instruments of an Associate (Unquoted) (Fully paid up) (Trade)				
	Investment in Worthington Nitin Cylinders Private Limited of face value ₹ 10 each (40% holding)	2,336,496	4,195.04	2,336,496	4,195.04
	Less : Provision in Investment in Subsidiary		-		-
	Less: Provision for diminution in value of Investment		(3,772.17)		(3,772.17)
	Total		447.87		447.87

2 Note: With regard to the Company's investment in Equity Shares of Eurotech Cylinders Private Limited, wholly own subsidiary company is carried at a cost of Rs 25.00 lakhs. The net worth of the said associate is as at March 31, 2022 based on the audited financial statement having Auditor's ICAI UDIN: 22105720BCBSHQ3677 (UDIN Generation dated 04-11-2022) is Rs 583.74. The Company has made provision for diminution in value of investment of 25.00 Lacs in earlier year but due to positive net worth of the company entire provision has been revered in financial year 2020-21.

Note:

Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	5,369.74	5,369.74
Aggregate amount of impairment in the value of investments	(4,921.87)	(4,921.87)

5 Other financial assets:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Sundry deposits		
Considered good	-	-
Considered doubtful	-	-
Less:Provision for doubtful deposits	-	-
	-	-
Total	-	-

6 Other non current assets:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Unsecured, considered good		
Capital advances	-	31.13
Less : Provision against capital advances	-	(31.13)
	-	-
Sundry deposits (Refer Note 43)		
Considered good	1.02	0.96
Considered doubtful	135.40	136.12
	136.42	137.07
Less:Provision for doubtful deposits	(135.40)	(136.12)
	1.02	0.96
Total	1.02	0.96

Nitin Fire Protection Industries Ltd.

7 Inventories:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Materials and components (Refer Note 44)	103.07	27.71
Stock-in-trade	-	-
	103.07	27.71
Less : Provision for Non-moving inventories	-	-
Total	103.07	27.71

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.

8 Trade receivables:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Unsecured, considered good (unless otherwise stated)		
Dues from subsidiaries and associate, considered doubtful (Refer Note 36)	-	90.41
Dues from other trade receivables considered good	430.41	181.52
Dues from other trade receivables considered doubtful (Refer Note 42 & 45)	28,605.24	26,317.73
	29,035.65	26,589.66
Less: Allowance for doubtful debts	-28,605.24	-26,408.14
(Refer Note 55 for trade receivables ageing statement)		
Total	430.41	181.52

Note:

1. Trade receivable are receivable in normal operating cycle and are shown net of an allowance for doubtful debts.
2. 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.

9 Cash and cash equivalents:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Balances with banks		
- in current accounts	351.41	8.25
Cash on hand	0.05	0.01
Total	351.46	8.26

The Company is holding cash Rs 0.05 Lakhs as at March 31, 2023, as the audit is being carried out after the audit period hence the cash could not produce to the auditor for physical verification.

10 Bank balances other than cash and cash equivalents:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Other bank balances		
Unpaid dividend accounts**	1.48	1.48
Deposits with maturity of more than 3 months but less than 12 months ***	94.99	91.22
Total	96.47	92.70

(**earmarked for payment of unpaid dividend only, Unpaid dividend of Rs. 1.48 Lakhs are required to be transferred to Investor Education and Protection Fund.)

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

Nitin Fire Protection Industries Ltd. Liquidator

11 Loans:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Unsecured, considered good (unless otherwise stated)		
Loan to subsidiaries (Refer Note 36)		
Considered good		
Considered doubtful (Refer Note 46)	24,215.86	22,577.58
Less: Provision for doubtful loans to subsidiaries (Refer Note 32)	(24,215.86)	(22,577.58)
	-	-
Loans to bodies corporate and others		
Considered good		
Considered doubtful (Refer Note 46)	-	1,335.78
Less: Provision for doubtful loans to body corporates	-	(1,335.78)
	-	-
Loans and advances to employees	0.97	2.56
Total	0.97	2.56

12 Other financial assets:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Unsecured, considered good		
Accrued interest on fixed deposits with Banks	1.43	1.16
Total	1.43	1.16

13 Other current assets:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Unsecured, considered good (unless otherwise stated)		
Advances to suppliers		
- Related parties (Refer Note 36)		
Considered good	-	-
Considered doubtful (Refer Note 46)	343.26	316.49
	343.26	316.49
Less: Provision against doubtful advances (Refer Note 32)	(343.26)	(316.49)
	-	-
Advances to suppliers - Others (Refer Note 43)		
- considered good	1.86	5.59
- considered doubtful	574.65	529.83
	576.51	535.42
Less: Provision against doubtful advances (Refer Note 32)	(574.65)	(529.83)
	1.86	5.59
Prepaid expenses	2.10	1.88
Balances with government authorities (Refer Note 51)	22.48	30.26
Total	26.44	37.72

Nitin Fire Protection Industries Ltd. Liquidator

Nitin Fire Protection Industries Limited (Under Liquidation)
Notes to the financial statements for the period ended March 31, 2023

14 Equity share capital:

Authorised/issued, subscribed and fully paid up:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	₹ in lakhs	Number	₹ in lakhs
Authorised:				
Equity shares of ₹ 2 (P.Y.₹ 2) each	375,000,000	7,500.00	375,000,000	7,500.00
	375,000,000	7,500.00	375,000,000	7,500.00
Issued, subscribed and fully paid up:				
Equity shares of ₹ 2 (P.Y.₹ 2) each, fully paid	292,269,622	5,845.39	292,269,622	5,845.39
Total	292,269,622	5,845.39	292,269,622	5,845.39

14.2 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	₹ in lakhs	Number	₹ in lakhs
Outstanding at the beginning of the year	292,269,622	5,845.39	292,269,622	5,845.39
Outstanding at the end of the year	292,269,622	5,845.39	292,269,622	5,845.39

14.3 Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual 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 shareholders.

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	% of holding	No. of shares held	% of holding
Name of the shareholders				
Nitin M.Shah	40,040,171	13.70%	40,040,171	13.70%
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%

Note: Shareholder details and share holdings are considered same as available in last audited financial statements due to non availability of records with the company as same has been not provided by the RTA.

14.5 Details of shares held by promoters in the Company:

Particulars	As at 31-March-2023		
	No. of shares held	% of holding	% Change during the year
Name of the shareholders			
Nitin M.Shah	40,040,171	13.70%	0.00%
Saroj N. Shah	61,963,633	21.20%	0.00%
Rahul N. Shah	18,831,333	6.44%	0.00%
Kunal N. Shah	30,673,000	10.49%	0.00%

Particulars	As at 31-March-2022		
	No. of shares held	% of holding	% Change during the year
Name of the shareholders			
Nitin M.Shah	40,040,171	13.70%	0.00%
Saroj N. Shah	61,963,633	21.20%	0.00%
Rahul N. Shah	18,831,333	6.44%	0.00%
Kunal N. Shah	30,673,000	10.49%	0.00%

Note: Shareholder details and promotor holdings statement are considered as provided by the management due to non availability of records with the company as same has been not provided by the RTA.

Nitin Fire Protection Industries Ltd. Liquidator

15 Other Equity:

Particulars	Note	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
General reserve	15 (i)	2,131.62	2,131.62
Securities premium reserve	15 (ii)	1,338.94	1,338.94
Retained earnings	15 (iii)	(117,633.24)	(117,290.77)
Total		**(114,162.67)**	**(113,820.20)**

	Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
15 (i)	**General reserve**		
	Balance at the beginning of the year	2,131.62	2,131.62
	Movement during the year		
	Balance at the end of the year	**2,131.62**	**2,131.62**
15 (ii)	**Securities Premium Reserve**		
	Balance at the beginning of the year	1,338.94	1,338.94
	Movement during the year		
	Balance at the end of the year	**1,338.94**	**1,338.94**
15 (iii)	**Retained earnings**		
	Balance at the beginning of the year	(117,290.77)	(105,226.92)
	Add : Loss for the year	(348.49)	(12,063.85)
	Items that will not be reclassified to profit & loss:		
	- Remeasurement of defined benefit Obligation	6.02	
	- Income tax relating to above		
	Balance as at the year end	**(117,633.24)**	**(117,290.77)**

Note

Nature of reserves

a) General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the Statement of Profit and Loss.

b) Securities premium reserve

Securities premium account comprises of premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

c) Retained earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Nitin Fire Protection Industries Ltd. Liquidator

16 Long-term borrowings:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Term Loans		
Secured		
From financial institutions/non banking financial companies (Refer notes 16.1 - 16.3)	780.28	1,000.52
From a bank		
Vehicle loan (Note 16.4)	25.28	25.28
(Refer note 16.4)	805.56	1,025.80
Less: Current maturities of long-term debt	805.56	1,025.80
Total	-	-

16.1 Kalpatru Fincap Ltd (Loan assigned from Aditya Birla Finance Limited)

16.1.1 On 30-07-2022, the said loan was assigned to Kalpatru Fincap Ltd by way of assignment agreement. Thus, the debt stands assigned.

16.1.2 The term loan is secured by exclusive charge on office no. 801, 8th floor, Wing C, Neelkanth Business Park, Kirol Road, Vidyavihar West, Mumbai 400086.

16.1.3 Amount claimed by the lender against the term loan outstanding as at Liquidation Commencement Date i.e. January 18, 2022 Rs. 612.94 lakhs (Including principal, interest and other charges). The claim admitted by the liquidator as on the signing date of the financial statement is Rs 611.34 lakhs.

16.2 IFCI Limited

16.2.1 The term loan was 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 400013, exclusive charge on an immovable property owned by the promoters such as the combined distressed value of both the properties shall provide the cover of the one time of the loan outstanding and personal guarantee of Nitin M Shah and Rahul N Shah. The said property has been sold as mentioned in point below.

16.2.2 The term loan outstanding as at March 31, 2020 of Rs. 3,044.23 lakhs but the lender has invoked the mortgage property of Nitin M Shah HUF (Provided security towards loan from IFCI Ltd) and sale of property for Rs 2908.00 lakhs vide certificate for sale of immovable property dated 5th may 2020. The lender has not submitted any claim to the liquidator during the liquidation period.

16.3 PNB Housing Finance Limited

16.3.1 The term loan was co-borrowed along with Nitin M. Shah and Rahul N. Shah, promoters of the Company which was secured by mortgage / possession of property owned by the Company and situated at C-802, Neelkanth Business Park, Kirol Road, Vidyavihar -W, Mumbai 400 077.

16.3.2 Amount claimed by the lender against the term loan outstanding as at Liquidation Commencement Date i.e. January 18, 2022 Rs. 808.82 lakhs (Including principal, interest and other charges). The claim admitted by the liquidator as on the signing date of the financial statement is Rs 798.63 lakhs.

16.3.3 On 15-03-2023, the above mentioned property, provided as security against the Loan of PNB, was sold by PNB by way of E-Auction to MMSPL Ventures Pvt Ltd for Rs. 503.99 lakhs. Thus, the balance outstanding of Rs. 294.65 lakhs (798.63 lakhs - 503.99 lakhs) would be repaid as per Section 53(1)(e) read with Section 52(9) of IBC 2016.

16.4 ICICI Bank Limited

16.4.1 Vehicle loan is secured by the hypothecation of the Vehicle.

16.4.2 Amount claimed by the lender against the car loan outstanding as at Liquidation Commencement Date i.e. January 18, 2022 Rs. 44.19 lakhs (Including principal, interest and other charges). The claim admitted by the liquidator as on the signing date of the financial statement is Rs 41.96 lakhs.

Nitin Fire Protection Industries Ltd. Liquidator

16.5 ACI Infocom Ltd

16.5.1 The term loan is availed by the company to meet its CIRP/Liquidation cost and for day to day expenses for a period of six months from the date of disbursement. However, the said loan has been extended for a further period of six months.

16.5.2 As a security, the company has provided cheques and confirmation that the same shall be paid in priority as per section 53 of Insolvency & Bankcruptcy Code 2016.

16.6 Virat Management & Consultants Pvt. Ltd

16.6.1 The term loan is availed by the company to meet its CIRP/Liquidation cost and for day to day expenses for a period of six months from the date of disbursement.

16.6.2 As a security, the company has provided cheques and confirmation that the same shall be paid in priority as per section 53 of Insolvency & Bankcruptcy Code 2016.

Nitin Fire Protection Industries Ltd. Liquidator

17 Provisions:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Provision for employee benefits (Refer note 29.1)		
- Gratuity (un funded)	83.16	79.15
- Leave encashment (un funded)	54.85	64.20
Total	138.01	143.35

18 Short-term borrowings:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Secured (Refer Notes 18.1 to 18.4)		
Repayable on demand from banks:		
- Cash credit	49,242.53	49,239.79
Unsecured payable on demand		
- From Directors (Refer Note 18.5 & 36)	6,599.60	6,585.74
- From Subsidiary (Refer Note 36)	45.62	45.62
- From Others (Refer Note 16.2.2, 16.3, 18.5 & 36)	3,320.65	3,026.00
Current maturities of long-term debt (Refer note 16)	805.56	1,025.80
Total	60,013.95	59,922.96

18.1 The above borrowings are availed through a consortium agreement with bankers namely IDBI Bank Limited (Lead bank), Bank of Baroda and Axis Bank Limited. The said borrowing were secured by the security mentioned below. However, Liquidation order against the company has been passed on 18th January, 2022, whereby the said lenders have relinquished their rights and as per Section 52 of IBC, 'secured creditors' that have relinquished their security interest to the liquidation estate are ranked higher than the 'unsecured creditors' and would be repaid from the proceeds as per section 53 of IBC, 2016.

18.1.1 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.

18.2 Bank of Baroda & Dena Bank (Dena Bank merged with Bank of Baroda)

18.2.1 Working capital loan and other non-fund based facilities.

18.2.2 Amount claimed by the lender against the credit facility outstanding as at Liquidation Commencement Date i.e. January 18, 2022 Rs. 17949.15 lakhs (Including principal, interest and other charges). The claim admitted by the liquidator as on the signing date of the financial statement is Rs 17407.25 lakhs.

Nitin Fire Protection Industries Ltd. Liquidator

18.3 IDBI Bank Limited:

18.3.1 Primary security: First pari passu charge on immovable properties.

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 (iii) property owned by M/s Eurotech Cylenders Pvt Ltd (Wholly owned subsidiary) situated at EL-29, TTC Industrial Area, Mahape, Navi Mumbai (Exclusively to IDBI Bank). Pledge of promoters shares held in the Company to the extent of 100% of the exposure.

18.3.2 Credit facilities availed: Standby letter of credit

18.3.3 Amount claimed by the lender against the credit facility outstanding as at Liquidation Commencement Date i.e. January 18, 2022 Rs. 42845.41 lakhs (Including principal, interest and other charges). The claim admitted by the liquidator as on the signing date of the financial statement is Rs 42845.41 lakhs.

18.4 Axis Bank Limited:

18.4.1 Collateral Security: Pledge of the company shares having aggregate market value of at least 75% of the facility amount

Pari Passu second charge on the fixed asset of the company's (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

18.4.2 Amount claimed by the lender against the credit facility outstanding as at Liquidation Commencement Date i.e. January 18, 2022 Rs. 31379.16 lakhs (Including principal, interest and other charges). The claim admitted by the liquidator as on the signing date of the financial statement is Rs 31379.16 lakhs.

18.5 Unsecured Loans

18.5.1 **Nitin M Shah**

Amount claimed by the unsecured lender against his outstanding dues as at Liquidation Commencement Date i.e. January 18, 2022 Rs. 4917.38 lakhs (Including principal, interest and other charges). The claim admitted by the liquidator as on the signing date of the financial statement is Rs 4917.38 lakhs.

18.5.2 **Rahul Nitin Shah**

Amount claimed by the unsecured lender against his outstanding dues as at Liquidation Commencement Date i.e. January 18, 2022 Rs. 2990.53 lakhs (Including principal, interest and other charges). The claim admitted by the liquidator as on the signing date of the financial statement is Rs 2990.53 lakhs.

18.5.3 **Nitin Shah HUF**

Amount claimed by the unsecured lender against his outstanding dues as at Liquidation Commencement Date i.e. January 18, 2022 Rs. 6677.24 lakhs (Including principal, interest and other charges). The claim admitted by the liquidator as on the signing date of the financial statement is Rs 2908.00 lakhs.

Nitin Fire Protection Industries Ltd. Liquidator

19 Trade payables:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Total outstanding dues of micro and small enterprises (Refer Note 19.1)	353.31	189.58
Total outstanding of creditors other than micro and small enterprises (Refer Notes 43 and 45)	5,888.34	5,683.27
(Refer Note 56 for trade payables ageing statement)		
Total	6,241.65	5,872.85

19.1 To the extent, the Company has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under:

	Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
1	the principal amount remaining unpaid to any supplier at the end of the accounting year.	308.93	145.21
2	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
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.	-	-
5	the amount of interest accrued and remaining unpaid; and	18.56	18.56
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.	25.82	25.82

Subnote: The Company has not provided the updated details of "Suppliers" and outstanding thereof regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act has been considered as per the statement/information provided by the management.

20 Other financial liabilities:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Interest accrued on borrowings (Refer Note 47)	43,743.18	44,041.57
Unpaid dividends*	1.48	1.48
Outstanding liability for expenses	6.13	2.66
Audit Fees Payable	7.42	23.61
Employee Benefits Payable	251.47	256.97
Total	44,009.67	44,326.28

(* Unpaid dividend of Rs. 1.48 Lakhs are required to be transferred to Investor Education and Protection Fund.)

21 Short-term provisions:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Provision for employee benefits		
For gratuity (un funded) (Refer Note 29.1)	2.78	2.40
For compensated absences (unfunded) (Refer Note 29.1)	1.54	4.33
Total	4.32	6.73

Nitin Fire Protection Industries Ltd. Liquidator

Nitin Fire Protection Industries Limited (Under Liquidation)
Notes to the financial statements for the period ended March 31, 2023

22 Other current liabilities:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Income received in advance	2.51	2.51
Statutory dues (contribution to PF, withholding taxes, etc.)	37.85	40.32
Advance from customer	0.04	6.01
Credit Balance in current Account	8.60	3.64
Municipal Tax Payable	57.37	27.63
EMD deposit (Account liquidation Auction money)	350.00	-
Total	**456.36**	**80.11**

23 Income Tax Liabilities (Net)

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Income tax	15.08	17.19
Total	**15.08**	**17.19**

24 Revenue from operations:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Sale of products (net of sales return)	404.93	359.50
Sale of services (AMC)	65.08	79.83
Total	**470.01**	**439.34**

24.1 Detail of Sale of Products (including installation)/ Services

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Primarily project related activities	404.93	359.50
Cylinders, fire protection, detection equipments etc.	-	-
Total	404.93	359.50

25 Other income:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Interest Income received on Financial Assets - Carried at amortised cost		
- deposits with banks	5.17	4.16
- Interest on Income tax	0.12	-
Other Income	0.02	0.02
Profit on sale of property	79.92	-
Foreign Exchange Gain (net)	2,143.88	779.69
Liability no longer required written back	9.70	29.31
Rental Income from Property	-	9.68
Total	**2,238.80**	**822.86**

Nitin Fire Protection Industries Ltd. Liquidator

26 Cost of materials and components consumed:

Particulars	For the year ended March 31, 2023 ₹ in lakhs	For the year ended March 31, 2022 ₹ in lakhs
Inventory at the beginning of the year	27.71	66.99
Add: Purchases	336.25	266.88
	363.95	333.87
Less: Inventory at the end of the year (Refer Note 44)	103.07	27.71
Total	260.88	306.17

27 Purchases of stock-in-trade:

Particulars	For the year ended March 31, 2023 ₹ in lakhs	For the year ended March 31, 2022 ₹ in lakhs
Fire alarm, detection equipments etc.	-	-
Cylinders etc.	-	-
Total	-	-

28 Changes in inventory of stock-in-trade:

Particulars	For the year ended March 31, 2023 ₹ in lakhs	For the year ended March 31, 2022 ₹ in lakhs
Inventory at the end of the year:		
Stock in trade	-	-
Inventory at the beginning of the year:		
Stock in trade	-	-
Total	-	-

29 Employee benefits expense:

Particulars	For the year ended March 31, 2023 ₹ in lakhs	For the year ended March 31, 2022 ₹ in lakhs
Salaries, wages and bonus	163.04	159.95
Leave Encasement	(12.13)	-
Contributions to provident and other funds (Refer Note 29.1)	9.81	10.61
Contributions to gratuity fund (Refer Note 29.1)	10.41	-
Employees welfare	25.08	31.02
Total	196.21	201.57

Nkin Fire Protection Industries Ltd. Liquidator

29.1 Employee benefit obligations

i) Defined Contribution Plans

Provident Fund: Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Contribution to Defined Contribution Plans, recognized as expense for the year as under:

Particulars	March 31, 2023 ₹ in lakhs	March 31, 2022 ₹ in lakhs
Employer's Contribution to Provident Fund	8.79	9.71
Employer's Contribution to Employees State Insurance Corporation	1.00	0.87
Company's contribution to Maharashtra Labour Welfare Fund	0.02	0.02
Total	9.81	10.61

ii) Defined Benefits Plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The fair value of the plan assets of the trust administered by the Company, is deducted from the gross obligation.

The following table sets forth the status of the gratuity plan of the Company, and the amounts recognized in the Balance sheet and Statement of Profit and Loss.

Funding :

The Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC, a funded defined benefit plan for qualifying employees

Reconciliation of the net defined benefit obligation:

Particulars	March 31, 2023 ₹ in lakhs	March 31, 2022 ₹ in lakhs
Opening defined benefit obligation	81.55	98.49
Benefits paid from the fund		-
Benefit paid directly by the employer		
Current service cost	4.58	-
Interest cost	6.19	-
Past service cost	4.98	
Actuarial losses / (gain) recognized in other comprehensive income		
changes in demographic assumptions		-
changes in financial assumptions	(2.30)	(16.94)
experience adjustments	(1.73)	-
Liabilities assumed / (settled)		-
Closing defined benefit obligation	93.26	81.55

Reconciliation of the fair value of plan assets:

Particulars	March 31, 2023 ₹ in lakhs	March 31, 2022 ₹ in lakhs
Opening fair value of plan assets	4.98	4.98
Interest Income	0.36	-
Employer contributions	-	-
Benefits paid	-	-
Actuarial gains on Plan Assets	1.99	-
Closing fair value of plan assets	7.33	4.98

Nitin Fire Protection Industries Ltd. Liquidator

Nitin Fire Protection Industries Limited (Under Liquidation)
Notes to the financial statement for the year ended March 31, 2022

Balance sheet reconciliation

Particulars	As at March 31, 2022 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Opening defined benefit obligation	81.55	98.49
Opening fair value of plan assets	(4.98)	(4.98)
Expenses recognised in profit and loss	15.39	(11.96)
Expenses recognised in Other Comprehensive Income	(6.02)	-
Employer contributions	-	-
Benefits paid	-	-
Net (Asset) / Liability recognised in the Balance sheet	**85.94**	**81.55**

Expenses recognised in Statement of Profit and Loss:

Particulars	March 31, 2023 ₹ in lakhs	March 31, 2022 ₹ in lakhs
Current service cost	4.58	-
Interest cost	6.19	-
Past Service Cost	4.98	-
Total	**15.75**	-

Remeasurements recognised in other comprehensive income

Particulars	March 31, 2023 ₹ in lakhs	March 31, 2022 ₹ in lakhs
Actuarial (gain) loss on defined benefit obligation	-4.03	-
Return on plan assets excluding interest income	-1.99	-
Total	**(6.02)**	-

Analysis of plan assets

Particulars	As at March 31, 2023	As at March 31, 2022
Insurer managed funds (%)	100%	100%
Others (%)	0%	0%
	100%	**100%**

Actuarial assumption

Principal actuarial assumption used to determine net periodic benefit cost and benefit obligation at the reporting dates;

Particulars	March 31, 2023	March 31, 2022
Discount Rate (p.a.)	7.47%	7.15%
Salary escalation rate (p.a.)	7.00%	7.00%
Expected rate of return on assets	7.47%	7.15%
Attrition rate	2.00%	2.00%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality(2006-08)
Mortality rate after employment	NA	NA

Notes :

Salary escalation rate: The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

Nitin Fire Protection Industries Ltd. Liquidator

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

Sensitivity analysis

The sensitivity analyses below have been determined based on reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below;

Particulars	March 31, 2023 ₹ in lakhs	March 31, 2022 ₹ in lakhs
Projected Benefit Obligation on Current Assumptions		
Discount Rate: 1% increase	(6.67)	(6.59)
Discount Rate: 1% decrease	7.48	7.45
Future salary growth: 1% increase	6.11	5.90
Future salary growth: 1% decrease	(5.60)	(5.44)
Change in Rate of Employee Turnover : 1% increase	0.53	0.50
Change in Rate of Employee Turnover : 1% decrease	(0.58)	(0.55)

iii) Compensated absences

The Company accrues for the compensated absences, a long term employee benefit plan based on the entire available leave balance standing to the credit of the employees at year end. The value of such leave balance eligible for carry forward is determined by actuarial valuation as at the Balance sheet date and is charged to Statement of Profit and Loss in the period determined. The provision as at balance sheet dates are as follows:

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Compensated absences liability	56.39	68.53

Actuarial assumption

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.47%	7.15%
Long-term rate of compensation increase	7.00%	7.00%

Expenses recognised in Statement of Profit and Loss towards compensated absences are ₹-12.13 lakhs (March 31, 2022 ₹ -10.67 Lakhs surplus)

Nitin Fire Protection Industries Ltd. Liquidator

30 Finance costs:

Particulars	For the year ended March 31, 2023 ₹ in lakhs	For the year ended March 31, 2022 ₹ in lakhs
Interest expense on:		
Borrowings		
- From Banks and others	23.83	11,674.17
- From Others (Refer Note 36)	23.17	21.65
- Bank Charges	3.47	6.78
Total	50.47	11,702.61

31 Depreciation and amortisation expense:

Particulars	For the year ended March 31, 2023 ₹ in lakhs	For the year ended March 31, 2022 ₹ in lakhs
Depreciation on property, plant and equipment	67.51	74.19
Amortisation of intangible assets	-	-
Total	67.51	74.19

32 Other expenses:

Particulars	For the year ended March 31, 2023 ₹ in lakhs	For the year ended March 31, 2022 ₹ in lakhs
Payments to auditors	8.35	5.00
Additional Claim Expences	-	-
Advertisement Expenses	1.43	0.22
Bad debts written off/liquidated damages/Exchange fluctuation	2,278.24	815.95
Conveyance and travelling	30.41	41.14
Delay Interet payment	22.07	12.51
Distribution expenses (net)	11.60	16.01
Electricity Charges	5.94	5.61
Factory Expenses	1.65	1.12
Fees & Subscription	6.61	9.33
Insurance premium	5.00	5.51
Legal Fees & Professional fees	49.86	34.23
Miscellaneous expenses	4.40	4.00
Payments to Resolution Professional	-	46.03
Printing & Stationery	4.19	3.29
Rates and taxes	13.35	14.83
Repairs - Other assets	1.95	1.65
Repairs-Building	23.75	15.87
Telephone	3.30	3.56
Vehicle expenses	3.46	3.17
Total	2,475.57	1,039.03

Nikin Fire Protection Industries Ltd.

33 Earnings Per Share (EPS):

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Loss for the year	(348.49)	(12,063.85)
Amount available for equity share holders	(348.49)	(12,063.85)
Weighted average number of equity shares (nos.)	292,269,622	292,269,622
Basic EPS	(0.12)	(4.13)
Diluted EPS	(0.12)	(4.13)

34 Payments to auditors (exclusive of taxes):

Particulars	For the year ended March 31, 2023 ₹ in lakhs	For the year ended March 31, 2022 ₹ in lakhs
Statutory audit fees	5.00	5.00
Limited review fees	3.25	-
Others	0.10	-
Total	**8.35**	**5.00**

35 Operating lease:

(a) In respect of a property acquired on lease, the future minimum lease rentals under operating lease are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	₹ in lakhs	₹ in lakhs
Not later than one year	-	-
Total	-	-

Note:

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

Nitin Fire Protection Industries Ltd. Director

36 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 subsidiary
2	Nitin Ventures FZE, UAE	Foreign subsidiaries
3	Nitin Global Pte Limited, Singapore	
4	Nitin Fire Protection Middle East Fze, UAE	
5	New Age Company LLC, UAE (100% subsidiary of Nitin Ventures FZE, UAE)	Step down foreign subsidiaries of Nitin Ventures FZE
6	Firetec Systems Limited, UK (100% subsidiary of Nitin Ventures FZE, UAE)	
7	Worthington Nitin Cylinders Private Limited (WNCPL)	
8	Nitin M. Shah	Key Management Personnel (KMP) Represented on the Board at the time of Commencement of CIRP
9	Rahul N. Shah	
10	Saroj N. Shah (spouse of Nitin M. Shah)	Relatives of KMP's at the time of Commencement of CIRP
11	Nitin M. Shah (HUF)	
12	Rahul N. Shah (HUF)	
13	Kunal N. Shah	
14	Reshma N. Shah (daughter of Nitin M. Shah)	

* The company is under liquidtion vide order dated 18th january, 2022 and accordingly as per Section 33(7) of IBC, 2016, all the officers, employees and workmen are deemed to be discharged.

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

Sr. no	Particulars	For the year ended March 31, 2023 ₹ in lakhs	For the year ended March 31, 2022 ₹ in lakhs
I	**Capital transactions**		
	Assets		
1	**Advances to suppliers / Loans given etc.**		
	Foreign subsidiaries		
	Nitin Ventures FZE (net of exchange difference)	1,172.92	421.29
	Nitin Fire Protection Middle-East FZE	-	-
	(* exchange difference)		
	Nitin Global Pte Limited (net of exchange difference)	465.36	167.15
	Liabilities		
1	**Unsecured loans**		
	KMP's/NED		
	KMP		
	Nitin M. Shah	23.17	21.65
	Expenditure		
1	Interest on loans from Directors		
	Nitin M. Shah	23.17	21.65
2	**Salary Expenses**		
	Rahul Shah	-	25.00
3	**Provision for loans to subsidiaries**		
	Nitin Global Pte Limited	465.36	167.15
	Nitin Fire Protection Middle-East FZE		-
	Nitin Ventures FZE	1,172.92	421.29
4	**Provision for supplier advances**		
	Foreign subsidiaries		
	Nitin Ventures FZE	-	9.61



(b) Amounts outstanding for related parties:

No.	Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
I	Assets		
1	Non current investments/other non-current assets		
	Equity Shares		
	Foreign subsidiaries		
	Nitin Ventures FZE	1,102.09	1,102.09
	Nitin Global Pte Limited	47.61	47.61
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	25.00	25.00
	Non current investment		
	Associate		
	Worthington Nitin Cylinders Private Limited	4,195.04	4,195.04
2	Trade receivables (net of trade payables, if any)		
	Step down foreign subsidiaries of Nitin Ventures FZE		
	New Age Company LLC, UAE	98.06	90.41
3	Loans to subsidiary		
	Foreign subsidiaries		
	Nitin Ventures FZE	17,111.02	15,938.10
	Nitin Global Pte Limited	7,095.53	6,630.17
	Nitin Fire Protection Middle-East FZE	9.31	9.31
II	Equity and Liabilities		
1	Short term borrowings		
	KMP'S		
	Nitin M. Shah	4,244.77	4,213.01
	Nitin M. Shah (HUF)	2,908.00	2,908.00
	Rahul N Shah	2,354.82	2,354.82
	Domestic subsidiary		
	Eurotech Cylinders Private Limited	45.62	45.62
2	Other Current Liabilities		
a	Dues (Excluding outstanding salary payable, if any)		
	Nitin M. Shah	39.00	39.00
	Saroj N Shah	39.00	39.00
	Eurotech Cylinders Private Limited	145.00	145.00
b	Outstanding Salary Payable		
	Rahul N Shah	119.87	119.87
	Kunal N Shah	12.23	12.23

(** Post devolvement of Standby letter of credit the balances are now reflected as recoverable from foreign subsidiaries and correspondingly payable to bank of demand.

Notes:

(a) Related party relationships are as identified by the Company on the basis of information available and relied upon by the auditors.

Nitin Fire Protection Industries Ltd. Liquidator

37 Contingent liabilities not provided for in respect of :

No.	Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
i	Performance/bid-bond guarantees	67.07	67.07
ii	Corporate financial guarantees provided on behalf of a domestic subsidiary		
	- Limit	-	-
	- Outstanding	-	-
ii	Claim against the Company not acknowledged as debt:		
	- Income Tax	163.87	163.87
	[(A.Y. 2009-10 - 2016-2017) (amount paid under protest ` 84.00 Lakhs		
	-Sales tax	114.60	114.60
	[(A.Y. 2011-12 and A.Y. 2012-13) (amount paid under protest ` Nil (March 31, 2018: ` 32.41 Lakhs)]		
	- Other matters	410.15	410.15

Note:
Contingent liabilities in respect of above matters arising in the ordinary course of business, it is anticipated that no material liabilities will arise.

38 Commitments:
Estimated amount of contracts remaining to be executed on capital account (net of advances, unsecured and considered good) : ₹ NIL (as at March 31, 2022 ₹ NIL lakhs).

39 Income taxes

a. Income tax expense is as follows:

	Year ended	
	March 31, 2023 ₹ in lakhs	March 31, 2022 ₹ in lakhs
Statement of Profit and Loss		
Current tax:		
Tax for the year	-	-
Adjustments for current tax of prior periods	0.46	-
Total current tax expense	0.46	-
Deferred tax:		
Deferred tax expenses	-	-
Total deferred tax expense	-	-
Income tax expense		-
Other comprehensive income		
Deferred tax related to OCI items:		
Net loss / (gain) on Remeasurements of defined benefit plans	-	-
	-	-

Income Tax demand including interest Rs 163.41 Lakhs related to AY 2016-17.

b. Reconciliation of effective tax rate

A reconciliation of income tax expense as included in the statement of profit and loss to the amount computed by applying the weighted average enacted income tax rate to income before income taxes is summarized below:

	Year ended			
		March 31, 2023 ₹ in lakhs		March 31, 2022 ₹ in lakhs
Loss before tax		(341.82)		(12,061.37)
Tax at the Indian tax rate	0.00%	-	0.00%	-
Tax effect of:				
Prior years tax adjustments	0.00%	-	0.00%	-
	0.00%	-	**0.00%**	

Nitin Fire Protection Industries Ltd. Liquidator

40 Disclosures pursuant to Ind AS 115 'Construction Contracts':

Particulars	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
(a) Contract revenue recognised for the financial year*	246.31	272.02
(b) Aggregate of contract costs incurred and recognised profit (less recognised losses) up to the reporting date for contracts in progress	206.90	228.50
(c) Advances received for contracts in progress		-
(d) Retention money for contracts in progress	131.32	131.32
(e) Gross amount due from customers for contract work (asset)	495.26	247.92
(f) Gross amount due to customers for contract work (liability)		-

(* in respect of completed and percentage of aggregate of contract costs incurred has been considered as per last audited financial statements. Further the details of completed contracts has not been made maintained hence could not be produce for verification.)

41 With regard to the Company's investment in Equity Shares of Worthington Nitin Cylinders Private Limited, an associate company is carried at a cost of ` 4,195.04 lakhs as at March 31, 2023 (as at March 31, 2022 ` 4,195.04 lakhs). The net worth of the said associate is substantially eroded as at March 31, 2022 based on the audited financial statement having Auditor's ICAI UDIN: 22105720BDANRN1748 (UDIN Generation dated 14-11-2022). The Company has made provision for diminution in value of investment of ` 3,772.17 Lacs during the previous years, based on the audited financial statement of the associate company. The Management is in discussion with majority shareholder of associate company and expects to realise the net investment amount. Based on discussion and projected business plans of the associate, the Management believes that no additional impairment provision is considered necessary.

42 Trade receivables for the year ended March 31, 2023 amounting to ` 29,035.65 lakhs (as at March 31, 2022 ` 26,589.66 lakhs). The Company has, in this regard, made provision of ` 28,605.24 lakhs (as at March 31, 2022 ` 26,408.14 lakhs) by way of expected credit loss. The Company's Management is making all efforts to recover the same and is confident of recovery. Hence, no specific provision is considered necessary.
Further during the year foreign exchange gain amounting to Rs 2,197.10 has also been treated as doubtful and such gain also provided in profit and loss account as amount bad debts.
Similarly during the previous year foreign exchange loss amounting to Rs 779.69 has also been treated as doubtful and such loss also provided in profit and loss account as amount no longer required to payable/receivable.

43 The balances of Trade payables amounting to ` 6,241.65 lakhs (as at March 31, 2022 ` 5,872.85 lakhs), advance to trade payable amounting to ` 1.86 lakhs (as at March 31, 2021 ` 5.59 lakhs), advance from customers aggregating ` 0.04 lakh (as at March 31, 2022 ` 6.01 lakhs) and security deposit given aggregating ` 1.03 lakhs (as at March 31, 2022 ` 0.96 lakhs) are subject to independent confirmations as at March 31, 2023. The Management is in the process of obtaining the confirmations and do not expect any consequential impact in the Standalone Ind AS Financial Statements in this regard.

44 On account of non-renewal of expired license issued by The Loss Prevention Certification Board (LPCB) by the Company during earlier years, the traded goods (consisting of firefighting equipment and other components). Accordingly, the Company has made an estimated provision towards non moving inventory of ` 5,004.23 lakhs (including provision of ` 486.90 lakhs, based on independent valuation done during Liquidation period) up to March 31, 2020. In the opinion of management no additional provision for non-moving inventories is considered necessary for the year end March 31, 2023.
Further, the counting of the physical inventories as at the year ended March 31, 2023 has not been carried out. The Company has carried out physical verification of inventories on February 8, 2022 but physical verification report has not been available and inventories valuation done accordingly. The closing stock as on 31-Mar-2022 is shown based on the physical verification and stock valuation reports. As per the management the same stock was available as on 31-Mar-21 apart from purchase made at the last date of the year of Rs 33.37 lakhs which was consumed in the next subsequent financial year 2021-22. After the valuation report, there was stock consumed of Rs 5.91 lakhs till the end of financial year. Accordingly stock has been reduce from the financial statement.
The company has a policy to procure the material on buyer's requirement and the same quantity will be consumed and hence the quantitative records of the inventories not updated and not presented for verification. The company has purchase stock based on the requirement of the project and showing as consumption.

45 As per the audited financial statements ended March 31, 2020, during the earlier years, the Company has adjusted balances under Trade Payable and Trade Receivable aggregating ` 5,500.74 lakhs however no details available in the records. The management is making all efforts of executing agreements from respective counter parties under trade Payables and trade receivables and approval from Reserve Bank of India for the balances receivable/ payable in foreign currency and do not expect any consequential impact in the Standalone Ind AS Financial Statements.

Nitin Fire Protection Industries Ltd. Liquidator

46 As at March 31, 2023, Loans to subsidiaries aggregating ` 24,215.86 lakhs and advance for purchase of materials of ` 343.26 lakhs are outstanding for a long period of time. The Company has made provision for entire amount of ` 24,559.12 lakhs. The Company is in the process of obtaining independent confirmations from the loans receivable and realising loans/ advance amount.

47 Due to significant defaults in repayment of short term borrowing and long term borrowing from banks and financial institutions for more than one year, the Company's account has become Non-performing. The Company is in process of obtaining confirmation for overdue interest as on March 31, 2023 from all lenders. Pending receipt of confirmation, the Company has made provision for interest accrued cumulatively in respect of its borrowings aggregating ` 43,743.18 lakhs (P. Y. ` 44,041.57 Lakhs) based on agreements entered in to with lenders. The Interest liability is being provided based on the admitted claim received during liquidation in the financial year 2020-21. The interest for the financial year provided in the financial year 2021-22 till the commencement of liquidation is based on the interest admitted during the financial year 2021-22 in their admitted claim. However no payment against payable accrued interest has been paid. The Company is in the process of obtaining independent confirmations from banks and financial institutions, the Management do not expect any additional provision required for FY 22-23 and thus does not expect any consequential impact on the Standalone Ind AS Financial Statements.

48 The Company has net carrying amount of ` 1,526.68 lakhs (P.Y. 1,594.20 Lakhs) in respect of its Property, Plant and Equipment ("PPE") as at March 31, 2023. The Company is in process of carrying out the impairment study of PPE in view of lower utilisation of its capacity and operational losses for more than last two years and to comply with requirement of Ind AS 36 'Impairment of Assets'. The Management do not expect any significant consequential impact on the Standalone Ind AS Financial Statements.

49 The Company has incurred net loss of ` 418.03 lakhs during the year ended March 31, 2023 and, as of that date, the Company's current liabilities exceeded its total assets by ` 1,08,256.43 lakhs. This indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Currently the Liquidation of the company is under progress and its ability to continue affairs on Going Concern basis is dependent on many factors including continued support from its financial and operational creditors and submission and approval of Resolution Plan. Pending CIRP/ Liquidation process, the Standalone Ind AS Financial Statements are prepared on going concern basis.

50 The company has three foreign subsidiaries namely, Nitin Ventures FZE (UAE), Nitin Global Pte Limited (Singapore) & Nitin Fire Protection Middle East Fze (UAE), the said susidiaries have been struck off by the respective regulatory authorities of the country in which they were incorporated.

51 As explained in Note 49, in absence of going concern concept, Deferred Tax Assets/Liability is not provided.

52 Balance appearing in the financial statements are subject to reconciliation with the returns and submissions made with statutory authorities, including GST, PF, ESIC, TDS. Hence, the effect thereof, on Profit/ Loss, Assets and Liabilities, if any, is not ascertainable. GST returns filed by the company has not been reconciled with the books of accounts, further GST input tax credit has not been reversed on amount booked as creditor's write back. Short payment of GST on sales as per GST returns has not been provided.

53 Revenue recognized in books of accounts has not been reconciled with form 26AS & Annual Information Statement generated from Income Tax Portal.

54 Interest provided amounting to Rs 23.83 lakhs payable to parties other than banking institutions but TDS has not been deducted.
- ACI Infocom Ltd - 22.56 lakhs
- Virat Management & Consultants Pvt Ltd - 1.27 lakhs

55 **Segment information:**

In line with the provisions of IND AS 108 'Operating segments' and basis the review of operations being done by the Senior Management, the operations of the Company fall under fire protection/detection equipment's and allied activities, which is considered to be the only reportable segment by the Management.

Nitin Fire Protection Industries Ltd. Liquidator

Nitin Fire Protection Industries Limited (Under Liquidation)
Notes to the financial statement for the year ended March 31, 2023

56 Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31st March 2023						
Undisputed Trade receivables:						
- considered good	226.88	153.33	50.20	-	-	430.41
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Disputed Trade Receivables:						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	76.14	31.81	28,497.29	28,605.24
Total	226.88	153.33	126.34	31.81	28,497.29	29,035.65
As on 31st March 2022						
Undisputed Trade receivables:						
- considered good	112.98	23.28	45.26	-	-	181.53
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Disputed Trade Receivables:						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	100.08	26,308.05	26,408.13
Total	112.98	23.28	45.26	100.08	26,308.05	26,589.66

57 Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31.03.2023					
(i) MSME*	255.83	60.42	-	37.04	353.30
(ii) Others	14.79	108.42	1,784.43	3,980.71	5,888.35
(iii) Disputed dues – MSME*	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	270.62	168.84	1,784.43	4,017.75	6,241.65
As on 31.03.2022					
(i) MSME*	32.29	0.51	-	156.78	189.58
(ii) Others	1,765.32	3.75	30.71	3,883.49	5,683.27
(iii) Disputed dues – MSME*	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	1,797.62	4.26	30.71	4,040.27	5,872.85

MSME as per the Micro, Small and Medium Enterprises Development Act, 2006, as per information available with the Company

58 Loans and Advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013)
The company has granted following loans or advances in the nature of loans which are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are (a) repayable on demand; or (b) without specifying any terms or period of repayment.

Type of Borrower, that are (a) repayable on demand; or (b) without specifying any terms or period of repayment.	Amount of loan or advance in the nature of loan outstanding		Percentage to the total Loans and Advances in the nature of loans	
	As on		As on	
	3/31/2023	3/31/2022	3/31/2023	3/31/2022
Promoters/ Directors/ KMPs	-	-	0.00%	0.00%
Related Parties:	-	-	0.00%	0.00%
Total to promoters, directors, KMPs and the related parties	-	-	0.00%	0.00%
Total to Other Loans given by the Company	-	-	0.00%	0.00%
Grand Total	-	-	0.00%	0.00%

59 The details of loan granted by the company during the Financial Year 2022-23 are as follows:

Loan Provided	Sub. / JV/ Associate	Others
A. Aggregate amount granted/ provided during the year	-	-
B. Balance outstanding as at balance sheet date in respect of above cases	-	-

Nitin Fire Protection Industries Ltd.

Nitin Fire Protection Industries Limited (Under Liquidation)
Notes to the financial statement for the year ended March 31, 2023

60 Analytical Ratios

Sr. No.	Ratio Analysis	Numerator	Denominator	31-Mar-23	31-Mar-22	% Variance	Reason for variance (above 25%)
1	Current Ratio	Current Assets	Current Liabilities	0.01	0.00	185.89%	Due to increase in Trade receivables during FY 2022-23 as compared to FY 2021-22 current ratio is changed.
2	Debt Equity Ratio	Total Debts	Total Shareholders Equity	-0.55	-0.55	-0.16%	-
3	Debt Service Coverage Ratio	Earning for Debt Service	Debt Service	-0.00	-0.00	-19.57%	-
4	Return on Equity Ratio	Net Profit for the period	Average Shareholders Equity	0.00	0.12	-97.28%	Due to decrease in losses during 2022-23 return on equity ration is decreased
5	Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	3.99	6.47	-38.30%	Due to decrease in the COG in current financial year, the inventory turnover ratio decrease.
6	Trade Receivables Turnover Ratio	Revenue from operations	Average Trade Receivables	1.54	2.35	-34.53%	Due to increase in trade receivables during FY 2022-23 ration is decrease accordingly.
7	Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	0.06	0.05	20.62%	-
8	Net Capital Turnover Ratio	Revenue from operations	Average Working Capital	-0.00	-0.00	7.00%	-
9	Net Profit Ratio	Net Profit After Tax	Revenue from operations	-0.13	-9.56	-98.68%	Lower losses in 2022-23 has led to the increase in net profit ratio
10	Return on Capital employed	EBIT	Capital Employed	0.01	0.01	-18.09%	-
11	Return on Investment	Net Profit After Tax	Average Total Assets	-0.14	-4.84	-97.10%	Lower losses in 2022-23 has led to the increase in return on investment

Note:
1. Total Debt = Long term Borrowings (including current maturities of Long term Borrowings), lease liabilities (current and non-current), short term borrowings and interest accrued on Debts

2. Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

3. Debt service = Interest & Lease Payments + Principal Repayments
4. Avg. Shareholder's Equity = Average of Opening Total Equity and Closing Total Equity excluding revaluation reserve

5. Average Inventory = Average of Opening Inventory and Closing Inventory
6. Average Trade Receivable = Average of Opening Trade Receivables and Closing Trade Receivables
7. Average Trade Payables = Average of Opening Trade Payables and Closing Trade Payables
8. Working capital shall be calculated as current assets minus current liabilities
9. EBIT = Earning before interest and taxes
10. Capital Employed = Tangible Net Worth (excluding revaluation reserve) + Total Debt + Deferred Tax Liability

11. Average Total Assets = Average of Opening Total Assets and Closing Total Assets excluding revaluation impact

Nitin Fire Protection Industries Ltd. Liquidation

61 Additional Notes

61.01 In compliance with Ind AS 27 "Separate Financial Statements" the required information is as under :

Particulars	Principal place of business/country of incorporation	Percentage of ownership	
		Interest as on	
		31-Mar-23	31-Mar-22
Subsidiaries		%	%
Nitin Venture FZE	UAE	100	100
Nitin Global Pte. Limited	Singapore	100	100
Eurotech Cylinder Private Limited	India	100	100
Associates			
Worthington Nitin Cylinders Private Limited	India	40	40

61.02 Balance and transactions with Receivables and Payables, including loans & advances given and taken, Deposits taken & given, trade receivables & trade payables, balance with government authorities and other assets & liabilities are subject to confirmation and consequent reconciliation and adjustments, if any. Hence, the effect thereof, on Profit/ Loss, Assets and Liabilities, if any, is not ascertainable. The management has established a procedure controls to review the reconciliation and recoverability of all the assets and payability of all the liabilities, on a regular basis, based on the formal/ informal agreements/ arrangements with the respective parties involved. As per the opinion of the Board, there will be no substantial impact on their reconciliation with their balance confirmations as on the reporting date.

61.03 **Revaluation/ Fair valuation of PPE / Intangible assets/ Investment property:**
Since the company has not carried out any revaluation of its Property, Plant and Equipment (including Right-of-Use Assets) and intangible assets held by the company during the year, the requirement of reporting regarding any revaluation of the same is not applicable to the company. The company also does not have any Investment property during the current year as well as previous year.

61.04 **Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder**
The Company do not have any benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

61.05 **Wilful Defaulter**
The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.

61.06 **Misutilisation of Bank Borrowing**
The company has not taken any borrowings from banks and financial institutions during the current year.

61.07 **Disclosure of transactions with struck off companies**
The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

61.08 **Compliance with approved Scheme(s) of Arrangements**
No Scheme of Arrangements has been approved by/ pending with the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year as well as previous year

61.09 **Undisclosed Income**
The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Nitin Fire Protection Industries Ltd. Liquidator

61.10 Compliance with number of layers of companies

The compliance of number of layers of companies, prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017, are not applicable to the company.

61.11 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year and any of the previous financial years.

61.12 Security of current assets against borrowings

The Company has borrowings from banks or financial institutions on the basis of security of current assets. Since the company is under CIRP/Liquidation hence the company has not filed the quarterly returns or statements with such banks.

61.13 Utilisation of Borrowed funds and share premium:

(A) During the year, the company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries)
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(B) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party(Ultimate Beneficiaries)
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

61.14 Registration of charges or satisfaction of charges with Registrar of Companies (ROC)

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

61.15 These financial statements are presented in Indian Rupees (INR), which is also its functional currency and all values are rounded to the nearest Lakhs, except when otherwise indicated. The amounts which are less than Rs. 0.01 Lakhs are shown as Rs 0.00 Lakhs.

61.16 The previous year figures have been re-grouped / re-classified wherever required to conform to current year's classification

As per our attached report of even date
For Parekh Shah & Lodha
Chartered Accountants
ICAI Firm Registration No. 107487W

Ravindra Chaturvedi
Partner
Membership No. 048350
UDIN: 23048350BGWTIK2967
Place: Mumbai
Date: 27-09-2023

For and on behalf of Board of Directors of
Nitin Fire Protection Industries Limited (Under Liquidation)

U. Balakrishna Bhat
Liquidator
IBBI/IPA-001/IP-P00658/2017-18-11107

Place: Mumbai
Date: 27-09-2023