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

Standalone

Rs. in lakhs except per EPS

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018
[Under Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	6,687.10	NA
	2.	Total Expenditure	25,831.98	NA
	3.	Net Profit/(Loss)	(19,157.69)	NA
	4.	Earnings Per Share	(6.57)	NA
	5.	Total Assets	51,950.23	NA
	6.	Total Liabilities	51,950.23	NA
	7.	Net Worth	(16,160.58)	NA
	8.	Any other financial item(s) (as felt appropriate by the management)	NA	NA
II.		**Audit Qualification (each audit qualification separately):**		
a. Details of Audit Qualification:		1) Note No. 5 to the Statement, no provision has been made by the Company in respect of its dispute with a bank for claim made by the bank for Rs. 501.33 lakhs (excluding interest) on a derivative contract entered into by its erstwhile subsidiary, the liability for which has been taken over by the Company. The Company has not determined the quantum of provision required in this regard as at March 31, 2018 on the above contract and has relied on a legal opinion in the matter wherein no liability is expected. Pending the final settlement of the matter, we are unable to comment on the extent of provision required, if any, in this regard. 2) Note No. 6 to the Statement, the Company has an exposure in Worthington Nitin Cylinders Private Limited aggregating Rs. 4,195.04 lakhs as at March 31, 2018. In the absence of the fair value of the investment as required under Ind AS 28 'Investment in Associates and Joint Ventures', we are unable to comment on the impairment, if any, on the carrying amount of the investment as at March 31, 2018. 3) Note No. 7 to the Statement, in relation to exposure in trade receivables aggregating Rs. 27,673.23 lakhs which are outstanding for a long period of time, payments for which are not forthcoming and are subject to independent confirmation. In the absence of independent confirmations from some of the trade receivables, any other alternate audit evidence and non recovery of any amount during the year and till date, we are unable to comment on the recoverability of the same and consequential write off, if any. 4) Note No. 8 to the Statement, the Trade receivables aggregating Rs. 3,459.95 lakhs (other than those covered under para (c) above), Trade payables aggregating Rs. 1,867.47 lakhs and loans to body corporates aggregating Rs. 331.08 lakhs are subject to independent confirmation/ reconciliation. In the absence of independent confirmation/ reconciliation, we are unable to comment on the consequential impact, if any.	
b. Type of Audit Qualification :		Disclaimer of Opinion		

NITIN FIRE PROTECTION INDUSTRIES LIMITED MUMBAI

BHARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	
c. **Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing	Audit opinion is disclaimer. However in respect of point (1) to (3) above Audit Report was Qualified in previous years.
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	NA
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) **Management's estimation on the impact of audit qualification:**	NA
(ii) **If management is unable to estimate the impact, reasons for the same:**	Q1. Matter being subjudice. Q2. The Management is in the process of doing needful and hopes that impairment, if any will not be material and if any such thing is noticed in future, we will provide the same. Q3. All efforts for recovery are being made. Amount which may not be ultimately realized canhot be estimated as of now. Q4. The Management is in the process of doing needful and expects that there will not be any material impact post confirmation and if any impact arises, we will provide for the same in next quarter.
(iii) **Auditors' Comments on (i) or (ii) above:**	None further. Please refer to our audit report of even date.
III.	**Signatories:**
CEO	Rahul Nitin Shah CEO
CFO	Bharat Shah
Audit Committee Chairman	Hariharan Iyer DIN: 07539227
Statutory Auditors HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS	For Haribhakti & Co. LLP Chartered Accountants Firm Registration No. No.103523W/W100048 Snehal Shah Partner Membership NO. 048539
Place: Mumbai	
Date: June 14, 2018	

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

Consolidated

Rs. in lakhs except per EPS

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018
[Under Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	89,327.02	NA
	2.	Total Expenditure	106,388.79	NA
	3.	Net Profit/(Loss)	(16,173.02)	NA
	4.	Earnings Per Share	(5.72)	NA
	5.	Total Assets	139,958.62	NA
	6.	Total Liabilities	139,958.62	NA
	7.	Net Worth	34,423.87	NA
	8.	Any other financial item(s) (as felt appropriate by the management)	NA	NA
II.		**Audit Qualification (each audit qualification separately):**		
a. Details of Audit Qualification:		1) Note No. 5 to the Statement, no provision has been made by the Holding Company in respect of its dispute with a bank for claim made by the bank for Rs. 501.33 lakhs (excluding interest) on a derivative contract entered into by its erstwhile subsidiary, the liability for which has been taken over by the Holding Company. The Holding Company has not determined the quantum of provision required in this regard as at March 31, 2018 on the above contract and has relied on a legal opinion in the matter wherein no liability is expected. Pending the final settlement of the matter, we are unable to comment on the extent of provision required, if any, in this regard. 2) Note No. 6 to the Statement, the Holding Company has an exposure in Worthington Nitin Cylinders Private Limited an associate company aggregating Rs. 1,164.26 lakhs as at March 31, 2018. In the absence of the fair value of the investment as required under Ind AS 28 'Investment in Associates and Joint Ventures', we are unable to comment on the impairment, if any, on the carrying amount of the investment as at March 31, 2018. 3) Note No. 7 to the Statement, in relation to Holding Company's exposure in trade receivables aggregating Rs. 27,673.23 lakhs which are outstanding for a long period of time, payments for which are not forthcoming and are subject to independent confirmation. In the absence of independent confirmations from some of the trade receivables, any other alternate audit evidence and non recovery of any amount during the year and till date, we are unable to comment on the recoverability of the same and consequential write off, if any. 4) Note No. 8 to the Statement, in relation to Holding Company's balances of Trade receivables aggregating Rs. 3,459.95 lakhs (other than those covered under para (c) above), Trade payables aggregating Rs. 1,867.47 lakhs and loans to body corporates aggregating Rs. 331.08 lakhs are subject to independent confirmation/ reconciliation. In the absence of independent confirmation/ reconciliation, we are unable to comment on the consequential impact, if any.		

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HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

b. **Type of Audit Qualification :** Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Disclaimer of Opinion
c. **Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing	Audit opinion is disclaimer. However in respect of point (1) to (3) above Audit Report was Qualified in previous years.
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	NA
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification:	NA
(ii) If management is unable to estimate the impact, reasons for the same:	Q1. Matter being subjudice. Q2. The Management is in the process of doing needful and hopes that impairment, if any will not be material and if any such thing is noticed in future, we will provide the same. Q3. All efforts for recovery are being made. Amount which may not be ultimately realized cannot be estimated as of now. Q4. The Management is in the process of doing needful and expects that there will not be any material impact post confirmation and if any impact arises, we will provide for the same in next quarter.
(iii) Auditors' Comments on (i) or (ii) above:	None further. Please refer to our audit report of even date.
III.	**Signatories:**
CEO	Rahul Nitin Shah CEO
CFO	Bharat Shah
Audit Committee Chairman	Hariharan Iyer DIN: 07539227
Statutory Auditors HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS	For Haribhakti & Co. LLP Chartered Accountants Firm Registration No. No.103523W/W100048 Snehal Shah Partner Membership NO. 048539
Place: Mumbai	
Date: June 14, 2018	

NITIN FIRE PROTECTION INDUSTRIES LIMITED MUMBAI