

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Nitin M. Shah	-	Chairman & Managing Director
Mr. Rahul N. Shah	-	Executive Director
Mr. Kailat H. Vaidyanathan	-	Non Executive Director
Mr. Krishna Kant Jha	-	Independent Director
Dr. Surendra A. Dave	-	Independent Director
Mr. Ramakant M. Nayak	-	Independent Director

REGISTERED OFFICE

501, Delta, Technology Street,
Hiranandani Gardens,
Powai, Mumbai - 400 076.
Maharashtra, India.

AUDITORS

Tolia & Associates
Chartered Accountants

COMPANY SECRETARY

Abhishek Shrivastava

REGISTRAR & SHARE TRANSFER AGENTS

Bigshare Services Private Limited
E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai - 400 076.
Maharashtra, India.

PLANT LOCATIONS

A-117, TTC Industrial Area,
Pawana Village,
Navi Mumbai-400 705.
Maharashtra, India.

Shed-6 Phase-1,
Duvvada VSEZ,
Vishakhapatnam,
Andhra Pradesh, India.

Plot No. 4, Sector 3,
Industrial Area, Parwanoo,
Dist. Solan -173 220
Himachal Pradesh, India.

BANKERS

IDBI Bank Limited
State Bank of India

Contents	Page Nos.
Notice and Explanatory Statement	1
Directors' Report	7
Report on Corporate Governance	12
Management Discussion and Analysis	21
Corporate Governance Compliance Certificate	23
Standalone Financial Statements	
Auditors' Report & Annexure	25
Balance Sheet	28
Profit and Loss Account	29
Cash Flow Statement	30
Schedules	32
Statement Pursuant to Section 212 of the Companies Act, 1956	54
Consolidated Financial Statements	
Auditors' Report	56
Balance Sheet	58
Profit and Loss Account	59
Cash Flow Statement	60
Schedules	62
Statement Pursuant to exemption received Section 212 (8) of the Companies Act, 1956	86

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 15th Annual General Meeting of the Members of the Company will be held on **Tuesday, September 21, 2010, at 3.30 p.m.** at Mini Theatre, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabha Devi, Mumbai 400 025 to transact the following business:

Ordinary Business:

1. To consider and adopt the Audited Balance Sheet as at March 31, 2010 and the Profit & Loss Account for the year ended on that date, together with the Reports of the Directors and the Auditors thereon.
2. To declare a dividend for the Financial Year ended March 31, 2010.
3. To appoint a director in place of Mr. Kailat H. Vaidyanathan, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED that Tolia & Associates, Chartered Accountants, (Firm Registration Number 111017W), be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

Special Business:

5. To appoint Mr. Ramakant M. Nayak as an Independent Director of the Company and liable to retire by rotation. He was appointed by the Board as an Additional Director of the Company. He is eligible for appointment. The Company has received a notice in writing from a member signifying his intention to propose the candidature of Mr. Ramakant M. Nayak as an Independent Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED that in accordance with the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, Mr. Ramakant M. Nayak who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as an Independent Director of the Company liable to retire by rotation.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

To consider the issue of further equity shares by the Company

“RESOLVED that in accordance with Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, as amended and also provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “SEBI Regulations”), as amended, the provisions of the Foreign Exchange Management Act, 1999, as amended, and rules and regulations made hereunder, including the Foreign Exchange Management (Transfer and Issue of Securities by a Person Resident Outside India) Regulations, 2000, as amended, if applicable, any other applicable law or laws, rules and regulations (including any amendment thereto or re-enactment thereto or re-enactment thereof for the time being in force) and enabling provisions in the Memorandum and Articles of Associations of the Company and the Listing Agreement, entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to the approval of, if applicable, Government of India, Reserve Bank of India, Securities and Exchange Board of India and/or all other authorities, institutions or bodies, within or outside India, and subject to such conditions as may be prescribed by any of them while granting such approval, the Board of Directors (hereinafter referred to as “Board” which term shall include any committee thereof, whether constituted or to be constituted) of the Company are hereby authorized to create, offer, issue and allot in one or more tranche(s), in the course of domestic and / or international offerings and /or Qualified Institutional Placements (“QIP”), with or without an over allotment/ green shoe issue option, in one or more foreign markets or domestic markets, to domestic institutions, foreign institutions, non-resident Indians, Indian public, companies, corporate bodies, mutual funds, banks, insurance companies, pension funds, individuals, qualified institutional buyers or other persons or entities, whether shareholders of the Company or not, through a public issue and/or on a private placement basis and/or qualified institutional placement within the meaning of the SEBI Regulations and/or preferential issue and/or other kind of public issue and /or private placement or through a combination of the foregoing as may be permitted under applicable law from time to time, with or without an over allotment/ green shoe option, equity share, secured or unsecured debentures, bonds or any other securities whether convertible into equity share or not, including, but not limited to, Foreign Currency Convertible Bonds (“FCCBs”), Optionally Convertible Debentures (“OCD”), Bonds with share warrants attached, Global Depository Receipts (“GDRs”), American Depository Receipts (“ADRs”), Rights Issue, Issue of Warrants or any other equity related instruments of the Company or a combination of the foregoing including but not limited to a combination of equity shares with bonds and/or any other securities whether convertible into equity shares or not (hereinafter referred to as “securities”) for a value upto USD 50 Million (United States Dollars Fifty Million Only) or its Indian Rupee equivalent, inclusive of such premium, as may be finalized by the Board, whether to be listed on any stock exchanges inside India or any international stock exchanges outside India, through an offer document and/or prospectus and/or offer letter, and/or offering circular, and/or on public and/or private or preferential basis, whether rupee denominated in foreign currency at such time or times, at such price or prices in such manner and on such terms and conditions including security, rate of interest etc, as may be decided by and deemed appropriate by the board as per applicable law, including the discretion to determine the

categories of investors to whom the offer, issue and allotment shall be made, considering, the prevailing market conditions and other relevant factors wherever necessary in consultation with its advisors, as the Board in its absolute discretion may deem fit and appropriate.

RESOLVED FURTHER that in addition to all applicable Indian laws, the securities issued in pursuance of this resolution shall also be governed by all applicable laws and regulations of any jurisdiction outside India where they are listed or that may in any other manner apply to such securities or provided in the terms of their issue.

RESOLVED FURTHER that such of these securities as are not subscribed may be disposed off by the Board in its absolute discretion in such manner, as the Board may deem fit and as permissible by the law.

RESOLVED FURTHER that in case of a QIP/Rights Issue/Preferential Allotment pursuant to the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the allotment of securities and the relevant date for the determination of the price of the equity shares to be issued, shall be the date on which the board decides to open the issue of securities or such other time as may be allowed by SEBI Regulations from time to time.

RESOLVED FURTHER that in case of an issuance of FCCBs/ADRs/GDRs, the relevant date for the determination of the issue price of the securities offered, shall be determined in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary shares (through Depository Receipt Mechanism) Scheme, 1993 and all others applicable law/laws, rules regulations and provisions, if any, as may be amended from time to time.

RESOLVED FURTHER that the issue of securities shall be subject to the following terms and conditions:

- a) The securities shall be subject to the provisions of Memorandum and Articles of Associations of the Company and in accordance with the terms of the issue; and
- b) The number and/or price of the securities shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

RESOLVED FURTHER that the Common Seal of the Company, if required to be affixed in India and/or outside India on any agreement, undertaking, deed or other document, the same be affixed in the presence of any one of the Directors of the Company or any one of the officers of the Company in accordance with the Articles of Association of the Company.

RESOLVED FURTHER that subject to the applicable laws the Board and/or the Committee authorised by the Board be and is hereby authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the issue of the securities, including, without limitation of the following;

- a) Decide the date for the opening of the issue of securities;
- b) Decide the price band for the issue;
- c) Finalization of the issue price;
- d) Finalization of the allotment of the securities on the basis of the subscriptions received;
- e) Finalization of, signing of and arrangement for the submission of the preliminary and final offering circulars/prospectus(es)/offer document(s), and any amendments and supplements thereto, along with supporting papers needed to be filed for seeking listing approval with any applicable government and regulatory authorities, institutions or bodies as may be required;
- f) Deciding the pricing and terms of the securities, and all other related matters, including taking any action on two-way fungibility for conversion of underlying equity shares into FCCBs/ GDRs/ ADRs, as per applicable laws, regulations or guidelines;
- g) Appoint, in its absolute discretion, managers (including lead manager), investment bankers, merchant bankers, underwriters, guarantors, financial and /or legal advisors, depositories, custodians, principal paying/transfer/conversion agents, listing agents, registrars, trustees and all other agencies, whether in India or abroad, entering into or execution of all such agreements/arrangements/MoUs/ documents with any such agencies, in connection with the proposed offering of the securities;
- h) Approval of the Deposit Agreements(s), the Purchase/Underwriting Agreement(s), the Trust Deed(s), the Indenture(s), the Master/Global GDRs/ADRs/FCCBS/Other Securities, Letters of Allotment, Listing Application, Engagement Letter(s), Memoranda of Understanding and any other agreements of documents, as may be necessary in connection with the issue/offering (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
- i) Settle all questions, difficulties or doubts that may arise in regards to the issue, offer or allotment of securities and utilization of the proceeds of the issue in such manner and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit.

RESOLVED FURTHER the Board and/or the Committee authorized by the Board be and is hereby authorized to accept any modifications in the proposals as may be required by the authorities involved in such issues but subject to such conditions as the SEBI/Gol/RBI or such other appropriate authorities may impose at the time of their approval and as agreed to by the Board;



RESOLVED FURTHER that without prejudice to the generality of the foregoing, issue of the securities may be done upon all or any terms or combination of terms in accordance with international practices relating to the payment of interest, additional interest, premium on redemption, prepayment or any other debt service payments and all such terms as are provided customarily in an issue of securities of this nature.

RESOLVED FURTHER that the Company may enter into any arrangement with any agency or body authorized by the Company for the issue off depository receipts representing the underlying equity shares issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability of free transferability thereof as per international practices and regulations (including listing on one or more stock exchange(s) inside or outside India) and under the forms and practices prevalent in the international markets.”

7. To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution**:

Sub-division of equity share (Split)

“RESOLVED THAT-

- 1) pursuant to Section 94(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, and Article 8 of Articles of Association of the Company, all the 6,00,00,000 (Six Crores) Equity Shares of Rs.10(Rupees Ten) each of the Company be and the same be and are hereby sub-divided into 30,00,00,000 (Thirty Crores) equity shares of Rs.2/- (Rupees Two) each.
- 2) all the present shareholders holding in all issued, subscribed and fully paid equity shares of Rs.2/- (Rupees Two) each be issued, in lieu of their present shareholding, the number of fully paid consolidated equity shares of Rs. 2/- (Rupees Two) each of the aggregate value equal to the amount paid by each shareholder on his/her existing fully paid equity shares of Rs. 10/- (Rupees Ten) each;
- 3) the Board of Directors of the Company be and is hereby authorized to take all the necessary steps for giving effect the foregoing resolution, including recall of the existing share certificates, issues of new share certificates in lieu of the existing issued share certificates in terms of the foregoing resolutions and in accordance with the applicable provisions of the Companies Act, 1956 and those of the Companies (Issue of Share Certificates) Rules, 1960.”

“RESOLVED FURTHER that as a consequence of sub division of the equity shares of the Company, clause V (share capital clause) of the Memorandum of Association of the Company be and is hereby substituted with the following:

“V. The Authorized Share Capital of the Company is Rs. 60,00,00,000(Rupees Sixty Crores Only) divided into 30,00,00,000 (Thirty Crores) equity shares of Rs. 2/- (Rupees Two Only) each”

For and on behalf of the Board of Directors

Mumbai
August 17, 2010

Sd/-
Abhishek Shrivastava
Company Secretary

Notes:

- a. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxies in order to be effective must be received at the Company's registered office not less than forty-eight hours before the commencement of the Meeting.
- b. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- c. The relevant explanatory statement pursuant to Section 173 of the Companies Act, 1956, is annexed thereto.
- d. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- e. In case of joint holders attending the Meeting, only such joint holder which is higher in the order of names will be entitled to vote.
- f. Documents relating to any of the items mentioned in the Notice and the Explanatory Statement thereto are open for inspection at the Registered Office of the Company on working days during business hours up to the date of the Meeting.
- g. The dividend on equity shares, if declared, will be payable within five days from the date of Annual General Meeting to those members whose names stand on the Register of Members of the Company.
- h. The Register of Members and Transfer Book of the Company will remain close from Thursday, September 16, 2010 to Tuesday, September 21, 2010 (both days inclusive).



- i. Members are requested to intimate to the Company, queries, if any, regarding the accounts/notices at least seven days before the Annual General Meeting to enable the management to keep the information ready at the meeting.
- j. Members are requested to notify immediately of any change in their address to the Company. Members holding shares in electronic form are advised to notify any change in their address to the concerned depository participants.
- k. Pursuant to Section 205 A of the Companies Act, 1956, Company is not having any unclaimed or unpaid dividends liable to be transferred to the Investors Education and Protection Fund.
- l. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- m. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109 A of the Companies Act, 1956 are requested to submit the prescribed Form 2B duly completed to the Registrar and Share Transfer Agents of the Company.
- n. As per Clause 49 of the Listing Agreement with the stock exchanges the following particulars of Directors who are appointed /re-appointed i.e. Mr. Kailat H. Vaidyanathan and Mr. Ramakant M. Nayak are being provided.

Mr. Kailat H. Vaidyanathan, aged 64 years, is a graduate in Mechanical Engineering with post graduate studies in Industrial Engineering. He has more than 38 years of experience in various engineering fields including about 25 years in the area of high pressure seamless cylinders and allied equipments. He has handled many projects and his latest assignment being working with Everest Kanto Cylinders Limited. He has been instrumental in implementing the project of Nitin Cylinders Limited and all matters related to cylinder applications. He is responsible for all technical negotiation with cylinder suppliers as well as the customers for cylinders and allied items.

Mr. Ramakant M. Nayak, aged 65 years, has degrees in science and law and a Diploma in Marketing and Advertising. He is also a certified associate of Indian Institute of Banking. He has an experience of 44 years in the area of investment advisory and banking industry. Mr. Nayak has been associated with various banking and advisory companies such as Sun Global Investments Limited, Sun Capital Advisory, Lord Krishna Bank (now HDFC Bank Limited) and Lakshmi Vilas Bank through which he contributed in the areas of banking, finance, economy, human resources, risk management and business strategy.
- o. Members / Proxies should bring the attendance slips duly filled in for attending the Meeting.

Annexure to the Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

Item No. 5

Mr. Ramakant M. Nayak was appointed as an Additional Director of the Company at the Board meeting held on April 12, 2010. Under the provisions of the Companies Act, 1956, he holds the office until the conclusion of this meeting. The Company had received a Notice under the provisions of Section 257 of the Companies Act, 1956 with requisite fees signifying the intention for appointment of Mr. Ramakant M. Nayak as an Independent Director of the Company. Mr. Ramakant M. Nayak being eligible, offers himself for appointment.

The Directors of the Company recommend the passing of the Ordinary Resolution at Item No. 5 of the Notice. None of the Board of Directors except Mr. Ramakant M. Nayak is interested in the resolution.

Item No. 6

To consider issue of further equity share by the Company

The Company proposes to raise funds upto USD 50 Million (United States Dollars Fifty Million Only) or its Indian Rupee equivalent, inclusive of such premium, as may be finalized by the Board in one or more trenches through right issue, public issues and/or on a private placement basis and/or QIP within the meaning of the SEBI Regulations and/or preferential issue and/or any other kind of public issue and/or private placement as may be permitted under applicable law from time to time. The resolution contained in the business of the Notice related to a proposal by the Company to create, offer, issue and allot equity shares and/or such other securities as stated in the Special Resolution (the "Securities") which seeks to empower the Board of Directors (hereinafter referred to as "Board" which include any Committee thereof, whether constituted or to be constituted) to undertake such issue or offer of securities.

1. Objects of the issue

- To acquire or establish company/companies in India and/or abroad,
- To repay its debt obligations and strengthen the capital base of the Company, and
- General corporate purposes.

2. Pricing

In case of an issue of Securities to Qualified Institutional Buyers/Preferential Allotment, pursuant to the SEBI Regulations, the issue price of Securities shall be at a price, being not less than the price calculated in accordance with the SEBI Regulations as may be amended from time to time and the Relevant Date in this regard shall be the date on which the Board decides to open the issue of securities or such other time as may be allowed by SEBI Regulations from time to time.

In case of a QIP pursuant to Chapter VIII of SEBI (ICDR) Regulations, 2009, the allotment of Securities shall be completed within twelve months from the date of passing of this shareholders resolution.

In case of issue of ADRs/GDRs the issue price shall be at a price, being not less than the price calculated in accordance with applicable law including the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, and all other applicable law/laws, rules, regulations and provisions, if any, as may be amended from time to time.

3. Instruments and other terms and conditions

The detailed terms and conditions for the offer will be determined by the Board in consultation with Advisors, Lead Manager(s)/Book Runners, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The issue/ allotment/ conversion would be subject to the availability of regulatory approvals, if any. The conversion of Securities, held by foreign investors, into shares would be subject to the applicable foreign investment limits.

The Special Resolution seeks to give the Board and/or Committee authorized by the Board powers to issue Securities in one or more tranche or tranches, at such time/times, and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board may in its absolute discretion deem fit.

The consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 and in terms of the provisions of the Listing Agreement executed by the Company with Stock Exchanges where the Equity Shares of the Company are listed.

Section 81(1A) of the Companies Act, 1956 and the relevant clause of the Listing Agreement with the Stock Exchanges where the Equity Shares of the Company are listed provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further shares, such further shares shall be offered to the existing shareholders of such company in the manner laid down in Section 81 unless the shareholders in a general meeting decide otherwise. Since the Special Resolution proposed in the business of the Notice results in the issue of shares of the Company otherwise than to the members of the Company, consent of the shareholders is being sought pursuant to

the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 and the Listing Agreement.

The Special Resolution, if passed, will have the effect of allowing the Board and/or the Committee authorized by the Board to issue and allot Securities to the investors who may or may not be the existing shareholders of the Company and the Board and/or the Committee authorized by the Board will have the power to decide the date of opening of the issue.

For reasons aforesaid, an enabling resolution is proposed for consideration of the shareholders to give adequate flexibility and discretion to the Board to finalize the terms of the issue of Specified Securities.

The Board believes that the issue of Specified Securities to investors who are not shareholders of the Company is in the interest of the Company and therefore recommends the resolution for your approval.

None of the directors of the Company are concerned or interested in the resolution except to the extent of their shareholding is affected.

The Directors recommend the special resolution for your approval.

Item No. 7**Sub-division of equity shares (Split)**

The shareholders to note that the equity shares of your Company are listed on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange (BSE). The shares are actively traded on the NSE and the BSE.

The market price of the shares of the Company has witnessed significant spurt over the last 6 months. In order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of Directors of the Company ('the Board') at their meeting held on August 13, 2010, considered it desirable to sub-divide the nominal value of the equity portion of the authorised share capital of the Company.

The shareholders may please note that presently the nominal value of the equity shares is Rs. 10/- (Ten) each and consequent to the sub-division it is being divided into 5 (Five) equity shares of Rs. 2/- (Two) each. The date on which this sub-division would become effective, will be decided by the Board after obtaining the shareholders' approval, which will be notified through the Stock Exchanges.

Shareholders attention is also invited to the fact that in view of the foregoing, the existing Capital Clause V in the Memorandum of Association of the Company relating to equity shares also need relevant amendment to give effect to the sub-division.

The Directors of the Company are deemed to be concerned or interested in the resolution only to the extent of shares held by them in the Company.

For and on behalf of the Board of Directors

Mumbai
August 17, 2010

Sd/-
Abhishek Shrivastava
Company Secretary

Directors' Report

To the Members,
Nitin Fire Protection Industries Limited

Your Directors have pleasure in presenting the Fifteenth Annual Report together with the Audited Statement of Accounts for the year ended March 31, 2010.

FINANCIAL RESULTS

Accounting Policy

The Company follows the Generally Accepted Accounting Principles (GAAP) in India, applicable accounting standards/provisions of the Companies Act, 1956 for the preparation of its financial statements. The Company also follows accrual basis of accounting except in cases of revaluation of assets and impairment, if any.

Summarised Profit and Loss Statement

(₹ in lacs)

Particulars	Standalone		Consolidated	
	For the year 2009-10	For the year 2008-09	For the year 2009-10	For the year 2008-09
Sales, operating income & other income	9,425.05	6,648.39	32,107.40	25,149.13
Profit before depreciation & tax	1,489.78	1,730.02	5,481.39	4,780.63
Depreciation/amortisation	48.35	46.92	415.21	335.31
Profit before tax	1,441.43	1,683.10	5,066.18	4,445.32
Provision for income tax including deferred tax	207.26	275.57	808.71	956.27
Provision for fringe benefit tax	-	5.70	-	16.85
Provision for wealth tax	0.15	0.10	1.25	0.65
Tax adjustments of earlier years (net)	58.92	-	75.73	-
Profit after tax	1,175.10	1,401.73	4,180.48	3,471.55
Add: Prior period adjustments	-	-	12.80	-
Profit brought forward from previous year	1,863.26	1,006.39	6,021.28	3,236.08
Profit available for appropriation	3,038.36	2,408.12	10,214.56	6,707.63
APPROPRIATIONS				
Transferred to General Reserve	160.00	145.00	160.00	244.00
Proposed dividend	441.11	378.09	441.11	378.09
Corporate dividend tax on proposed dividend	74.97	21.77	74.97	64.26
Surplus carried forward to Balance Sheet	2,362.28	1,863.26	9,538.48	6,021.28

DIVIDEND

The Board of Directors encouraged with the above financial performance of the Company, recommends a dividend of ₹ 3.50 per share (Previous year ₹ 3.00 per share) on 12,603,141 Equity Shares of ₹ 10/- each

SHARE CAPITAL

During the year, authorized share capital of the Company was increased from ₹ 1,500 lacs to ₹ 6,000 lacs. The issued and subscribed share capital of the Company consists of 12,603,141 equity shares of ₹ 10/- each. There was no change in the paid up share capital of the Company during the year.

TRANSFER TO RESERVES

The Company proposes to transfer ₹ 160 lacs to the General Reserve out of the amount available for appropriation and an amount of ₹ 2,362.28 lacs is proposed to be retained in the Profit and Loss Account.

RESERVES AND SURPLUS

Reserves and Surplus stood at to ₹ 9,693.60 lacs as at March 31, 2010 compared to ₹ 9,047.14 lacs as at March 31, 2009. The increase was due to retained earnings.

OPERATION RESULTS AND BUSINESS

The Company continued to see strong and profitable growth in the Financial Year 2009-10 across all markets driven by good performance across all business segments.

The performance of your Company during the year under report has registered an improvement over the previous year. Total income during the year ended March 31, 2010 stood at ₹ 9,425.05 lacs registering an increase of 41.76% as compared to the previous year. As per the Consolidated Financial Statements, total income was ₹ 32,107.40 lacs registering an increase of 27.67% as compared to the previous year. The working of the Company is considered satisfactory. Barring unforeseen circumstances, the Board of Directors are hopeful of better performance of the Company during the current year.

The Company is among the leading fire fighting equipment manufacturing companies in India, and continues to retain its leadership position among the Indian companies. It has continued to win new engagements and grow existing relationships in the traditional area of development, manufacturing and distribution of fire protection and electronic security systems, CNG cascades, commissioning and installation of safety and security solutions and execution of annual maintenance contracts for fire protection systems. It provides automated water and gas based fire suppression systems along with fire detection and security systems on turnkey basis. The broad range of products and services enables the Company to provide "end to-end" services to its customers, combined with its industry focus and its geographical spread, the Company is able to provide comprehensive and high value added services to its customers. Considering the need to deepen relationships with customers in the industry, to acquire new customers in the markets where your Company is already a significant force and to expand in emerging markets.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

Your Company has six subsidiaries, namely' Alert Fire Protection Systems Private Limited, India Eurotech Cylinders Private Limited, India, Logicon Building Systems Private Limited, India, Nitin Cylinders Limited, India, Nitin Venture FZE, UAE and Nitin Global Pte Limited, Singapore

We believe that the presentation of the Consolidated Financial Statement presents a more comprehensive picture rather than the Standalone Financial Statements of the Company and each of its subsidiaries. We, therefore, applied to the Ministry of Corporate Affairs, Government of India and sought exemption from the requirement to present detailed financial statements of each subsidiary.

However, as per terms of exemption granted, a summary of financial information of each subsidiary regarding Capital, Reserves, Total Assets, Total Liabilities, Details of Investment, Turnover, Profit before Taxation, Provision for Taxation, Profit after Tax and Proposed Dividend have been separately furnished forming part of this Annual Report.

Alert Fire Protection Systems Private Limited, India (Alert)

Alert is in the business of purchase and supply of fire alarm and detection equipments, control panels and related components/spare parts which are mainly sourced from U.K. based companies viz. Apollo Fire Detectors and Fire Fighting Enterprise.

Eurotech Cylinders Private Limited, India (ECPL)

ECPL is in the business of purchase and supply of high pressure seamless/compressed natural gas cylinders (CNG) and valves. The Company's products are sold under the brand name 'EURO' and basically cater to domestic markets. ECPL supplies the above products to dealers of industrial/medical gases, fire fighting equipments, CNG-NGV vehicles, CNG Cascades etc.

Logicon Building Systems Private Limited, India (Logicon)

Logicon is in the business of setting up of turnkey contracts for intelligent building management systems, clean agent and fire detection alarm system including water based hydrant systems, CCTV and security systems including designing, integration, installation of such systems and maintenance services. Such systems are used for security and building automation of all kinds of buildings, be it I.T. complexes, shopping malls, industrial plant buildings, hospitals, hotels, banks, data centers etc.

Nitin Cylinders Limited, India (NCL)

NCL's business activity is that of manufacture and sale of high pressure seamless (CNG) cylinders with its manufacturing facilities located at Vishakhapatnam Special Economic Zone (VSEZ), Andhra Pradesh and sales being both within and outside India. The cylinders are marketed under the brand name NITIE. For this said purpose, NCL has entered into an agreement with your Company for use of the said brand name. The installed/licensed capacity to manufacture the above cylinders is 500,000 cylinders per annum.

Nitin Venture FZE, UAE (NV)

NV is set up in the free trade zone at Jebel Ali, Dubai to meet the demands of international customers and providing simple, standalone conventional to intelligent, integrated fire protection solutions backed by a product portfolio consisting of complete spectrum of fire and safety products with international approvals. NV is strategically placed to be an international one stop source to discerning customers for conventional to intelligent standalone/integrated fire detection systems, water and gas based fire extinguishing systems, gas detection systems, CCTV, access control & intrusion detection systems, high pressure storage cylinders & accessories and integrated building management systems.

Nitin Global Pte Limited, Singapore (NGPL)

NGPL was incorporated in July 2009 to meet the demands of South-East Asian market and for providing simple, standalone conventional to intelligent, integrated fire protection solutions backed by a product portfolio consisting of complete spectrum of fire and safety products with international approvals. NGPL is strategically placed to be an international one stop source to discerning customers for conventional to intelligent standalone / integrated fire detection systems, water and gas based fire extinguishing systems, gas detection systems, CCTV, access control & intrusion detection systems, high pressure storage cylinders & accessories and integrated building management systems.

There has been no material change in the nature of the business of the subsidiaries. A statement containing brief financial details of the subsidiaries is included in the Annual Report