



NOTICE OF THE 62ND ANNUAL GENERAL MEETING

To

The Members,

ADOR WELDING LIMITED

Notice is hereby given that the **Sixty Second Annual General Meeting** of the Members of **ADOR WELDING LIMITED** will be held at **Walchand Hirachand Hall, Indian Merchants' Chamber, Churchgate, Mumbai – 400 020, Maharashtra, India** on **Thursday, 30th July, 2015** at **03:30 pm**, to transact the following business:-

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2015, together with Reports of the Directors' and the Auditors, thereon.
2. To declare Dividend on Equity Shares for the Financial Year ended 31st March, 2015.
3. To appoint a Director in place of Ms. A. B. Advani (DIN 00029256), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr. R. A. Mirchandani (DIN 00175501), who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:-

Appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants, as Statutory Auditors and fixing their remuneration

"RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions, If any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s. Walker Chandiok & Co. LLP, Chartered Accountants, having Firm Registration No. 001076N/N500013, who have confirmed their eligibility to be appointed as Auditors in terms of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit & Auditors) Rules, 2014, be & are hereby appointed as the Statutory Auditors of the Company, to hold office for a period of 5 (five) years from the conclusion of this Annual General Meeting until the conclusion of the 67th Annual General Meeting, subject to ratification of their appointment at every Annual General Meeting, on such remuneration, as may be mutually agreed between the Board of Directors and the Statutory Auditors."

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:-

Ratification of remuneration payable to Mr. Vishvesh Desai, Cost Accountant, Pune as Cost Auditor for FY 2015-16

"RESOLVED THAT pursuant to Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, remuneration of Rs. 4,50,000/- (Rupees Four Lacs & Fifty Thousand Only) plus Service Tax, as applicable, payable to Mr. Vishvesh Desai, Cost Accountant, Pune as Cost Auditor, to conduct the audit of the Cost Records of the Company, for Financial Year 2015-16, be and is hereby ratified."

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

Approval for entering into Related Party Transactions by the Company

"RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof, for the time being in force, read with the



relevant Rules notified thereunder, and Clause 49 of the Listing Agreement, consent of the Company be and is hereby accorded to the Board of Directors to enter into contracts and / or agreements and / or transactions with the Related Parties, as defined under Section 2 (76) of the Companies Act, 2013, for sale, purchase or supply of any goods or materials; selling or otherwise disposing of, or buying, or leasing of asset of any kind; availing or rendering of any services; appointment as agent for purchase or sale of goods, materials, services or property; receipt of loans and / or advances or any other transaction(s) of whatever nature with the Related Parties, during each financial year, upto the maximum amounts per annum, as mentioned herein below:-

Sr. No.	Name of the Related Party	Nature of Relationship	Maximum Amount (Rs. in Lacs)	Materials terms and Particulars of Contract(s) / Transaction(s)	Interested Director(s), KMP(s)
1	Ador Welding Academy Pvt. Ltd.	Wholly Owned Subsidiary Company	106.00	As per respective PO / Invoice	Ms. A. B. Advani & Mr. D. A. Lalvani
2	J. B. Advani & Co. Pvt. Ltd.	Holding Company	2,500.00	As per respective PO / Invoice	Ms. A. B. Advani, Mrs. N. Malkani Nagpal, Mr. R. A. Mirchandani, Mr. A. T. Malkani & Mr. D. A. Lalvani, each holds 585 shares (20%).

RESOLVED FURTHER THAT the Board of Directors of the Company and / or Audit Committee be & is hereby authorized to determine the actual sums to be involved in the related party transaction(s) and the terms & conditions related thereto and all other matters arising out of or incidental to the said transaction(s) and to do or cause to be done all such acts, matters, deeds and things that may be necessary or expedient thereto for the purpose of giving effect to this resolution, in the best interest of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be & is hereby authorized to take all such necessary steps for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle any queries, difficulties, doubts, that may arise with regard to any transaction with the Related Party and to sign & execute such agreements, deeds, documents and writings and to make such filings, as may be necessary or incidental or desirable for the purpose of giving effect to this resolution."

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as ORDINARY RESOLUTION:-

Appointment of Mr. G. M. Lalwani as an Independent Director

"RESOLVED THAT Mr. G. M. Lalwani (DIN 06928792), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 10th November, 2014 pursuant to Section 161(1) of the Companies Act, 2013 (hereinafter referred to as "the Act") and the Companies (Appointment and Qualification of Directors) Rules 2014, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose the candidature of Mr. G. M. Lalwani for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. G. M. Lalwani, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director, be & is hereby appointed as an Independent Director of the Company to hold office for a term of five years with effect from 10th November, 2014 and that he shall not be liable to retire by rotation."



9. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as ORDINARY RESOLUTION:-

Appointment of Mr. S. G. Mirchandani as an Independent Director

“RESOLVED THAT Mr. S. G. Mirchandani, (DIN 01179921), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 10th November, 2014 pursuant to Section 161(1) of the Companies Act, 2013 (hereinafter referred to as “the Act”) and the Companies (Appointment and Qualification of Directors) Rules 2014, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying her intention to propose the candidature of Mr. S. G. Mirchandani for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. S. G. Mirchandani, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years with effect from 10th November, 2014 and that he shall not be liable to retire by rotation.”

10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:-

Re-designation & appointment of Mrs. N. Malkani Nagpal as the Whole-time Director

“RESOLVED THAT in accordance with the provisions of Section 2(78), 2(94), 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, (hereinafter referred to as “the Act”), including any statutory modification(s) or re-enactment thereof, for the time being in force, and subject to the provisions of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the re-designation & appointment of Mrs. N. Malkani Nagpal as the Whole-time Director of the Company, for a period of 3 (three) years with effect from 07th May, 2015 on the terms & conditions including remuneration & perquisites, as set out in the agreement, to be entered into between the Company and Mrs. N. Malkani Nagpal, a draft whereof is placed before this meeting, which (the Agreement) specifically sanctions/ gives liberty to the Board of Directors (hereinafter referred to as “the Board”, which term shall be deemed to include any committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms & conditions of the said appointment and /or remuneration and / or agreement, as may be agreed to between the Board and Mrs. N. Malkani Nagpal, so as not to exceed the limits specified in Schedule V to the Act, including any statutory modification(s) or re-enactment thereof, for the time being in force or any amendments and / or modifications that may hereafter be made thereto, by the Central Government in that behalf from time to time.

RESOLVED FURTHER THAT where in any Financial Year ending on or after 31st March, 2016, the Company has no profits or if its profits are inadequate, the Company may pay remuneration, by way of salary, perquisites, other allowances, etc. to Mrs. N. Malkani Nagpal not exceeding the limits specified under Schedule V - Part II - Section II of the Companies Act, 2013, as mentioned in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps, as may be necessary, proper or expedient, to give effect to the above resolution.”

11. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:-

Re-Appointment of Mr. S. M. Bhat as the Managing Director

“RESOLVED THAT in accordance with the provisions of Section 2(78), 2(94), 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act 2013, (hereinafter referred to as “the Act”), including any statutory modification(s) or re-enactment thereof, for the time being in force, and subject



to the provisions of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to re-appoint Mr. S. M. Bhat as the Managing Director of the Company, for a period of 3 (three) years with effect from 11th May, 2015 on the terms & conditions including remuneration & perquisites as set out in the agreement to be entered into between the Company and Mr. S. M. Bhat, a draft whereof is placed before this Meeting, which (the Agreement) specifically sanctions / gives liberty to the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms & conditions of the said re-appointment and / or remuneration and / or agreement, as may be agreed to between the Board and Mr. S. M. Bhat, so as not to exceed the limits specified in Schedule V to the Act, including any statutory modification(s) or re-enactment thereof, for the time being in force or any amendments and / or modifications that may hereafter be made thereto, by the Central Government in that behalf from time to time.

RESOLVED FURTHER THAT where in any Financial Year ending on or after 31st March, 2016, the Company has no profits or if its profits are inadequate, the Company may pay remuneration by way of salary, perquisites, other allowances, etc. to Mr. S. M. Bhat not exceeding the limits specified under Schedule V - Part II - Section II of the Companies Act, 2013, as mentioned in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps, as may be necessary, proper or expedient to give effect to the above resolution."

12. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:-

Amendment in remuneration payable to Ms. A. B. Advani, the Executive Chairman, in case of losses or inadequacy of profits

"RESOLVED THAT in partial modification to the resolution passed at the 61st Annual General Meeting of the Company held on 28th July 2014, the consent of the Company be and is hereby accorded to the payment of remuneration by way of salary, perquisites, other allowances, etc., to Ms. A. B. Advani, in any Financial Year ending on or after 31st March, 2016, for a period of 3 financial years where the Company has no profits or if its profits are inadequate, not exceeding the limits specified under Schedule V - Part II - Section II of the Companies Act, 2013, as mentioned in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above resolution."

By the Order of the Board

Mumbai, 07th May, 2015

Corporate Identification Number (CIN): L70100MH1951PLC008647

Registered Office:

Ador House,
6, K. Dubash Marg, Fort,
Mumbai - 400 001-16,
Maharashtra, INDIA.

Tel: +91 22 2284 2525, +91 22 6623 9300

Fax: +91 22 2287 3083

Web: www.adorwelding.com

Email ID: investorservices@adorians.com

V. M. Bhide

**Head (Corp. Admin.)
& Company Secretary**



NOTES:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE VALID, MUST BE DULY COMPLETED, STAMPED & SIGNED AND SHOULD REACH THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- b) Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution / authority, as applicable, issued on behalf of the nominating entities. Members are requested to note that a person can act as proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other Member.
- c) The Explanatory Statement as required under Section 102 of the Companies Act, 2013, in respect of the Special Businesses under Item Nos. 6 to 12 of the Notice is annexed hereto. The relevant details, as required under Clause 49 of the Listing Agreements executed with the Stock Exchanges, w.r.t. persons seeking appointment / re-appointment as Directors under Item Nos. 8 to 11 of the Notice are also annexed.
- d) Members who hold shares in **Dematerialized form** are requested to write their **Client ID & DP ID** and those who hold shares in **Physical form** are requested to write their **Folio No.** on the Attendance Slip for easy identification at the Meeting.
- e) The Register of Members and the Share Transfer Books of the Company will remain closed from **Friday, 24th July 2015 to Thursday, 30th July 2015 (both days inclusive)** in connection with the Annual General Meeting (AGM) and for payment of Dividend, if approved by the Members.
- f) If the Dividend, as recommended by the Board of Directors, is declared at the ensuing Annual General Meeting, then the payment of such Dividend will be made as under:-
 - i) In respect of the shares held in **Physical form**, the Dividend will be paid to those shareholders whose names appear in the Register of Members of the Company, after giving effect to all the valid share transfers in physical form lodged with the Company / its Registrar & Share Transfer Agent (RTA) on or before Thursday, 23rd July 2015.
 - ii) In respect of the shares held in **Electronic form** (Dematerialized mode), the Dividend will be payable on the basis of the details of beneficial ownership, furnished by M/s. National Securities Depository Limited (NSDL) and M/s. Central Depository Services (India) Limited (CDSL), for this purpose, as at the close of business hours on Thursday, 23rd July 2015.
- g) Members may please note that the Dividend Warrants will be payable at par at the designated branches of the Bank printed overleaf of the Dividend Warrant for an initial period of three months only. Thereafter, the Dividend Warrants, on revalidation, are payable only at limited branches / centers. The Members are, therefore, requested to encash their Dividend Warrants within the initial validity period.
- h) **As per the provisions of Section 205A of the Companies Act, 1956, money transferred to Unpaid Dividend Accounts of the Company and remaining unpaid / unclaimed over a period of 7 (seven) years from the date of such transfer shall be transferred to 'Investor Education and Protection Fund' and no claim will be entertained thereafter by the Company or the Fund. Members are therefore requested to expeditiously put their claims for Unclaimed Dividends, if the Dividends are not received / claimed by them.**
In terms of IEPF (uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, (IEPF Rules), the Company has posted the requisite details of unpaid / unclaimed dividends as of last AGM, i.e. as of 28th July, 2014 on the website of the Company, viz. www.adorwelding.com, which will enable the shareholders in checking their unclaimed Dividends, if any.
 - i) Members are requested to:
 - i. Write to the Company atleast 7 days before the date of the Meeting, in case they desire any information as regards the Audited Accounts for Financial Year ended 31st March 2015, so as to enable the Company to keep the information ready.
 - ii. Bring copy of the Annual Report and the Attendance Slip at the Annual General Meeting.



- iii. Intimate to the RTA immediately about any change in their addresses, if the shares are held in Physical form. If the shares are held in electronic form, such change is to be informed to the Depository Participant (DP) and not to the Company / RTA.
- iv. Quote Registered Folio Number or Client ID - DP ID in all the correspondence with the Company / RTA.
- v. Approach the RTA of the Company for consolidation of Folios, if any / required.
- vi. Avail Nomination facility by filling in and forwarding the nomination form to the RTA, if not already done, and if the shares held in Physical form.
- vii. Send all share transfer lodgements (Physical form) / correspondence to the RTA of the Company located at the following address upto / on or before the date of book closure:-

M/S. Sharex Dynamic (India) Pvt. Ltd.

Unit No. 01, Luthra Industrial Premises,

Andheri Kurla Road, Safed Pool, Andheri (East),

Mumbai – 400 072, Maharashtra, India.

Tel: +91 22 2851 5606 / 44

Fax: +91 22 2851 2885

Email: sharexindia@vsnl.com

Web: www.sharexindia.com

- j) As informed earlier, trading and settlement of the Company's shares through Stock Exchange(s) has been made **compulsorily in Demat (Electronic) form, with effect from 08th May, 2000**. The Members are once again requested, in their own interest, to dematerialise their shareholding in the Company.
- k) In order to provide protection against fraudulent encashment of Dividend Warrants, Shareholders holding shares in Physical form are requested to intimate the RTA of the Company, under the signature of the sole / first joint holder, the following information, for printing on the Dividend Warrants:
 - i) Type of the Bank Account
 - ii) Name of the Bank
 - iii) Bank Account Number
 - iv) Name of the Branch / Location
 - v) Complete address of the Bank along with PIN Code number
- l) Members holding shares in Demat form may kindly note that their Bank details, as furnished by the respective Depositories to the RTA, will be printed on their Dividend Warrants, as per the applicable Regulations of the Depositories, and that the Company / RTA will not entertain any direct request from such Members for deletion of / change in such Bank details. Further instructions, if any, already given by the Members in respect of their shares held in physical form will not be automatically applicable to Dividend paid on their shares held in electronic form. Members may, therefore, give instructions regarding Bank Accounts, in which they wish to receive Dividend, directly to their Depository Participant.
- m) To avoid loss of Dividend Warrants in transit and undue delay in respect of receipt of Dividend Warrants, the Company has provided a facility to the Members for remittance of dividend through the **National Electronic Clearing Services (NECS)**. NECS essentially operates on the new and unique bank account number allotted by the banks, post implementation of Core Banking Solutions (CBS), for centralized processing of inward instructions and for better efficiency in handling bulk transactions. The NECS facility is available at locations identified by the Reserve Bank of India from time to time and covers most of the cities and towns in India. Members holding shares in Physical form and desirous of availing this facility are requested to contact the Company's RTA.
- n) Members are informed that in case joint holders attend the Meeting, only such joint holder, who is higher in the order of Joint names, will be entitled to vote.
- o) Non-Resident Indian Members are requested to inform the Company / RTA the following immediately:
 - i) Change in the residential status on return to India for permanent settlement, if any / applicable.
 - ii) The particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not furnished earlier.



- p) Pursuant to the provisions of Sections 20(2), 101, 136(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Accounts) Rules, 2014, the Company can send the documents like Notices, Annual Reports, etc. in electronic form to its Members, whose email addresses are registered with the Company / RTA / Depositories. Accordingly, this Notice of the 62nd AGM along with the Annual Report for FY 2014-15 is being sent by electronic mode to those shareholders whose email addresses are registered with the Company / RTA / Depositories, unless any Member has specifically requested for a physical copy. For Members who have not registered their email address, the physical copies are being sent by permitted mode of dispatch.
- q) We hereby request the Members to note that the documents viz. Annual Report, Notice, etc. will be uploaded on the website of the Company viz. www.adorwelding.com and made available for inspection at the Registered Office of the Company during the business hours. However, in case a Member wishes to receive a physical copy of the said documents, he / she is required to send a letter or an e-mail to sharexindia@vsnl.com duly quoting his / her DP ID & Client ID or Folio number, as the case may be, and the said documents will be despatched to the Members free of cost.
- r) Re-appointment of the Directors retiring by rotation at the ensuing Annual General Meeting:
- Ms. A. B. Advani, Director (Executive Chairman) of the Company, retires by rotation and being eligible, offers herself for re-appointment.
 - Mr. R. A. Mirchandani, Director (Non-Executive) of the Company, retires by rotation and being eligible, offers himself for re-appointment.

The Directors have submitted the requisite declarations w.r.t. their re-appointment to the Company. Pursuant to revised Clause 49 of the Listing Agreement relating to Corporate Governance, the particulars of the aforesaid Directors are included in the Notice as Appendix-2 to the Explanatory Statement.

s) Voting through electronic means

- In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide the Members a facility to exercise their right to vote on resolutions proposed to be considered at the 62nd Annual General Meeting (AGM) by electronic means through e-Voting Services. The facility of casting votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') will be provided by M/s. National Securities Depository Limited (NSDL).
- The facility for voting through ballot paper shall be made available at the AGM and the Members attending the meeting, who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.
- The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.
- The remote e-voting period commences on **26th July, 2015 (9:00 am)** and ends on **29th July, 2015 (5:00 pm)**. During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **23rd July, 2015**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- The process and manner for remote e-voting is as under:
 - When a Member receives an email from NSDL (for Members whose email IDs are registered with the Company / RTA / Depository Participant/s):
 - Open email and open PDF file viz. 'Ador remote e-voting.pdf' with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-voting. **Please note that this password is an initial password.**
 - Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - Click on Shareholder - Login



- (iv) Put User ID and password, as initial password / PIN noted in step (i) above and click 'Login'
- (v) "Password change menu" will appear. Change the password / PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select 'EVEN' of 'ADOR WELDING LIMITED'.
- (viii) Now you are ready for remote e-voting as "Cast Vote" page opens.
- (ix) Cast your vote by selecting appropriate option and click on 'Submit' and also 'Confirm' when prompted.
- (x) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to hemanshu@hkacs.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company / RTA / Depository Participant/s or requesting physical copy):

- (i) Initial password is provided as below at the bottom of the Attendance Slip of the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD / PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- vi) In case of any queries, you may refer Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for the Members available at the 'downloads section' of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- vii) If you are already registered with NSDL for remote e-voting, then you can use your existing User ID and password / PIN for casting your vote.
- viii) You can also update your mobile number and email ID in the user profile details of the Folio which may be used for sending future communication(s).
- ix) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **23rd July, 2015**.
- x) Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **23rd July, 2015**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Issuer at investorservices@adorians.com.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, then you can reset your password by using 'Forgot User Details/Password' option available on www.evoting.nsdl.com or contact NSDL at its toll free no.: 1800-222-990.
- xi) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.



- xii) A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- xiii) M/s. Hemanshu Kapadia & Associates, Practicing Company Secretaries, have been appointed as Scrutinizers to scrutinize the voting and remote e-voting process in a fair & transparent manner.
- xiv) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which the voting is to be held, allow voting with the assistance of scrutinizer, by use of 'Ballot Paper' for all those Members who are present at the AGM but have not cast their votes by availing the "remote e-voting" facility.
- xv) The Scrutinizer shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and shall submit, not later than three days of the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him / her in writing, who shall countersign the same and declare the result of the voting forthwith.
- xvi) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company, viz. **www.adorwelding.com** and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him / her in writing. The results shall also be immediately forwarded to the BSE Limited & the National Stock Exchange (India) Limited.

By the Order of the Board

V. M. Bhide
**Head (Corp. Admin.)
& Company Secretary**

Place: Mumbai
Date: 07th May, 2015



ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT

(Pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of Item Nos. 6 to 12)

Item No. 6

Ratification of remuneration payable to Mr. Vishvesh Desai, Cost Accountant, Pune as the Cost Auditor for FY 2015-16

The Board of Directors, at its meeting held on 07th May 2015, pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit & Auditors) Rules 2014, appointed Mr. Vishvesh Desai, Cost Accountant, Pune, as the Cost Auditor of the Company for FY 2015-16 at remuneration of Rs. 4,50,000/- on the recommendation of the Audit Committee, subject to ratification by the Members at the ensuing Annual General Meeting (AGM).

The resolution at Item No. 6 of the Notice is set out as an Ordinary Resolution for the approval by the Members in accordance with Section 148 of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

Item No. 7

Approval for entering into Related Party Transactions by the Company

Pursuant to the provisions of Section 188 of the Companies Act, 2013 & Clause 49 of the Listing Agreement, the Company can enter into transactions mentioned under the aforesaid Resolution set out at Item No. 7, which are not in the ordinary course of business and / or are not at arm's length basis, only with the prior approval of the Members accorded by way of a Special Resolution, above the limits prescribed under the relevant Rules.

Your Company always endeavours to enter into transactions with the Related Parties in the ordinary course of business and at arm's length basis only, and as per the guidelines laid down under the Related Party Transactions Policy adopted by the Company. However, there might be some transactions, especially, the ones which are of proprietary nature and / or requiring certain level of business secrecy, which are executed in the interest of the Company, for which the Company may not be in a position to obtain enough quotations and hence Members approval is sought as an abundant precaution, under the provisions of the Companies Act, 2013 & Clause 49 of the Listing Agreement.

Your Directors recommend the passing of the Resolution under Item No. 7 as a Special Resolution.

None of the Directors of the Company, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No.7, except the Promoter Directors and their relatives, to the extent of their Directorships and / or shareholding, if any, in each of the Related Parties.

Item No. 8 & 9

Appointment of Mr. G. M. Lalwani and Mr. S. G. Mirchandani as the Independent Directors

The Board of Directors, at its Meeting held on 10th November 2014, on the recommendation of the Nomination & Remuneration Committee, appointed Mr. G. M. Lalwani & Mr. S. G. Mirchandani as Additional Directors (Non-Executive & Independent) with effect from 10th November 2014, pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Rules framed thereunder and the Articles of Association of the Company. The said appointments are subject to the approval of the Members of the Company in the General Meeting.

Notices under Section 160 of the Companies Act, 2013 have been received from the Members proposing Mr. G. M. Lalwani & Mr. S. G. Mirchandani as candidates to the office of the Director of the Company.

Mr. G. M. Lalwani & Mr. S. G. Mirchandani have given their consent to act as Independent Directors of the Company and have also given declaration that they are not disqualified under Section 164 of the Companies Act, 2013 and that they meet the criteria of independence, as prescribed under the Companies Act, 2013 and the Listing Agreement.



In the opinion of the Board, Mr. G. M. Lalwani & Mr. S. G. Mirchandani possess the requisite qualities and fulfil the conditions under the Companies Act, 2013 along with the Rules made thereunder and the Listing Agreement for their appointment as Independent Directors of the Company and they are independent of the Management.

The Board believes that the induction of Mr. G. M. Lalwani & Mr. S. G. Mirchandani onto the Board would be of immense benefit to the Company and it is desirable to avail services of Mr. G. M. Lalwani & Mr. S. G. Mirchandani as Independent Directors. Accordingly, the Board of Directors recommend their appointment as Directors of the Company, who shall not be liable to retire by rotation.

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, Mr. G. M. Lalwani & Mr. S. G. Mirchandani, being eligible, offer themselves for appointment. The Board proposes to appoint them as the Independent Directors for a term of five consecutive years commencing from 10th November, 2014.

The terms & conditions of the appointment of the Independent Directors shall be open for inspection by the Members at the Registered Office of the Company during business hours on any working day up to the date of the 62nd Annual General Meeting and are also available on the Company's website.

As per Clause 49 of the Listing Agreement, the additional information required to be furnished in respect of Mr. G. M. Lalwani & Mr. S. G. Mirchandani, viz. nature of expertise, qualification, names of the companies in which they hold directorships, shareholding in the Company, etc. is set out in Appendix-2 to the Explanatory Statement.

Mr. G. M. Lalwani & Mr. S. G. Mirchandani, being the appointees, are individually interested in the Resolutions relating to their respective appointment. None of the other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the Resolutions set out at Item No. 8 & 9.

Item No. 10

Re-designation & appointment of Mrs. N. Malkani Nagpal as the Whole-time Director

Mrs. N. Malkani Nagpal is the Non-Executive Director of the Company since 03rd October 1997. The Board of Directors at its meeting held on 07th May, 2015 has, subject to the Members' approval and subject to the provisions of the Articles of Association of the Company, re-designated & appointed Mrs. N. Malkani Nagpal as the Whole-time Director of the Company for a period of 3 (three) years with effect from 07th May, 2015, on the recommendation of the Nomination & Remuneration Committee.

The main terms of appointment of Mrs. N. Malkani Nagpal as the Whole-time Director, as recommended by the Nomination & Remuneration Committee, are as follows:

1. Period of appointment: 3 (three) years, effective 07th May, 2015.
2. Remuneration shall consist of the following:
 - a. Monthly Basic salary on a time scale of Rs. 3,78,000/- – Rs. 15,000/- – Rs. 5,58,000/-.
 - b. Furnished residential accommodation or House Rent Allowance @ 60% of Basic Salary, in lieu thereof. The Company shall also reimburse the expenses on actual basis spent on amenities, facilities and utilities, namely gas & electricity, medical reimbursement for self and family incurred in India and / or abroad, leave travel concession for self and family, reimbursement of expenses incurred at clubs, Company maintained vehicle with driver, premium towards mediclaim, personal accident insurance, telephone / communication facilities at residence.
3. Other perquisites:

In addition to the above, Mrs. Nagpal will also be eligible for the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified in 2 (a) above:

 - a. Contribution to the Provident Fund, Superannuation Fund and Gratuity as per the rules of the Company and as applicable to the Senior Executives of the Company or as may be modified by the Government from time to time.
 - b. One full month's leave for every eleven months of service and encashment of unavailed privilege leave, if any, subject to the rules, as applicable to the Senior Executives of the Company.



4. Commission:

Mrs. Nagpal will also be entitled to, over & above the remuneration, a Commission of not exceeding 1% of the net profits of the Company, computed under Section 198 of the Companies Act, 2013, as may be decided by the Board of Directors in its absolute discretion, such that the total remuneration and commission does not exceed the limits prescribed in Sections 197, 198 & 200 and any other applicable provisions of the Companies Act, 2013 and Schedule V thereto.

The remuneration payable to Mrs. Nagpal is subject to the limits of 5% and 10% of the Net Profits of the Company, as the case may be, and the overall limit of 11% of the net profits of the Company, as laid down in sub-section (1) of Section 197 of the said Act or such other limits, as may be prescribed by the Government authorities from time to time. Where in any Financial year, during the currency of her tenure as the Whole-time Director, the Company has no profits or if its profits are inadequate, the Company may still pay remuneration by way of salary, perquisites, other allowances, etc. to Mrs. Nagpal not exceeding the limits specified under Part II - Section II of Schedule V to the Companies Act, 2013, as detailed in Appendix-1 to this Explanatory Statement.

5. Notice Period:

The Whole-time Director shall give the Company a notice of 3 (three) months, upon her resignation

A copy of draft agreement, as referred to in the Notice of 62nd AGM is open for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the 62nd AGM.

The Explanatory Statement together with the accompanying Notice should be treated as an abstract of the terms & conditions of appointment under Section 196 of the Companies Act, 2013.

As per Clause 49 of the Listing Agreement, the additional information required to be furnished in respect of Mrs. Nagpal, viz. nature of expertise, qualification, etc. is set out in Appendix-2 to the Explanatory Statement.

Mrs. Nagpal has given a declaration to the Company that she is not disqualified under Section 164 of the Companies Act, 2013 for appointment as a Director and has also given her consent to act as the Whole-time Director of the Company, if appointed.

Notice under Section 160 of the Companies Act, 2013 has been received from a Member proposing candidature of Mrs. Nagpal to the office of the Whole-time Director of the Company.

The Board believes that Mrs. Nagpal's association with the Company as a Whole-time Director would be of immense benefit to the Company. Accordingly, the Board of Directors recommend her re-designation as the Whole-time Director of the Company, who shall be liable to retire by rotation.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mrs. Nagpal, being an appointee, are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 10.

The Board commends the Special Resolution, at Item No. 10 for passing by the Members.

Item No. 11

Re-appointment of Mr. S. M. Bhat as the Managing Director

The Board of Directors at its meeting held on 07th May, 2015 has, subject to the Members' approval and subject to the provisions of the Articles of Association of the Company, re-appointed Mr. S. M. Bhat as the Managing Director of the Company for a period of 3 (three) years with effect from 11th May, 2015 on the recommendation of the Nomination & Remuneration Committee.



The main terms of re-appointment of Mr. S. M. Bhat as the Managing Director, as recommended by the Nomination & Remuneration Committee, are as follows:

1. Period of appointment: 3 (three) years, effective 11th May, 2015.
2. Remuneration shall consist of the following:
 - a. Monthly Basic salary on a time scale of Rs. 3,75,000/- – Rs. 15,000/- – Rs. 5,55,000/-.
 - b. Furnished residential accommodation or House Rent Allowance @ 60% of Basic Salary, in lieu thereof. The Company shall also reimburse the expenses on actual basis spent on amenities, facilities and utilities, namely gas & electricity, medical reimbursement for self and family incurred in India and / or abroad, leave travel concession for self and family, reimbursement of expenses incurred at clubs, Company maintained vehicle with driver, premium towards mediclaim, personal accident insurance, telephone/ communication facilities at residence, etc.
3. Other perquisites:

In addition to the above, Mr. S. M. Bhat will also be eligible for the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified in 2 (a) above:

 - a. Contribution to the Provident Fund, Superannuation Fund and Gratuity as per the rules of the Company and as applicable to the Senior Executives of the Company or as may be modified by the Government from time to time.
 - b. One full month's leave for every eleven months of service and encashment of unavailed privilege leave, if any, subject to the rules, as applicable to the Senior Executives of the Company.
4. Bonus and Commission:

Mr. S. M. Bhat will also be entitled to, over & above the remuneration, Bonus not exceeding 0.05% of the Net Sales of the Company and Commission not exceeding 0.50% of the Net Profits of the Company, on pro-rata basis, subject to achievement of Targets given / fixed by the Nomination & Remuneration Committee and by the Board of Directors, periodically, such that the total remuneration including Bonus and Commission does not exceed the limits prescribed in Section 197, 198 & 200 of the Companies Act, 2013 and Schedule V thereto.

Targets / Goals will be recommended by the Nomination & Remuneration Committee at the start of each Financial Year and approved by the Executive Chairman and / or the Board of Directors, as they, in their sole and absolute discretion deem fit and the achievement of such Targets / Goals will be scored by the Executive Chairman and / or the Board of Directors, with the resultant scores being used for the purpose of determining the amount of Bonus and Commission payable to the Managing Director.

Where in any financial year, during the currency of tenure of the Managing Director, the Company has no profits or if its profits are inadequate, the Company may still pay remuneration by way of salary, perquisites, other allowances, etc. to Mr. S. M. Bhat not exceeding the limits specified under Part II - Section II of Schedule V to the Companies Act, 2013, as detailed in Appendix-1 to this Explanatory Statement.
5. Notice Period:

The Managing Director shall give the Company a notice of 3 (three) months, upon his resignation.

A copy of draft agreement, as referred to in this Notice of 62nd AGM is open for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the 62nd AGM.

The Explanatory Statement together with the accompanying Notice should be treated as an abstract of the terms & conditions of appointment under Section 196 of the Companies Act, 2013.



As per Clause 49 of the Listing Agreement, the additional information required to be furnished in respect of Mr. S. M. Bhat, viz. nature of expertise, qualification, etc. is set out in Appendix-2 to the Explanatory Statement.

Mr. Bhat has given a declaration to the Company that he is not disqualified under Section 164 of the Companies Act, 2013 for re-appointment as Managing Director and has also given his consent to act as the Managing Director of the Company, if re-appointed.

Notice under Section 160 the Companies Act, 2013 has been received from a Member proposing Mr. S. M. Bhat's candidature to the office of the Managing Director of the Company.

The Board believes that Mr. S. M. Bhat's continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. S. M. Bhat as the Managing Director. Accordingly, the Board of Directors recommend his re-appointment as the Managing Director of the Company, who shall not be liable to retire by rotation.

Except Mr. S. M. Bhat, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 11.

The Special Resolution, at Item No. 11 is commended for passing by the Members.

Item No. 12

Amendment in remuneration payable to Ms. A. B. Advani, the Executive Chairman, in case of losses or inadequacy of profits.

Pursuant to the provisions of the Companies Act, 2013, and the Articles of Association of the Company, the Nomination & Remuneration Committee and the Board of Directors had, at their meeting held on 20th May, 2014, re-appointed Ms. A. B. Advani as a Whole-time Director (Executive Chairman) of the Company for a period of five years with effect from 01st May, 2014 on the monthly remuneration of Rs.5,20,000/- (Rupees Five Lacs Twenty Thousand only) and other perquisites, as detailed in the agreement executed with Ms. A. B. Advani.

The Board proposes that, in case, the Company has no profits or if its profits are inadequate, then the remuneration shall be paid by way of salary, perquisites, other allowances, etc. to Ms. A. B. Advani, not exceeding the limits specified under Part II - Section II of Schedule V to the Companies Act, 2013, as detailed in Appendix-1 to this Explanatory Statement, without any alterations to the other clauses, terms & conditions of the agreement executed with Ms. A. B. Advani on 30th July 2014, except what is expressly mentioned herein above.

Except Ms. A. B. Advani, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 12.

The Special Resolution, at Item No. 12 is commended for passing by the Members.

By the Order of the Board

Place: Mumbai
Date: 07th May, 2015

V. M. Bhide
**Head (Corp. Admin.)
& Company Secretary**

Appendix-1 to the Explanatory Statement

Statement of Particulars pursuant to Schedule V to the Companies Act, 2013 for Item Nos. 10, 11 & 12

I. GENERAL INFORMATION

- Nature of Industry:** Welding Industry
- Date of Commencement of Commercial Production:** Not applicable, as the Company was incorporated in the year 1951 and is already in commercial production.
- Financial Performance of the Company:** The Financial Performance of the Company is as follows:

(Rs. in lacs)

Sr. No.	Key Financial Indicators	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
1	Sales & Other Income (Net of Excise Duty, Discounts & Incentives)	38,953	37,341
2	Profit Before Interest and Depreciation	3,373	4,195
3	Profit Before Tax (PBT)	2,016	2,850
4	Exceptional Items	2,811	(1,478)
5	Provision for Tax (Net of deferred tax)	1,590	949
6	Profit After Tax (PAT)	3,237	423

4. Foreign Exchange Earnings, Investments or Collaborations

(Rs. in lacs)

Particulars	FY 2014-15	FY 2013-14
Earnings in foreign exchange	3,065	4,963
Foreign Investments or Collaborations	-	384

II. INFORMATION ABOUT APPOINTEE(S):

Sr.No.	Particulars	Mrs. N. Malkani Nagpal	Mr. S. M. Bhat	Ms. A. B. Advani
1	Background details	Mrs. N. Malkani Nagpal is MBA with specialization in Finance from Imperial College, UK. She also has attained a BSc in Business & Economics from Lehigh University, PA, USA. Having worked for Alliance Capital Asset Management in New York, she has over 18 years of experience in Financial Management of Ador Welding Ltd., and other Ador Group Companies. Currently, she heads Ador Group's parent Company, M/s. J.B. Advani & Co. Pvt. Ltd.	Mr. S. M. Bhat is a Bachelor of Engineering, from VJTI, Mumbai. He has done his post graduation in International Marketing & Finance from the International Management Institute (IMI), New Delhi. He was nominated on Indirect Taxation Committee of Association of India Automobile Manufacturers (AIAM), and Bombay Chamber of Commerce & Industry (BCCI). He has worked with M/s. Mahindra & Mahindra (M&M) from 1984 to 2006 & M/s. Schuler India Pvt. Ltd. from October 2006 to 2008.	Ms. A. B. Advani is a Science Graduate (Hons.) from University of Sussex and has also done Owners Management Programme (OMP) from Harvard Business School and Strategic Financial Planning Course from IIM, Ahmedabad. She has been associated with the Company for over 39 years and has been the Chairman and Whole-time Director of the Company since 1999. She was re-designated as the Executive Chairman of the Company w.e.f. 01 st May, 2004. Her area of Expertise is Strategic Financial Planning.



Sr.No.	Particulars	Mrs. N. Malkani Nagpal	Mr. S. M. Bhat	Ms. A. B. Advani
2	Past remuneration			
	FY 2014-15	Rs. 3.17 Lacs*	Rs. 107.35 Lacs	Rs. 135.77 Lacs
	FY 2013-14	Rs. 1.70 Lacs*	Rs. 94.34 Lacs	Rs. 94.34 Lacs
	FY 2012-13	Rs. 3.41 Lacs*	Rs. 85.51 Lacs	Rs. 125.26 Lacs
3	Recognition or Awards	–	“Udyog Ratna” by the Institute of Economic Studies in the Year 2012-13.	–
4	Job profile and his/her suitability	Mrs. Nagpal works with the Executive Management Team in the Key functions of Strategy Planning, Human Resource Development, Marketing and Branding.	Mr. S. M. Bhat is responsible for the day to day management of the Company under the supervision and control of the Board of Directors & the Executive Chairman.	As Executive Chairman of the Company, Ms. A. B. Advani is responsible for the overall performance of the Company. She has been instrumental in giving direction to the entire team of Ador Welding Ltd. and has been responsible for monitoring their performance on regular basis.
5	Remuneration proposed	The proposed remuneration would comprise of monthly basic salary, allowances and all perquisites, as mentioned in the Explanatory Statement annexed to this Notice under Item nos. 10 & 11. The Company intends to pay double the amount prescribed under Section II Part II of Schedule V to the Companies Act, 2013 in case of losses or inadequacy of profits and hence it is proposed to pass the Special Resolutions in this regard.		The Company intends to pay double the amount prescribed under Section II Part II of Schedule V to the Companies Act, 2013 in case of losses or inadequacy of profits and hence it is proposed to pass the Special Resolution in this regard.
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position & person	The remuneration payable to Mrs. N. Malkani Nagpal, Mr. S. M. Bhat & Ms. A. B. Advani has been benchmarked with the remuneration being drawn by similar positions in welding / fabrication / engineering industry and recommended by the Nomination & Remuneration Committee of the Company.		
7	Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any.	Mrs. N. Malkani Nagpal is one of the promoters of the Company and is holding 57,352 equity shares. She does not have any pecuniary relationship with the Company or any KMP.	Mr. S. M. Bhat does not have any pecuniary relationship with the Company or any KMP.	Ms. A. B. Advani is one of the promoters of the Company and is holding 2,95,480 equity shares. She does not have any pecuniary relationship with the Company or any KMP.

* Includes only Sitting Fees and Commission, on pro-rata basis, as Non-Executive Director.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits:

The Indian economy has seen lacklustre investment momentum in infrastructure, energy and industrial capital expenditure for the last 3 - 4 years. The global financial crises had moved into a more chronic phase, marked by deterioration of fiscal conditions and recurring bouts of financial instability. All other manufacturing Industries also witnessed a similar downturn and had a very tough time in maintaining their margins. Lower economic growth had put severe pressure on cash flow and impacted your Company's margins in the recent past. The welding industry is also passing through difficult phase and has impacted the bottom-line of all the players in the welding industry. Notwithstanding these odds, your Company is continuously, on its way of, increasing its market share, though marginally.



2. Steps taken or proposed to be taken for improvement:

The Company undertook several steps aimed at lowering the overheads and aligning resources with current levels of operations. The Company is consolidating its manufacturing operations to cut down on fixed overheads and to extract supply chain synergies this year. This year, the focus has been to ramp-up capacity utilization at all the Plants.

The Company's strategy is to gain market share, and to focus on promoting and selling high margin products to offset decline in global markets. The Company is aggressively pursuing new geographies. The Company continues to focus on product innovation, upholding its high quality standards, increase in its cost competitiveness and on widening its distribution network. These steps are expected to positively impact the Company's operations in the near to medium term.

3. Expected increase in productivity and profits in measurable terms:

The Management has adopted focused and aggressive business strategies in all spheres of functions to improve the sales and profitability of the Company. The Management shall put in its best efforts in keeping a higher growth ratio in the period to come.

IV. DISCLOSURES

The details of remuneration and other information as required under this clause, are given in the Corporate Governance Report, which is a part of the Directors' Report.



Appendix-2 to the Explanatory Statement to the Notice of 62nd Annual General Meeting

Information of Directors seeking appointment / re-appointment at the AGM, as required under Clause 49 of the Listing Agreement

Sr. No.	Name	DIN	Date of Birth	Date of Appointment	Qualification/s	Expertise	Directorships held in other Companies (excluding foreign companies)	Chairmanships / Memberships of Committees*	Share - holding in AVL
1	Mrs. A. B. Advani	00029256	19-11-1954	06-09-1982	- Science Graduate, University of Sussex - Owners Management Programme, Harvard Business School, Boston Massachusetts, USA - Strategic Financial Planning Course, IIM, Ahmedabad	Strategic Financial Planning	- J.B. Advani & Co. Pvt. Ltd. - Ador Powertron Ltd. - Ador Welding Academy Pvt. Ltd. - Ador Green-Energy Pvt. Ltd. - Greenline Industrial Systems Pvt. Ltd. - Metro Shoes Ltd.	- Audit Committee: Member - Ador Powertron Ltd. - Stakeholders Relationship Committee: Member- Ador Powertron Ltd.	2,95,480
2	Mr. R. A. Mirchandani	00175501	13-10-1970	28-07-2006	- Commerce Graduate - Masters Degree in Business Administration (MBA) from the Queensland University of Technology, Brisbane, Australia	Business Administration	- J.B. Advani & Co. Pvt. Ltd. - Ador Green-Energy Pvt. Ltd. - Ador Powertron Ltd. - Ador Digatron Pvt. Ltd.	- Audit Committee: Chairman - Ador Powertron Ltd. - Stakeholders Relationship Committee: Chairman- Ador Powertron Ltd.	8,002
3	Mr. G. M. Lalwani	06928792	29-03-1981	10-11-2014	- Masters in Commerce - Diploma in Advertising, Marketing & Sales Promotion - HR College of Commerce and Economics	Brand Building & Creative Communication Strategies	Ador Multiproducts Ltd.	NIL	10
4	Mr. S. G. Mirchandani	01179921	26-02-1972	10-11-2014	- Business Administration from Strayer University - MMDP program from IIM, Ahmedabad	Business Administration & Financial Planning	- Akasaka Electronics Ltd. - Hatway Cable and Datacom Ltd. - Paleit Designs Pvt. Ltd. - Gulita Wealth Advisors Pvt. Ltd. - Algorithm Tech Pvt. Ltd. - Kee Capital Management Pvt. Ltd. - Fractal Analytics Pvt. Ltd. - Mumbai Angel Venture Mentors - Mojo Entertainment Pvt. Ltd. - Bright Lifecare Pvt. Ltd. - Fortune Payment Solutions India Pvt. Ltd. - Intap Labs Pvt. Ltd. - Shopsense Retail Technologies Pvt. Ltd. - Gusto Web Labs Pvt. Ltd. - SS Analytics Solutions Pvt. Ltd. - Spacebound Web Labs Pvt. Ltd. - Saffra Ecluxys Pvt. Ltd. - Shephertz Technologies Pvt. Ltd.	- Audit Committee: Member - Hatway Cable and Datacom Ltd. - Audit Committee: Member - Akasaka Electronics Ltd.	NIL
5	Mrs. N. Malkani Nagpal	00031985	06-07-1971	03-10-1997	- BSc in Business & Economics from Lehigh University, PA, USA. - MBA (Finance) from Imperial College, UK.	Financial Management & Asset management, Strategy planning, Marketing and Branding	- Piem Hotels Ltd. - Ador Multiproducts Ltd. - Ador Fontech Ltd. - J.B. Advani & Co. Pvt. Ltd. - Ador Green-Energy Pvt. Ltd. 3D Future Technologies Pvt. Ltd.	- Audit Committee: Member - Ador Fontech Ltd. - Stakeholders Relationship Committee: Chairman - Ador Fontech Ltd.	57,352
6	Mr. S. M. Bhat	05168265	20-02-1961	11-05-2012	- Bachelor of Engineering (B.E.) from VJTI, Mumbai - Post Graduation in International Marketing & Finance from International Management Institute (IMI), New Delhi	Product manufacturing, Technology development, Brand Promotion, Business/ Technology Collaboration, Sales & Marketing and Strategic Functions	NIL	NIL	NIL

*Considered Chairmanships / Memberships of Audit Committee & Stakeholders Relationship Committee only, other than AVL, as per Clause 49 of the Listing Agreement.

ADOR WELDING LIMITED

Registered Office: Ador House, 6, K. Dubash Marg, Fort, Mumbai - 400 001-16, Maharashtra, INDIA.

Tel: +91 22 2284 2525, +91 22 6623 9300 | **Fax:** +91 22 2287 3083 | **Website:** www.adorwelding.com

Email: investorservices@adorians.com | **CIN:** L70100MH1951PLC008647



PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Annual General Meeting : 30th July 2015

Name of the Member(s): _____

Registered Address: _____

Email Id: _____

Folio No./ DP ID - Client ID: _____

I / We, being the Member(s), holding, _____ shares of the above named Company, hereby appoint

1. Name: _____ Address: _____

Email Id: _____ Signature: _____, or failing him / her

2. Name: _____ Address: _____

Email Id: _____ Signature: _____, or failing him / her

3. Name: _____ Address: _____

Email Id: _____ Signature: _____,

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **62nd AGM of the Company**, to be held on Thursday, **30th July, 2015 at 03:30 p.m.** at **Walchand Hirachand Hall, Indian Merchants' Chamber, Churchgate, Mumbai - 400 020, Maharashtra, India** and at any adjournment thereof in respect of such resolutions as indicated below:

Resolution No.	Resolution	Vote (Optional, see Note 3)	
Ordinary Business		For	Against
1	Adoption of Financial Statements for the year ended 31 st March, 2015 and Directors' Report and Auditor's Report thereon		
2	Declare Dividend for FY 2014-15		
3	Re-appointment of Ms. A. B. Advani, as Director who retires by rotation		
4	Re-appointment of Mr. R. A. Mirchandani, as Director, who retires by rotation		
5	Appointment of M/s. Walker Chandiook & Co., LLP Chartered Accountants, as Statutory Auditors and fixing their remuneration		
Special Business			
6	Ratification of remuneration payable to Mr. Vishvesh Desai, Cost Accountant, Pune, as Cost Auditor for FY 2015-16.		
7	Approval for entering into Related Party Transactions by the Company		
8	Appointment of Mr. G. M. Lalwani as an Independent Director		
9	Appointment of Mr. S. G. Mirchandani as an Independent Director		
10	Re-designation & appointment of Mrs. N. Malkani Nagpal as the Whole-time Director		
11	Re-appointment of Mr. S. M. Bhat as the Managing Director		
12	Amendment in remuneration payable to Ms. A. B. Advani, the Executive Chairman, in case of losses or inadequacy of profits		

Signed this _____ day of _____, 2015

Signature of the Shareholder: _____

Signature of the Proxy holder: _____

Notes:

- This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For Explanatory Statement and Notes, please refer to the Notice of the 62nd AGM.
- It is optional to put 'X' in the appropriate column against the Resolution indicated in the Box. If you leave 'For' or 'Against' column blank, against any or all the Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
- Please complete all the details including the details of Member(s) before submission.

Affix
Revenue
Stamp
of not less
than ₹1



ADOR WELDING LIMITED

Registered Office: Ador House, 6, K. Dubash Marg, Fort, Mumbai - 400 001-16, Maharashtra, INDIA.
Tel: +91 22 2284 2525, +91 22 6623 9300 | **Fax:** +91 22 2287 3083 | **Website:** www.adorwelding.com
Email: investorservices@adorians.com | **CIN:** L70100MH1951PLC008647

ATTENDANCE SLIP

62nd Annual General Meeting

Registered Folio No. / DP ID and Client ID:

Name and address of the shareholder(s):

Joint Holder 1:

Joint Holder 2:

I hereby record my presence at the **62nd Annual General Meeting** of the Company held at **Walchand Hirachand Hall, Indian Merchants' Chamber**, Churchgate, Mumbai – 400 020 on **Thursday, 30th July, 2015** at **03:30 pm**.

Member's Signature

Proxy's name (in Block Letters)

Proxy's Signature

Notes:

- Please mention the Folio No. / DP ID - Client ID & name and sign this Attendance Slip before handing it over at the attendance verification desk, at the entrance of the Meeting venue.
- Electronic copy of the 62nd Annual Report for FY 2014-15 and the Notice of the 62nd Annual General Meeting (AGM) along with the Attendance Slip and Proxy Form is being sent to all the members whose email addresses are registered with the Company / Depository Participant / RTA. Members receiving electronic copy and attending AGM are requested to print copy of this Attendance Slip.
- Physical copy of the 62nd Annual Report for FY 2014-15 and Notice of the 62nd AGM, along with the Attendance Slip and Proxy Form, is being sent by permitted mode(s) of dispatch to all the Members, whose email IDs are not registered with the Company / Depository Participant / RTA.

E-voting Information

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD / PIN

Please read instructions given under Note (s) to the Notice of the 62nd Annual General Meeting carefully, before voting electronically.



62nd Annual Report 2014-15

ADOR WELDING LIMITED





WELDERS TO THE NATION SINCE 1951



ADOR WELDING LIMITED

REGISTERED & CORPORATE OFFICE

Ador House,
6, K. Dubash Marg,
Fort, Mumbai 400 001-16.
Maharashtra, INDIA.

Tel : +91 22 2284 2525, 6623 9300
Fax : +91 22 2287 3083
Email: investorservices@adorians.com
cmo@adorians.com

PLANTS

CONSUMABLES

Chennai

Melakottiyur, via Vandalur,
Chennai - 600 048.
Tel: +91 44 2747 7116
Fax: +91 44 2747 7117
Email: itchennai@adorians.com

Raipur

Industrial Estate, Bilaspur Road,
Raipur - 493 221
Chattisgarh, INDIA.
Tel: +91 771 4016 288, 6452 201
Fax: +91 771 6542 201
Email: rpr.plant@adorians.com

Silvassa

Survey No. 59 / 11 / 1,
Khanvel Road, Masat, Silvassa - 396 230.
U.T. of Dadra & Nagar Haveli, INDIA.
Tel: +91 260 2632 287, 3258 843, 2604 477
Fax: +91 260 2632 776
Email: silvassa.plant@adorians.com

EQUIPMENT & PROJECT ENGINEERING

Chinchwad

Survey No. 147/2B, Akurdi,
Near Khandoba Mandir,
Chinchwad,
Pune - 411 019. Maharashtra, INDIA.
Tel: +91 20 4070 6000
Fax: +91 20 4070 6001
Email: chinchwad.plant@adorians.com



Contents

Board of Directors, Executive Management Team, Bankers, Auditors, Solicitors and RTA	2
Distribution of Revenue	3
Financial Statistics	4
Five year Financial Highlights	5
New Product Developments / Innovations	6-14
Directors' Report and its Annexures	15-59
Auditor's Report	60-63
Balance Sheet and Statement of Profit & Loss (Standalone)	64-65
Cash Flow Statement (Standalone)	66-67
Notes to Accounts (Standalone)	68-100
Auditor's Report on the Consolidated Financial Statements	101-105
Balance Sheet and Statement of Profit & Loss (Consolidated).....	106-107
Cash Flow Statement (Consolidated)	108-109
Notes to Accounts (Consolidated)	110-138
Statement pursuant to Section 129(3) of the Companies Act, 2013	139



BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT TEAM, BANKERS, AUDITORS, SOLICITORS AND RTA

Board of Directors:

Ms. A. B. Advani
Executive Chairman

Mr. S. M. Bhat
Managing Director

Mrs. N. Malkani Nagpal
Director

Mr. R. A. Mirchandani
Director

Mr. A. T. Malkani
Director

Mr. D. A. Lalvani
Director

Mr. M. K. Maheshwari
Director

Mr. P. K. Gupta
Director

Mr. R. N. Sapru
Director

Mr. K. Digvijay Singh
Director

Mr. G. M. Lalwani \$
Director

Mr. S. G. Mirchandani \$
Director

Mr. Anil Harish*
Director

Mr. Vippen Sareen*
Director

Executive Management Team:

Mr. S. M. Bhat
Mr. L. Sundar
Mr. S. S. Bhoi
Mr. V. M. Bhide
Mr. S. M. Hede
Mr. A. R. Vilekar
Mr. Manoj Pandey
Mr. R. Nath
Mr. V. Bansal

Company Secretary:

Mr. V. M. Bhide

Registered Office:

Ador House,
6, K. Dubash Marg, Fort,
Mumbai - 400 001-16,
Maharashtra, INDIA.
Tel: +91 22 2284 2525, 6623 9300
Fax: +91 22 2287 3083
Web: www.adorwelding.com

Corporate Identification Number:

L70100MH1951PLC008647

Email ID:

investorservices@adorians.com

Bankers:

HDFC Bank
Bank of Baroda
Kotak Mahindra Bank

Statutory Auditors:

Dalal & Shah,
Chartered Accountants,
Mumbai

Cost Auditor:

CMA Vishvesh Desai,
Cost Accountant,
Pune

Solicitors:

Nanu Hormasjee & Co.,
Mumbai

Registrar & Share Transfer Agent (RTA):

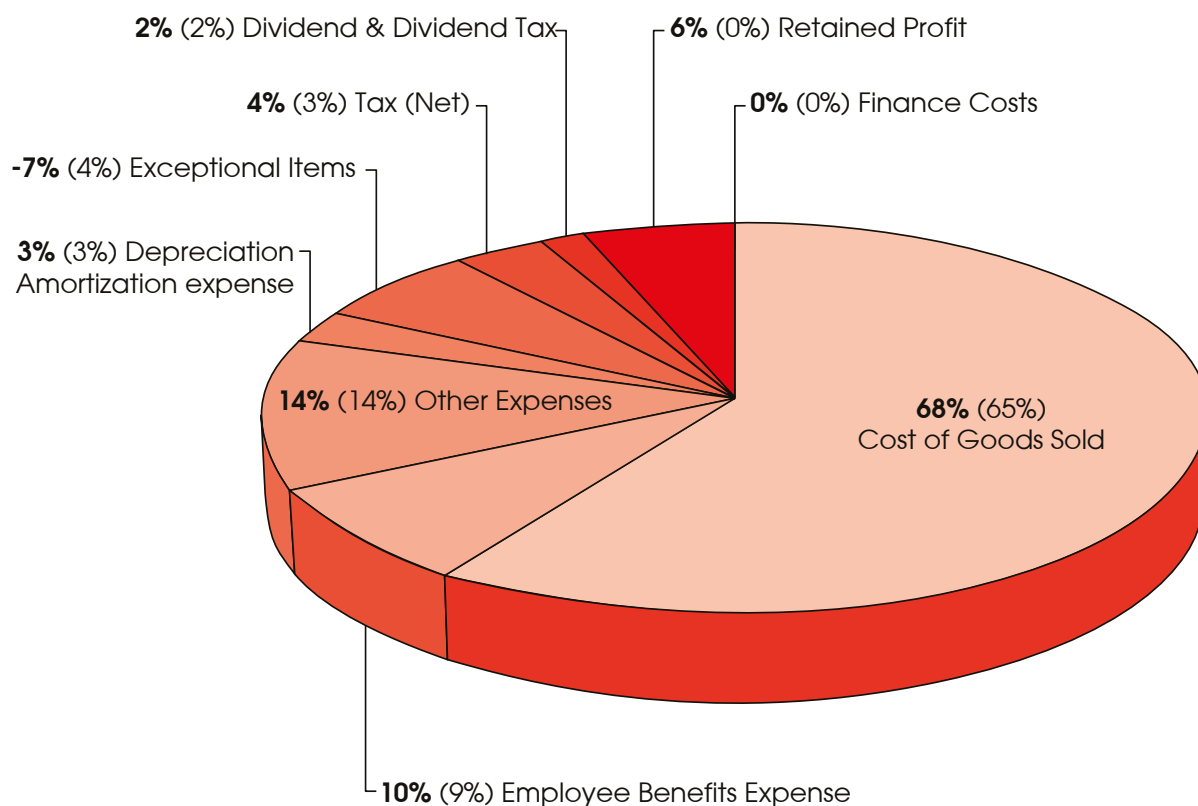
Sharex Dynamic (I) Pvt. Ltd.
Unit No. 1,
Luthra Industrial Premises,
Andheri Kurla Road,
Safed Pool, Andheri (East),
Mumbai - 400 072,
Maharashtra, INDIA.
Tel: +91 22 2851 5606 / 44,
+91 22 28516338
Fax: +91 22 2851 2885
Web: www.sharexindia.com

\$ from 10th November, 2014

upto 30th September, 2014

* upto 07th July, 2014

DISTRIBUTION OF REVENUE



Notes:

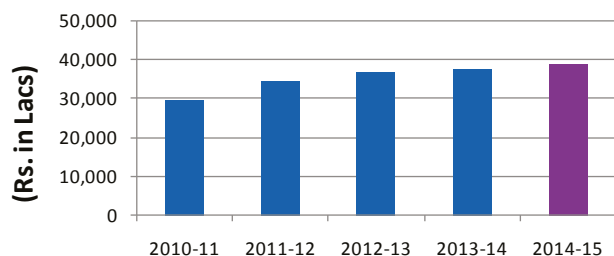
0% indicates less than 0.49%

Figures in brackets indicate previous year

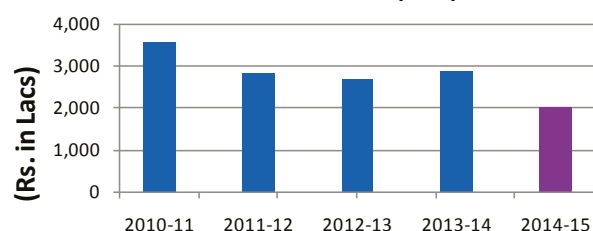


FINANCIAL STATISTICS

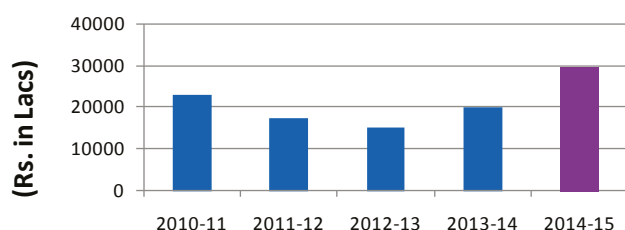
Turnover



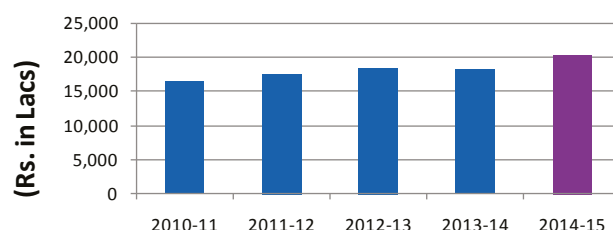
Profit Before Tax (PBT)



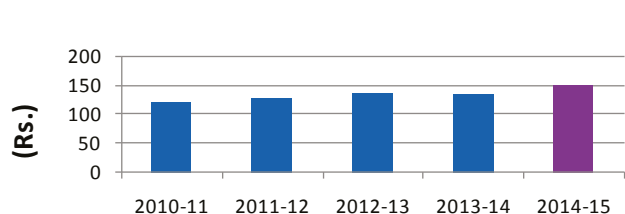
Market Capitalization



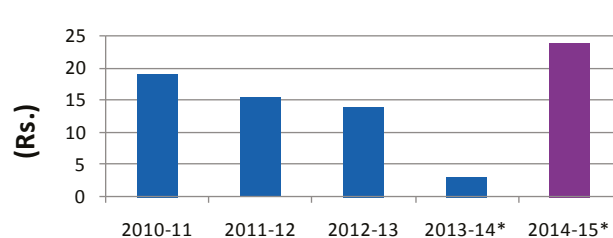
Net Worth



Book Value Per share (BVPS)



Earnings Per Share (EPS)



*After adjustment of Exceptional Items

FIVE YEAR FINANCIAL HIGHLIGHTS (Standalone)
(Rs. in lacs)

PROFIT & LOSS ACCOUNT	FY 2014-15	FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11
Revenue from Operations (Net)	38,494	37,341	36,779	34,442	29,741
Manufacturing & Other Expenses	35,580	33,146	32,799	30,298	24,851
Operating Profit / EBITDA	3,373	4,195	3,980	4,144	4,890
Depreciation Expense	1,243	1,203	1,234	1,245	1,263
EBIT	2,130	2,992	2,746	2,900	3,627
Interest Expense	114	142	81	88	55
Profit Before Tax (PBT)	2,016	2,850	2,665	2,812	3,572
Exceptional Items (Net)	2,811	(1,478)	-	-	-
Tax Expense	1,590	949	757	723	1,002
Profit After Tax (PAT)	3,237	423	1,908	2,089	2,569
Dividend (incl. DDT)	818	796	948	948	951
BALANCE SHEET					
Net Fixed Assets (incl. CWIP)	9,754	7,704	8,152	7,899	7,986
Investments	655	1,385	3,266	3,627	2,568
Current Assets	18,136	18,689	14,053	11,776	10,486
Current Liabilities	7,195	9,469	6,793	5,609	4,515
Net Current Assets	10,941	9,220	7,260	6,167	5,971
Equity Share Capital	1,360	1,360	1,360	1,360	1,360
Reserves & Surplus	19,041	16,730	17,103	16,149	15,005
Net Worth	20,401	18,090	18,463	17,509	16,365
Loan Funds	13	77	171	128	94
Deferred Tax Liabilities	852	50	44	56	65
Long-term provisions	84	92	-	-	-
Capital Employed	21,350	18,309	18,678	17,693	16,525
RATIOS					
EBITDA Margin (%)	8.76%	11.23%	10.82%	12.03%	16.44%
Net Profit Margin (%)	8.41%*	1.13%*	5.19%	6.07%	8.64%
Interest Cover (EBITDA / Gross Interest)	30	30	49	47	88
ROCE (EBIT / Capital Employed) (%)	9.98%	16.34%	14.70%	16.39%	21.95%
Current Ratio (times)	2.52	1.97	2.07	2.10	2.32
Debt Equity Ratio (times)	0.00	0.00	0.01	0.01	0.01
Dividend Per Share (DPS) (Rs.)	5.00	5.00	6.00	6.00	6.00
Earnings Per Share (EPS) (Rs.)	23.80*	3.11*	14.03	15.36	18.89
Book Value Per Share (BVPS) (Rs.)	150.01	133.01	135.76	128.75	120.33

*After adjustment of Exceptional Items



WELDING EQUIPMENTS NEW PRODUCT DEVELOPMENTS

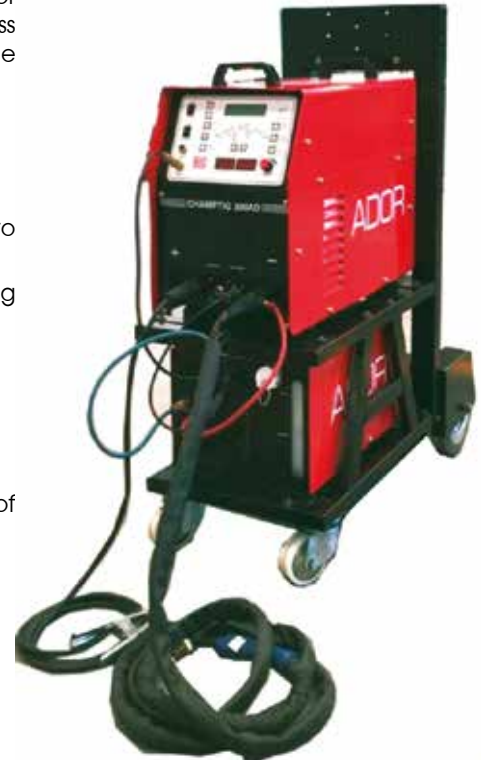
1) CHAMPTIG 300AD

It is Inverter based heavy duty AC/DC TIG Welding outfit, suitable for Heavy duty shop floor and project application for Aluminium, Stainless steel and Mild steel work. Apart from Pulse TIG feature, following are the **salient features** of this machine:

- Due to AC TIG function, it is suitable for Aluminium welding.
- Digital control panel with LCD display for setting the parameters.
- Ideal constant current drooping characteristics.
- Pulse frequency can be set upto maximum 500Hz, which enables to control Arc heat for thin sheet welding.
- Welder friendly Remote controller for easy and convenient setting of current from the workplace or the job.
- Gas Preflow / postflow facility.
- Current upslope / downslope facility in TIG mode.
- HF ON/OFF selection to prevent high frequency interference.
- Auto HF cut-off if Arc does not strike within 4 seconds.
- Gas flow through solenoid valve for economical consumption of costly Argon Gas.
- Gas cooled / Water cooled Torch Selection facility.

It has following protections with auto reset capability:

- Over Temperature
- Protection against Single phasing
- Input Supply Voltage protections for over and under voltage.



2) CHAMPTIG 220

It is single phase (240Vac) inverter based light duty compact DC TIG welding outfit, suitable for light duty & precision shop-floor and maintenance work. Apart from built in HF ignition feature, following are the **salient features** of this machine.

- Light weight (Only 9 Kg), Compact size
- Digital Display for set and actual welding current
- Micro controller based controlling enables precise time cycles in TIG process.
- Gas Preflow / postflow facility.
- Current upslope / downslope facility in TIG mode.
- HF ON/OFF selection to prevent high frequency interference.
- Auto HF cut-off if Arc does not strike within 4 seconds.
- Gas flow through solenoid valve for economical consumption of costly Argon Gas.
- Protection against over voltage in such a way that even for input supply of 415Vac, machine does not damage.
- Apart from TIG function, it can also support for MMA process upto 200A welding current.



3) CHAMPTIG 220P

It is single phase (240Vac) inverter based light duty compact DC PULSE TIG welding outfit, suitable for light duty and precision shop-floor and maintenance work where precise heat control is essential. Apart from Pulse current feature, following are the **salient features** of this machine.

- Light weight (Only 9 Kg), Compact size
- Digital control panel with Display for setting the TIG parameters and for actual welding current
- Pulse current frequency upto 200Hz, which enables to weld thin metal upto 0.25 mm thickness.
- Micro controller based controlling enables precise time cycles in TIG process.
- Gas Preflow / postflow facility.
- Current upslope / downslope facility in TIG mode.
- HF ON/OFF selection to prevent high frequency interference.
- Auto HF cut-off if Arc does not strike within 4 seconds.
- Gas flow through solenoid valve for economical consumption of costly Argon Gas.
- Protection against over voltage in such a way that even for input supply of 415Vac, the machine does not get damaged.
- Apart from TIG function, it can also support MMA process upto 200A welding current.



4) MAESTRO 1200 (I)

This is the new world class indigenous high efficient and high power factor IGBT based inverter SAW outfit, suitable for heavy duty continuous high deposition Submerged Arc Welding (SAW) applications at heavy structural workshops like Ship building, Gas Cylinder, big diameter Pipe welding applications. Power source of this outfit is also suitable for Gauging application.

The complete system consists of power source, Welding head and interconnecting cables. This outfit has various options of welding heads for mounting it for automation or column and booms or for standalone tractors.

This **power source** has the following **salient features** if it is used for SMAW or Gauging applications:

- Long distance welding and gouging capability.
- Optional remote controller interface is available for current adjustment.
- Suitable for normal Electrode Welding as well as gouging at high currents

Submerged Arc Welding outfits has following **features** :

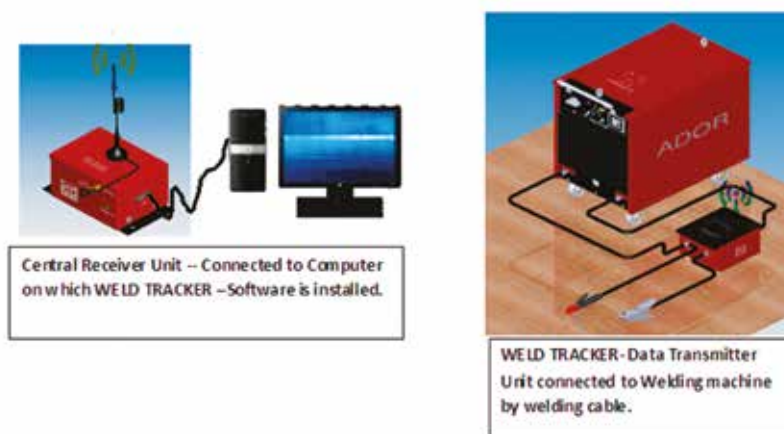
- Digital Panel along with LCD display for adjusting the welding parameters on welding head.
- Submerged Arc Welding can be done in Constant Current or Constant Voltage modes.
- Innovative Adaptive control in wire speed control eliminates wire sticking in weld pool at the end of welding.
- It has digital interface capability, hence it can be interfaced in automation with PLC controllers.
- Optional remote controller Pendant is available for setting the parameters from remote location.





5) WELD TRACKER - Wireless Weld Monitoring System

It is web based wireless weld process monitoring system, specially designed and developed for acquisition & analysis of real time weld parameters. The real time collection and display of the welding data is accomplished by using the proprietary high-speed serial communication protocol with front end software. The user can view and analyze the stored welding data.



Following are the **special features** of this system:

- It gives Accurate Process Information by collecting real time welding process parameters like Arc-voltage/ Arc-current / Arc-ON time.
- It provides Welding Process Control by preventing the ability of unauthorized / incorrect changes to the welding setting.
- Weld Defect Traceability is possible by accurate records like when & where the defect occurred.
- Unique ID for machines for communication.
- Easy to install & easy to operate.
- USB Interface mode.
- Minimum Sampling rate is 150 msec per machine. If system consists of N number of machines, then minimum sampling rate = $N \times 150$ msec.
- User friendly Graphical User Interface (GUI) with status indications.

Following are some of the **applications**, where this system can be used:

- Multiuser, server based data acquisition.
- Real time welding data report for Quality control.
- Productivity analysis report.
- Weld tracking as per WPS.
- Status of welding power source to Maintenance dept.

6) **SILENT CHALLENGER 401**

This is a new generation Diesel Engine Driven Silent Welding Set, which is conforming to latest CPCB II Norms for noise & exhaust emission levels. It is suitable for Versatile applications, including cross country, in-plant pipe and tube welding.

Apart from silent feature following are **main features** of this welding set :

- Conforming to latest CPCB norms for noise & exhaust emission levels.
- Versatile applications, including cross country, inplant pipe and tube welding.
- Ideal for heavy fabrication & site applications.
- Highly reliable even in hostile site conditions.
- Big savings in fuel and longer runs before next refueling.
- Specially proven with Cellulosic (6010, 7010G & 8010G types) and other special types of electrodes.
- Excellent Pre and Post Sales Services.
- Super Silent Operations.
- Compact in size – Only 2 meters in length.
- Works on Three cylinder Diesel engine.



7) **SILENT CHALLENGER MULTI 2 x 301**

This is a new generation Two Operator Diesel Engine Driven Multi Process welding set, which is conforming to latest CPCB II Norms for noise and exhaust emission level. With this Engine driven welding set multi welding processes like SMAW, TIG and Self Shielded Flux cored welding can be done. Apart from multi process, this welding set provides simultaneous two welding outputs, on which two welding operators can work simultaneously.

Following are some of the **features** of this welding set:

- Conforming to latest CPCB norms for noise & exhaust emission levels
- Versatile applications, including cross country, inplant pipe and tube welding.
- Supports multi welding processes like: SMAW, TIG and Self Shielded Flux cored wire welding.
- Ideal for heavy fabrication, site applications and Cross country pipe line welding.
- Highly reliable even in hostile site conditions.
- Big savings in fuel and longer runs before next refueling.
- Specially proven with Cellulosic (6010, 7010G & 8010G types) and other special types of electrodes.
- Excellent Pre and Post Sales Services.
- Super Silent Operations.
- Compact in size – Only 2 meters in length.
- Works on Three cylinder Diesel engine.





8) ELECTRODE DRYING OVEN, MODEL: ADOR HANDY

This Portable Electrode Drying Oven, Model: ADOR HANDY is a light weight drying oven weighing only 3.8 Kgs. and its capacity is 5 Kgs of holding electrodes of both 300 mm & 450 mm length.

It is fitted with Thermostat to adjust temperature from 50-300 degree centigrades.

Technical Specifications:

- Input Supply: 230 V, 1 phase, 50 c/s.
- Wattage: 100 Watts
- Capacity: 5 Kgs. of Electrodes
- Temperature Range: 50-300 Degree Centigrades
- Input Supply Cable Length: 2 meters



9) PORTABLE GAS CUTTING MACHINE MODEL: KING PANTHER-IM (2 SEAT INJECTOR MIX TYPE)

Features & Specifications:

- Unique design with louvers for ventilation, which reduces overheating of motor and electrical parts.
- Unbreakable, smooth and precise horizontal and vertical adjustment of torch.
- Bevel setting with locking facility ensures bevel accuracy during continuous cutting operation.
- Heat reflector with air gap, which protects the motor and other electrical parts from overheating.
- Non-metallic moulded lifting handle, hence machine can be lifted easily even when it is hot.
- Travels on standard 1.8 meter long extruded Aluminium rail track
- Versatile light weight and rugged machine designed for long, trouble free operation.

Technical Specifications:

- Cutting Capacity : Upto 75 mm thick plate
- Straight Cutting : In 1.8 meters length or its multiples by adding extra track.
- Circle Cutting (Optional) : From Ø150 mm to Ø1200 mm.
- Bevel Cutting : Up to 45°, 50 mm thick plate
- Cutting Speed : Min.: 0-200 mm/min.(approx) ; Max.: 800-1000 mm/min. (approx.)
- Horizontal Adjustment of Cutting Torch : 80 mm
- Vertical Adjustment of Cutting Torch : 60 mm
- Weight of the machine : 8 Kgs. (approx.)
- Power Supply : 220/250V, 1ø, 50 Hz, or 220/250V DC

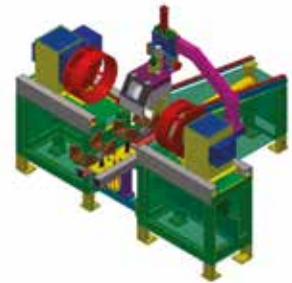


WELDING AUTOMATION PRODUCTS & SYSTEMS (WAPS) NEW PRODUCT DEVELOPMENTS

1) Special Purpose Machine

This is a **Special Purpose Machine** with provision of automatic loading and unloading of the component.

- **Sector** – Domestic LPG Cylinder
- **Application** – Upper Shell to Lower Shell welding of Domestic LPG cylinder
- **Advantages** –
 1. Higher productivity
 2. Good and consistent weld quality
 3. Auto Loading - unloading station
 4. Lesser man power
 5. On single machine minimum and maximum sizes of jobs can be welded



2) Spud Welder

This type of machine is called “**Spud Welder Machine**”, in which component is stationary and torch will be revolved around the component for circular welding.

- **Sector** – Automotive Industry / Domestic LPG Cylinder
- **Application** –
 - a. In Automotive Industry – for Fuel cap to tank welding of two wheeler (Fuel tank welding)
 - b. For Domestic LPG Cylinder – for Upper shell to Bung welding of Cylinder
- **Advantages** –
 1. Higher productivity
 2. Good and consistent weld quality
 3. Lesser man power
 4. On single machine minimum and maximum sizes of jobs can be welded



3) Weld Seamer

- **Sector** –
 - a. Automotive Industry
 - b. Dairy Mfg Equipment
 - c. Printing Roller
- **Application** – Longitudinal welding of Rolled Sheet
- **Advantages** –
 1. Higher productivity
 2. Good and consistent weld quality
 3. Lesser man power
 4. On single machine minimum and maximum sizes of Jobs can be welded





4) Movable Gantry for I Beam and Box Welding

This Machine was designed for Constructing World's Highest Rail Arch Bridge on Chenab River.



Advantages –

1. Fillet and Butt welding is possible on this machine
2. Different length and width of the job can be easily welded by this machine

5) Circular Welding - SAW System

Sector - Industrial Valve

Application – Valve Sector – Body to Flange Circular Welding with SAW Process



Advantages –

1. High Productivity
2. Multi passes welding is possible
3. Different sizes of the components can be welded on single set up of machine
4. Longitudinal and circular welding is possible on single set up of machine

PROJECT ENGINEERING BUSINESS NEW PRODUCT DEVELOPMENTS

1. Ador make Methanol-Water Distillation System

Operation Capacity: 20 USGPM

Specification : Biodiesel production is from chemical reactions transesterification and esterification, where the Methanol reacts with the fatty acids to form the mono-alkyl ester (biodiesel) and crude glycerol.

After the Bio-Diesel production process the Client is looking for recovery Methanol, having Flow rate of 20 USGPM solvent recovery, in which Wet methanol (max. 30% water) is separated from reactor and treated in distillation column, which operates at atmospheric pressure in which methanol (99.9%) is separated as top product and rest is separated from bottom.

Expertise of Ador Welding Limited

AWL offers complete EPC solution for Methanol-Water Distillation System to produce 99.9% pure methanol having flow capacity of 20 USGPM.



2. Ador make Biodiesel Distillation System

Operation Capacity: 80 USGPM

Specification : Biodiesel production is from chemical reactions transesterification and esterification. The Methanol reacts with the fatty acids to form the mono-alkyl ester (biodiesel) and crude glycerol but there will also be untreated Tri, Di and Mono-Glyceride present. To meet ASTM standards Bio-Diesel is separated from crude glycerol and untreated Tri, Di and Mono-Glyceride, in which Untreated Bio-Diesel containing 94% Methyl esters along with 6% glycerides feeds the biodiesel distillation column, which operates at around 2-4 torr vacuum pressure and 98 % Pure Biodiesel is removed from side and rest is separated from the bottom of the column.

Expertise of Ador Welding Limited

AWL offers complete EPC solution for Bio-Diesel Distillation System to produce 98 % Bio-Diesel to meet ASTM D 6751 std having flow capacity of 80 USGPM.





WELDING CONSUMABLES NEW PRODUCT DEVELOPMENTS

SMAW ELECTRODES

1) Cromoten-9L

AWS classification: AWS A/SFA 5.5 E8018-B8L

A Basic Type, heavy coated electrode developed to deposit low Carbon 9Cr type weld. It is resistant to corrosion and hydrogen attacks at high temperatures. The electrode is suitable for welding of 9% Cr type P5B materials in forging, pipes, tubes and casting form. It can also be used for welding of ferritic martensitic chrome steels. It finds application in power plants, oil refineries, chemical and petrochemical industries.

2) Castferrinickel

A special electrode developed for welding of nodular and malleable cast iron. It is a low heat input electrode, depositing Ni-Fe type weld metal. The weld metal deposited is tough and machinable with adequate strength and hardness. It can also be used for building up worn out cast iron parts, repairing of broken heavy castings and general welding of very heavy sections.

SAW WIRES

1) Automelt-EF3

AWS classification: AWS A/SFA 5.23 EF3

A low alloyed SAW wire to weld high strength low alloy or microalloyed structural steels, in combination with basic flux. It is alloyed with Ni & Mo to give high strength and good notch toughness. Best results are achieved when the wire is welded in combination with Automelt B20 Plus.

2) Automelt-EA4

AWS classification: AWS A/SFA 5.23 EA4

A low alloyed SAW wire to weld C-Mn steel base metals, such as ASTM A204 plate and ASTM A335-P1 pipe. It is a C-Mn wire alloyed with 0.5% Mo. This addition increases strength of the weld metal, especially at elevated temperatures and provides some increase in corrosion resistant. It can also be used for two run welding in pipes. Best results are achieved when the wire is welded in combination with Automelt B71.

3) Automelt-ENi3

AWS classification: AWS A/SFA 5.23 ENi3

A low alloyed SAW wire to produce weld deposit with increased strength without being hardenable or with increased notch toughness at temperatures as low as -100 F or lower. This is achieved by alloying with Nickel about 3.5%. Best results are achieved when the wire is welded in combination with Automelt B20 Plus.

4) Automelt-EB9

AWS classification: AWS A/SFA 5.23 EB91

A 9%Cr-1%Mo SAW wire modified with Niobium and Vanadium designed to provide improved creep strength and oxidation and corrosion resistance at elevated temperatures. Best results are achieved when the wire is welded in combination with Automelt B20 Plus & Automelt B25 Plus.

DIRECTORS' REPORT

To
The Members,

The Directors take pleasure in presenting the Sixty Second Annual Report of the Company and the Audited Statement of Accounts for the financial year ended 31st March, 2015.

1.0 FINANCIAL PERFORMANCE

(Rs. in lacs)

Sr. No.	Key Financial Indicators	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
		Standalone		Consolidated	
1.1	Sales & Other Income (Net of Excise Duty, Discounts & Incentives)	38,953	37,341	39,045	37,623
1.2	Profit Before Interest & Depreciation	3,373	4,195	3,332	3,173
1.3	Profit Before Tax (PBT)	2,016	2,850	1,963	1,736
1.4	Exceptional items	2,811	(1,478)	2,817	(1,296)
1.5	Provision for Tax (including Deferred Tax)	1,590	949	1,594	951
1.6	Profit After Tax (PAT)	3,237	423	3,186	(511)

2.0 DIVIDEND AND RESERVES

- 2.1 The Board of Directors is pleased to recommend a Dividend of 50% (i.e. @ Rs.5/- per Equity Share) for the financial year (FY) 2014-15, subject to the approval of the Members. Dividend for the previous FY 2013-14 was declared @ 50% (i.e. @ Rs.5/- per Equity Share).
- 2.2 The Dividend for FY 2014-15 shall be paid to those Shareholders and Beneficial Owners whose names appear in the Register of Members as on the date of the Book Closure for dividend payment.
- 2.3 The Board recommends transfer of Rs. 324 Lacs (Rs. 42 Lacs)* to the General Reserve, and the balance of Rs. 5,271 Lacs (Rs. 3,284 Lacs)* for retention in the Profit & Loss Account.

(*Figures in brackets indicate previous year).

3.0 OPERATIONS

In FY 2014-15, the total Sales and Other Income went up by 4.32%. The year ended with Sales and

Other Income of Rs. 38,953 Lacs (Rs. 37,341 Lacs)*.

The Company's Sales and Other Income during FY 2014-15 comprised of the following:

- 3.1 Welding Consumables at Rs. 27,181 Lacs (Rs. 27,532 Lacs)* - Due to severe competition witnessed in the Welding Industry over last year & core industrial sector showing degrowth, Domestic Sales of Consumables recorded a degrowth of over 1.27% compared to the previous year.
- 3.2 Equipment & Project Engineering at Rs.11,313 Lacs (Rs. 9,303 Lacs)* - The Welding Equipment & Project Engineering Business was higher by over 21% compared to the previous year, due to better performance of Project Engineering division.
- 3.3 Other Income at Rs. 459 Lacs (Rs. 506 Lacs)*.

(*Figures in brackets indicate previous year).

4.0 CONSOLIDATION OF MANUFACTURING OPERATIONS

The Company has decided to suspend its



manufacturing activities for certain product lines at Chennai and has partially relocated its manufacturing activities from Chennai to Silvassa & Raipur Plants, on account of economies of scale, by optimizing the available resources, which will help the Company enhance operational efficiencies. The employees at Chennai Plant are also being relocated to Silvassa & Raipur Plants. The Company doesn't anticipate any disruption in supply of its products due to this relocation / consolidation of operations, as the Company has adequate production capacities for consumables at Raipur & Silvassa.

5.0 CAPEX

The Company completed CAPEX of Rs. 933 Lacs and CAPEX of Rs.160 Lacs is in various stages of progress. The entire CAPEX programme of FY 2014-15 shall be completed by the end of June 2015. For FY 2015-16, the CAPEX has been budgeted at Rs.1,250 Lacs, mainly for –

- (a) Automation at Consumables and Equipment Plants.
- (b) Production Equipments to balance lines for achieving capacity levels.
- (c) Production related Equipment to improve "in process quality and deviation control" towards six-sigma levels.
- (d) Analytical Instruments for R&D.

6.0 SUBSIDIARY COMPANIES

6.1 Ador Welding Academy Pvt. Ltd. (AWAPL)

AWAPL, a Wholly Owned Subsidiary of the Company, focuses on creating a pool of skilled welding technicians who will serve the cross-section of infrastructure building-related industries. AWAPL registered a total revenue of Rs. 131 Lacs (Rs. 77 Lacs)*, with net loss of Rs. 53 Lacs (Rs. 66 Lacs)*

(*Figures in brackets indicate previous year).

6.2 Plasma Laser Technologies Ltd. (PLT)

During FY 2013-14, the Company had recognised diminution in the value of its investment in PLT and had fully provided for the same in the financial accounts. In the current year 2014 -15, a Petition for liquidation of PLT was filed by the employees

of PLT with the District Court sitting in Nazareth, Israel. In view of this & orders of District Court of Nazareth, the authority to operate & manage PLT now vests with the Court. The due process of law for liquidation is in progress. Your Company does not foresee any further liability to devolve on the Company.

7.0 CONSOLIDATED FINANCIAL STATEMENTS

In the previous FY 2013-14, the consolidated financial statements presented by the Company included financial information of its subsidiaries PLT & AWAPL. In the current year 2014-15, as mentioned in para 6.2, PLT has gone into liquidation. As a result, the power & authority to manage / operate PLT vests with the District Court of Nazareth. The Company, therefore, in the current year 2014-15 has presented the Consolidated Accounts without financial information of PLT. These consolidated financial statements are prepared in compliance with the applicable Accounting Standards. The standalone financial statements of AWAPL are posted onto the website of the Company <http://www.adorwelding.com/site/key-financial-and-shareholding-pattern.html> and hence the same are not annexed with this 62nd Annual Report. The Annual Accounts and other related information of the said Subsidiary Company will also be made available to the shareholders of the Holding Company. The Annual Accounts of the Subsidiary Company are available for inspection by the shareholders at the registered office of the Company and your Company shall furnish a physical copy of the detailed accounts of subsidiary to any shareholder, on request.

8.0 RISK MANAGEMENT

Your Company has put in place the Enterprise Risk Management framework, to manage the various financial & non-financial risks, amongst other things.

The Company has also adopted Enterprise Risk Management (ERM) Policy, which helps to continuously assess & monitor the risks assumed by the Company. The processes are in place for identifying, evaluating and managing the risks. Based on the ERM Policy, the Board further states that there are no elements of risks which threaten the existence of the Company.



9.0 RELATED PARTY TRANSACTIONS

The Policy on Related Party Transactions is approved by the Board of Directors and the same is uploaded on the Company's website :

<http://www.adorwelding.com/site/docs/RPT%20Policy.pdf>

During FY 2014-15, the Company entered into certain Related Party Transactions which are in the ordinary course of business and at arms length basis, with approval of the Audit Committee. The Audit Committee grants omnibus approval along with the Annual Budget for the transactions with the related parties, which are of foreseen & repetitive nature. A detailed summary of Related Party Transactions vis-à-vis the omnibus approval, is placed before the Audit Committee & the Board of Directors for their review on a quarterly basis.

There are no materially significant Related Party Transactions executed between the Company & its Promoters, Directors, Key Managerial Personnel or other designated persons, that may have a potential conflict with the interest of the Company at large. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company.

10.0 EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 (3) and 134 (3) (a) of the Companies Act, 2013, read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return is appended hereto as **Annexure - I**, and forms part of this Report.

11.0 CORPORATE SOCIAL RESPONSIBILITY

The composition of Corporate Social Responsibility (CSR) Committee is covered under the Corporate Governance Report, which is annexed to this Report as Annexure - IV.

As part of its initiatives under "Corporate Social Responsibility", the Company has undertaken various projects in the areas of Education (Skill development) and Women Empowerment. These projects are largely in accordance with Schedule VII to the Companies Act, 2013. During the year, out of the budgeted expenditure of Rs. 51.87 Lacs, approx. Rs. 5.30 Lacs remained unspent, since certain proposals were under consideration

as of 31st March 2015. The **Annual Report on CSR activities** is annexed hereto as **Annexure - II**.

12.0 LOANS & GUARANTEES

During FY 2014-15, your Company has provided Bank Guarantee / Corporate Guarantee of Rs. 100 Lacs for the working capital limits of M/s. Ador Welding Academy Private Limited (AWAPL), the Wholly Owned Subsidiary Company. Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

13.0 FIXED DEPOSITS

The Company has neither accepted nor renewed Fixed Deposits during FY 2014-15 and in FY 2013-14.

14.0 INSURANCE

The properties / assets of the Company are adequately insured.

15.0 ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE

The information required under Section 134 (3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption & foreign exchange earnings / outgo is appended hereto as **Annexure - III**.

16.0 CORPORATE GOVERNANCE

As per the Listing Agreements executed with the Stock Exchanges, the Company has been following the Corporate Governance Code from FY 2001-02 onwards. The Company has complied with all the requirements of the Corporate Governance as per Clause 49 of the Listing Agreement and a separate Report is attached hereto as **Annexure - IV**.

The Corporate Governance Compliance Certificate received from M/s. Dalal & Shah, Chartered Accountants, Mumbai, the Statutory Auditors of the Company, is also attached to this Report.

The **Management Discussion and Analysis Report**, as mandated under the Code of Corporate Governance, is also attached to this Report as **Annexure - V**.



17.0 COURT ORDERS

During FY 2014-15 there were no significant orders passed against the Company by the regulators or courts or tribunals, impacting the going concern status and Company's operations in future.

18.0 NOMINATION & REMUNERATION POLICIES

As required under the provisions of sub-section (3) of Section 178 of the Companies Act, 2013 the Company has adopted the policies for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, etc. The details of Remuneration Policy for Directors is explained in the Corporate Governance Report.

19.0 INDEPENDENT DIRECTORS

All the Independent Directors of the Company have submitted declaration of their independence, as required under Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

20.0 DIRECTORS

20.1 During FY 2014-15 the following changes occurred in the composition of the Board of Directors of the Company:

- (a) Mr. Vippen Sareen, (DIN 00057599) Non-Executive & Independent Director, retired from the Board on attaining superannuation at the age of 65 years on 07th July, 2014 and thus ceased to be a Director of the Company. Mr. Sareen was appointed as Director on 23rd October, 2010 and was on the Board for 4 years. The Board places on record, its sincere appreciation for the contributions of Mr. Vippen Sareen during his tenure of Directorship.
- (b) Mr. Anil Harish, (DIN 00001685) Non-Executive & Independent Director, tendered his resignation on & w.e.f. 30th September 2014, which was taken on record in the meeting of the Board of Directors held on 10th November, 2014. Mr. Anil Harish was appointed as Director on the Board on 28th March, 2005 and was on the Board for over 9 years. He was also the Chairman of Audit Committee and CSR Committee. The Board places on record, its sincere appreciation for the contributions of Mr. Anil Harish during his tenure of Directorship.

- (c) Mr. G. M. Lalwani (DIN 06928792) and Mr. S. G. Mirchandani (DIN 01179921) joined the Board as "Additional Directors" with effect from 10th November, 2014. They joined the Board in place of Mr. Vippen Sareen & Mr. Anil Harish, respectively. The Company has received Notices in writing from Members proposing their candidature to the Office of Directors of the Company. In the interest of the Company's continued prosperity and well-being, the Board recommends their appointments as the Independent Directors at the ensuing Annual General Meeting.

- (d) The Board of Directors of the Company at its Meeting held on 07th May, 2015 appointed and re-designated Mrs. N. Malkani Nagpal (DIN 00031985) as the Whole-Time Director, for a period of 3 years, subject to the approval of the Members at the ensuing Annual General Meeting.

- (e) The Board of Directors of the Company at its Meeting held on 07th May, 2015 re-appointed Mr. S. M. Bhat (DIN 05168265) as the Managing Director, for a period of 3 years, w.e.f. 11th May, 2015 subject to the approval of the Members at the ensuing Annual General Meeting (AGM).

- 20.2 Ms. A. B. Advani (DIN 00029256) and Mr. R. A. Mirchandani (DIN 00175501), Directors of the Company, retire by rotation, as per the Articles of Association of the Company and are eligible for re-appointment.

- 20.3 The Board of Directors, pursuant to Section 152 of the Companies Act, 2013 & Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, has received Form MBP-1 and Consent to act as a Director in Form DIR-2, from Mr. G. M. Lalwani, Mr. S. G. Mirchandani, Mrs. N. Malkani Nagpal, Mr. S. M. Bhat, Ms. A. B. Advani and Mr. R. A. Mirchandani.

- 20.4 Necessary Resolutions for the appointment of the aforesaid Directors have been included in the Notice convening the ensuing AGM and details of the proposal for appointments are mentioned in the Explanatory Statement to the Notice.



21.0 DIRECTORS PERFORMANCE EVALUATION

The Company has conducted a formal annual performance evaluation, by the Board of its own performance & that of its committees and individual Directors, including the Executive Chairman & the Independent Directors. The detailed manner of evaluation has been explained in the Corporate Governance Report in Annexure – IV.

22.0 DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirm that:

- a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed, alongwith proper explanation relating to material departures, if any;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true & fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities;
- d) the Directors have prepared the Annual Accounts on a going concern basis;
- e) the Directors have laid down internal financial controls, to be followed by the Company and that such internal financial controls are adequate & were operating effectively, and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate & operating effectively.

23.0 AUDIT COMMITTEE AND ITS RECOMMENDATIONS

The composition of Audit Committee is covered under the Corporate Governance Report, which is annexed to this Report as Annexure - IV.

The Board has accepted all the recommendations of the Audit Committee and hence there is no further explanation to be provided for in this Report.

24.0 NUMBER OF BOARD MEETINGS

The Company has conducted 4 (four) Board meetings during FY 2014-15 and the details thereof are covered under the Corporate Governance Report, which is annexed to this Report as Annexure - IV.

25.0 STATUTORY AUDITORS

The Company's Statutory Auditors, M/s. Dalal & Shah, Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting. The Audit Committee has recommended appointment of new Statutory Auditors for the Company, in view of the rotation of Auditors mandated under the Companies Act, 2013. Your Board recommends the appointment of M/s. Walker Chandiook & Co. LLP as the Statutory Auditors, at the ensuing Annual General Meeting.

26.0 STATUTORY AUDITOR'S REPORT

There are no qualifications in the Auditor's Report & therefore there are no further explanations to be provided for in this Report.

27.0 SECRETARIAL AUDITOR & ITS REPORT

The Board of Directors had appointed M/s. N. L. Bhatia & Associates, (Unique Identification Number: S1996MH016600), a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company for FY 2014-15. The Secretarial Audit Report is annexed herewith as **Annexure - VI**. There are no qualifications in the said Report.

28.0 COST AUDITOR

Pursuant to the provisions of Section 148 of the Companies Act, 2013, the Board of Directors has appointed Mr. Vishvesh Desai, Cost Accountant, Pune, as the Cost Auditor of the Company.

The brief information of the Cost Auditor and the Cost Audit Report is as under:

- 28.1 Name of the Cost Auditor: CMA Vishvesh Desai



28.2 Address: 10, Prabhakarasmruti CHS Ltd., 4th Lane, Dahanukar Colony, Kothrud, Pune – 411 029, Maharashtra, India.

28.3 Membership No.: F-7330.

28.4 Firm Regn. No. : 102151

28.5 Due date for filing Cost Audit Report (XBRL) for FY 2013-14 by the Cost Auditor with the Central Government: Within 180 days from the end of the financial year.

28.6 Actual Date of filing of Cost Audit Report for FY 2013-14 with the Central Government: 14.10.2014

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor for FY 2015-16, is placed before the Members at the ensuing Annual General Meeting, for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to CMA Vishvesh Desai, Cost Auditor is included at Item No. 6 of the Notice convening the Annual General Meeting.

29.0 VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company has framed a policy on Vigil Mechanism-cum-Whistle Blower, which enables any Director / employee of the Company to report their genuine concerns / instances of any unethical / improper activity, directly to the chairman of the Audit Committee, as a Protected Disclosure. The detailed policy is also posted on the Company's intranet Portal SAMVAD and onto its website <http://www.adorwelding.com/site/docs/Whistle%20Blower-cum-Vigil%20Mechanism%20Policy.pdf>

30.0 PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has adopted a policy under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted Committee/s, as required under the Act & Rules made there under and has carried out awareness programs. No complaints were received by the Committees during FY 2014-15.

31.0 EMPLOYEES

31.1 The industrial relations at all the Plants and Offices of the Company continue to remain harmonious, cordial and peaceful.

31.2 The **information** required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and **Remuneration of Managerial Personnel**) Rules, 2014 in respect of the employees of the Company, is annexed herewith as **Annexure - VII**.

31.3 The manpower strength of the Company as at the date of this Report is 679.

32.0 ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their warm appreciation for the invaluable contribution and the spirit of dedication shown by the employees at all levels during FY 2014-15. The Directors also express their deep gratitude for the business assistance, co-operation and support extended to your Company by its Customers, Distributors, Dealers, Suppliers / Service Providers, Bankers, various Government Organisations / Agencies & Shareholders and look forward to their continued support and co-operation in future also.

For and on behalf of the Board

Place: Mumbai
Date: 07th May, 2015

A. B. Advani
Executive Chairman

ANNEXURE – I TO THE DIRECTORS' REPORT
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN as on the financial year ended 31st March, 2015
(Pursuant to Section 92(3) & 134(3)(a) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014)
I. Registration and Other Details

- i. CIN :- L70100MH1951PLC008647
- ii. Registration Date :- 22nd October, 1951
- iii. Name of the Company :- Ador Welding Limited
- iv. Category / Sub-Category of the Company :- Public Company
- v. Address of the Registered Office and contact details :- Ador House, 6, K. Dubash Marg, Fort, Mumbai - 400001-16, Maharashtra, INDIA.
Tel: +91 22 22842525 / +91 22 66239300 | Fax: +91 22 22873083 | Email: investorservices@adorians.com
- vi. Whether listed company (Yes / No) :- Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:
Name - Sharex Dynamic (India) Pvt. Ltd.
Address: Unit – 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri, Mumbai - 400072,
Tel. No. +91 22 2851 5606 / 44 / 6338 | Email: sharexindia@vsnl.com

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	MANUAL METAL ARC WELDING / BRAZING ELECTRODES of Manufacture falling under ITC-broad description of CORED WIRE BASE OF METAL FOR ELECTRIC ARC WELDING CONTINUOUS WELDING ELECTRODES of Manufacture falling under ITC-broad description CORED WIRE OF BASE METAL FOR ELECTRIC ARC WELDING, ARC WELDING/ BRAZE WELDING FLUXES of Manufacture falling under ITC broad description of OTHER, INCLUDING PARTS.	83112000 & 83111000 72299016	71
2	WELDING & CUTTING EQUIPMENT & ACCESSORIES of Manufacture falling under ITC-broad description OTHER	85151900	29

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	Ador Welding Academy Pvt. Ltd.	U74900PN2012PTC144148	Wholly Owned Subsidiary	100%	2(87)



IV. Shareholding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	8,58,726	0	8,58,726	6.31	8,58,756	0	8,58,756	6.31	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	68,00,531	0	68,00,531	50.01	68,00,531	0	68,00,531	50.01	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(1)	76,59,257	0	76,59,257	56.32	76,59,287	0	76,59,287	56.32	0.00
(2) Foreign									
a) NRIs - Individuals	49,050	0	49,050	0.36	49,050	0	49,050	0.36	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	49,050	0	49,050	0.36	49,050	0	49,050	0.36	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	77,08,307	0	77,08,307	56.68	77,08,337	0	77,08,337	56.68	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	15,14,032	4,600	15,18,632	11.17	21,33,326	4,600	21,37,926	15.72	4.55
b) Banks / FI	332	300	632	0.01	332	300	632	0.01	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	7	0	7	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	10	10	0.00	0	10	10	0.00	0.00
g) FIs	0	3,925	3,925	0.03	0	3,925	3,925	0.03	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	15,14,364	8,835	15,23,199	11.21	21,33,665	8,835	21,42,500	15.76	4.55



Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)			No. of Shares held at the end of the year (31.03.2015)			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
2. Non Institutions							
a) Bodies Corp.							
i) Indian	2,69,578	3,505	2,73,083	2,16,749	3,505	2,20,254	1.62
ii) Overseas	0	0	0	0	0	0	0.00
b) Individuals							
i) Individual shareholders holding nominal share capital upto Rs. 1 Lac							
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lac	24,40,510	4,68,871	29,09,381	20,54,335	4,51,739	25,06,074	18.43
	6,04,329	1,16,640	7,20,969	4,47,308	1,16,640	5,63,948	4.15
c) Others (specify)							
i) Clearing Members	23,847	0	23,847	30,892	0	30,892	0.23
ii) OCB	0	300	300	0	300	300	0.00
iii) NRI	1,88,953	2,50,428	4,39,381	1,82,768	2,43,394	4,26,162	3.13
Sub-total (B)(2)	35,27,217	8,39,744	43,66,961	29,32,052	8,15,578	37,47,630	27.56
Total Public Shareholding (B) = (B)(1)+(B)(2)	50,41,581	8,48,579	58,90,160	50,65,717	8,24,413	58,90,130	43.32
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	1,27,49,888	8,48,579	1,35,98,467	1,27,74,054	8,24,413	1,35,98,467	100.00

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	J. B. Advani & Co. Pvt. Ltd.	68,00,531	50.01	0.00	68,00,531	50.01	0.00	0.00
2.	A. B. Advani	2,95,480	2.17	0.00	2,95,480	2.17	0.00	0.00
3.	A. T. Malkani	1,03,626	0.76	0.00	1,03,626	0.76	0.00	0.00
4.	A. T. Mirchandani	64,430	0.47	0.00	64,430	0.47	0.00	0.00
5.	G. H. Malkani	56,400	0.41	0.00	56,400	0.41	0.00	0.00
6.	N. Malkani Nagpal	57,352	0.42	0.00	57,352	0.42	0.00	0.00
7.	M. G. Malkani	55,500	0.41	0.00	55,500	0.41	0.00	0.00
8.	G. G. Malkani	55,500	0.41	0.00	55,500	0.41	0.00	0.00
9.	R. T. Malkani	56,171	0.41	0.00	56,171	0.41	0.00	0.00
10.	P. D. Lambert	49,050	0.36	0.00	49,050	0.36	0.00	0.00
11.	G. H. Malkani (HUF)	47,400	0.35	0.00	47,400	0.35	0.00	0.00
12.	V. A. Lalvani	19,190	0.14	0.00	19,190	0.14	0.00	0.00
13.	R. A. Mirchandani	8,002	0.06	0.00	8,002	0.06	0.00	0.00
14.	D. A. Lalvani	20,922	0.16	0.00	20,952	0.16	0.00	0.00
15.	R. A. Lalvani	3,680	0.03	0.00	3,680	0.03	0.00	0.00
16.	S. A. Malkani	14,173	0.10	0.00	14,173	0.10	0.00	0.00
17.	P. K. Mathur	900	0.00	0.00	900	0.00	0.00	0.00



(iii) Change in Promoters' Shareholding

Sr. No.	Particulars	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during of the year 2014-15	
		No. of Shares	% of total Shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	77,08,307	56.68	-	-
2.	Date wise increase / decrease in promoters shareholding during the year, specifying the reason for increase / decrease	30 (Transfer between 18 th to 24 th October 2014)	0.00	77,08,337	56.68
3.	At the end of the year (31.03.2015)	-	-	77,08,337	56.68

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs)

Sr. No.	Shareholder's Name (for each of the top 10 shareholders)	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year 2014-15	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Reliance Capital Trustee Co. Ltd.	6,87,482	5.06	9,18,884	6.76
2.	HDFC Small & Midcap Fund (Formerly HDFC Trustee Company Ltd.)	3,14,179	2.31	1,45,317	1.07
3.	DSP Blackrock Micro Cap Fund	3,06,945	2.26	5,43,061	3.99
4.	Pinebridge Trustee Company (India)	1,91,206	1.41	NA	NA
5.	Court Receiver, High Court Mumbai	1,16,640	0.86	1,16,640	0.86
6.	Jetu Jacques Taru Lalvani	94,000	0.69	94,000	0.69
7.	Perviz Farrok Kaka	67,681	0.50	58,281	0.43
8.	Nitin Kapil Tandon	54,600	0.40	NA	NA
9.	Urjita J. Master	50,250	0.37	NA	NA
10.	IFB Automotive Private Ltd.	45,000	0.33	NA	NA
11.	Tata Trustee Co. Ltd. A/c Tata	NA	NA	2,44,549	1.80
12.	Sundaram Mutual Fund A/c Select Micro Cap Series I	NA	NA	95,045	0.70
13.	Angel Holdings Pvt. Ltd.	NA	NA	68,888	0.51
14.	Sundaram Mutual Fund A/c Select Micro Cap Series II	NA	NA	61,534	0.45

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholder's Name (for Each of the Directors and KMP)	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year 2014-15	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	A. B. Advani	2,95,480	2.17	2,95,480	2.17
2.	N. Malkani Nagpal	57,352	0.42	57,352	0.42
3.	R. A. Mirchandani	8,002	0.06	8,002	0.06
4.	A. T. Malkani	1,03,626	0.76	1,03,626	0.76
5.	D. A. Lalvani	20,922	0.16	20,952	0.16
6.	G. M. Lalwani ^	NA	NA	10	0.00
7.	V. M. Bhide	150	0.00	150	0.00

^ Appointed as an Additional Director on 10th November, 2014

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	140	-	140
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	140	-	140
Change in Indebtedness during the financial year				
• Addition	-	36	-	36
• Reduction	-	(133)	-	(133)
Net Change	-	(97)	-	(97)
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	43	-	43

VI. Remuneration of Directors and Key Managerial Personnel
A. Remuneration to Managing Director, Whole-time Directors and / or Manager

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		A. B. Advani	S. M. Bhat	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	105.40	88.75*	194.15
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	10.95	6.22	17.17
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	2.29	-	2.29
5	Others	-	-	-
	Total (A)	118.64	94.97	213.61

* Includes Rs. 18.32 lacs towards Bonus for FY 2013-14 paid in FY 2014-15

Note: The remuneration payable to the Executive Chairman & the Managing Director is within the overall ceilings, as per the Companies Act, 2013.

B. Remuneration to other Directors:
1. Independent Directors

(Rs. in lacs)

Particulars of Remuneration	Name of the Directors								Total Amount
	Anil Harish*	M. K. Maheshwari	P. K. Gupta	R. N. Sapru	K. Digvijay Singh	Vippen Sareen**	G. M. Lalwani^	S. G. Mirchandani^	
Fee for attending Board & Committee meetings	0.41	0.46	0.38	0.55	0.72	0.10	0.20	0.20	3.02
Commission	1.21	2.41	2.41	2.41	2.41	0.64	0.93	0.93	13.35
Others, please specify	-	-	-	-	-	-	-	-	-
Total (1)	1.62	2.87	2.79	2.96	3.13	0.74	1.13	1.13	16.37



2. Other Non-Executive Directors

(Rs. in Lacs)

Particulars of Remuneration	Name of the Directors				Total Amount
	N. Malkani Nagpal	R. A. Mirchandani	A. T. Malkani	D. A. Lalvani	
Fee for attending Board & Committee meetings	0.76	0.50	0.65	0.81	2.72
Commission	2.41	2.41	2.41	2.41	9.64
Others, please specify	-	-	-	-	-
Total (2)	3.17	2.91	3.06	3.22	12.36
Total (B)=(1+2)					28.73

* upto 30th September, 2014

** upto 07th July, 2014

^ appointed on 10th November, 2014

Note: The remuneration payable to the Non-Executive Directors is within the overall ceilings as per the Companies Act, 2013.

C. Remuneration to Key Managerial Personnel (KMP) other than MD / Manager / WTD:

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	23.97	24.62	48.59
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.55	-	0.55
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify.	-	-	-
5	Others	-	-	-
Total		24.52	24.62	49.14

VII. Penalties / Punishment/ Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
A. COMPANY		Penalty	NIL		
Punishment					
Compounding					
B. DIRECTORS		Penalty			
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT		Penalty			
Punishment					
Compounding					

For and on behalf of the Board

Place: Mumbai
Date: 07th May, 2015

A. B. Advani
Executive Chairman

ANNEXURE II – TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2014-15

- A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes:**

Ador Welding Limited's (AWL's) CSR Committee believes that it is important for the organization to focus on its philanthropic activities as a part of its DNA, and had, hence, identified the following two areas as its primary focus for FY 2014-15:

- Education & skill development and encouraging safety practices in the field of welding & allied fields.
- Empowering women towards individual and professional development.

Web-link of CSR Policy: <http://www.adorwelding.com/site/pdfs/CSR%20FY%202014-15.pdf>

- Composition of the CSR Committee:**

Mr. M. K. Maheshwari - Chairman (Non - Executive & Independent Director)

Ms. A. B. Advani - Member (Executive Chairman)

Mr. S. M. Bhat - Member (Managing Director)

Mr. D. A. Lalvani - Member (Non - Executive Director)

Mr. Anil Harish - Ex. Chairman (Non - Executive & Independent Director) Till 30th September, 2014

- Average net profit of the Company** for last three financial years, under Section 198 of the Companies Act, 2013 (erstwhile Section 349, 350 of the Companies Act, 1956): **Rs. 2,593.45 Lacs**

- Prescribed CSR Expenditure** (2% of the amount as in item 3 above): **Rs. 51.87 Lacs**

- Details of CSR spend for FY 2014-15:**

(a) Total amount **spent** for FY 2014-15 : **Rs. 46.57 Lacs**

(b) Amount **unspent** : **Rs. 5.30 Lacs**

(c) Manner in which the amount spent during FY 2014-15 is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs	Amount outlay (budget)- project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects / programs (2) Over-heads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Placement linked Vocational Training	Vocational Training	Imparting vocational training in welding to provide gainful employment opportunities to under-privileged youth at Latur, Maharashtra	Rs. 15 Lacs	Direct Expense: Rs. 15 Lacs Overheads: NIL	Rs. 15 Lacs	Rs. 15 Lacs through M/s. Pratham Education Foundation
2	Livelihood enhancement project	Vocational Training	Setting up of Skill Development Centres for training the homeless / unemployed youths, school drop-outs, etc. at Rudrapur, Silvassa & Hosur	Rs. 20 Lacs	Direct Expense: Rs. 20 Lacs Overheads: NIL	Rs. 20 Lacs	Rs. 20 Lacs through M/s. Sambhav Foundation



Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs	Amount outlay (budget)- project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects / programs (2) Over-heads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
3	Vocational Training	Vocational Training in the field of Welding	Setting up & supporting Skill Development Centre to provide quality training in the field of welding to the disadvantaged youth from the rural and semi-urban areas at Chandrapur, Maharashtra	Rs. 8.08 Lacs	Direct Expense: Rs. 8.08 Lacs Overheads: NIL	Rs. 8.08 Lacs	Rs. 8.08 Lacs through M/s. Ambuja Cement Foundation
4	Promoting Education	Vocational Training	Funding to Educational Institute to purchase a machine for developing basic GMAW skills to coach the students effectively.	Rs. 3.49 Lacs	Direct Expense: Rs. 3.49 Lacs Overheads: NIL	Rs. 3.49 Lacs	Rs. 3.49 Lacs through M/s. Late Vishnu Waman Thakur Charitable Trust
TOTAL				Rs. 46.57 Lacs	Rs. 46.57 Lacs	Rs. 46.57 Lacs	Rs. 46.57 Lacs

6. In case the Company has failed to spend the two percent of the average net profits of the latest three Financial Years or any part thereof, the Company shall provide the reasons for not spending the amounts in its Board Report: Refer Directors' Report.
7. During FY 2014-15, the implementation and monitoring of CSR Policy was in conformity with the CSR objectives and CSR Policy of the Company.

For **Ador Welding Limited**

Place: Mumbai
Date: 07th May, 2015

S. M. Bhat
Managing Director

M. K. Maheshwari
Chairman of the CSR Committee

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

(as approved by the Board of Director on 20th May, 2014)

Philosophy on CSR:

At Ador Welding Limited (AWL), fulfilling the Corporate Social Responsibility (CSR) primarily means to personify our statement of corporate Group vision, i.e. "to foster business excellence, high ethical & social practices and create pride for all stakeholders in ADOR family".

At AWL, we believe in the ethos of Triple-Bottom-Line Approach to achieve a balance of economic, environmental and social imperatives. We ardently endeavour to make CSR a cornerstone of our corporate culture and thereby contribute to the social & economic development of the community, in which we operate.

In pursuit of our commitment to comprehensive growth, we venture to have in place a framework to integrate social, environmental, humanitarian concerns into our core business strategy, in the best interest of all our stakeholders.

Focus Areas of CSR:

Arising from this, the key focus areas that echo AWL's CSR policy, are the following and AWL's CSR programs will cover all or any of these focus areas:

- Eradicating hunger, poverty and malnutrition, promoting preventive healthcare & sanitation, making available safe drinking water;
- Promoting education; including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air & water ;
- Taking up Rural development projects;
- Contributing to development & improvement in quality of life of the workforce and their families as well as of the society at large.
- Conservation of energy, including projects related to renewable sources of energy.

Organisational Mechanism for CSR:

The Board of Directors shall form a CSR Committee pursuant to the provisions of Section 135 of the Companies Act 2013, and will lay down the guidelines / key focus areas for the CSR activities every year.

The CSR committee will be in charge for:

- developing the CSR annual strategy, based on the guidelines set by the Companies Act 2013 & Rules framed there under.
- preparing annual plan for the CSR activities, project development, project approval, etc.
- deciding on the modalities of execution of programs
- contracting, budgeting & payments
- monitoring the execution mechanism for CSR projects;
- Periodic reporting and communication to the Board.

The CSR Committee will ensure the following:

- appropriate organizational structure to effectively identify, monitor & manage CSR issues and performance relevant to our businesses.
- all kinds of income accrued to AWL by way of CSR activities, if any, to be credited back to CSR corpus.

Implementation Mechanism of CSR:

CSR activities will be implemented either directly on its own by the Company or through a non-profit organisation, which is into CSR activities.

AWL can also enter into Collaborative partnerships with the Government, NGOs, independently registered non-profit organisations, or with, other like-minded stakeholders, so as to widen the Company's reach and leverage upon the collective expertise & experience, these partnerships will bring on pooling their resources for CSR activities.

Management Commitment to CSR:

All Adorians will adopt the essence of CSR considerations illustrated in this policy into their day-to-day work activities and will act as role models.

AWL believes that in doing so, we will add significant value for our society.

Composition of the CSR Committee:

Three or more directors, of which at least one director shall be an Independent Director.

No sitting fees will be paid to the members of CSR Committee.

Functions of the CSR Committee:

- a) To formulate and recommend to the Board, a CSR POLICY indicating the activities to be undertaken by the Company;
- b) Recommend the amount to be spent on these activities; and
- c) Monitor the Company's CSR policy periodically.
- d) Preference to be given to the local area and areas around the Company operates, for CSR spending.



ANNEXURE III – TO THE DIRECTORS’ REPORT

Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo as required under Section 134 (3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

A. Conservation of Energy

1. Converted DC Panel of motor to AC Panel, which saved energy by about 35%.
2. Replaced MH lights with LED lights.
3. Replaced 2.00 HP motor in place of the 5.00 HP motor in EP 10 Machine (Main Belt Conveyor).
4. Stabilizer Voltage supply provided to SAW Flux HTK drive to avoid tripping and high voltage protection.
5. Provided stabilizer to Online Vacuum Packing Machine to avoid high voltage tripping.
6. Introduced “Water Pump on demand” feature in Welding machines with water cooling unit, which saves electricity while machine is running under idle condition and also increases the life of Water Pump Motor.

All the Plants of the Company have been certified by DNV for EMS 14000 Standards Compliance. All the Plants of the Company also adhere to the guidelines of the respective state PCBs & CPCB.

B. Technology Absorption

The Company has 2 (two) Technology Development Centres (TDCs), (1) one each for Consumables and Equipment, both located at Chinchwad, Pune in Maharashtra. These TDCs were relocated from Silvassa & Pimpri to Chinchwad during FY 2014-15. These TDCs continue to pursue their goals, with renewed vigour, in terms of innovations, upgradations, improvements and cost reductions. These TDCs regularly interact with the market / users for improving the competitive features and performance of the Company’s products. Some of the significant technology absorption / innovations are listed hereunder:

1. Designed and developed DSP (Digital Signal Processor) based “Adaptive Control Logic” for Constant Current type of wire feeding control in Submerged Arc Welding (SAW).
“Adaptive Control Logic” is an innovative way to achieve the accurate control of the constant arc voltage, with constant current type of SAW power source.
2. Developed the “logarithmic reference scale” using digital logic for MIG machines to avoid scale cramping & to facilitate effortless welding parameter setting. This has replaced the Imported Logarithmic Potentiometer by locally available Linear Potentiometer.
3. Developed the wireless data logger system for seamless monitoring of welding data through wireless communication link, as a productivity and quality control tool as well as automatic tracking of job as per WPS. This is an innovation to monitor the welding performance of many machines simultaneously through Radio Frequency (RF) based wireless communication.
4. Innovated the protection for Single Phase Machine (working on 240V AC supply voltage) against 415V AC input without increasing the voltage rating of components to withstand 415V AC.
5. Developed the controllers and energy efficient inverter based AC/DC Pulse TIG welding machine for TIG welding process on Aluminium and other metals.
6. Improved Arc striking strength by implementation of High Frequency, High Voltage Arc striking with innovative design in TIG machines.



7. Developed a special grade of high purity low alloy steel wire, used in Submerged Arc Welding & Manual Metal Arc Welding for nuclear application. (Indigenization)
8. Substituted the imported grade wire with indigenized wire in many of SMAW products. (Import Substitution)
9. Developed the low alloy steel solid wires & FCAW wires to cater various sectors, such as Railways, Power sector, Oil & Gas sector
10. Summary of expenditure on R & D

		(Rs. in Lacs)	
Particulars		FY 2014-15	FY 2013-14
Capital		46	63
Recurring		307	296
	Total	353	359
Total R & D expenditure as a percentage of total turnover		0.91%	0.97%

C. Foreign Exchange Earnings & Outgo

		(Rs. in Lacs)	
Particulars		FY 2014-15	FY 2013-14
Foreign Exchange Earnings		3,065	4,963
Foreign Exchange Outgo		4,867	4,041

For and on behalf of the Board

Place: Mumbai
Date: 07th May, 2015

A. B. Advani
Executive Chairman



ANNEXURE IV - TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

The detailed Report on Corporate Governance, as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement, is set out below. In this report, we confirm the compliance of the Corporate Governance criteria, as required under Clause 49 of the Listing Agreement.

A) Mandatory Requirements

1) Company's Philosophy on the Code of Corporate Governance

The Company believes that sound corporate practices based on transparency, accountability and high level of integrity in functioning of the Company are essential for long term enhancement of stakeholders value & interest. The Company believes that its actions must result in enhancing corporate performance by maximizing stakeholders value and also result in motivated work force. We, as a Company, have always focused on 'best in class' Corporate Governance practices, which is a key driver for sustainable corporate growth and long-term value creation for our stakeholders.

2) Board of Directors

Composition, Number of Meetings held and Attendance:

The Board of Directors of the Company comprises of 12 (twelve) Directors consisting of 2 (two) Executive/ Whole-time Directors and 10 (ten) Non-Executive Directors.

The Meetings of the Board of Directors are usually held at the Registered Office of the Company. The Meetings are scheduled well in advance and the intimation of each Board Meeting is given in writing to each Director about 8 to 10 weeks before the scheduled date of the Meeting. The Board of Directors meets, generally once in a quarter, primarily to review the quarterly performance and financial results of the Company, amongst other things.

The Company Secretary, in consultation with the Executive Chairman and the Managing Director, prepares detailed Agenda for the Board Meetings. All the necessary documents including Annexures, Explanatory Notes, etc., are circulated, along with the Agenda, to all the Directors about 7 to 10 days in advance. The Board Members are also free to recommend inclusion of any other matter in the Agenda, for discussion in the Board Meeting.

During FY 2014-15 under review, the Board of Directors met 4 (four) times, i.e. on 20th May 2014, 28th July 2014, 10th November 2014 and 03rd February 2015. Details of Board Meetings held during FY 2014-15 are as follows:

Sr. No.	Date of the Board Meeting	Board Strength	No. of Directors Present
1	20 th May, 2014	12	11
2	28 th July, 2014	11	9
3	10 th November, 2014	12	12
4	03 rd February, 2015	12	10

The composition of the Board of Directors, attendance at the Board Meetings held during FY 2014-15 and at the last Annual General Meeting, number of Directorships in other Companies and Memberships of Committees across various other Companies, in which the Director is a Member / Chairman, are given below:

Sr. No.	Name of the Director	Category of Directorship	Financial Year 2014-15 Attendance at		As on March 31, 2015		
			Board Meetings	Last AGM (28 th July, 2014)	No. of other Directorships #	Committee Positions @	
						No. of Memberships	No. of Chairmanships
1	Ms. A. B. Advani	Executive	3	Present	2	2	NIL
2	Mr. S. M. Bhat	Executive	4	Present	NIL	NIL	NIL
3	Mrs. N. Malkani Nagpal	Non-Executive	4	Present	3	1	1
4	Mr. R. A. Mirchandani	Non-Executive	3	Present	1	NIL	2
5	Mr. A. T. Malkani	Non-Executive	4	Present	2	NIL	NIL
6	Mr. D. A. Lalvani	Non-Executive	4	Present	2	2	NIL
7	Mr. Anil Harish*	Independent & Non- Executive	2	Present	NA	NA	NA
8	Mr. M. K. Maheshwari	Independent & Non-Executive	2	Absent	6	2	1
9	Mr. P. K. Gupta	Independent & Non-Executive	3	Absent	NIL	NIL	NIL
10	Mr. R. N. Sapru	Independent & Non-Executive	4	Present	NIL	NIL	NIL
11	Mr. K. Digvijay Singh	Independent & Non-Executive	4	Present	1	NIL	NIL
12	Mr. Vippen Sareen ^	Independent & Non-Executive	1	NA	NA	NA	NA
13	Mr. G. M. Lalwani §	Independent & Non-Executive	2	NA	1	NIL	NIL
14	Mr. S. G. Mirchandani §	Independent & Non-Executive	2	NA	2	2	NIL

Excludes Directorships in Foreign Companies, Private Limited Companies & Charitable Companies, if any.

@ Considered Memberships / Chairmanships of Audit Committee & Stakeholders Relationship Committee only, other than Ador Welding Ltd., as per Clause 49 of the Listing Agreement.

\$ Appointed on 10th November, 2014

* Resigned on 30th September, 2014

^ Superannuated on 07th July, 2014

None of the Directors is a Member of more than 10 (ten) Board Committees and Chairman of more than 5 (five) such Committees, across all the Companies in which he / she is a Director, as required under Clause 49 of the Listing Agreement. The same is also evidenced from the above table. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and none of the Directors hold Directorship in more than seven listed companies out of a maximum of twenty companies, where they can hold Directorship. None of the Directors of the Company are related to each other. All the Non-Executive Directors, who are not Independent Directors, are liable to retire by rotation.



The Executive Chairman is also liable to retire by rotation.

None of the Independent Directors of the Company have any material pecuniary relationship or transactions with the Company, its Promoters or its Management, which would affect the independence or judgement of the Director/s. The Company has also not entered into any materially significant transactions with its Promoters, Directors or their relatives or with the Management, etc. that may have potential conflict, with the interest of the Company at large.

Broad Terms of Reference / Functions of the Board:

The following information is generally provided to the Board of Directors:

- Annual operating plans & budgets and updates thereon.
- Capital budgets and updates thereon.
- Quarterly & Half Yearly Unaudited Financial Results of the Company and its Operating Divisions or Business Segments.
- Audited Financial Results of the Company.
- Minutes of Meetings of the Committees of the Board & Subsidiaries of the Company.
- The information on recruitment and remuneration of senior executives, just below the Board level.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations by the Company, or substantial non-payment of goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Risk Mitigation plans / updates.
- Details of any Joint Venture or Collaboration Agreement.
- Transactions that involve substantial payment towards Goodwill, Brand Equity or Intellectual Property.
- Significant labour problems and their proposed solutions.
- Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.
- Quarterly / Half yearly / Yearly details of financials & other material information of Subsidiary Companies.
- Sale of material nature of investments, subsidiaries, assets, etc. which is not in the normal course of business.
- Quarterly details of Foreign Exchange exposures and steps taken by the Management to limit the risks of adverse exchange rate movement.
- Non-compliance of any regulatory, statutory or Listing requirements and shareholder services, such as non-payment of dividend, delay in share transfers, etc.
- Updates on working of Subsidiaries.

The Board of Directors is routinely provided with all the above information whenever applicable. These are submitted either as a part of Agenda papers or are tabled in the course of the Board Meeting, which get discussed / are noted in the Board Meeting.



Code of Conduct:

The Board of Directors has laid down a 'Code of Conduct' for all the Board Members and Senior Management Personnel of the Company. The 'Code of Conduct' has also been posted onto the website of the Company – www.adorwelding.com. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for FY 2014-15.

The Company has also adopted a separate code for Independent Directors, as laid down under Schedule IV to the Companies Act, 2013 and the same is also posted onto the website of the Company.

3) Audit Committee

Broad Terms of Reference / Functions of the Committee:

The Audit Committee reviews and ensures that financial statements are correct, sufficient and credible with reference, particularly, to the requirements, as enumerated under Clause 49 of the Listing Agreement, to the extent applicable. The Audit Committee is governed by a Charter that defines its composition, authority, responsibility and reporting functions, which is in line with the regulatory requirements mandated by the Companies Act, 2013 & Clause 49 of the Listing Agreement, and is reviewed from time to time.

In order to effectively discharge its responsibility, the Audit Committee has been empowered:

- To call for the comments of auditors on the internal control systems, scope of audit including the observations of the auditors and review of the financial reports before they are submitted to the Board.
- To discuss any related issues with the Internal & Statutory Auditors and the Management of the Company.
- To evaluate adequacy of Risk Management System and Risk Mitigation.
- To investigate into any matter in relation to the items referred to it by the Board.
- To have full access to the information contained in the records of the Company.
- To seek information from any employee.
- To obtain professional advice from external sources.
- To secure attendance of outsiders with relevant expertise in the meeting, if it considers necessary.
- To invite Auditors or any experts to the meeting.

Composition, Number of Meetings held and Attendance:

During FY 2014-15 under review, 4 (four) Audit Committee Meetings were held, i.e. on 20th May 2014, 28th July 2014, 10th November 2014 and 03rd February 2015.

On 20th May 2014, the Audit Committee was reconstituted by the Board of Directors by inducting Mr. D. A. Lalvani in place of Mr. A. T. Malkani.

On 10th November 2014, the Audit Committee was again reconstituted by the Board of Directors by inducting Mr. P. K. Gupta & Mrs. N. Malkani Nagpal in place of Mr. Anil Harish & Mr. D. A. Lalvani, respectively.

The Company Secretary acts as the Secretary of the Audit Committee.

It is the prerogative of the Audit Committee to invite Senior Executives, whom it considers apropos, to be present at the Meeting. Almost in all the Audit Committee Meetings, Senior Executives and Auditors of the Company were invited.



The composition of the Audit Committee and attendance at the Meetings held in FY 2014-15 is given hereunder:

Sr. No.	Name of the Member	Position	Category	Attendance during FY 2014-15
1	Mr. M. K. Maheshwari ^	Chairman	Non-Executive & Independent Director	2
2	Mr. K. Digvijay Singh	Member	Non-Executive & Independent Director	4
3	Mr. P. K. Gupta \$	Member	Non-Executive & Independent Director	1
4	Mrs. N. Malkani Nagpal \$	Member	Non-Executive Director	2
5	Mr. D. A. Lalvani *	Member	Non-Executive Director	2
6	Mr. Anil Harish #	Ex-Chairman	Non-Executive & Independent Director	2

^ **Member - till 10th November, 2014 & Chairman - from 11th November, 2014**

\$ **From 11th November, 2014**

* **Till 10th November, 2014**

Till 30th September, 2014

The highlights of each of the Audit Committee Meetings are informed / provided to the Board of Directors and discussed in the Board Meeting. Subsequently, the Minutes of the Audit Committee Meetings are also sent to the Board.

4) **Nomination & Remuneration Committee**

In compliance with Section 178 of the Companies Act, 2013, the Board renamed the "Remuneration Committee" as the "Nomination and Remuneration Committee".

Broad Terms of Reference / Functions of the Committee:

The Committee is vested with all the crucial powers and authority to ensure appropriate disclosure on the remuneration of the Directors and to deal with all the elements of remuneration packages w.r.t. all the Directors. The Nomination & Remuneration Committee recommends to the Board the compensation terms of Directors & Senior Management. The Committee functions in accordance with the Nomination & Remuneration Committee Charter prepared in accordance with the Companies Act, 2013 & Clause 49 of the Listing Agreement, adopted by the Board, which, inter alia includes the following functions:

- Formulating the criteria for determining qualifications, positive attributes and independence of a Director.
- Formulating the criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- Ensuring that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Ensuring that the remuneration of the Directors, key managerial personnel and senior management involves a balance between fixed and incentive (variables) pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

- viii. Carrying out evaluation of every Director's performance, including the Independent Directors.
- ix. Reviewing and recommending to the Board, the following:
 - a) Appointment / re-appointment of the Whole-time Directors and the Non-executive Directors, including contract terms, performance criteria / targets, fees, travel and other benefits, etc.
 - b) "Remuneration Report" in accordance with the Companies Act, 2013 for inclusion in the Directors' Report.
 - c) "Remuneration Policy"
 - for the Whole-time / Executive Directors and Non-executive Directors;
 - for the Key Managerial Personnel & Senior Management; and
 - for other employees.
 - d) The size, qualification and composition of the Board.
 - e) Short-term incentive strategy, performance targets and bonus payments for the Executive Directors.
 - f) Offers, under the Company's employee equity incentive plans, if any, in respect of a financial year.
- x. Proposing the time expected to be devoted by the Non-executive Directors in relation to the Company's affairs.
- xi. Reviewing major changes and developments in the Company's remuneration, recruitment, retention, superannuation arrangements, human resource practices and employee relations.
- xii. Ensuring that the Board and the Management makes available to them sufficient information and external advice for informed decision-making regarding remuneration.

Composition, Number of Meetings held and Attendance:

During FY 2014-15 under review, 3 (three) Nomination & Remuneration Committee Meetings were held, i.e. on 20th May 2014, 10th November 2014 and 03rd February 2015.

On 20th May 2014, the Nomination & Remuneration Committee was reconstituted by the Board of Directors by inducting Mr. R. A. Mirchandani in place of Mr. D. A. Lalvani.

The Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

The composition of the Nomination & Remuneration Committee and the attendance at its Meetings is given hereunder:

Sr. No.	Name of the Member	Position	Category	Attendance during FY 2014-15
1	Mr. R. N. Sapru	Chairman	Non-Executive & Independent Director	3
2	Mr. M. K. Maheshwari	Member	Non-Executive & Independent Director	2
3	Mr. R. A. Mirchandani ^	Member	Non-Executive Director	1
4	Mr. D. A. Lalvani *	Member	Non-Executive Director	1
5	Mr. Anil Harish #	Member	Non-Executive & Independent Director	1

^ **From 21st May, 2014**

* **Till 20th May, 2014**

Till 30th September, 2014

The highlights of each of the Nomination & Remuneration Committee Meetings are informed / provided to the Board of Directors and discussed in the Board Meeting. Subsequently, the Minutes of the Nomination & Remuneration Committee Meeting are also sent to the Board.



Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Nomination & Remuneration Committee has laid down the criteria for performance evaluation of the Directors, which shall be carried out for / by the entire Board of Directors. Evaluation is based on various parameters as stated below:

- Participation in Board Meetings and Annual General Meetings of the Company.
- Quality of inputs (contribution) in the Meetings
- Contribution towards development of Strategy
- Contribution towards Risk Management
- Efforts taken towards acquiring knowledge about the Company and the business
- Concern towards the holistic development of the Company - short term as well as long term.

The evaluation process takes place through self evaluation of Directors and evaluation by the peers.

Remuneration Policy for Directors:

Pursuant to the requirements of the Companies Act 2013 and Clause 49 of the Listing Agreement, the Board has, on the recommendation of the Nomination & Remuneration Committee, framed a Remuneration Policy for its Directors, considering the following, amongst other things:

1. Remuneration to the Executive Directors:

The remuneration of the Whole-time / Executive Director(s) is decided by the Nomination & Remuneration Committee, based on the criteria such as industry benchmarks, the Company's performance vis-à-vis the Industry performance / track record of the Whole-time / Executive Director(s) and the same is recommended to the Board of Directors. The Company pays remuneration by way of salary, perquisites & allowances (fixed component) and Bonus / Performance Incentive & Commission (variable component) upto a maximum of 1% of the net profits of the Company, specifically computed for this purpose, as per the provisions of the Companies Act, 2013 to all / each of its Whole-time / Executive Directors such that the total remuneration (including commission/bonus), as decided by the Board of Directors in its absolute discretion, does not exceed the limits prescribed under Section 197 of the Companies Act, 2013. Bonus / Performance Incentive and Commission is payable to the Managing Director, subject to the achievement of performance criteria / parameters laid down by the Executive Chairman / Board of Directors from time to time.

Annual increments are recommended by the Nomination & Remuneration Committee within the salary scale. The terms of remuneration are approved by the Shareholders at the Annual General Meeting and are effective as per their individual Agreements.

2. Remuneration to the Non-executive Directors:

The Non-executive Directors are paid a commission upto a maximum of 1% of the net profits of the Company proportionately, specifically computed for this purpose, as per the provisions of the Companies Act, 2013 and as approved by the Shareholders. The Non-executive Directors are also paid sitting fees of Rs. 10,000/- for attending every Meeting of the Board of Directors, Rs. 8,000/- for attending every Meeting of the Audit Committee, Rs. 5,000/- for attending every Meeting of the Stakeholders Relationship Committee and Rs. 5,000/- for attending every Meeting of the Nomination & Remuneration Committee. No sitting fees are paid for attending the Meetings of the CSR Committee & the Independent Directors Meeting.

Criteria for payment to Non-executive Directors:

Under Clause 49 of the Listing Agreement, every Company is required to publish its criteria for payment to Non-executive Directors in its Annual Report or alternatively, its policy also can be uploaded on the Company's website. Accordingly, the same is posted onto the website of Company at the following web link:

<http://www.adorwelding.com/site/docs/Criteria%20for%20payment%20to%20NEDs.pdf>

The details of the remuneration paid / payable to all the Directors for FY 2014–15 are given below:-

(Rs. in lacs)

Sr. No.	Name of the Director	Salary	Benefits (Perquisites)	Pension	Commission £	Sitting Fees @ £	Total
1	Ms. A. B. Advani	131.25#	2.23	-	2.29	-	135.77
2	Mr. S. M. Bhat	106.74 *	0.61	-	-	-	107.35
3	Mrs. N. Malkani Nagpal	-	-	-	2.41	0.76	3.17
4	Mr. R. A. Mirchandani	-	-	-	2.41	0.50	2.91
5	Mr. A. T. Malkani	-	-	-	2.41	0.65	3.06
6	Mr. D. A. Lalvani	-	-	-	2.41	0.81	3.22
7	Mr. Anil Harish \$	-	-	-	1.21	0.41	1.62
8	Mr. M. K. Maheshwari	-	-	-	2.41	0.46	2.87
9	Mr. P. K. Gupta	-	-	-	2.41	0.38	2.79
10	Mr. R. N. Sapru	-	-	-	2.41	0.55	2.96
11	Mr. K. Digvijay Singh	-	-	-	2.41	0.72	3.13
12	Mr. Vippen Sareen **	-	-	-	0.64	0.10	0.74
13	Mr. G. M. Lalwani ^	-	-	-	0.93	0.20	1.13
14	Mr. S.G. Mirchandani ^	-	-	-	0.93	0.20	1.13
TOTAL		237.99	2.84	-	25.28	5.74	271.85

Fixed Component

@ As Member / Invitee, wherever applicable

£ Excluding Service Tax

* Including Bonus of Rs. 19.19 Lacs

^ Appointed as Additional Director on 10th November, 2014

\$ Resigned on 30th September, 2014

** Superannuated on 07th July, 2014

Notes:

- The Agreement with the Executive Chairman is for a period of five years. Either party to the Agreement is entitled to terminate the Agreement by giving 6 months' notice to the other party, as mentioned in the Agreement.
- Performance linked incentive for the Executive Chairman as per the Agreement is Commission upto 1% of the net profits of the Company as calculated under Section 198 of the Companies Act, 2013.
- The Agreement with the Managing Director is for a period of three years. Either party to the Agreement is entitled to terminate the Agreement by giving 3 months' notice to the other party, as mentioned in the Agreement.
- Performance Criteria for the Managing Director for FY 2014-15 was as follows:
 - Net Sales: Rs. 410 Crore &
 - Net Profits (before Tax): Rs. 33 Crore.
- Performance linked incentives for the Managing Director as per the Agreement are:
 - Bonus @ 0.05% of the targeted net sales.
 - Commission @ 0.50% of the Net Profits, subject to the achievement of targets.
- All the Promoter Directors are liable to retire by rotation.



- According to the Articles of Association of the Company, the Managing Director is not liable to retire by rotation.
- As per the Companies Act 2013, none of the Independent Directors retire by rotation.
- Presently, the Company does not have any stock option scheme for its Directors or employees.
- Severance Fees : NIL

5) Stakeholders Relationship Committee

In compliance with Section 178 of the Companies Act, 2013, the Board renamed the “Shareholders / Investors’ Grievances Committee” as the “Stakeholders Relationship Committee”.

Broad Terms of Reference / Functions of the Committee:

The Stakeholders Relationship Committee of the Board looks into the redressal of investors’ complaints like non-receipt of Annual Report, Dividend, Share Certificates, etc. and the matters related to share transfers, issue of duplicate share certificates, dematerialisation / rematerialisation of shares, transmission of shares and other allied transactions. It also delegates necessary powers to the executives of the Company, to process the share transfer, etc.

The Committee functions in accordance with a Charter, approved by the Board, which is prepared according to the provisions of the Companies Act, 2013 & Clause 49 of the Listing Agreement, which enables it to carry out its functions effectively.

The status on complaints received and replied is also reported to the Board of Directors, as an Agenda item in every Board Meeting.

Composition, Number of Meetings held and Attendance:

During FY 2014–15 under review, 4 (four) Stakeholders Relationship Committee Meetings were held, i.e. on 20th May 2014, 28th July 2014, 10th November 2014 and 02nd February 2015.

Mr. A. T. Malkani was elected as the Chairman of the Stakeholders Relationship Committee, in its Meeting, held on 28th July, 2014.

The composition of the Stakeholders Relationship Committee and attendance at its Meetings is given hereunder:

Sr. No.	Name of the Member	Position	Category	Attendance during FY 2014-15
1	Mr. A. T. Malkani *	Chairman	Non - Executive Director	4
2	Mrs. N. Malkani Nagpal	Member	Non - Executive Director	4
3	Mr. R. A. Mirchandani	Member	Non - Executive Director	3
4	Mr. D. A. Lalvani ^	Member (Ex-Chairman)	Non - Executive Director	4

* From 21st May, 2014

^ Till 20th May, 2014

The Minutes of each of the Stakeholders Relationship Committee Meetings are placed before the Board of Directors and discussed in the Board Meeting.

Compliance Officer:

Mr. V. M. Bhide, Company Secretary, has been designated by the Board of Directors, as the Compliance Officer.

Details of Shareholders' complaints received & replied and the status on pending share transfers is given below:

- The total number of complaints received and replied to the satisfaction of the shareholders during FY 2014-15 is 8.
- There were no outstanding complaints as on 31st March, 2015.
- There are no pending share transfers in physical as well as in demat category. All the requests received upto 31st March, 2015 for share transfers have been processed by the Registrar & Share Transfer Agent of the Company.

The Statement of Directors' Shareholding is as under:

Sr. No.	Name of the Director	Shareholding	
		As on 31 st March, 2015	As on 07 th May, 2015
1	Ms. A. B. Advani	2,95,480	2,95,480
2	Mr. S. M. Bhat	NIL	NIL
3	Mrs. N. Malkani Nagpal	57,352	57,352
4	Mr. R. A. Mirchandani	8,002	8,002
5	Mr. A. T. Malkani	1,03,626	1,03,626
6	Mr. D. A. Lalvani	20,952	20,952
7	Mr. M. K. Maheshwari	NIL	NIL
8	Mr. P. K. Gupta	NIL	NIL
9	Mr. R. N. Sapru	NIL	NIL
10	Mr. K. Digvijay Singh	NIL	NIL
11	Mr. G. M. Lalwani	10	10
12	Mr. S. G. Mirchandani	NIL	NIL

6) Corporate Social Responsibility (CSR) Committee

The CSR was formed by the Board of Directors pursuant to Section 135 of the Companies Act, 2013 on 20th May, 2014.

Broad Terms of Reference / Functions of the Committee:

The Corporate Social Responsibility Committee functions in accordance with a Charter prepared & approved by the Board of Directors and the terms of reference of the Corporate Social Responsibility Committee broadly comprise of the following:

- formulating & recommending to the Board, a CSR policy, which shall indicate the activities to be undertaken by the Company, as specified in Schedule VII to the Companies Act 2013.
- recommending the annual budget on the CSR activities & the amount of expenditure, to be incurred on the CSR projects / programmes.
- monitoring the implementation of the CSR Policy of the Company from time to time.
- setting up a transparent system to oversee the implementation of the CSR activities / projects / programmes.



A CSR Policy is formulated & approved by the Board, as mandated under the provisions of Section 135 of the Companies Act, 2013. The details of the CSR Policy are placed on the Company's website on the following web link:

<http://www.adorwelding.com/site/pdfs/CSR%20FY%202014-15.pdf>

Composition, Number of Meetings held and Attendance:

During FY 2014-15 under review, 4 (four) CSR Committee Meetings were held, i.e. on 20th May 2014, 28th July 2014, 10th November 2014 and 19th January 2015.

On 10th November 2014, the Corporate Social Responsibility Committee was reconstituted by the Board of Directors by inducting Mr. M. K. Maheshwari in place of Mr. Anil Harish.

The Company Secretary acts as the Secretary of the Corporate Social Responsibility Committee.

The composition of the Corporate Social Responsibility Committee and attendance at its Meetings is given hereunder:

Sr. No.	Name of the Member	Position	Category	Attendance during FY 2014-15
1	Mr. M. K. Maheshwari *	Chairman	Non - Executive & Independent Director	1
2	Ms. A. B. Advani	Member	Executive Chairman	3
3	Mr. S. M. Bhat	Member	Managing Director	4
4	Mr. D. A. Lalvani	Member	Non - Executive Director	4
5	Mr. Anil Harish #	Ex-Chairman	Non - Executive & Independent Director	2

* From 11th November, 2014

Till 30th September, 2014

The highlights of each of the CSR Committee Meetings are informed to the Board of Directors and discussed in the Board Meeting. Subsequently, the Minutes of the CSR Committee Meetings are also sent to the Board.

7) General Body Meetings

Location and time of the last 3 Annual General Meetings of the Company is given below:

Sr. No.	Financial Year	Date	Location	Time
1	2013-14	28 th July, 2014	Walchand Hirachand Hall, Mumbai	03:30 pm
2	2012-13	24 th July, 2013	Walchand Hirachand Hall, Mumbai	03:30 pm
3	2011-12	20 th July, 2012	Walchand Hirachand Hall, Mumbai	03:30 pm

All the special resolutions moved in the previous three (3) Annual General Meetings were passed unanimously by all the Members present at the Meeting and no special resolution was put through postal ballot during last year. However the Company had provided e-voting facility to its Members and a poll (physical ballot) was conducted at the Annual General Meeting held on 28th July 2014 and all the resolutions were passed with requisite majority thereat.

The summary of outflow on account of Dividends & Dividend Tax for the last 8 (eight) years along with the percentage & type of Dividend is given below:

Sr. No.	Financial Year	Dividend %	Type	Dividend Outflow (Rs. in lacs)	Dividend Tax Outflow (Rs. in lacs)	Total Outflow (Rs. in lacs)	PAT (Rs. in lacs)	% of Dividend & Tax to PAT
A	B	C	D	E	F	G = (E+F)	H	I = (G/H)%
1	2014-15	50 \$	Final	679.92	138.42	818.34	3,237.32	25.28
2	2013-14	50	Final	679.92	115.55	795.47	422.70	188.19
3	2012-13	60	Final	815.91	132.36	948.27	1,908.02	49.70
4	2011-12	60	Final	815.91	132.36	948.27	2,089.11	45.39
5	2010-11	60	Final	815.91	135.51	951.42	2,569.11	37.03
6	2009-10	60	Final	815.91	135.51	951.42	2,633.52	36.13
7	2008-09	40	Final	543.94	92.44	636.38	1,257.18	50.62
8	2007-08	80	Final	1,087.88	184.88	1,272.76	2,291.61	55.54

\$ subject to the approval of the Members at the ensuing AGM

8) Independent Directors' Meeting and Familiarisation Programme for Independent Directors

8.1 Independent Directors' Meeting:

During the year under review, the Independent Directors met on 03rd February 2015, inter alia, to discuss the following:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of the Executive Chairman of the Company, taking into views of the other Executive, Non-Executive & Independent Directors.
- Assess the quality, quantity and timelines of flow of information between the Company management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

8.2 Familiarisation Programme for Independent Directors:

Pursuant to Clause 49 of the Listing Agreement, the Company has carried out Familiarization Programme for the Independent Directors on their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through which the Independent Directors were briefed on the affairs of the Company. The detailed methodology of the Familiarisation Programme is uploaded on the following web link:

<http://www.adorwelding.com/site/docs/Familiarisation%20Programme%20for%20Independent%20Directors.pdf>



9) Disclosures

9.1 *Materially significant related party transactions:*

During FY 2014-15 under review, there were no materially significant Related Party Transactions of the Company with its Promoters, Directors or the Senior Management Personnel or their relatives, as well as its subsidiaries / Joint Ventures, etc. that had a potential conflict with the interest of the Company at large.

9.2 *Policy for entering into Related Party Transactions:*

The Company has formulated Related Party Transaction Policy, as required under the provisions of the Companies Act, 2013 & Clause 49 of the Listing Agreement, and the same is uploaded on the Company's website: <http://www.adorwelding.com/site/docs/RPT%20Policy.pdf>

9.3 *'Material' Subsidiaries:*

Pursuant to Clause 49 of the Listing Agreement, a Policy for determining 'material' subsidiaries has been adopted by the Company, which was approved by the Board on 10th November 2014, and the same is uploaded on the following web link:

<http://www.adorwelding.com/site/docs/Material%20Subsidiary%20print%20-%20Copy.pdf>

9.4 *Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or Securities & Exchange Board of India (SEBI) or any Authority on any matter related to capital markets during the last three financial years:*

The Company has complied with all the rules & regulations prescribed by the Stock Exchanges, SEBI and all other statutory authorities relating to the capital markets during the last three financial years. There were no instances of levy of any penalties or strictures on the Company.

9.5 *Vigil Mechanism - Whistle Blower Policy:*

The Company has established Vigil Mechanism-cum-Whistle Blower Policy, to enable its Directors & Employees to report the instances of any unethical / improper activity in the Company and the said Policy is uploaded on the Company website on the following web link:

<http://www.adorwelding.com/site/docs/Whistle%20Blower-cum-Vigil%20Mechanism%20Policy.pdf>

10) Means of Communication

10.1 The Company regularly publishes its Quarterly / Half-yearly & Annual Financial Results in newspapers, viz. Business Standard (English) & Mumbai Sakal (Marathi), and simultaneously posts them on to the website of the Company: www.adorwelding.com. Hence, the financial results are not sent to the shareholders' residence. Annual Report is emailed to the Shareholders, whose email ID's are registered with the Company / RTA / DP and posted / dispatched to other shareholders who either do not have email IDs or whose email IDs are not registered with the Company / RTA / DP.

10.2 The presentations are made to the Institutional Investors / Analysts, as and when required.

10.3 The Management Discussion & Analysis Report is an integral part of the Annual Report. (Refer Annexure V to the Directors' Report)

11) General Shareholder Information
Annual General Meeting:

Day, Date and Time	:	Thursday, 30 th July 2015 at 03:30 pm.
Venue	:	Walchand Hirachand Hall, Indian Merchants Chamber, Churchgate, Mumbai - 400 020, Maharashtra, India.
Financial Year	:	01 st April 2014 – 31 st March 2015
Book Closure Date	:	Friday, 24 th July 2015 to Thursday, 30 th July 2015
Dividend Payment Day and Date	:	By Monday, 03 rd August 2015
Financial Calendar for FY 2015-16	:	Financial (unaudited) Reporting for the quarter ending June 2015 – by 14 th August 2015 Financial (unaudited) Reporting for the quarter ending September 2015 – by 14 th November 2015 Financial (unaudited) Reporting for the quarter ending December 2015 – by 14 th February 2016 Financial (audited) Reporting for the year ending March 2016 – by end of May 2016

Listing:

The Stock Exchanges on which the Company's securities are listed and the Company's corresponding Stock Code is as under:

Name of the Stock Exchange	Stock Code
BSE Limited, Mumbai	517041
The National Stock Exchange (India) Limited (NSE), Mumbai	ADORWELD

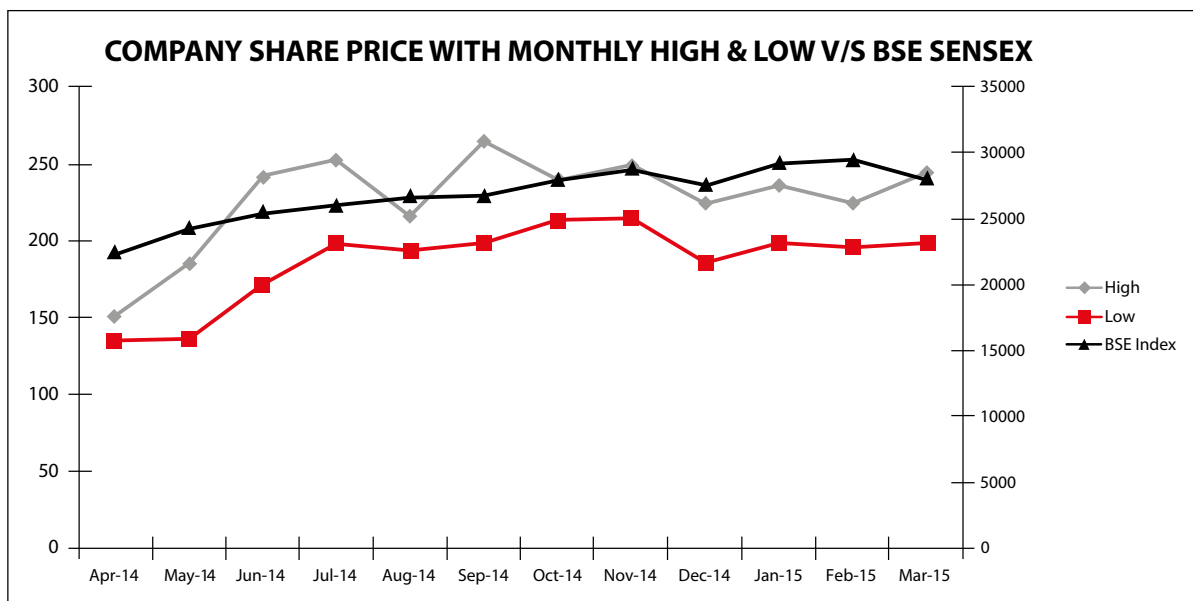
Market Price Data:

High / Low during each month of the last FY 2014-15 is given hereunder:

INDEX	BSE				NSE			
	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades
April, 2014	151.00	134.50	45,953	2,044	152.00	135.00	1,35,998	3,272
May, 2014	184.95	135.00	1,76,494	5,958	185.00	135.00	3,90,883	7,715
June, 2014	241.00	170.00	2,20,532	8,691	240.95	167.70	7,28,657	11,724
July, 2014	252.00	198.00	1,06,684	2,117	255.00	198.00	1,83,711	2,239
August, 2014	215.00	193.10	21,548	1,910	216.75	192.60	56,814	1,843
September, 2014	264.00	197.50	77,863	4,268	264.70	196.15	2,01,323	5,212
October, 2014	238.65	212.20	16,266	1,422	239.40	210.00	52,913	1,723
November, 2014	248.45	214.00	1,40,033	4,697	248.10	216.10	2,45,243	4,611
December, 2014	223.90	185.00	37,009	3,727	224.75	182.20	1,09,172	3,901
January, 2015	235.30	198.05	38,680	6,365	236.00	198.10	1,28,658	5,261
February, 2015	224.00	192.00	24,817	5,001	224.90	192.40	94,992	3,929
March, 2015	243.80	198.40	46,544	5,450	243.60	198.20	2,31,047	7,753



Performance in comparison to BSE Sensex



Registrar & Share Transfer Agent:

- The name of the Registrar & Share Transfer Agent (RTA) of the Company is '**M/s. Sharex Dynamic (India) Pvt. Ltd.**'
- The share transfer for both, physical and electronic (demat) segment, is handled by the Company's RTA at the following address:

Unit No.1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Andheri (East), Mumbai – 400 072.
Maharashtra, INDIA
Tel : +91 22 2851 5606 / 44
Website: www.sharexindia.com
Email : sharexindia@vsnl.com / sd_india@rediffmail.com

Share Transfer System:

Shares lodged for transfer with the RTA of the Company are normally processed within a period of 15 days from the date of lodgement, provided the documents are clear in all respects. All requests for dematerialisation of shares are processed and the confirmation is given by RTA to the depositories within 15 days. The Company Secretary and a couple of Senior Executives of the Company are empowered to approve the share transfers.

Grievances and other miscellaneous correspondence on change of address, bank mandates, NECS, etc. received from the Members, are generally processed by the RTA of the Company within 7 working days.

Distribution of shareholding as on 31st March, 2015:

Sr. No.	Range of Shareholding	No. of Shareholders	% of Total Shareholders	No. of Shares held	% of Total Shareholding
1	1 - 100	6,780	48.13	3,67,797	2.70
2	101 - 200	3,217	22.84	5,10,557	3.76
3	201 - 500	3,253	23.09	9,48,682	6.98
4	501 - 1000	448	3.18	3,52,742	2.59
5	1,001 - 5,000	320	2.27	6,86,690	5.05
6	5,001 - 10,000	27	0.19	1,93,576	1.42
7	10,001 - 1,00,000	34	0.24	10,88,820	8.01
8	1,00,001 and above	9	0.06	94,49,603	69.49
TOTAL		14,088	100.00	1,35,98,467	100.00

Shareholding pattern (category wise) as on 31st March, 2015:

Sr. No.	Category	No. of Shares Held	% of Total Shareholding
1	Promoters	77,08,337	56.68
2	Mutual Funds	21,37,926	15.72
3	Banks / Financial Institutions	632	0.01
4	FIs	3,925	0.03
5	NRIs / OCBs	4,26,462	3.13
6	Private Corporate Bodies	2,20,254	1.62
7	Resident Individuals & others	30,70,039	22.58
8	Clearing Members	30,892	0.23
TOTAL		1,35,98,467	100.00

Dematerialisation of Shares and Liquidity:

- 1,27,74,054 Equity shares of the Company, representing about 93.94% of the total shares of the Company, have been dematerialized as on 31st March, 2015.
- Trading in the shares of ADOR WELDING LIMITED is permitted only in dematerialised form with effect from 08th May, 2000 and are available for trading on both the depositories in India, i.e. M/s. National Securities Depository Ltd. (NSDL) & M/s. Central Depository Services (India) Ltd. (CDSL).

Statutory Compliance:

During FY 2014-15 under review, the Company has generally complied with all the applicable provisions, filed all returns, forms, etc. & furnished all the relevant particulars as required under the Companies Act, 2013 to the extent notified and other allied Acts / Rules, the Securities & Exchange Board of India (SEBI) Regulations and the Listing Agreements.

Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and its impact on equity: NIL


Plant Locations:

The Company has the following manufacturing plants as of 31st March, 2015:

Chennai Plant	Chinchwad Plant
Melakottaiyur via Vandalur, Chennai - 600 048. Tamil Nadu, INDIA	Akurdi, Chinchwad, Pune - 411 019. Maharashtra, INDIA
Raipur Plant	Silvassa Plant
Bilaspur Road, Industrial Estate, Raipur - 493 221. Chattisgarh, INDIA	Survey No. 59/11/-1, Khanvel Road, Opp. Gulf Oil, Masat, Silvassa - 396 230. U. T. of Dadra & Nagar Haveli, INDIA

Address for Correspondence:
ADOR WELDING LIMITED

Ador House, 4th Floor, 6, K. Dubash Marg, Fort, Mumbai - 400 001-16, Maharashtra, INDIA.

B) Non Mandatory Requirements

- Chairman of the Board:**

The Company has an Executive Chairman and hence the requirement pertaining to reimbursement of expenses to a Non-executive Chairman does not arise.

- Shareholder's Rights:**

As the Company's financial results are published in English newspaper having a wide circulation all over India and in Marathi newspaper widely circulated in Mumbai (Maharashtra), the same are not sent to the shareholders of the Company, individually. The Company's Quarterly / Half Yearly / Annual Audited Results are also posted on to the Company's website.

- Audit Qualifications:**

There are no qualifications in the Auditor's Report.

- Separate Posts for Chairman & CEO:**

The Company has separate posts of Chairman (Executive), being Ms. A. B. Advani and Managing Director (CEO), being Mr. S. M. Bhat.

- Training of Board Members:**

The necessary training will be provided to the Board Members, as and when required.

- Reporting of Internal Auditors:**

The following firms of Chartered Accountants were appointed as the Internal Auditors of the Company for FY 2014-15 to conduct the Internal Audit, as per the scope approved by the Audit Committee, at the locations detailed below:

Sr. No.	Name of the Internal Auditor	Plant / Office Location
1	M/s. Kirtane & Pandit, Pune	Silvassa Plant, Chinchwad Complex and attached Sales offices including Regd. & Corp. Office located at Mumbai
2	M/s. Pratapkaran Paul & Co., Chennai	Chennai Plant and attached Sales offices
3	M/s. Khakharia & Associates, Raipur	Raipur Plant and attached Sales offices

For and on behalf of the Board

Place: Mumbai
Date: 07th May, 2015

A. B. Advani
Executive Chairman



ANNUAL CERTIFICATIONS

DECLARATION PURSUANT TO CLAUSE 49 (II) (E) (2) OF THE LISTING AGREEMENT

As the Managing Director of Ador Welding Limited and as required pursuant to Clause 49 (II) (E) (2) of the Listing Agreement, I hereby declare and certify that all the Board Members and Senior Management Personnel of Ador Welding Limited have affirmed compliance with the Code of Conduct adopted by the Company for FY 2014-15.

For **ADOR WELDING LIMITED**

Mumbai, 07th May, 2015

S. M. Bhat
Managing Director

DISCLOSURE IN TERMS OF CLAUSE 49 (VIII) (C) (1) OF THE LISTING AGREEMENT

There is no pecuniary relationship or transaction of the Non-executive Directors vis-à-vis the Company.

For **ADOR WELDING LIMITED**

Mumbai, 07th May, 2015

V. M. Bhide
Head (Corp. Admin.) & Company Secretary

DISCLOSURE IN TERMS OF CLAUSE 49 (VIII) (E) (2) OF THE LISTING AGREEMENT

There are no inter-se relationships between the Directors / Board Members.

For **ADOR WELDING LIMITED**

Mumbai, 07th May, 2015

V. M. Bhide
Head (Corp. Admin.) & Company Secretary

AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the **Members of Ador Welding Limited,**

1. We have examined the compliance of conditions of Corporate Governance by Ador Welding Limited (the 'Company'), for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchange(s) in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We state that such compliance is neither an assurance as to the future viability of the Company, nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Dalal & Shah**
Firm Registration Number: 102021W
Chartered Accountants

Place: Mumbai
Date: May 7, 2015

Sarah George
Partner
Membership Number: 045255



ANNEXURE V - TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. INDUSTRY STRUCTURE & DEVELOPMENT

Though inherently highly fragmented, the previous year's recessionary trend seems to be a phase of the past, and a stable Central Government with a positive focus towards industrial growth, economic measures and steps taken towards actively encouraging investors, both foreign and domestic, seem to encourage the emergence of India as an Industry Giant in the near future. With focus of the government on "Make in India", the manufacturing sector will get desired boost leading to a robust and sustainable GDP growth in the years to come.

In the consumables manufacturing space, few MNCs have done certain local acquisitions to get a footprint in India. Also, local players are trying to go up in the value chain, both in the product & distribution front. The Equipment business is moving towards low cost Chinese products, posing competition to both, local & some key global players. At the same time, many Global European as well as US based manufacturers have set up manufacturing units in India, as a parallel resource to their Chinese manufacturing units, for low cost, rugged Equipments, customized for the Indian Market. The availability of low cost highly skilled manpower and engineering resources has also encouraged this trend. In the coming days, our focus on indigenized R&D should pay dividends. At this juncture, for the high - end Inverter machines, we shall be the main local source to cater the local market needs. Economic improvement will encourage the market to switch to Automation in a big way, both for Welding & Cutting equipments, and thereby calls for preparedness from local suppliers.

2. OPPORTUNITIES & THREATS

Our Nationwide Sales & Service network, Nationwide Distribution channels, backed by a large manufacturing footprint and capacity, coupled with the fact that ours is one of the most desirable brands in the Industry, will help us grow consistently & more importantly, be ready to meet the demand in an economic upswing in any Geographic / Industry Segment in the shortest possible time. Our focus in Product R&D, investments in development of products for newer

applications, with fastest time to market, and our preparedness in Process R&D to offer solution to all Market Segments, like Transport, Energy, Process, Infra, Shipbuilding, makes us the preferred choice for our customers. Liquidity is a key problem facing many customers & dealers, thus creating a severe dent in our existing market. However, we are mitigating the risk by appointing new dealers in potential areas. Project activity is starting up once again with encouraging trends in FY 2015-16.

3. RISK & CONCERN

Import from low cost countries is a major threat on the overall price realization. Excess supply position by the existing manufacturers over the market demand is causing price dilution. Liquidity crunch in the market reduces the number of customers & distributors (based on credit worthiness), thus reduces the size of the existing market. Burdened by sluggish growth, the market may not have the ability to generate expected / desired returns on all new products. Global recession can fuel dumping by some countries. However, development of new high value, niche application products by AWL, to replace the imported products from developed countries will enable us overcome the risk. In addition, critically planned and aggressive steps taken by AWL in indigenization of critical components and sub-assemblies, which were hitherto imported, have helped to reduce dependency on the foreign suppliers and at the same time have brought down the material costs due to completely indigenous sourcing / in-house manufacturing of these parts.

4. INCOME STATEMENT ANALYSIS

The total operating revenues for the year ended 31st March, 2015 reported a growth of 4.32%. The Consumables business for the year was at Rs. 27,181 Lacs, registering a marginal reduction of over 1% compared to the previous year (PY). The Equipment & Project Engineering business was at Rs.11,313 Lacs, registering a growth of over 21% compared to the previous year (PY).

Other income earned was at Rs. 459 Lacs (PY Rs. 506 Lacs), which was mainly accrued from prudent Treasury and Forex operations. The Expenditure to Sales Ratio increased to 95% as compared to 92% in the previous year. The sales

product mix grew more in favour of solid wires, which conventionally have lower margins. We are continuously working towards improving the product mix through high-value electrodes and wires in the Oil & Gas, Power & Nuclear sectors and have obtained specific approvals as well as initial orders in FY 2014-15. Major thrust will also be given to the Project Engineering business to improve the margins. Strategic sourcing of raw materials is another area of focus that we have provided to adequately face challenges of this nature.

The Manufacturing expenses to Materials ratio has decreased to 8.58% (PY 9%) on account of effective control of fuel consumption, Spares & Stores, etc. Also, various initiatives taken at Plants like Lean Manufacturing, Line Balancing, etc. helped us trim down the expenses. Effective control measures are being continuously explored to optimise the manufacturing expenses-to-sales ratio.

The effective tax rate for the year has increased from 33% to 34%, mainly on account of one time Short Term Capital Gains on sale of property. The EBITDA was lower at Rs. 3,373 Lacs (PY Rs. 4,175 Lacs), on account of increase in input material cost in the current year by 1.5% over previous year and change in policy of last year relating to compensated absence, resulted in lower employee cost.

5. BALANCE SHEET ANALYSIS

The Company funded all its operating expenses and capital investments from its internal accruals. However, investments in Mutual Funds decreased by Rs. 730 Lacs (PY decrease was Rs. 1,287 Lacs) as a result of deployment of these funds in repayment of Bank Guarantees issued on behalf of the subsidiary.

The inventory holding period decreased to 41 days in the current year, as against 49 days in the previous year. This was due to better finished goods and raw material management. Debtors were at 79 days as at 31st March, 2015, which were at 77 days as at 31st March, 2014. Creditors were at 63 days, as against 77 days in the last year.

6. OUTLOOK

The Indian economy depicts a forecast to grow @ 7.5% with new base in FY 2015-16 as per IMF, and projected to overtake China as one of the growing major economies. It is expected that India's economic growth will be at much better rate of 8 – 8.5% in the current fiscal year. If the current year's growth plans unfold the way it is forecasted, India

will achieve its fastest growth in five years since FY 2010-11. The smart economic pick-up is said to be largely on the back of the robust manufacturing sector performance and a surge in public expenditure.

In these conditions, our market share strategy will be pursued aggressively for continuing our growth plan. New products developed for new applications, will enable our customers to reduce their operating costs, and will help us grow business. Our new range of products, like CNC machines, Stainless Steel & MSGP electrodes for the Bottom of the Pyramid segment, special electrodes for Power, Process plants, Oil & Gas, Shipbuilding will help us grow our market share. Our offering of total automation solution, especially for auto components shall open a new market opportunity for us. Our investment in R&D & technical support should enable us grow as a true total solution provider for our Customers, rather than a mere hardware supplier, which will act as a key strategic differentiator.

7. INTERNAL CONTROL SYSTEM & ITS ADEQUACY

The Company strongly believes that effective internal controls are inherent to the principle of good corporate governance and operational freedom of conducting business should be exercised within the framework of appropriate checks & restraints.

The Company has, therefore, evolved a system of internal control comprising of authority, level & power, supervision, checks & balances, planning & procedures. The system is reviewed and updated on an on-going basis. The system covers the following aspects of business processes and reporting:

- Financial propriety of business transactions.
- Accurate reporting of the financial transactions, as per the applicable Accounting Standards.
- Efficient use and protection of resources of the Company.
- Compliance with the established Company policies, guidelines and statutes.

The Company has in place a well defined Internal Audit System. The scope of the audit is approved by the Audit Committee. The audit plan is focused on the following objectives:



- All operational and related activities are performed efficiently & effectively.
- Review of all Management Risks.
- Significant legislative and regulatory provisions impacting the organization are recognized and addressed appropriately by ensuring that all the relevant / applicable statutory compliances are complied with.
- Areas identified during audit for improving management control, process efficiency, etc. are communicated and acted upon.

The Audit Committee consists of Independent Directors, who review the Internal Audit Reports and offer necessary guidance with respect to their adequacy & scope.

The Company has a sound ERP system. The strengthening of our ERP system has made our Financial and Accounting Management Systems more robust. Further, the Company, in the current year, has also implemented Business Intelligence (BI) software, fully integrated with the ERP system. This has helped in analyzing and taking faster decisions. The Company is also in the process of implementing CRM software. The CRM will help the Company to identify its target customers, optimize sales management, improve Company relationships with customers through personalization, identify customer needs, offer solutions and analyze distribution patterns for faster reach to the customers.

The Company has a very good compliance track record with all the Legal and Statutory authorities in the Country, and there is a regular audit mechanism to ensure that the Company does not violate any of the Legal or Statutory provisions applicable to the Company.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCE

The Company recognizes the importance of its human capital as the most competitive resource available to the organization today. The key focus of the HR Department is to attract, retain and develop employees from diverse backgrounds & varied capabilities and to inculcate in them a sense of responsibility & urgency to achieve the set goals which are in line with the organization's Business Objectives. In the present knowledge era, which is synonymous with change and unpredictability, it is the constant endeavour of your Company to keep the employees motivated and build a feeling of ownership towards the

organization; thereby differentiating us from the competitors. The employee strength as of 31st March 2015 stood at 677.

The HR department is aimed to achieve two important objectives: (1) Ensuring support towards improving Business and (2) Making AWL as one of the Best Places to Work. We believe that our employees are our Assets and the Key to the Company's Success. We strive to attract and retain them through various HR policies, learning & development programs, employee engagement, reward & recognition and employer branding initiatives.

We offer our employees a bouquet of learning opportunities, which cater to their interests & ambitions ranging from in-house training programs to customised programs by external experts and career development opportunities. Several development initiatives were conducted to train the leadership team, managers and junior employees. Executive Coaching, Project Management, High Performance Manager and Marketing Champions are a few of the initiatives that took place apart from the regularly conducted on-the-job and other technical trainings.

We also believe that the only way we can excel is by empowering our employees and enabling a work environment conducive to innovation. We also provide forums for employees to voice their opinion with initiatives such as "Town Hall" and "Talk to your MD", etc.

Through our various employee friendly initiatives like Talent Management and other Best-in-Class practices, we look forward to be amongst one of the desirable Employers to work for.

Disclaimer:

The information and opinion expressed in this section of the Annual Report may contain certain forward looking statements, which the Management believes are true to the best of its knowledge, at the time of its preparation. The Company and the Management shall not be held liable for any loss, which may arise, as a result of any action taken on the basis of the information contained herein.

For and on behalf of the Board

Place: Mumbai
Date: 07th May, 2015

A. B. Advani
Executive Chairman



ANNEXURE VI - TO THE DIRECTORS' REPORT

FORM NO. MR-3

For the financial year ended March 31, 2015

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

SECRETARIAL AUDIT REPORT

To,
The Members,
Ador Welding Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate governance practices adopted by Ador Welding Limited, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my / our opinion thereon.

Based on our verification of Ador Welding Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (Not Applicable for the financial year 2014-15).
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, (Not Applicable for the financial year 2014-15).
- (6) Other Laws applicable to the Company:
 1. Factories Act, 1948 and Rules made thereunder
 2. Industrial Employment (Standing Orders) Act, 1946 & Rules 1957
 3. Payment of Bonus Act, 1965 & Rules, 1965
 4. Maternity Benefit Act, 1961 & Rules
 5. Employees Compensation Act, 1923 & Rules



6. Minimum Wages Act, 1948, M.W(C) Rules, 1950
7. Child Labour (P&R) Act, 1986 & Rules
8. Air (Prevention and Control of Pollution) Act, 1981
9. Water (Prevention and Control of Pollution) Act, 1974
10. The Noise (Regulation and Control) Rules 2000
11. The Environment (Protection) Act, 1986
12. Payment of Wages Act, 1936
13. Employees State Insurance Act, 1948
14. Employees PF & Miscellaneous Provisions Act, 1952
15. Contract Labour (Regulation & Abolition) Act, 1970
16. Legal Metrology Act, 2009
17. Payment of Gratuity Act, 1972
18. Industrial Disputes Act, 1947
19. Indian Contract Act, 1872
20. The States Shops and Establishment Act
21. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
22. Tax Laws (Direct & Indirect)

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (NSE).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **N L Bhatia & Associates**
UID NO: S1996MH016600

Place: Mumbai
Date: 25th April, 2015

N. L. Bhatia
Managing Partner
Membership No.1176
CP No. 422



To,

The Members,

Ador Welding Limited

Our report of even date is to be read along with this letter.

- (1) Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records, based on our audit.
- (2) We have followed the audit practices and processes, as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (4) Wherever required we have obtained the Management representation(s) about the compliance of laws, rules and regulations and happening of events, etc.
- (5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness, with which the Management has conducted the affairs of the Company.

For **N L Bhatia & Associates**

UID NO: S1996MH016600

Place: Mumbai

Date: 25th April, 2015

N. L. Bhatia

Managing Partner

Membership No.1176

CP No. 422



ANNEXURE – VII TO THE DIRECTORS' REPORT

Details of Directors & Employees Remuneration pursuant to Section 197(12) of The Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

5(1)(i): The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for Financial Year (FY) 2014-15:

Sr. No.	Name of the Director	Designation	Ratio
1	Ms. A. B. Advani	Executive Chairman	45.87
2	Mr. S. M. Bhat	Managing Director	36.27
3	Mrs. N. Malkani Nagpal	Director (Non-Executive)	1.07
4	Mr. R. A. Mirchandani	Director (Non-Executive)	0.98
5	Mr. A. T. Malkani	Director (Non-Executive)	1.03
6	Mr. D. A. Lalvani	Director (Non-Executive)	1.09
7	Mr. M. K. Maheshwari	Director (Independent & Non-Executive)	0.97
8	Mr. P. K. Gupta	Director (Independent & Non-Executive)	0.94
9	Mr. R. N. Sapru	Director (Independent & Non-Executive)	1.00
10	Mr. K. Digvijay Singh	Director (Independent & Non-Executive)	1.06
11	Mr. G. M. Lalwani ^	Director (Independent & Non-Executive)	0.38
12	Mr. S. G. Mirchandani ^	Director (Independent & Non-Executive)	0.38
13	Mr. Anil Harish *	Director (Independent & Non-Executive)	0.45
14	Mr. Vippen Sareen \$	Director (Independent & Non-Executive)	0.25

^ Appointed on 10th November, 2014

* Resigned on 30th September, 2014

\$ Superannuated on 07th July, 2014

5(1)(ii): The percentage increase in remuneration of each of the Directors, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in FY 2014-15:

Sr. No.	Name of the Director	Designation	% variance
1	Ms. A. B. Advani	Executive Chairman	43.93
2	Mr. S. M. Bhat	Managing Director	13.79
3	Mrs. N. Malkani Nagpal	Director (Non-Executive)	86.47
4	Mr. R. A. Mirchandani	Director (Non-Executive)	86.54
5	Mr. A. T. Malkani	Director (Non-Executive)	81.07
6	Mr. D. A. Lalvani	Director (Non-Executive)	100.00
7	Mr. M. K. Maheshwari	Director (Independent & Non-Executive)	79.38
8	Mr. P. K. Gupta	Director (Independent & Non-Executive)	105.15
9	Mr. R. N. Sapru	Director (Independent & Non-Executive)	125.95
10	Mr. K. Digvijay Singh	Director (Independent & Non-Executive)	86.31



Sr. No.	Name of the Director	Designation	% variance
11	Mr. G. M. Lalwani ^	Director (Independent & Non-Executive)	NA
12	Mr. S. G. Mirchandani ^	Director (Independent & Non-Executive)	NA
13	Mr. Anil Harish *	Director (Independent & Non-Executive)	-8.99
14	Mr. Vippen Sareen \$	Director (Independent & Non-Executive)	-41.27
15	Mr. V. M. Bhide	Head - Corp. Admin. & CS	8.41
16	Mr. S. M. Hede	CFO	3.98

^ Appointed on 10th November, 2014

*** Resigned on 30th September, 2014**

\$ Superannuated on 07th July, 2014

5(1)(iii): The percentage increase in the median remuneration of employees in FY 2014-15 over FY 2013-14: 5.15%

5(1)(iv): The number of permanent employees on the rolls of Company as on 31st March, 2015: 677

5(1)(v): The explanation on the relationship between average increase in remuneration and Company performance:

- The Company's performance is considered in terms of Operating Revenues.
- Company's performance went up by 4.32% in FY 2014-15 over FY 2013-14.
- The following factors were considered while recommending increase in employee remuneration:
 - a) Employee performance vis-à-vis KRAs.
 - b) Company performance
 - c) Comparison with peers in the industry

5(1)(vi): Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

- Percentage variance in KMPs' remuneration over last year: 24.35%
- Percentage variance in Company's performance over last year: 4.32%

5(1)(vii): Variations in the market capitalisation of the Company, price earnings ratio as at 31.03.2015 & as at 31.03.2014 and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

- The market capitalisation of the Company increased from Rs. 196.36 Crore as of 31st March, 2014 to Rs. 302.02 Crore as of 31st March, 2015.
- Over the same period, the Price Earnings (PE) ratio moved from 46.43 to 9.33 (incl. Exceptional Items), and from 10.32 to 70.96 (excl. Exceptional Items).
- The Company's share price as at 31st March, 2015 has increased by 788.40% to Rs. 222.10 over the last public offer, i.e. Rights Issue @ Rs. 25/- per share in December, 1993.



5(1)(viii): Average percentile increase already made in the salaries of employees other than the managerial personnel in FY 2014-15 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There was no significant difference between Managerial and Non-Managerial percentile increase (64 percentile remained at 64 percentile for Non-Managerial cadre, whereas for Managerial cadre, excluding Whole-time Directors, it has increased from 65 percentile to 68 percentile).

5(1)(ix): Comparison of each of the remuneration of the Key Managerial Personnel against the performance of the Company:

Sr. No.	Name of the KMP	Designation	% variance in KMP's remuneration	% variance in Company's performance
1	Ms. A. B. Advani	Executive Chairman	43.93	4.32
2	Mr. S. M. Bhat	Managing Director	13.79	4.32
3	Mr. V. M. Bhide	Head - Corp. Admin. & CS	8.41	4.32
4	Mr. S. M. Hede	CFO	3.98	4.32

5(1)(x): The key parameters for any variable component of remuneration availed by the Directors:

- The Managing Director's variable component in remuneration is subjected to Sales & Profits targets, as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors, within the overall Managerial remuneration approved by the shareholders.
- For the Executive Chairman, the parameters for payment of variable component in the remuneration is upto 1% of the Net Profits of the Company, as calculated under Section 198 of the Companies Act, 2013.
- For Non-Executive Directors, the parameters for payment of variable component in the remuneration is upto 1% of the Net Profits of the Company, as calculated under Section 198 of the Companies Act, 2013, on pro-rata basis.

5(1)(xi): The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of highest paid Director during the year : None

5(1)(xii): Affirmation that the remuneration is as per the Remuneration Policy of the Company : Yes

5(2): Details of the employees with annual remuneration of Rs. 60 lacs or more who are employed throughout the year or monthly remuneration of Rs. 5 lacs or more, even if employed for part of the year during FY 2014-15:

Sr. No.	Name	Age (Years)	Designation	Remuneration (Gross) (Rs. in Lacs)	Qualification/s	Years of Experience	Date of Commencement of Employment	Last Employment	
								Post Held	Name of Last Employer
1	Ms. A. B. Advani	61	Executive Chairman	135.77	- Science Graduate, University of Sussex - Owners Management Programme, Harvard Business School, Boston Massachusetts, USA - Strategic Financial Planning Course, IIM, Ahmedabad	39	01.05.1999	Managing Director	J.B. Advani & Co. Pvt. Ltd.
2	Mr. S. M. Bhat	54	Managing Director	107.35	- Bachelor of Engineering (B.E.) from VJTI, Mumbai - Post Graduation in International Marketing & Finance from International Management Institute (IMI), New Delhi	30	02.06.2008	V.P. (Business Development)	Schuler (India) Pvt. Ltd.

Notes:

- All the above Appointments are Contractual.
- Remuneration shown above comprises of salary, allowances, bonus, commission, perquisites and contribution of Provident Fund, Superannuation Fund, etc. wherever applicable.
- Information regarding qualifications, experience and last employment held is based on particulars furnished to the Company by the employees concerned.
- Ms. A. B. Advani holds 2,95,480 equity shares and Mr. S. M. Bhat does not hold any shares of the Company.
- Ms. A. B. Advani and Mr. S. M. Bhat are not related to any other Directors or the employees of the Company.

For and on behalf of the Board

Place: Mumbai
Date: 07th May, 2015

A. B. Advani
Executive Chairman



INDEPENDENT AUDITOR'S REPORT

To the Members of Ador Welding Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Ador Welding Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors 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 financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the Audit Report.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, 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) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on March 31, 2015 and taken on record by the Board of Directors, none of the Directors are

disqualified as on March 31, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.

- (f) 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 knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2015 on its financial position in its standalone financial statements – Refer Note 32.
 - ii. The Company has long-term contracts including derivative contracts as at March 31, 2015 for which there were no material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

For **Dalal & Shah**
Firm Registration Number: 102021W
Chartered Accountants

Place: Mumbai
Date: May 7, 2015

Sarah George
Partner
Membership Number: 045255



ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 9 of the Independent Auditor's Report of even date to the Members of Ador Welding Limited on the financial statements as of and for the year ended March 31, 2015

- | | |
|---|---|
| <p>i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.</p> <p>(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.</p> | <p>in the aforesaid internal control system.</p> |
| <p>ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.</p> <p>(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.</p> | <p>v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified.</p> <p>vi. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.</p> |
| <p>iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.</p> | <p>vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Employees' State Insurance and professional tax, though there has been a slight delay in a few cases, undisputed statutory dues of income tax have not been regularly deposited with the appropriate authorities and there have been serious delays, and the Company is regular in depositing undisputed statutory dues, including provident fund, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.</p> |
| <p>iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system to commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses</p> | <p>(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, wealth-tax, duty of customs, cess which have not been deposited on account of any dispute. The particulars of dues of sales tax, duty of excise, value added tax as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:</p> |

Name of the Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
The Central Excise Act, 1944	Additional liability arising due to difference in assessable value, disallowance of CENVAT credit (including penalty / interest, if any)	111.46	January 1997 to October 2003, 1998-1999, 2001-2002 and 2008-2009	Customs, Excise and Service Tax Appellate Tribunal
		1.22	2006-2007	Till Commissioner Level
Central Sales Tax Act and Local Sales Tax Acts of various States	Additional liability arising due to differential duty, disallowance of input tax credit (including penalty / interest, if any)	8.86	1987-1988, 1992-1993	High Court
		246.84	2003-2004, 2004-2005, 2005-2006, 2011-2012 and 2012-2013	Till Commissioner Level
Total		368.38		

(c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the Rules made thereunder.

viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company.
- xi. The Company has not raised any term loans. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. 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 material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **Dalal & Shah**
Firm Registration Number: 102021W
Chartered Accountants

Place: Mumbai
Date: May 7, 2015

Sarah George
Partner
Membership Number: 045255



BALANCE SHEET AS AT 31ST MARCH, 2015

(Rs. in lacs)

Particulars	Note No.	As at 31 st March, 2015	As at 31 st March, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	1,360	1,360
(b) Reserves and Surplus	4	19,041	16,730
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	13	77
(b) Deferred tax liabilities (Net)	6	852	50
(c) Long-term provisions	7	84	92
(3) Current Liabilities			
(a) Short-term borrowings	8	-	-
(b) Trade payables	9	4,395	5,194
(c) Other current liabilities	10	1,114	1,468
(d) Short-term provisions	11	1,686	2,475
Total		28,545	27,446
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		9,490	7,393
(ii) Intangible assets		104	135
(iii) Capital work-in-progress		160	176
(b) Non-current investments	13	194	194
(c) Long term loans and advances	14	2,470	2,222
(d) Other non-current assets	15	85	79
(2) Current assets			
(a) Current investments	16	461	1,191
(b) Inventories	17	4,304	4,990
(c) Trade receivables	18	8,323	7,810
(d) Cash and Bank balances	19	1,983	2,134
(e) Short-term loans and advances	20	882	543
(f) Other current assets	21	89	579
Total		28,545	27,446

The Notes form an integral part of these financial statements

As per our attached report of even date

For and on behalf of the Board of Directors

For **DALAL & SHAH**
Firm Registration No: 102021W
Chartered Accountants

A.B.Advani
Executive Chairman
DIN : 00029256

Sarah George
Partner
Membership No: 045255

V.M.Bhide
**Head - Corporate Administration
& Company Secretary**

Sanjay Hede
Chief Financial Officer

S.M.Bhat
Managing Director
DIN : 05168265

Mumbai, 07th May, 2015

Mumbai, 07th May, 2015


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. in lacs)

Particulars	Note No.	Year ended 31 st March, 2015	Year ended 31 st March, 2014
I. Revenue from operations (gross)	22	42,372	40,606
Less : Excise Duty		3,878	3,771
Revenue from operations (net)		38,494	36,835
II. Other Income	23	459	506
III. Total Revenue (I+II)		38,953	37,341
IV. Expenses:			
Cost of materials consumed	24	25,485	24,426
Purchase of Stock-in-Trade	25	431	479
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	551	(433)
Employee benefits expense	27	3,655	3,382
Finance costs	28	114	142
Depreciation and amortization expense		1,243	1,203
Other expenses	29	5,458	5,292
Total Expenses		36,937	34,491
V. Profit before exceptional items and tax (III - IV)		2,016	2,850
VI. Exceptional Items (net) (Gain / (Loss))	42	2,811	(1,478)
VII. Profit before tax (V + VI)		4,827	1,372
VIII. Tax expense:			
Current tax (net of MAT credit entitlement Rs.249 lacs; Previous Year Rs.Nil)		(796)	(940)
Reversal / (short) provision for earlier years		63	(2)
Deferred tax credit / (charge)		(857)	(7)
IX. Profit for the year after tax (VII + VIII)		3,237	423
X. Earnings per equity share:	40		
Basic and Diluted earnings per share after exceptional items (net of tax) (Rs.10/- per share)		23.80	3.11
Basic and Diluted earnings per share before exceptional items (net of tax) (Rs.10/- per share)		3.13	13.99
The Notes form an integral part of these financial statements			

As per our attached report of even date

For and on behalf of the Board of Directors

For **DALAL & SHAH**

Firm Registration No: 102021W

Chartered Accountants

A.B.Advani

Executive Chairman

DIN : 00029256

Sarah George

Partner

Membership No: 045255

V.M.Bhide

**Head - Corporate Administration
& Company Secretary**

Sanjay Hede

Chief Financial Officer

S.M.Bhat

Managing Director

DIN : 05168265

Mumbai, 07th May, 2015

Mumbai, 07th May, 2015



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	(Rs. in lacs)	
	FY 2014-15	FY 2013-14
A) Cash Flows from Operating Activities		
Profit Before Tax before exceptional items	2,016	2,850
Add / (Less) :		
a) Depreciation and amortization expense	1,243	1,203
b) Finance costs	114	142
c) Bad Debts written off	6	22
d) Provision for doubtful debts	86	29
e) Assets Written Off / discarded	20	3
f) (Profit) / Loss on Sale of Fixed Assets	(7)	2
g) Exchange rate fluctuation	(2)	(9)
h) Interest received from Banks and Others	(49)	(7)
i) Interest received on Government Securities	(15)	(15)
j) Surplus on Sale of Investments	(83)	(142)
	<u>1,313</u>	<u>1,228</u>
Operating Profit before Working Capital Changes	3,329	4,078
Adjustment for :		
a) (Increase) / Decrease in Trade Receivables	(591)	(595)
b) (Increase) / Decrease in Loans & Advances and other receivables	(1,611)	(302)
c) (Increase) / Decrease in Inventories	686	(624)
	<u>(1,516)</u>	<u>(1,521)</u>
	1,813	2,557
a) Increase / (Decrease) in Trade Payables	(799)	1,142
b) Increase / (Decrease) in Current Liabilities and provisions	(270)	228
	<u>(1,069)</u>	<u>1,370</u>
Cash Inflow from Operations	744	3,927
Less :		
Taxes paid	(520)	(887)
Net Cash from Operating Activities	<u>224</u>	<u>3,040</u>
B) Cash Flows used in Investing Activities		
Outflow :		
a) Acquisition of Fixed Assets	921	1,293
b) Purchase of Investments	1,410	1,000
c) Investments in subsidiary	-	384
d) Repayment of SBLC (Standby Letter of Credit)	1,128	-
e) Loan / advance to subsidiary	30	162
Inflow :		
a) Proceeds from Sale of Fixed Assets	43	54
b) Proceeds from Sale of Investments	2,223	2,479
c) Interest Received on Fixed Deposits	49	7
d) Interest received on Investments	9	17
e) Received against sale of property	290	150
	<u>2,614</u>	<u>2,707</u>
Net Cash from / (used in) Investing Activities	<u>(875)</u>	<u>(132)</u>



(Rs. in lacs)

Particulars	<u>FY 2014-15</u>	<u>FY 2013-14</u>
C) Cash Flows used in Financing Activities		
Inflow:	-	-
Outflow:		
a) Finance costs	114	142
b) Finance lease	96	30
c) Dividend Paid	680	816
d) Dividend Tax Paid	116	139
	<u>1,006</u>	<u>1,127</u>
Net Cash used in Financing Activities	<u>(1,006)</u>	<u>(1,127)</u>
Net change in Cash / Cash Equivalents (A+B+C)	<u>(1,657)</u>	<u>1,781</u>
Add :		
Balance at the beginning of the year	1,997	216
Cash / Cash Equivalents at the close of the year-	<u>340</u>	<u>1,997</u>
Refer Note 19		

The Notes form an integral part of these financial statements

As per our attached report of even date

For and on behalf of the Board of Directors

For **DALAL & SHAH**

Firm Registration No: 102021W

Chartered Accountants

A.B.Advani

Executive Chairman

DIN : 00029256

Sarah George

Partner

Membership No: 045255

Mumbai, 07th May, 2015

V.M.Bhide

**Head - Corporate Administration
& Company Secretary**

Sanjay Hede

Chief Financial Officer

S.M.Bhat

Managing Director

DIN : 05168265

Mumbai, 07th May, 2015



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

Note 1- Background of the Company

Incorporated in 1951, Ador Welding Ltd. (AWL) is one of India's leading player in the field of Welding Products, Technologies and Services. The Company is also engaged in providing customized solutions for multi-disciplinary projects and contracts related to Refineries, Oil & Gas, Petrochemicals, Fertilizers, Steel Plants, Pharma, Water, other chemical process industries, etc.

Note 2- Statements of Significant Accounting Policies and Practices

Basis of preparation of financial statements:-

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) (Companies (Accounting Standards) Rules, 2006, as amended) and other relevant provisions of the Companies Act, 2013.

All the assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

Use of Estimates:-

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known.

Recognition of Income and Expenditure:-

1. Sale of goods is recognized on transfer of significant risks and rewards of ownership to the buyer, which is generally on the dispatch of goods by the Company and are recognised net of trade discounts, sales taxes and excise duties.
2. Service income is recognised on transfer of significant risks and rewards of ownership to the buyer and is accounted based on terms of contract entered into with the respective parties.
3. Benefit on account of entitlement to import duty - free materials under Duty Entitlement Passbook Scheme (DEPB) or Duty Drawback are accounted in the year of export as Export Incentives.
4. Other Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned or incurred.
5. Sale of Services: In contract involving rendering of services, revenue is recognized using the proportionate completion method in line with agreements / arrangements with concerned parties and is net of service tax.

6. Revenue from contracts: Revenue from fixed price contracts is recognized using the percentage of completion method. Percentage of completion is determined as a proportion of the cost incurred up to the reporting date of the total estimated contract costs. Proportionate completion is measured based upon the efforts incurred to date, in relation to the total estimated efforts to complete the contract. The Company monitors estimates of total contract revenue and costs on a regular basis throughout the delivery period. The cumulative impact of any change in estimates of the contract value or cost is reflected in the period in which the changes become known. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss.
7. Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Fixed Assets:-

1. Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any.
2. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
3. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit & Loss.
4. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets, which are carried at cost are recognised in the Statement of Profit & Loss.
5. Depreciation is provided on a pro-rata basis on the straight-line method based on useful life as estimated by the Management and aligned to Schedule II to the Companies Act, 2013 in order to reflect the actual usage of assets. Depreciation on assets acquired under Finance lease is spread over the lease period or useful life, whichever is shorter.
6. 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 amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.
7. Software and implementation costs including users license fees of the Enterprise Resource Planning (ERP) system and other application software costs are amortised over a period of three years.

Change in accounting policy:-

8. The Company has revised its policy of providing depreciation on fixed assets effective 01st April, 2014. The depreciation is now provided on Straight Line Method (SLM) based on useful life as estimated by the Management and aligned to Schedule II to the Companies Act, 2013, as against Written Down Value (WDV) method followed earlier. As a result of this change, the effect relating to the period prior to 01st April, 2014, is a net credit of Rs.2,604 lacs (excluding deferred tax) which has been shown as an 'Exceptional Item' in the financial result for the year ended 31st March, 2015. Further, based on the transitional provision of Schedule II to the Companies Act, 2013, an amount of Rs.108 lacs (net of deferred tax) has been adjusted to retained earnings. Had the Company continued with the depreciation under the old WDV method, the depreciation for the year would have been lower by Rs.12 lacs.

Impairment of Assets:-

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows



from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

Leases:-

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are retained by the Lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit & Loss on a straight-line basis over the period of the lease.

The Company leases certain tangible assets and such leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liability is included in other short / long-term borrowings. The finance charge is charged to the Statement of Profit & Loss over the lease period, so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

As a Lessor:

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit & Loss on a straight line basis over the lease term, which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit & Loss in the period in which they are incurred.

Investments:-

Investments that are readily realisable and are intended to be held for not more than one 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 cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

Inventories:-

Inventories are stated at lower of cost and net realisable value. Cost is determined using the 'average cost' method. The cost of finished goods and work-in-progress comprises raw materials, packing materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Foreign Currency Translation:-

Initial Recognition: On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



Subsequent Recognition: As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit & Loss.

Translation of foreign operations:-

Foreign operations are classified as either 'integral' or 'non-integral' operation. Exchange differences arising on a monetary item that, in substance, forms part of an enterprise's net investment in a non-integral foreign operation are accumulated in the Foreign Currency Translation Reserve until the disposal of the net investment, at which time they are recognised as income or as expense. The financial statements of an integral foreign operation are translated using the principles and procedures as if the transactions of the foreign operation are those of the Company itself.

Forward Exchange Contracts:-

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset / liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit & Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period.

Forward exchange contracts outstanding as at the year end on account of firm commitment / highly probable forecast transactions are marked to market and the losses, if any, are recognised in the Statement of Profit & Loss and gains are ignored in accordance with the Announcement of Institute of Chartered Accountants of India on 'Accounting for Derivatives' issued in March 2008.

Research and Development:-

1. Revenue expenditure on Research & Development (including overheads) are charged out as expense through the natural heads of account, in the year in which they are incurred.
2. Expenditure of a capital nature on Research & Development is debited to Fixed Assets and depreciation is provided on such assets as are depreciable.

Employee Benefits:-

Provident Fund: Contribution towards Provident Fund for certain 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.

In respect of certain employees, Provident Fund contributions are made to Ador Welding Employees Provident Fund Trust administered by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Actuarial losses / gains are recognised in the Statement of Profit & Loss in the year in which they arise.

The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of plan assets.



Superannuation Fund: Contribution towards Superannuation Fund for certain employees is made to the Ador Welding Employees Superannuation Fund Trust administered by the Company. The benefit is classified as Defined Contribution scheme, as the Company does not carry any further obligation, apart from the contribution made on a monthly basis, which is charged to Statement of Profit & Loss.

Employees State Insurance Scheme: The Company makes contribution to state plans namely Employees State Insurance Scheme and has no further obligation beyond making the payment to them.

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. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences, as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognised in the Statement of Profit & Loss in the year in which they arise.

Termination Benefits: Termination benefits in the nature of voluntary retirement benefits are recognised in the Statement of Profit & Loss as and when incurred.

Current and deferred tax:-

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Borrowing Costs:-

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially

ready for their intended use or sale. All other borrowing costs are recognised in the Statement of Profit & Loss in the period in which they are incurred.

Provisions and Contingent Liabilities:-

Provisions: Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Provision for Warranty:-

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing on the basis of the past experience of the Company. It is expected that this expenditure will be incurred over the contractual warranty period.

Segment Reporting:-

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted by the Company. Further, inter-segment revenue has been accounted for, based on the transaction price agreed to between segments, which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company, as a whole, and are not allocable to segments on a reasonable basis, have been included under 'Unallocated corporate expenses / income'.

Cash and Cash Equivalents:-

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

Earnings per Share:-

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential Equity shares.



Note 3 - Share Capital

Particulars	As at 31 st March, 2015	(Rs. in lacs) As at 31 st March, 2014
Authorised: 3,00,00,000 (Previous year 3,00,00,000) Equity Shares of Rs.10/- each	3,000	3,000
Issued, Subscribed and Paid Up: 1,35,98,467 (Previous year 1,35,98,467) Equity Shares of Rs.10/- each, fully paid-up	1,360	1,360
Total	1,360	1,360

Note 3 a - Reconciliation of shares

Particulars	As at 31 st March, 2015		As at 31 st March, 2014	
	No. of shares	(Rs.in lacs)	No. of shares	(Rs. in lacs)
Equity shares:				
Shares outstanding at the beginning of the year	1,35,98,467	1,360	1,35,98,467	1,360
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,35,98,467	1,360	1,35,98,467	1,360

Note 3 b - Rights, preferences and restrictions attached to shares

The Company has only one class of shares referred to as equity shares having a par (face) value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all the preferential amounts, in proportion to their shareholding.

Note 3 c - Shares held by Holding company

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
	No. of shares	No. of shares
Equity Shares		
J.B.Advani & Co.Private Limited	68,00,531	68,00,531

Note 3 d - Details of shares held by shareholders holding more than 5% of aggregate shares in the Company

Particulars	As at 31 st March, 2015		As at 31 st March, 2014	
	No. of shares	% of holding	No. of shares	% of holding
Equity Shares				
J.B.Advani & Co.Private Limited	68,00,531	50.01	68,00,531	50.01
Reliance Capital Trustee Co. Limited	9,18,884	6.76	6,89,182	5.07
Total	77,19,415	56.77	74,89,713	55.08

Note 4 - Reserves and Surplus

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
General Reserve		
Balance at the beginning of the year	13,223	13,181
Add: Transfer from Statement of Profit & Loss	324	42
Balance at the end of the year	13,547	13,223
Capital Redemption Reserve Account	223	223
Surplus as per Statement of Profit & Loss		
Balance at the beginning of the year	3,284	3,699
Less: Transitional Adjustment (Refer Note a below)	(108)	-
Add: Net Profit for the year	3,237	423
Less: Transfer to General Reserve	(324)	(42)
Less: Proposed Dividend	(680)	(680)
Less: Tax on proposed Dividend @	(138)	(116)
Balance at the end of the year	5,271	3,284
Total	19,041	16,730

@ Dividend proposed to be distributed to equity shareholders is Rs.5/- (Previous year Rs.5/-) per equity share.

Note a) Net written down value of fixed assets having Nil remaining useful life as on 01st April, 2014, aggregating Rs.108 lacs (net of deferred tax asset aggregating Rs.55 lacs) has been adjusted above on account of change in accounting policy for depreciating fixed assets which is based on transitional provisions as stated in para 7 (b) of Schedule II of the Act.

Note 5 - Long-Term Borrowings (Unsecured)

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Long term maturities of finance lease obligations	13	77
Total	13	77

Note 6 - Deferred Tax Liabilities (Net)

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Deferred Tax Liability on account of:		
Depreciation	901	46
Capital Expenditure for Scientific Research	85	80
	986	126
Deferred Tax Assets on account of:		
Employee Benefits	89	67
VRS Payments*	6	0
Provision for Doubtful Debts	39	9
	134	76
Net Deferred Tax Liability	852	50

* Amount is below the rounding off norm adopted by the Company.



Note 7 - Long-Term Provisions

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Provision for Employee Benefits (Compensated Absences)	84	92
Total	84	92

Note 8 - Short-Term Borrowings (Secured)

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Working Capital Loans from Banks (Refer Note below)	-	-
Total	-	-

- (i) Working Capital facilities from Banks are secured by pari passu charge by way of hypothecation of Company's stocks, other current assets and other tangible moveable assets of the Company, both present & future and book debts in favour of Bank of Baroda & HDFC Bank Limited. HDFC Bank Limited facilities are further secured by first exclusive charge on the entire plant & machinery and other moveable fixed assets of the Company and on the land & building at the Company's Silvassa unit.
- (ii) Guarantees given by banks to third parties amounting to Rs.1,365 lacs; (Previous year Rs.2,145 lacs) on behalf of the Company are secured against securities mentioned in (i) above.

Note 9 - Trade Payables

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Dues to Micro, Small and Medium Enterprises (Refer Note 34)	30	521
Others (including acceptances)	4,365	4,673
Total	4,395	5,194

Note 10 - Other Current Liabilities

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Current maturities of finance lease obligations	30	63
Employee Benefits Payable	87	256
Statutory Dues	84	92
Unclaimed Dividend	118	132
Advances received from distributors on behalf of customers	66	545
Advances received from customers	414	109
Billing in advance (Refer Note 22)	4	28
Deposits from distributors	137	128
Others	174	115
Total	1,114	1,468

Note 11 - Short-Term Provisions

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Provision for Excise Duty on Finished Goods Stock	302	331
Provision for Employee Benefits:		
- Gratuity	80	45
- Compensated Absences	99	58
- Interest Rate Guarantee on exempt Provident Fund	8	7
Provision for Warranties	69	71
Provision for Standby Letter of Credit	-	1,054
Provision for Proposed Dividend	680	680
Provision for Tax on Proposed Dividend	138	116
Provision for Income Tax (Net of advance tax- Rs.744 lacs)	301	108
(Previous year Rs.832 lacs)		
Provision for Wealth Tax	9	5
Total	1,686	2,475

Note 12 - Fixed Assets

Particulars	GROSS BLOCK AT COST					DEPRECIATION / AMORTIZATION					NET BLOCK	
	As at 01.04.2014	Additions	Adjustments	Deductions	As at 31.03.2015	As at 31.03.2014	For the Year	Adjustments*	Deductions	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets												
Land - Freehold	193	-	-	-	193	-	-	-	-	-	193	193
Land - Leasehold (Refer note (a) below)	48	-	(1)	-	47	1	-	-	-	1	46	47
Buildings	6,009	411	-	-	6,420	2,861	178	(1,425)	-	1,614	4,806	3,148
Ownership Premises (Refer note (b) below)	323	-	-	12	311	180	8	(98)	7	83	228	143
Plant and Machinery (Including Computers)	12,035	371	306	247	12,465	9,426	709	(530)	230	9,375	3,090	2,609
Electrical Installations	934	19	(3)	5	945	499	81	(12)	4	564	381	435
Furniture and Fixtures	718	48	-	39	727	518	40	(33)	36	489	238	200
Office Equipments	193	7	-	15	185	101	25	17	14	129	56	92
Vehicles	357	8	-	86	279	240	46	(61)	70	155	124	117
Temporary Shed	3	-	-	-	3	3	-	-	-	3	-	-
Leased Assets - Vehicles	204	-	-	31	173	64	80	-	16	128	45	140
Research and Development Assets:												
Land-Freehold	34	-	-	-	34	-	-	-	-	-	34	34
Buildings	127	-	-	-	127	87	1	(1)	-	87	40	40
Plant and Machinery (Including Computers)	954	45	(303)	90	606	764	19	(296)	85	402	204	190
Air Conditioners	6	1	-	-	7	1	1	-	-	2	5	5
Total	22,138	910	(1)	525	22,522	14,745	1,188	(2,439)	462	13,032	9,490	7,393
Previous Year TOTAL	21,921	575	-	358	22,138	13,833	1,163	-	251	14,745	7,393	8,088
Intangible Assets												
Computer Software	440	23	-	11	452	305	55	(2)	10	348	104	135
Total	440	23	-	11	452	305	55	(2)	10	348	104	135
Previous Year TOTAL	283	157	-	-	440	265	40	-	-	305	135	18

* Represents impact on account of change in the method of depreciation from WDV to SLM (Refer Note 42)

Notes :-

(a) Leasehold Land includes Land Rs.38.36 lacs (Net of amortisation Rs.37.88 lacs) acquired by the Company on a co-ownership / lease basis for which conveyance deed is yet to be executed.

(b) Includes:

(i) Rs.0.01 lac being the aggregate value of Shares in Co-operative Housing Societies.

(ii) Rs.4.17 lacs for Tenements in an Association of Apartment Owners.



Note 13 - Non-Current Investments (At Cost) (Unquoted)

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
A) Long-term Trade investments		
Investments in subsidiary companies		
i) Plasma Laser Technologies Limited		
2,61,105 (Previous year 2,61,105) Series A Preferred shares of NIS 1.00 each	927	927
Less: Provision for diminution in the value of investments (Refer Note 42(iv))	927	927
	-	-
ii) Ador Welding Academy Private Limited		
1,00,000 (Previous year 1,00,000) Equity Shares of Rs.10/- each	10	10
B) Other Long-term Investments		
i) 6 Years National Savings Certificates *	0	0
ii) RECL Tax Free Secured Redeemable Non-Convertible Bonds (Unquoted)	184	184
Total	194	194

* Amount is below the rounding off norm adopted by the Company.

Note 14 - Long-Term Loans and Advances

Unsecured, considered good (unless otherwise stated)

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Advance income tax (Net of provisions - Rs. 2,376 lacs) (Previous year Rs. 2,521 lacs)	111	127
Balances with Sales Tax Authorities	1,211	1,020
Export Incentive Receivable	197	184
Sundry Deposits	165	140
Loan to subsidiary (Ador Welding Academy Private Limited) (Refer Note (a) below)	290	260
Loans to Employees	4	4
Capital Advances	490	486
Prepaid Expenses	2	1
Total	2,470	2,222

Note: (a) The above loan has been given to the subsidiary entity for the purpose of carrying business operations.

Note 15 - Other Non-current Assets

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Fixed Deposits for bank guarantees (maturity more than twelve months)	62	59
Others	23	20
Total	85	79

Note 16 - Current Investments (Quoted)
Current Investments (At lower of Cost and Fair Value):-

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
In Mutual Funds:		
DSP Blackrock Liquidity Fund - Direct Plan - Growth	61	-
3230.216 units of Rs. 100/- each (3230.216 units)		
NAV Rs. 64.67 lacs		
Religare Invesco Fixed Maturity Plan - Series XVIII - Plan C - Growth	200	200
20,00,000 units of Rs.10/- each (20,00,000 units)		
NAV Rs. 237.73 lacs (Previous year NAV Rs. 217.55 lacs)		
Tata Short Term Bond Fund Plan A - Growth	200	200
8,55,271.035 units of Rs. 10/- each (8,55,271.035 units)		
NAV Rs. 223.26 lacs (Previous year NAV Rs. 201.83 lacs)		
Birla Sunlife Floating Rate Fund - Long Term - Growth - Direct Plan	-	200
Nil (1,31,453.288 units of Rs. 100/- each) (Previous year NAV Rs. 201.84 lacs)		
Reliance Floating Rate Fund - Short Term Plan - Growth Plan - Growth Option	-	250
Nil (13,26,006.704 units of Rs. 10/- each) (Previous year NAV Rs. 265.31 lacs)		
BNP Paribas Flexi Debt Fund - Growth	-	341
Nil (17,42,018.829 units of Rs.10/- each) (Previous year NAV Rs. 366.69 lacs)		
Total	461	1,191
Aggregate value of Quoted Investments	526	1,253



Note 17 - Inventories

(At Cost or Net Realisable Value whichever is lower)

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
1) Raw Materials & Components and Packing Material (includes in-transit Nil; Previous year Rs.20 lacs)	1,619	1,718
2) Work-in-Progress	713	972
3) Finished Goods	1,591	1,920
4) Stock-in-trade	122	114
5) Stores, Spares, Parts, etc.	259	266
Total	4,304	4,990

Note 18 - Trade Receivables

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Trade Receivables outstanding for less than six months from the date they are due for payment		
Secured, considered good	351	635
Unsecured, considered good	7,122	5,955
Unsecured, considered doubtful	-	-
Less : Provision for doubtful debts	-	-
	7,473	6,590
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good *	850	1,220
Unsecured, considered doubtful	115	29
Less : Provision for doubtful debts	(115)	(29)
	850	1,220
Total	8,323	7,810

* Includes an amount of Rs. 304 lacs (Previous year Rs. 340 lacs) on account of retention money of Project Engineering Business


Note 19 - Cash and Bank Balances

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Cash and Cash Equivalents:		
i) Cash on hand	5	2
ii) Balances with Banks in Current Accounts	335	1,995
	<u>340</u>	<u>1,997</u>
Other Bank Balances		
i) Earmarked Balances with Banks (Dividend Accounts)	118	132
ii) Term deposits with maturity of more than three months and less than twelve months	1,525	5
	<u>1,643</u>	<u>137</u>
Total	<u><u>1,983</u></u>	<u><u>2,134</u></u>

Note 20 - Short-Term Loans and Advances

(Unsecured, considered good unless otherwise stated)

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Balances with Central Excise, Customs and Port Trust	309	156
Loans and Advances to Related Parties	-	7
Loans and Advances to Employees	25	23
MAT Credit Entitlement	249	-
Sundry Deposits	3	3
Advance to suppliers	220	305
Prepaid expenses	66	43
Others	10	6
Total	<u><u>882</u></u>	<u><u>543</u></u>

Note 21 - Other Current Assets

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Receivable from Holding Company	-	398
Forward Exchange Difference Receivable	2	10
Unbilled Revenue on contracts (Refer Note 22)	34	101
Interest receivable	18	12
Other Receivables	35	58
Total	<u><u>89</u></u>	<u><u>579</u></u>



Note 22 - Revenue from Operations (Gross)

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Sale of Products & Services	42,266	40,519
Other Operating Income		
Duty Drawback Received on export sales	47	59
Insurance recovered	51	24
Interest on LC received	8	4
Total	42,372	40,606

a) Details of sale of products (net of excise duty) & services:

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Manufactured Goods		
Electrodes	16,000	16,856
Wires & Fluxes	11,109	10,616
Equipments & Spares	6,131	5,936
Project Engineering Business	4,193	2,018
Service Income	282	662
Stock-in-trade		
Welding Products & Accessories	673	660
Total	38,388	36,748

b) Disclosure pursuant to AS 7 (Revised)

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
I Contract revenue recognised for the year	4,475	2,680
II Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress	3,322	1,424
III Amount of customer advances outstanding for contracts in progress	297	58
IV Amount of retentions due from customers for contracts in progress	304	340
V Amount due from customers (Refer Note 21)	34	101
VI Amount due to customers (Refer Note 10)	4	28

The amount of excise duty disclosed as deduction from turnover is the total excise duty for the year except the excise duty related to the difference between the closing stock and opening stock and excise duty paid, but not recovered for free goods, breakages / damages and captive consumption, which has been included under the head 'Other Expenses' as 'Miscellaneous Expenses'.

Note 23 - Other Income

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Interest received on Government Securities	15	15
Interest received from Banks and Others	49	7
Surplus on sale of Investments	83	142
Profit on sale of Fixed Assets (net)	7	-
Rent received	72	65
Royalty received	-	4
Foreign currency fluctuation gain (net)	120	190
Provisions / Liabilities no longer required now written back	92	57
Miscellaneous Income	21	26
Total	459	506

Note 24 - Cost of Materials Consumed

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Opening Stock (excluding in transit)	1,698	1,446
Add: Purchases during the year	25,406	24,678
Less: Closing Stock (excluding in transit)	(1,619)	(1,698)
Total	25,485	24,426

Details of Raw Materials & Components and Packing Materials consumed

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Wires and Rods	13,496	13,491
Titanium Dioxide and Rutile Sand	843	1,172
Manganese	593	601
Metal, Nickel and Iron Powder	514	481
Electrical Components	1,254	1,476
Mechanical Fittings	4,474	3,464
Others	4,311	3,741
Total	25,485	24,426

Value of Imported and Indigenous Raw Materials & Components and Packing Materials consumed

Particulars	(Rs. in lacs)			
	Year ended 31 st March, 2015		Year ended 31 st March, 2014	
	(Rs. in lacs)	%	(Rs. in lacs)	%
Imported	2,977	12	3,305	14
Indigenous	22,508	88	21,121	86
Total	25,485	100	24,426	100



Note 25 - Details of Purchase of Stock-in-trade

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Welding Products	256	244
Welding Accessories	175	235
Total	431	479

Note 26 - Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Opening Stock :		
Finished Goods	1,920	1,851
Stock-in-trade	114	82
Work-in-Progress	972	666
	3,006	2,599
Closing Stock :		
Finished Goods	1,591	1,920
Stock-in-trade	122	114
Work-in-Progress	713	972
	2,426	3,006
Add / (Less): Variation in Excise Duty on opening and closing stock of Finished Goods	(29)	(26)
Total	551	(433)

Details of Finished Goods

Particulars	(Rs. in lacs)			
	Closing Stock		Opening Stock	
	As at 31 st March, 2015	As at 31 st March, 2014	As at 01 st April, 2014	As at 01 st April, 2013
Manufactured Goods				
Electrodes	639	678	678	890
Wires & Fluxes	495	889	889	648
Equipment	457	353	353	313
Project Engineering Business	-	-	-	-
Total	1,591	1,920	1,920	1,851

Details of Stock-in-Trade

(Rs. in lacs)

Particulars	Closing Stock		Opening Stock	
	As at 31 st March, 2015	As at 31 st March, 2014	As at 01 st April, 2014	As at 01 st April, 2013
Welding Products & Accessories	122	114	114	82
Total	122	114	114	82

Details of Work-in-Progress

(Rs. in lacs)

Particulars	Closing Stock		Opening Stock	
	As at 31 st March, 2015	As at 31 st March, 2014	As at 01 st April, 2014	As at 01 st April, 2013
Consumables	464	432	432	511
Equipment	245	215	215	151
Project Engineering Business	4	325	325	4
Total	713	972	972	666

Note 27 - Employee Benefits Expense

(Rs. in lacs)

Particulars	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Salaries and incentives	3,106	2,869
Contribution to Provident and other funds	172	124
Staff Welfare expenses	377	389
Total	3,655	3,382

Note 28 - Finance Costs

(Rs. in lacs)

Particulars	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Interest Expense	31	46
Other Borrowing costs	83	96
Total	114	142



Note 29 - Other Expenses

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Manufacturing and other expenses (Refer Note 30)	2,271	2,205
Electricity and Power expenses	24	25
Rent	85	79
Freight	438	354
Legal and Professional fees	336	337
Insurance	26	23
Repairs and Maintenance - others	108	123
Travelling, conveyance and vehicle expenses	723	896
Directors Fees	6	6
Telephone, Postage & Telegram	178	173
Rates and Taxes	61	61
Advertisement and Sales Promotion expenses	128	92
Commission paid	50	18
Bad Debts Written off (net of reversal of provision for doubtful debts Rs. Nil; Previous year Rs. 17 lacs)	6	22
Provision for Doubtful Debts	86	29
Provision for Differential Tax Liability	15	-
Loss on sale of Fixed Assets (net)	-	2
Assets written off / discarded	20	3
Printing and stationery	51	48
Auditors Remuneration (Refer Note 31)	36	40
Corporate Social Responsibility	47	-
Miscellaneous Expenses	763	756
Total	5,458	5,292

Note 30 - Manufacturing and Other Expenses

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Consumption of Stores and spares	651	680
Power and Fuel	805	854
Repairs to Machinery	113	98
Repairs to Building	21	7
Other Manufacturing expenses	681	566
Total	2,271	2,205

Note 31 - Auditors Remuneration

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Statutory audit fees	24	24
Tax audit fees	7	7
Certification and other matters	4	8
Reimbursement of out of pocket expenses	1	1
Total	36	40

Value of Imported and Indigenous Stores & Spare parts consumed

Particulars	Year ended 31 st March, 2015		Year ended 31 st March, 2014	
	(Rs. in lacs)	%	(Rs. in lacs)	%
Imported	22	3	24	4
Indigenous	629	97	656	96
Total	651	100	680	100

Note 32 - Contingent Liabilities not provided for

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
a) Disputed Sales Tax as the matters are in appeal (advance paid Rs.31 lacs; Previous Year Rs.27 lacs)	287	279
b) Disputed Excise duties as the matters are in appeal (advance paid Rs.2 lacs; Previous Year Rs.2 lacs)	115	123
c) On account of bills discounted by the Company	27	222
d) Bonds / Undertakings given by the Company under Concessional duty / exemption scheme / Waiver of penalty to Customs Authorities.	96	90
e) Standby Letter of Credit issued to Bank Hapoalim Ltd. / HDFC Bank Ltd.- Hongkong for loans drawn / to be drawn by a subsidiary	-	73
f) Other matters	152	110

Note 33 - Estimated amount of Contracts remaining to be executed

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
On Capital Account and not provided for (Net of advances)	344	582



Note 34 - Trade payables in Note 9 include

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	30	510
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	11
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid under section 16 of the MSMED Act, to the suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Further interest remaining due and payable for earlier years	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 35 - Revenue expenditure incurred during the year on Research and Development, through the natural heads of account, amounts to Rs. 307 lacs (Previous year Rs. 296 lacs) (including Depreciation Rs. 20 lacs; Previous year Rs. 29 lacs) and Capital expenditure thereof amounts to Rs. 46 lacs (Previous year Rs. 63 lacs).

Note 36 A) Details of C.I.F. value of Imports (including in-transit)

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Raw Materials and Components	4,242	3,599
Capital Goods	13	22
Spares, etc.	35	9
Purchase of Stock-in-Trade	233	111
B) Details of Expenditure in Foreign Currency		
Travelling	82	80
Bank charges	12	16
Against Standby Letter of Credit issued to Bank Hapoalim Ltd / HDFC Bank Ltd- Hongkong for loans taken by a subsidiary	74	1,054
Salaries and Incentives at Sharjah office	129	149
Others	47	55

Note 37A) Details of Earnings in Foreign Exchange

Particulars	Year ended 31 st March, 2015	(Rs. in lacs) Year ended 31 st March, 2014
F.O.B. Value of Exports (Net of Returns)	2,987	4,913
Service charges received	78	50
B) *Details of Dividend remitted to Non-Resident shareholders in Foreign Currency		
Number of Non-Resident Shareholders	66	66
Number of Equity Shares held	9,213	9,363
Financial Year ended for which dividend is remitted	2013-14	2012-13
Amount of dividend remitted (Rs. in lacs)	0.46	0.56

*excluding dividend credited to the shareholders' Non-Resident External Accounts with banks in India.

Note 38 - Segment Information
A) Business Segment

Particulars	Consumables		Equipments & Project Engineering		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue						
External Revenue	27,181	27,532	11,313	9,303	38,494	36,835
Inter Segment Revenue	-	-	-	-	-	-
Total Revenue	27,181	27,532	11,313	9,303	38,494	36,835
Segment Results before Interest and tax	2,453	3,062	682	1,038	3,135	4,100
Add/(Less) :						
Unallocable expenses						
(Net of Unallocable income)					(1,005)	(1,108)
Finance Costs (net)					(114)	(142)
Excess / (Short) Provision of Taxes in respect of earlier years (net)					63	(2)
Prior Period Adjustments					-	-
Exceptional Items (Net)					2,811	(1,478)
Provision for taxes (Net of Deferred Tax)					(1,653)	(947)
Net Profit	2,453	3,062	682	1,038	3,237	423



(Rs. in lacs)

Particulars	Consumables		Equipments & Project Engineering		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Other Information						
Segment Assets	14,741	12,504	8,827	9,127	23,568	21,631
Unallocated Assets					4,977	5,815
Total Assets					28,545	27,446
Segment Liabilities	2907	3,582	2,827	3,454	5,734	7,036
Unallocated Liabilities					2,410	2,320
Total Liabilities					8,144	9,356
Capital Expenditure						
Segment Capital Expenditure	567	377	338	379	905	756
Unallocated Capital Expenditure					12	107
Total Capital Expenditure (Tangible and Intangible Assets)					917	863
Depreciation and Amortisation						
Segment Depreciation and Amortisation	771	766	325	295	1,096	1,061
Unallocated Depreciation and Amortisation					147	142
Total Depreciation and Amortisation					1,243	1,203
Significant Non-Cash Expenditure						
Segment Significant Non-Cash Expenditure	17	-	3	-	20	-
Unallocated Significant Non Cash Expenditure					-	3
Total Significant Non Cash Expenditure					20	3

B) Geographical Segment

(Rs. in lacs)

Particulars	India		Outside India		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue	35,428	31,871	3,066	4,964	38,494	36,835
Carrying Amount of Segment Assets	23,029	20,695	539	936	23,568	21,631
Additions to Fixed Assets (Tangible and Intangible Assets)	905	746	-	10	905	756

C) Other Disclosures

1. Segments have been identified in line with the Accounting Standard on Segment Reporting (AS – 17) taking into account the organisation structure as well as differential risks and returns of these segments.
2. The Company has disclosed Business Segment as the primary segment.
3. Types of Products and Services in each Business Segment:

Business Segment	Types of Products and Services
a) Consumables	- Electrodes, Wires, Agency Items related to consumables.
b) Equipment & Project Engineering	- Equipment, Spares, cutting products and Agency Items related to Equipment and Cutting Products & Design, Engineering, Procurement and commissioning of Flares, Incinerators, Furnaces, etc.

4. Segment Revenues, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

Note 39 - Related Parties Disclosure
A. Relationships

Relationship	Name of the Person / Company
i. Where control exists	
a) Holding Company	J. B. Advani & Co. Private Limited
b) Subsidiary Company & Fellow subsidiaries	Ador Welding Academy Private Limited Plasma Laser Technologies Ltd. (Under Liquidation) Plasma Laser Technologies, North America Inc. (Under Liquidation) Aluminium Hybrid Systems Ltd. (Under Liquidation)
ii. Other related parties with whom transactions have taken place during the year	
a) Companies in which Holding Company has significant influence and its associates	Ador Powertron Limited Ador Fontech Limited Ador Multiproducts Limited Mack Valves India Private Limited Ador Digatron Private Limited Ador Green Energy Private Limited
b) Key Management Personnel	Ms. A. B. Advani Mr. S. M. Bhat
c) Relative of Director	Mr. Ajit T. Mirchandani



B. Transactions

(Rs. in lacs)

Relationship / Name of the related party	Description of the nature of transaction	Value of the transactions	
		Year ended 31 st March, 2015	Year ended 31 st March, 2014
a) Holding Company			
J. B. Advani & Co. Private Limited	Sale of goods	18	14
	Purchase of goods	1,213	1,147
	Rent Received	25	25
	Reimbursement of Expenses (incurred to other companies)	5	6
	Sale of Assets	-	550
	Recovery of Expenses (from other companies)	13	20
	Outstanding Receivable	8	6
	Short Term Loans / Advances	-	398
	Outstanding Payable	122	110
b) Subsidiary Company & Fellow Subsidiaries			
i) Plasma Laser Technologies Limited	Investment in Equity	-	384
	Standby Letter of Credit for Loans (SBLC)	-	867
	Liability on account of devolvement of Bank Guarantee	74	1,054
ii) Ador Welding Academy Private Limited	Sale of Goods	9	41
	Sale of Fixed Assets	-	9
	Purchase of Goods	10	3
	Rent Received	18	12
	Loan given during the year	30	162
	Long Term Loans outstanding (provided for the purpose of financial support)	290	260
	Other Receivable	2	-
c) Companies in which Holding Company has Significant Influence and its Associates			
i) Ador Fontech Limited	Outstanding Receivable	15	2
	Purchase of Goods	10	3
	Recovery of Expenses	1	3
	Reimbursement of Expenses (incurred to other companies)	2	15
	Rent Received	8	10
	Royalty Received	-	3
	Sale of Goods	213	253
	Short Term Loans / Advances	-	3
ii) Ador Multiproducts Limited	Outstanding Receivable	14	13
	Purchase of Goods*	0	1
	Recovery of Expenses (from other companies)	3	2
	Royalty Received*	-	0
	Sale of Goods	64	244
	Short Term Loans / Advances	-	2

(Rs. in lacs)

Relationship / Name of the related party	Description of the nature of transaction	Value of the transactions	
		Year ended 31 st March, 2015	Year ended 31 st March, 2014
iii) Ador Powertron Limited	Outstanding Payable*	-	0
	Outstanding Receivable	-	16
	Purchase of Fixed Assets	-	6
	Purchase of Goods*	0	4
	Recovery of Expenses from other companies	2	2
	Rent Received	1	2
	Royalty Received	-	1
	Sale of Goods	4	16
	Short Term Loans / Advances	-	2
iv) Ador Digatron Private Limited	Sale of goods *	0	-
	Outstanding Receivable	-	-
v) Mack Valves India Private Limited	Sale of Fixed Assets	6	-
	Outstanding Receivable	-	-
vi) Ador Green Energy Private Limited	Commission / Business support / Facilitation charges	123	-
	Outstanding Payable	63	-
d) Relative of Director Mr. Ajit T. Mirchandani	Non-compete Fees	60	60
e) Key Management Personnel			
i) Ms. A. B. Advani	Remuneration	136	94
	Other Receivable	-	24
ii) Mr. S. M. Bhat	Remuneration	107	94
iii) Non-Executive Directors	Commission	23	11
* Amounts below Rs 0.49 lac have been rounded as per norms of the Company			

Notes:

1. Related Party relationship is as identified by the Company and relied upon by the Auditors.
2. The Company has issued Standby Letter of Credit to Bank Hapoalim Limited and HDFC Bank Limited - Hongkong for Rs. Nil (Previous year Rs. 1,127 lacs) towards security for loan taken by M/s. Plasma Laser Technologies Limited.
3. The Company has shared facility limits offered by HDFC Bank Limited to the extent of Rs. 100 lacs by ear marking working capital funds in favour of Ador Welding Academy Private Limited.
4. Considering the downturn of the operation, the Employees of Plasma Laser Technologies Ltd. (PLT), had approached Israel Court in FY 2014-15 for the purpose of liquidation and considering the same, Israel Court has appointed the Official Liquidator to evaluate various options, including revival or liquidation. Hence, the management believes that the Company has lost its control on the affairs and assets of such subsidiary, as the same is now vested with such Official Liquidator appointed by Israel Court. Further, the Management believes that there are no claims expected on the Company on account of PLT.


Note 40 - Computation of Profit for Earnings per Share

Particulars	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Profit before exceptional items after tax (Net of tax) (Rs. in lacs)	426	1,901
Profit after exceptional items after tax (Net of tax) (Rs. in lacs)	3,237	423
Weighted average number of shares outstanding	1,35,98,467	1,35,98,467
Earnings per share before exceptional items after tax (basic and diluted) (Rs.)	3.13	13.99
Earnings per share after exceptional items after tax (basic and diluted) (Rs.)	23.80	3.11

Note 41 - Disclosure in respect of derivative instruments
(a) Forward contracts outstanding

Particulars	Currency	Year ended 31 st March, 2015		Year ended 31 st March, 2014	
		in Foreign Currency	Rs. in lacs	in Foreign Currency	Rs. in lacs
Against Exports	USD	1,23,242	76	7,73,331	471
Against Imports	EURO	-	-	99,542	80
	USD	-	-	1,97,200	116

(b) Foreign currency exposures that are not hedged by derivative instruments

Particulars	Currency	Year ended 31 st March, 2015		Year ended 31 st March, 2014	
		in Foreign Currency	Rs. in lacs	in Foreign Currency	Rs. in lacs
i) Debtors	USD	1,62,230	100	18,45,546	1,124
	EURO	66,044	44	-	-
ii) Creditors	USD	4,72,094	300	8,123	5
	EURO	29,835	21	1,08,720	88
	CAD	-	-	19,553	10
iii) Advance to Creditors	USD	1,13,745	72	1,69,024	103
	EURO	2,232	2	6,517	5
iv) Bank Balances	USD	1,68,222	104	4,148	3
	AED	78,482	13	8,456	1

(c) All derivative instruments have been acquired for hedging purpose.

Note 42 - Exceptional Items

		(Rs. in lacs)	
Sr. No.	Particulars	Year ended 31 st March, 2015	Year ended 31 st March, 2014
1.	The Company has revised its policy of providing depreciation on fixed assets effective 01 st April, 2014. The depreciation is now provided on Straight Line Method (SLM) based on useful life as estimated by the Management and aligned to Schedule II to the Companies Act, 2013, as against Written Down Value (WDV) method followed earlier. As a result of this change, the effect relating to the period prior to 01 st April, 2014, is a net credit of Rs. 2,604 lacs (excluding deferred tax) which has been shown as an 'Exceptional Item' in the financial result for the year ended 31 st March, 2015. Further, based on the transitional provision of Schedule II to the Companies Act 2013, an amount of Rs.108 lacs (net of deferred tax) has been adjusted to retained earnings.	2,604	-
2	Surplus on sale of property. During the FY 2014-15, the Company has sold its 2 Residential Flats alongwith the furniture for a consideration of Rs. 290 lacs, the WDV of the same was Rs. 8 lacs, which resulted in Exceptional income of Rs. 282 lacs. Similarly in the previous FY 2013-14, the Company had sold its Goa property comprising of Land, Building and furniture for a consideration of Rs. 550 lacs, the WDV of the said assets was Rs. 47 lacs, which resulted in Exceptional income of Rs. 503 lacs.	282	503
3	Final Bank Guarantee of Rs. 74.43 lacs (US\$ 1.20 lacs) was paid to HDFC Bank Ltd-Hongkong on behalf of Plasma Laser Technologies Ltd.(PLT) in FY 2014-15. Similarly Standby Letter of Credit to Bank Hapoalim Ltd. and HDFC Bank Limited - Hongkong for Rs.1,054 lacs (US\$ 173 lacs) were issued towards security for loan taken by M/s. Plasma Laser Technologies Limited and provided in FY 2013-14.	(74)	(1,054)
4	Investment in Plasma Laser Technologies Limited (PLT) (Subsidiary) The Company has an investment of Rs. 927 lacs (PY Rs. 543 lacs) in PLT and has also issued Standby Letter of Credits (SBLC) to Banks aggregating to Rs. 1,127 lacs (PY Rs. 187 lacs) for loans drawn / to be drawn by PLT. PLT, has incurred losses since the date of acquisition. The accumulated losses of PLT as at 31 st March, 2014 exceeded its net worth. The Company has evaluated its investment for the purpose of determination of potential diminution in value and based on such evaluation and considering the underlying factors including downturn in business and decrease in related activities, has recognized a provision for diminution in the value of investment in PLT as at 31 st March, 2014 amounting to Rs. 927 lacs and has also provided for the SBLC amounting to Rs. 1,054 lacs (being the amount drawn by PLT) both of which have been shown as exceptional items in the Statement of Profit & Loss.	-	(927)
	Total (Gain / (Loss))	2,811	(1,478)



Note 43 - Employee Benefits

The disclosures required as per Accounting Standard 15 - Employee Benefits (Revised 2005), are as under:

Brief description of the Plans:

The Company has various schemes for employee benefits such as provident fund, superannuation and gratuity. In case of funded schemes, the funds are administered through trustees / appropriate authorities. The Company's defined contribution plans are superannuation and provident fund and the Company has no further obligation beyond making the contributions. The Company's defined benefit plans consist of provident fund and gratuity. The employees of the Company are entitled to compensated absences as per the Company's policy.

I. Defined Contribution Plans:

- (i) Provident Fund
- (ii) Superannuation Fund
- (iii) Employees State Insurance Fund

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss*:

(Rs. in lacs)

Particulars	FY 2014-15	FY 2013-14
Employer's Contribution to Superannuation Fund	22	40
Employer's Contribution to Provident Fund	103	82
Employees State Insurance Fund	9	9

*included in Note 27- 'Employee Benefits Expense'

II. Defined Benefit Plans (Disclosure based on actuarial reports):

- (a) Contribution to Gratuity Fund (Funded Scheme)

(Rs. in lacs)

Particulars	FY 2014-15	FY 2013-14
(i) Change in present value of Defined Benefit obligation		
Present Value of obligation at the beginning of the year	277	302
Transfer in / (out) of Employees (Net)		
Current Service Cost	28	31
Interest Cost	25	24
Actuarial (gain) / loss on obligation	(1)	(39)
Benefits paid	(47)	(41)
Present Value of obligation at the end of the year	282	277
(ii) Change in Plan assets		
Fair value of Plan assets at the beginning of the year	232	235
Expected return on Plan assets	17	17
Actuarial gain / (loss)	(0)	6
Contributions by employer	-	15
Benefits paid	(47)	(41)
Fair value of Plan assets at the end of the year	202	232

(Rs. in lacs)

Particulars	FY 2014-15	FY 2013-14
(iii) Actual return on Plan assets	17	23
(iv) Assets and Liabilities recognised in the Balance Sheet		
Present value of the defined benefit obligation at the end of the year	282	277
Less: Fair value of plan assets at the end of the year	(202)	(232)
Net liability / (Asset) recognized *	80	45
Recognised under Provisions (Refer Note 7 and 11)		
Long-Term Provision	-	-
Short-Term Provision	80	45
(v) Expenses recognised in the Statement of Profit & Loss		
Current Service cost	28	31
Interest cost	25	24
Expected return on Plan assets	(17)	(17)
Actuarial (gain) / loss recognised in the current year	(1)	(45)
Net gratuity cost recognised in the current year	35	(7)
(vi) Expected employer's contribution for the next year	50	50
(vii) In accordance with Accounting Standard - 15, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:-		
Discount rate (per annum)	7.95%	9.20%
Rate of Return on Plan Assets	8.00%	7.50%
Salary Escalation Rate	8.00%	8.00%
(vii) Attrition Rate		
21 years to 44 years	18.87%	10.40%
45 years and above	10.46%	6.40%
* The estimates of future salary increases, considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as, supply and demand factors in the employment market		
(viii) Asset Information:		
The Plan Asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') as per the Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority (IRDA) Regulations.		



(ix) Other Information

(Rs. in lacs)

Particulars	Period ended				
	31-03-15	31-03-14	31-03-13	31-03-12	31-03-11
Gratuity					
Present Value of Obligation at the close of the year	282	277	302	328	305
Fair Value of Plan Assets at the close of the year	202	232	235	281	274
Surplus / (deficit)	(80)	(45)	(67)	(47)	(31)
Experience adjustments on plan liabilities - gain / (loss)	(18)	(39)	8	17	10
Experience adjustments on plan assets - gain / (loss)	(0)	6	(23)	(4)	(0)

(b) Provident Fund Liability

(Rs. in lacs)

Particulars	FY 2014-15	FY 2013-14
(i) Changes in the present value of Defined Benefit Obligation		
Present Value of obligation at the beginning of the year	1,083	975
Current Service Cost	38	45
Interest Cost	99	75
Actuarial (gain) / loss	(82)	20
Employees contribution	68	77
Liabilities assumed on Acquisition / (settled on Divestiture)	5	22
Benefits paid	(98)	(131)
Present Value of obligation at the end of the year	1,113	1,083
(ii) Change in Fair Value of Assets		
Fair Value of Plan assets at the beginning of the year	1,076	942
Expected return on Plan assets	89	71
Actuarial gain / (loss)	(73)	50
Employer contributions during the period	38	45
Employee contributions during the period	68	77
Assets Acquired on acquisition / (Distributed on divestiture)	5	22
Benefits paid	(98)	(131)
Fair Value of Plan Assets at the end of the year	1,105	1,076
(iii) Actual return on Plan assets	16	121
(iv) Asset and Liabilities recognized in Balance Sheet		
Present value of the defined benefit obligation at the end of the year	1,113	1,083
Less: Fair value of plan assets at the end of the year	(1,105)	(1,076)
Net Liability / (Asset) recognized	8	7

(Rs. in lacs)		
Particulars	FY 2014-15	FY 2013-14
Recognised under Provisions (Refer Note 11)		
Long-Term Provision	-	-
Short-Term Provision	8	7
(v) Expenses recognized in the Statement of Profit and Loss		
Current service cost	38	45
Interest cost	99	75
Expected return on Plan assets	(89)	(71)
Net actuarial loss / (gain) recognized in the current year	(9)	(30)
Total Expense*	39	20
*Included in Note 27 – 'Employee Benefits Expense'		
(vi) Expected employer's contribution for the next year	38	45
In accordance with Accounting Standard 15, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:-		
Discount rate (per annum)	7.95%	9.20%
Expected rate of return on assets	7.78%	8.24%
Discount rate for the remaining term to maturity of the investment	8.05%	9.18%
Average historic yield on the investment	7.88%	8.22%
Guaranteed rate of return	8.75%	8.75%
(vii) The estimates of future salary increases, considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as, supply and demand factors in the employment market.		
(viii) Asset Information:		
Government of India Securities	25%	26%
Corporate Bonds	29%	31%
Special Deposit Schemes	26%	26%
Equity shares of Listed companies	8%	10%
Others	13%	6%

(ix) Other Information

(Rs. in lacs)					
Particulars	Period ended				
	31-03-15	31-03-14	31-03-13	31-03-12	31-03-11
Provident Fund					
Present Value of defined benefit obligation at the end of the year	1,113	1,083	975	842	-
Fair Value of plan assets at the end of the year	1,105	1,076	942	821	-
Surplus / (Deficit)	(8)	(7)	(33)	(21)	-
Experience adjustments on plan liabilities - gain / (loss)	(89)	38	80	-	-
Experience adjustments on plan assets - gain / (loss)	(73)	50	90	-	-

- (x)** The Liability for compensated absence as at 31st March 2015 aggregates to Rs. 183 lacs as against Rs. 150 lacs in the previous year.


Note 44 - Lease arrangements - Operating Lease

The Company's significant leasing arrangements are in respect of residential flats and office premises taken on cancellable lease. The aggregate amount of operating lease rent debited to Statement of Profit and Loss during the year is Rs. 85 lacs (Previous year Rs. 79 lacs).

Note 45 - Lease Obligation - Finance Lease

Net carrying amount of carrying assets as at Balance Sheet date – Rs. 42 lacs (Previous year Rs. 140 lacs).
The minimum future lease rentals and present value of minimum lease rentals payable are as follows:

(Rs. in lacs)

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
Minimum lease rentals payable as on Balance sheet date	60	124
Present value of Minimum lease rentals payable	51	102

(Rs. in lacs)

Particulars	Minimum Lease Payments		Present Value of Minimum Lease Payments	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Amount due within one year	37	63	33	56
Amount due from one year to five years	23	61	18	46
Amount due from five years and above	-	-	-	-
Total	60	124	51	102

Note 46 - Amounts below Rs 0.49 lac have been rounded off as per rounding off norms of the Company.

Note 47 - The Figures for the previous year are regrouped / re-arranged, wherever necessary.

As per our attached report of even date

For **DALAL & SHAH**
Firm Registration No: 102021W
Chartered Accountants

Sarah George
Partner
Membership No: 045255

Mumbai, 07th May, 2015

For and on behalf of the Board of Directors

A.B.Advani
Executive Chairman
DIN : 00029256

V.M.Bhide
**Head - Corporate Administration
& Company Secretary**

Sanjay Hede
Chief Financial Officer

S.M.Bhat
Managing Director
DIN : 05168265

Mumbai, 07th May, 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of Ador Welding Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Ador Welding Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") (refer Note 1 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and jointly controlled entities respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the Accounting Standards and matters which are required to be included in the Audit Report.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting



estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in subparagraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

8. We draw your attention to Note '1B' to the consolidated financial statements regarding non-inclusion of Plasma Laser Technologies Limited, a subsidiary of the Company and its step down subsidiaries respectively, in the preparation of the consolidated financial statements as the said subsidiary and its subsidiaries are under liquidation for which an official liquidator has been appointed by the Israel Court, resulting in the Company's loss of control over the affairs of these subsidiaries. Our opinion is not qualified in respect of this matter.

Other Matters

9. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs.170 Lacs and net liabilities of Rs.141 Lacs as at March 31, 2015, total revenue of Rs. 131 Lacs, net loss of Rs. 50 Lacs and net cash outflows amounting to Rs. 2 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid

subsidiary, is based solely on the reports of the other auditors.

10. The consolidated financial statements of the Company as at March 31, 2015 and for the year then ended were audited by another firm of chartered accountants who, vide their report dated April 27, 2015, expressed an unmodified opinion on those financial statements.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and subsidiary company (Refer Note 1 to the consolidated financial statements), we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account, as required by law maintained by the Holding Company, its subsidiary included in the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group including relevant records relating to the preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on March 31, 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2015 on the consolidated financial position of the Group – Refer Note 33 to the consolidated financial statements.
 - ii. The Group had long-term contracts including derivative contracts as at March 31, 2015 for which there were no material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company during the year ended March 31, 2015.

For **Dalal & Shah**
Firm Registration Number: 102021W
Chartered Accountants

Place: Mumbai
Date: May 7, 2015

Sarah George
Partner
Membership No.: 045255



ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 11 of the Independent Auditor's Report of even date to the Members of Ador Welding Limited on the consolidated financial statements as of and for the year ended March 31, 2015

- | | |
|--|--|
| <p>i. (a) The Holding Company and its subsidiary are maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.</p> <p>(b) The fixed assets are physically verified by the respective Managements of the Holding Company and its subsidiary, according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the aforesaid Holding Company and its subsidiary and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the respective Managements of the aforesaid Holding Company and its subsidiary during the year and no material discrepancies have been noticed on such verification.</p> | <p>iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system, commensurate with the size of the Holding Company, its subsidiary, and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the aforesaid Holding Company and the reports of the other auditors on the subsidiary, as furnished to us, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.</p> |
| <p>ii. (a) The inventory has been physically verified by the respective Managements of the Holding Company and its subsidiary during the year. In our opinion, the frequency of verification is reasonable.</p> <p>(b) In our opinion, the procedures of physical verification of inventory followed by the respective Managements of the Holding Company and its subsidiary are reasonable and adequate in relation to the size of the aforesaid Holding Company, its subsidiary and the nature of its respective businesses.</p> <p>(c) On the basis of our examination of the inventory records and the reports of the other auditors, in our opinion, the Holding Company and its subsidiary are maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory of the aforesaid Holding Company, its subsidiary as compared to the respective book records were not material.</p> | <p>v. The Holding Company and its subsidiary have not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder, to the extent notified.</p> <p>vi. We have broadly reviewed the books of account maintained by the Holding Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete. Further, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the subsidiary company.</p> |
| <p>iii. The Holding Company and its subsidiary have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the aforesaid Holding Company and its subsidiary.</p> | <p>vii. (a) In our opinion, and according to the information and explanations given to us and the records of the Holding Company examined by us, and based on the reports of the other auditors of the Holding Company's subsidiary, the aforesaid Holding Company and its subsidiary are generally regular in depositing undisputed statutory dues in respect of Employees' State Insurance and professional tax, though there has been a slight delay in a few cases, undisputed statutory dues of income tax have not been regularly deposited with the appropriate authorities</p> |

and there have been serious delays, and the Company is regular in depositing undisputed statutory dues, including provident fund, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

- (b) According to the information and explanations given to us and the records of the Holding Company examined by us, and based on the reports of the other auditors of the Holding Company's subsidiary there are no dues of income-tax, wealth-tax, duty of customs, cess which have not been deposited on account of any dispute. The particulars of dues of sales tax, duty of excise, value added tax as at March 31, 2015 which have not been deposited on account of dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
The Central Excise Act, 1944	Additional liability arising due to difference in assessable value, disallowance of CENVAT credit (including penalty / interest, if any)	111.46	January 1997 to October 2003, 1998-1999, 2001-2002 and 2008-2009	Customs, Excise and Service Tax Appellate Tribunal
		1.22	2006-2007	Till Commissioner Level
Central Sales Tax Act and Local Sales Tax Acts of various States	Additional liability arising due to differential duty, disallowance of input tax credit (including penalty / interest, if any)	8.86	1987-1988, 1992-1993	High Court
		246.84	2003-2004, 2004-2005, 2005-2006, 2011-2012 and 2012-2013	Till Commissioner Level
Total		368.38		

- (c) The amount required to be transferred to the Investor Education and Protection Fund by the Holding Company has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the Rules made thereunder.

- viii. The Holding Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year. As the subsidiary incorporated in India was registered for a period less than five years, the provisions of Clause 3(viii) of the Order are not applicable to the aforesaid subsidiary.
- ix. According to the records of the Holding Company examined by us and based on the reports of the other auditors, and the information and explanation given to us, the Holding Company and its subsidiary have not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date. Further, there were no dues payable to debenture holders as at the Balance Sheet date.
- x. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Holding Company and its subsidiary for loans taken by others from banks or financial institutions during the year are not prejudicial to the interest of the respective aforesaid Holding Company and its subsidiary.
- xi. The Holding Company and its subsidiary have not raised any term loans. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the aforesaid Holding Company and its subsidiary.
- xii. During the course of our examination of the books and records of the Holding Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and based on the reports of the other auditors, we / the other auditors have neither come across any instance of material fraud on or by the Holding Company and its subsidiary, noticed or reported during the year, nor have we been informed of any such case by the respective Managements of the aforesaid Holding Company and its subsidiary.

For **Dalal & Shah**
Firm Registration Number: 102021W
Chartered Accountants

Place: Mumbai
Date: May 7, 2015

Sarah George
Partner
Membership No.: 045255



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

(Rs. in lacs)

Particulars	Note No.	As at 31 st March, 2015	As at 31 st March, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	1,360	1,360
(b) Reserves and Surplus	4	18,891	15,486
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	13	890
(b) Deferred tax liabilities (Net)	6	857	52
(c) Long-term provisions	7	84	151
(3) Current Liabilities			
(a) Short-term borrowings	8	6	842
(b) Trade payables	9	4,400	5,438
(c) Other current liabilities	10	1,118	2,230
(d) Short-term provisions	11	1,686	1,591
Total		28,415	28,040
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		9,626	7,592
(ii) Intangible assets		110	143
(iii) Capital work-in-progress		160	176
(b) Goodwill on Consolidation		-	1,628
Less : Impairment		-	(1,628)
(c) Non-current investments	13	184	184
(d) Long-term loans and advances	14	2,185	2,336
(e) Other non-current assets	15	85	79
(2) Current Assets			
(a) Current investments	16	461	1,191
(b) Inventories	17	4,305	5,154
(c) Trade receivables	18	8,325	7,828
(d) Cash and Bank balances	19	1,984	2,170
(e) Short-term loans and advances	20	900	559
(f) Other current assets	21	90	628
Total		28,415	28,040
The Notes form an integral part of these financial statements			

As per our attached report of even date

For and on behalf of the Board of Directors

For **DALAL & SHAH**

Firm Registration No: 102021W

Chartered Accountants

A.B.Advani

Executive Chairman

DIN : 00029256

Sarah George

Partner

Membership No: 045255

Mumbai, 07th May, 2015

V.M.Bhide

Head - Corporate Administration
& Company Secretary

Sanjay Hede

Chief Financial Officer

S.M.Bhat

Managing Director

DIN : 05168265

Mumbai, 07th May, 2015


CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. in lacs)

Particulars	Note No.	Year ended 31 st March, 2015	Year ended 31 st March, 2014
I. Revenue from operations (gross)	22	42,491	40,905
Less : Duties and Levies		3,885	3,779
Revenue from operations (net)		38,606	37,126
II. Other Income	23	439	497
III. Total Revenue (I + II)		39,045	37,623
IV. Expenses			
Cost of materials consumed	24	25,485	24,552
Purchase of Stock-in-Trade	25	465	479
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	550	(473)
Employee benefits expense	27	3,697	3,984
Finance costs	28	115	209
Depreciation and amortization expense		1,254	1,228
Other expenses	29	5,516	5,908
Total Expenses		37,082	35,887
V. Profit before exceptional items and tax (III - IV)		1,963	1,736
VI. Exceptional Items (net) {Gain / (Loss)}	37	2,817	(1,296)
VII. Profit before tax (V + VI)		4,780	440
VIII. Tax expense			
Current tax (net of MAT credit entitlement Rs.249 lacs; Previous year Rs. Nil)		(796)	(940)
Excess / (short) provision of taxes		63	(2)
Deferred tax credit / (charge)		(861)	(9)
IX. Profit / (loss) for the year after tax (VII + VIII)		3,186	(511)
X. Earnings / (loss) per equity share (in Rs.)	32		
Basic and Diluted earnings / (loss) per share including exceptional items (Rs.10/- per share)		23.43	(3.76)
Basic and Diluted earnings / (loss) per share excluding exceptional items (Rs.10/- per share)		2.72	5.77
The Notes form an integral part of these financial statements			

As per our attached report of even date

For and on behalf of the Board of Directors

For **DALAL & SHAH**

Firm Registration No: 102021W

Chartered Accountants

A.B.Advani

Executive Chairman

DIN : 00029256

Sarah George

Partner

Membership No: 045255

V.M.Bhide

**Head - Corporate Administration
& Company Secretary**

Sanjay Hede

Chief Financial Officer

S.M.Bhat

Managing Director

DIN : 05168265

Mumbai, 07th May, 2015
Mumbai, 07th May, 2015



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

		(Rs. in lacs)	
Particulars		FY 2014-15	FY 2013-14
A) Cash Flows arising from Operating Activities			
Net Profit Before Tax before exceptional items		1,963	1,736
Add / (Less):			
a) Depreciation and amortization expense	1,254	1,228	
b) Finance costs	115	209	
c) Bad Debts written off	6	22	
d) Provision for doubtful debts	86	29	
e) Assets Written Off / discarded	20	3	
f) (Profit) / Loss on Sale of Fixed Assets	(7)	2	
g) Exchange rate fluctuation	(2)	(9)	
h) Interest received from Banks and Others	(49)	(7)	
i) Interest received on Government Securities	(15)	(15)	
j) Surplus on Sale of Investments	(83)	(142)	
		<u>1,325</u>	<u>1,320</u>
Operating Profit before Working Capital Changes		3,288	3,056
Adjustment for :			
a) (Increase) / Decrease in Trade Receivables	(577)	(562)	
b) (Increase) / Decrease in Inventories	685	(689)	
c) (Increase) / Decrease in Loans & Advances and Other Receivables	(1,612)	(630)	
		<u>(1,504)</u>	<u>(1,881)</u>
		1,783	1,175
a) Increase / (Decrease) in Trade and other Payables	(802)	1,231	
b) Increase / (Decrease) in Short Term Borrowings	6	-	
c) Increase / (Decrease) in Current Liabilities & Provisions	(269)	580	
		<u>(1,065)</u>	<u>1,811</u>
Cash Inflow from Operations		718	2,986
Less :			
Direct Tax paid		(520)	(890)
Cash Inflow in the course of Operating Activities		<u>198</u>	<u>2,096</u>
B) Cash Flows arising from Investing Activities			
Outflow :			
a) Acquisition of Fixed Assets	928	1,485	
b) Purchase of Investments	1,410	1,000	
c) Repayment of SBLC (Standby Letter of Credit)	1,128	-	
		<u>3,466</u>	<u>2,485</u>
Inflow :			
a) Proceeds from Sale of Fixed Assets	44	54	
b) Proceeds from Sale of Investments	2,223	2,479	
c) Interest received on Fixed Deposits	49	7	
d) Interest received on Investments	9	17	
e) Received against sale of property	290	150	
		<u>2,615</u>	<u>2,707</u>
Net Cash inflow / (outflow) in the course of Investing Activities		<u>(851)</u>	<u>222</u>



Particulars	FY 2014-15	(Rs. in lacs) FY 2013-14
C) Cash Flows arising from Financing Activities		
Inflow:		
a) Finance Lease	-	33
b) Term Loans and other Borrowings (net)	-	856
Outflow:		
a) Finance costs	115	209
b) Finance lease	96	-
c) Dividend paid	680	816
d) Dividend Tax paid	116	139
	1,007	1,164
Net Cash (outflow) in the course of Financing Activities	(1,007)	(275)
D) Change in Currency Fluctuation Reserve arising on consolidation	-	(347)
Net Increase / (Decrease) in Cash / Cash Equivalents (A+B+C+D)	(1,660)	1,696
Balance at the beginning of the year	2,000	336
Cash / Cash Equivalents at the close of the year - Refer Note 19	340	2,032

The Notes form an integral part of these financial statements

As per our attached report of even date

For **DALAL & SHAH**
Firm Registration No: 102021W
Chartered Accountants

Sarah George
Partner
Membership No: 045255

Mumbai, 07th May, 2015

V.M.Bhide
**Head - Corporate Administration
& Company Secretary**

Sanjay Hede
Chief Financial Officer

For and on behalf of the Board of Directors
A.B.Advani
Executive Chairman
DIN : 00029256

S.M.Bhat
Managing Director
DIN : 05168265

Mumbai, 07th May, 2015



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED 31ST MARCH, 2015

Note 1- General Information

The consolidated financial statements relate to Ador Welding Limited ('the Company') and its Subsidiary Company. The following Subsidiary Company is considered in the consolidated financial statements:

Name of the Subsidiary Company	Country of Incorporation	% of holding either directly or through subsidiary as at 31 st March, 2015
Ador Welding Academy Private Ltd.	India	100% Subsidiary (w.e.f. 24 th July, 2012)

Note 1A

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in Profit / Loss	
	As a % of Consolidated Net Assets	Amount (Rs. in lacs)	As a % of Consolidated Profit / Loss	Amount (Rs. in lacs)
Parent				
Ador Welding Limited	100.74%	20,401	101.60%	3,237
Subsidiaries				
<i>Indian</i>				
1. Ador Welding Academy Private Limited	(0.74%)	(150)	(1.60%)	(50)
<i>Foreign*</i>				
1. Plasma Laser Technologies Limited	-	-	-	-
2. Plasma Laser Technologies, North America Inc.	-	-	-	-
3. Aluminium Hybrid Systems Limited	-	-	-	-

* Refer Note 1B

Note 1B- Considering the downturn of the operation, the employees of Plasma Laser Technologies Ltd. (PLT), one of the Company's subsidiary incorporated in Israel, had approached Israel Court for the purpose of liquidation and considering the same, Israel Court has appointed the Official Liquidator to evaluate various options, including revival or liquidation.

Hence, the management believes that the Company has lost its control on the affairs and assets of such subsidiary as the same is now vested with such Official Liquidator appointed by Israel Court and hence, the same has not been considered for the purpose of consolidation. Further, the Management believes that there are no further claims expected on the Company on account of PLT.

Note 2- Statements of Significant Accounting Policies and Practices

Basis of preparation of Financial Statements:-

- The Financial Statements of the Subsidiary used in the consolidation are drawn upto the same reporting date as that of the Parent Company, i.e. year ended 31st March.
- These Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of

Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these Financial Statements have been prepared to comply in all material aspects with the Accounting Standards notified under Section 211(3C) (Companies (Accounting Standards) Rules, 2006, as amended) and other relevant provisions of the Companies Act, 1956.

- (iii) All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of the products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current / non-current classification of assets and liabilities.

Principles of Consolidation:-

The Consolidated Financial Statements relate to Ador Welding Limited ('the Company') and its subsidiary (collectively referred to as 'the Group'). The Consolidated Financial Statements have been prepared using uniform accounting policies and on the following basis:

- (i) The financial statements of the Parent Company and its subsidiary have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits.
- (ii) The excess of the cost to the Parent Company of its investments in each of the subsidiary over its share of equity in the respective subsidiary, on the acquisition date, is recognised in the financial statements as goodwill and assessed for impairment at each reporting date.

Use of Estimates:-

The preparation of financial statements, in conformity with generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known.

Recognition of Income and Expenditure:-

1. Sale of goods is recognized on transfer of significant risks and rewards of ownership, which is generally on the dispatch of goods by the Company.
2. Benefit on account of entitlement to import duty - free materials under Duty Entitlement Passbook Scheme is accounted in the year of export as Export Incentives.
3. Other Revenue / Income and Cost / Expenditure are generally accounted on accrual, as they are earned or incurred.
4. Sale of Services: In contract involving rendering of services, revenue is recognized when the service is performed in line with agreements / arrangements with concerned parties and is net of service tax.
5. Revenue from contracts: Revenue from fixed price contracts is recognized using the percentage of completion method. Percentage of completion is determined as a proportion of the cost incurred up to the reporting date of the total estimated contract costs. Proportionate completion is measured based upon the efforts incurred to date in relation to the total estimated efforts to complete the contract. The Company monitors estimates of total contract revenue and costs on a regular basis throughout the delivery period. The cumulative impact of any change in estimates of the contract value or cost is reflected in the period in which the changes become known. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss.
6. Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.



Fixed Assets:-

1. Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any.
2. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
3. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.
4. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.
5. Depreciation is provided on a pro-rata basis on the straight-line method based on useful life as estimated by the Management and aligned to Schedule II to the Companies Act, 2013 in order to reflect the actual usage of assets. Depreciation on assets acquired under Finance Lease is spread over the lease period or useful life, whichever is shorter.
6. Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.
7. Software and implementation costs including users' license fees of the Enterprise Resource Planning (ERP) system and other application software costs are amortised over a period of three years.

Change in accounting policy:-

8. The Company has revised its policy of providing depreciation on fixed assets effective 01st April, 2014. The depreciation is now provided on Straight Line Method (SLM) based on useful life as estimated by the Management and aligned to Schedule II to the Companies Act, 2013, as against Written Down Value (WDV) method followed earlier. As a result of this change, the effect relating to the period prior to 01st April, 2014, is a net credit of Rs.2,610 lacs (excluding deferred tax) which has been shown as an 'Exceptional Item' in the financial results for the year ended 31st March, 2015. Further, based on the transitional provision of Schedule II to the Companies Act, 2013, an amount of Rs.108 lacs (net of deferred tax) has been adjusted to retained earnings. Had the Company continued with the depreciation under the old WDV method, the depreciation for the year would have been lower by Rs.2 lacs.

Leases:-

As a Lessee:-

Leases in which a significant portion of the risks and rewards of ownership are retained by the Lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

The Company leases certain tangible assets and such leases where the Company has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liability is included in other short / long-term borrowings. The finance charge is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

As a Lessor:-

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership, are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

Impairment of Assets:-

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

Investments:-

Investments that are readily realisable and are intended to be held for not more than one 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 cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

Inventories:-

Inventories are stated at lower of cost and net realisable value. Cost is determined using the average cost method. The cost of finished goods and work-in-progress comprises raw and packing materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Foreign Currency transactions by Indian Company:-

Initial Recognition: On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition: As at the reporting date, non-monetary items which are carried in terms of historical costs denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.



Translations of Foreign Operation:-

For the purpose of consolidation, the amounts appearing in foreign currencies in the Financial Statements of the foreign subsidiary are translated at the following rates of exchange:

- (a) Average rates for the incomes and expenditure.
- (b) The year-end rates for the assets and liabilities.

Research and Development:-

1. Revenue expenditure on Research and Development (including overheads) are charged out as expense through the natural heads of account in the year in which they are incurred.
2. Expenditure of a capital nature on Research and Development is debited to Fixed Assets and depreciation is provided on such assets, as are depreciable.

Employee Benefits:-

Provident Fund: Contribution towards provident fund for certain 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.

In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation, as reduced by the fair value of plan assets.

Superannuation Fund: Contribution towards superannuation fund for certain employees is made to the Ador Welding Employees Superannuation Fund administered by the Company. The benefit is classified as Defined Contribution scheme as the Company does not carry any further obligation, apart from the contribution made on a monthly basis, which is charged to Statement of Profit and Loss.

Employees State Insurance Scheme: The Company makes contribution to state plans namely Employees State Insurance Scheme and has no further obligation beyond making the payment to them.

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. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid, as a result of the unused entitlement, as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long-term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Termination Benefits: Termination benefits in the nature of voluntary retirement benefits are recognised in the Statement of Profit & Loss, as and when incurred.

Current and Deferred Tax:-

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Borrowing Costs:-

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

Provisions and Contingent Liabilities:-

Provisions: Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Provision for Warranty:-

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing on the basis of the past experience of the Company. It is expected that this expenditure will be incurred over the contractual warranty period.

Segment Reporting:-

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue has been accounted for based on the transaction price agreed to between segments, which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under 'Unallocated corporate expenses / income'.

Cash and Cash Equivalents:-

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

Earnings Per Share:-

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share, is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



Note 3 - Share Capital

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Authorised:		
3,00,00,000 (Previous year 3,00,00,000) Equity Shares of Rs.10/- each	3,000	3,000
Issued, Subscribed and fully Paid Up:		
1,35,98,467 (Previous year 1,35,98,467) Equity Shares of Rs.10/- each, fully Paid up	1,360	1,360
Total	1,360	1,360

Note 3 a - Rights, preferences and restrictions attached to shares

The Company has only one class of shares referred to as equity shares having a par (face) value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all the preferential amounts, in proportion to their shareholding.

Note 3 b - Shares held by Holding Company

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
	No. of shares	No. of shares
Equity Shares		
J. B. Advani & Co. Private Limited	68,00,531	68,00,531

Note 3 c - Details of shares held by shareholders holding more than 5% of aggregate shares in the Company

Particulars	As at 31 st March, 2015		As at 31 st March, 2014	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity Shares				
J. B. Advani & Co. Private Limited	68,00,531	50.01	68,00,531	50.01
Reliance Capital Trustee Co. Limited	9,18,884	6.76	6,89,182	5.07
Total	77,19,415	56.77	74,89,713	55.08

Note 4 - Reserves and Surplus

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
General Reserve		
Balance at the beginning of the year	13,223	13,181
Add: Transfer from Statement of Profit and Loss	324	42
Balance at the end of the year	13,547	13,223
Capital Redemption Reserve Account	223	223
Currency Translation Reserve		
Opening Balance	-	(14)
Add : During the year	-	(76)
	-	(90)
Surplus as per Statement of Profit and Loss		
Balance at the beginning of the year	2,130	3,479
Add : Accumulated losses of PLT now excluded (Refer Note 1 B)	1,055	-
Less : Transitional Reserve (Refer Note a below)	(108)	-
Add: Net Profit / (Loss) for the year	3,186	(511)
Less : Transfer to General Reserve	(324)	(42)
Less : Proposed Dividend	(680)	(680)
Less : Tax on proposed Dividend @	(138)	(116)
Balance at the end of the year	5,121	2,130
Total	18,891	15,486

@ Dividend proposed to be distributed to equity shareholders is Rs.5 /- (Previous year Rs.5/-) per equity share.

Note a) Net written down value of fixed assets having Nil remaining useful life as on 01st April, 2014, aggregating Rs.108 lacs (net of deferred tax asset aggregating Rs.55 lacs) has been adjusted above on account of change in accounting policy for depreciating fixed assets which is based on transitional provisions as stated in para 7 (b) of Schedule II of the Act.

Note 5 - Long-Term Borrowings

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Secured:		
Other	-	563
Unsecured:		
Loan from Banks	-	77
Loan from Others	(0)	173
Long-term maturities of finance lease obligations	13	77
Total	13	890



Note 6 - Deferred Tax Liabilities (Net)

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Deferred Tax Liability on account of:		
Depreciation	906	48
Capital Expenditure for Scientific Research	85	80
	991	128
Deferred Tax Assets on account of:		
Employee Benefits	89	67
VRS Payments*	6	0
Provision for Doubtful Debts	39	9
	134	76
Net Deferred Tax Liability	857	52

* Amount is below the rounding off norm adopted by the Company.

Note 7 - Long-Term Provisions

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Provision for Employee Benefits	84	151
Total	84	151

Note 8 - Short-Term Borrowings

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Working Capital Loans from Banks (Refer Note i)	6	-
Working Capital Loans from Banks (Refer Note ii)	-	842
Total	6	842

- (i) Working Capital facilities from Banks are secured by pari passu charge by way of hypothecation of Company's stocks, other current assets and other tangible moveable assets of the Company, both present and future and book debts in favour of Bank of Baroda and HDFC Bank Limited. HDFC Bank Limited facilities are further secured by first exclusive charge on the entire plant and machinery and other moveable fixed assets of the Company and on the land and building at the Company's Silvassa unit.
- (ii) Guarantees given by banks to third parties amounting to Rs.1,365 lacs; (Previous year Rs.2,145 lacs) on behalf of the Company are secured against securities mentioned in (i) above.


Note 9 - Trade Payables

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Trade Payables	4,400	5,438
Total	4,400	5,438

Note 10 - Other Current Liabilities

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Current maturities of finance lease obligations	30	63
Current maturities of Long-Term Loans	-	63
Employee Benefits Payable	87	383
Statutory dues	84	362
Unclaimed Dividend	118	132
Advances received from Distributors on behalf of customers	66	546
Advances received from customers	414	383
Billing in advance (Refer Note 22)	4	28
Deposits from distributors	137	128
Other current liabilities	178	142
Total	1,118	2,230

Note 11 - Short-Term Provisions

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Provision for Excise Duty on Finished Goods Stock	302	331
Provision for Employee Benefits		
- Gratuity	80	45
- Compensated Absences	99	58
- Interest Rate Guarantee on exempt Provident Fund	8	7
Provision for Warranties	69	71
Provision for Standby Letter of Credit (Refer Note 37 (3))	-	171
Provision for Proposed Dividend	680	680
Provision for Tax on Proposed Dividend	138	116
Provision for Income Tax (Net of advance tax- Rs.744 lacs)	301	107
(Previous year Rs.832 lacs)		
Provision for Wealth Tax	9	5
Total	1,686	1,591



Note 12 - Fixed Assets

(Rs. in lacs)

Particulars	GROSS BLOCK AT COST						DEPRECIATION / AMORTIZATION						NET BLOCK	
	As at 01.04.2014	Additions	Translation Adjustments	Adjustments	Deductions	As at 31.03.2015	As at 31.03.2014	For the Year	Translation Adjustments	Adjustments*	Deductions	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets														
Land - Freehold	193	-	-	-	-	193	-	-	-	-	-	-	193	193
Land - Leasehold (a)	48	-	-	(1)	-	47	1	-	-	-	-	1	46	47
Buildings	6,071	411	-	-	-	6,482	2,863	180	-	(1,427)	-	1,616	4,866	3,225
Ownership Premises (b)	323	-	-	-	12	311	180	9	-	(98)	7	84	227	143
Plant and Machinery (including Computers)	12,109	376	-	306	247	12,544	9,432	714	-	(532)	231	9,383	3,161	2,698
Electrical Installations	934	19	-	(3)	5	945	499	81	-	(11)	4	565	380	435
Furniture and Fixtures	724	48	-	-	39	733	518	41	-	(34)	36	489	245	215
Office Equipments	193	7	-	-	15	185	101	25	-	17	14	129	56	82
Vehicles	359	8	-	-	88	279	240	46	-	(61)	71	154	125	144
Temporary Shed	3	-	-	-	-	3	3	-	-	-	-	3	-	-
Leased Assets - Vehicles	204	-	-	-	31	173	64	80	-	-	16	128	45	141
Research and Development Assets:														
Land-Freehold	34	-	-	-	-	34	-	-	-	-	-	-	34	34
Buildings	127	-	-	-	-	127	87	1	-	(1)	-	87	40	40
Plant and Machinery	954	45	-	(303)	90	606	764	19	-	(296)	85	402	204	190
Air Conditioners	6	1	-	-	-	7	1	1	-	-	-	2	5	5
Total	22,281	915	-	(1)	527	22,669	14,753	1,196	-	(2,443)	464	13,043	9,626	7,592
Previous Year TOTAL	22,079	752	27	-	366	22,492	13,951	1,188	20	-	259	14,900	7,592	
Intangible Assets														
Computer Software	449	25	-	-	12	462	306	58	-	(2)	10	352	110	143
Total	449	25	-	-	12	462	306	58	-	(2)	10	352	110	143
Previous Year TOTAL	283	165	-	-	-	448	265	40	-	-	-	305	143	

* Represents impact on account of change in the method of depreciation from WDV to SLM (Refer Note 37)

Notes :-

- (a) Leasehold Land includes Land Rs.39 lacs (Net of amortisation Rs.38 lacs) acquired by the Company on a co-ownership / lease basis for which conveyance deed is yet to be executed.
- (b) Includes:
- Rs.0.01 lac being the aggregate value of Shares in Co-operative Housing Societies.
 - Rs.4.17 lacs for Tenements in an Association of Apartment Owners.

Note 13 - Non-Current Investments (At Cost) (Unquoted)

(Rs. in lacs)

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
A) Long Term Trade investments		
i) 6 years National Savings Certificates*	0	0
ii) RECL Tax Free Secured Redeemable Non - Convertible Bonds (Unquoted)	184	184
Total	184	184

* Amount is below the rounding off norm adopted by the Company.

Note 14 - Long-Term Loans and Advances
Unsecured, considered good (unless otherwise stated)

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Advance income tax (Net of provisions - Rs.2,376 lacs) (Previous year Rs.2,521 lacs)	111	127
Balances with Sales Tax Authorities	1,211	1,393
Export Incentive Receivable	197	181
Sundry Deposits	169	144
Loans to Employees	4	4
Capital Advances	490	486
Prepaid Expenses	3	1
Total	2,185	2,336

Note 15 - Other Non-Current Assets

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Fixed Deposits for Bank Guarantees (maturity more than twelve months)	62	59
Others	23	20
Total	85	79

Note 16 - Current Investments (Quoted) - (At lower of Cost and Fair Value)

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Non-Trade Short Term Investments		
In Mutual Funds	461	1,191
Total	461	1,191
Aggregate value of Quoted Investments	526	1,253



Note 17 - Inventories

(At Cost or Net Realisable Value, whichever is lower)

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
1) Raw Materials and Components and Packing Material (includes in-transit Rs.Nil ; Previous year Rs.21 lacs)	1,619	1,825
2) Work-in-Progress	713	973
3) Finished Goods (Includes in-transit Rs.Nil, Previous year Rs.8 lacs)	1,591	1,976
4) Stock-in-trade	123	114
5) Stores, Spares, Parts, etc.	259	266
Total	4,305	5,154

Note 18 - Trade Receivables

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Trade Receivables outstanding for less than six months from the date they are due for payment		
Secured, considered good	351	635
Unsecured, considered good	7,124	5,973
Unsecured, considered doubtful	-	-
Less : Provision for doubtful debts	-	-
	7,475	6,608
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good*	850	1,220
Unsecured, considered doubtful	115	29
Less : Provision for doubtful debts	(115)	(29)
	850	1,220
Total	8,325	7,828

* includes an amount of Rs.304 lacs (Previous year Rs.340 lacs) on account of retention money of Project Engineering Business

Note 19 - Cash and Bank Balances

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Cash and Cash Equivalents		
i) Cash on hand	4	2
ii) Balances with Banks in Current Accounts	336	2,030
	340	2,032
Other Bank Balances		
i) Earmarked Balances with Banks (Dividend accounts)	118	132
ii) Term deposits with maturity of more than three months and less than twelve months	1,526	6
	1,644	138
Total	1,984	2,170

Note 20 - Short-Term Loans and Advances
Unsecured, considered good unless otherwise stated

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Balances with Central Excise, Customs and Port Trust	315	10
Loans and Advance to Related Parties	-	7
Loans and Advances to Employees	25	23
MAT Credit Entitlement	249	-
Sundry Deposits	3	3
Advance to suppliers	222	309
Prepaid expenses	66	-
Others	20	207
Total	900	559

Note 21 - Other Current Assets

Particulars	(Rs. in lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Receivable from Holding Company	-	398
Grant Receivable from Government	-	30
Forward Exchange Difference Receivable	2	10
Unbilled Revenue on contracts (Refer Note 22)	34	101
Interest receivable	18	12
Others Receivables	36	77
Total	90	628



Note 22 - Revenue from Operations (Gross)

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Sale of Products and Services		
Sale of Manufactured Products/Services	42,385	40,818
Other Operating Income		
Duty Drawback Received on export sales	47	59
Insurance recovered	51	24
Interest on LC received	8	4
Total	42,491	40,905

Disclosure pursuant to AS-7 (Revised) - Construction Contracts

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
I) Contract revenue recognised for the year	4,475	2,680
II) Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress	3,322	1,424
III) Amount of customer advances outstanding for contracts in progress	297	58
IV) Amount of retentions due from customers for contracts in progress	304	340
V) Amount due from customers (Refer Note 21)	34	101
VI) Amount due to customers (Refer Note 10)	4	28

The amount of excise duty disclosed as deduction from turnover, is the total excise duty for the year, except the excise duty related to the difference between the closing stock and opening stock and excise duty paid, but not recovered for free goods, breakages / damages and captive consumption, which has been included under the head 'Other Expenses' as 'Miscellaneous Expenses'.

Note 23 - Other Income

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Interest received on Government Securities	15	15
Interest received from Banks and Others	47	7
Surplus on sale of investments	83	142
Profit on sale of Fixed Assets (net)	7	-
Rent Received	54	53
Royalty received	-	4
Foreign currency fluctuation gain (net)	120	190
Provisions / liabilities no longer required now written back	92	57
Miscellaneous Income	21	29
Total	439	497

Note 24 - Cost of Materials Consumed

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Opening Stock (excluding in-transit)	1,698	1,528
Add: Purchases during the year	25,406	24,829
Less: Closing Stock (excluding in-transit)	(1,619)	(1,805)
Total	25,485	24,552

Note 25 - Details of Purchase of Stock-in-trade

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Welding Products and Accessories	465	479
Total	465	479

Note 26 - Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Opening Stock		
Finished Goods	1,920	1,862
Stock-in-trade	114	82
Work-in-Progress	972	672
	3,006	2,616
Closing Stock		
Finished Goods	1,591	1,976
Stock-in-trade	123	114
Work-in-Progress	713	973
	2,427	3,063
Add / (Less): Variation in Excise Duty on opening and closing stock of finished goods	(29)	(26)
Total	550	(473)

Note 27 - Employee Benefits Expense

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Salaries and incentives	3,148	3,497
Contribution to Provident and other funds (net of reversal of liabilities)	172	98
Staff Welfare expenses	377	389
Total	3,697	3,984



Note 28 - Finance Costs

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Interest Expense	32	113
Other Borrowing costs	83	96
Total	115	209

Note 29 - Other Expenses

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Manufacturing and other expenses (Refer Note 30)	2,270	2,224
Electricity and Power expenses	27	27
Rent	100	194
Freight	438	355
Legal and Professional fees	346	596
Insurance	26	34
Repairs and Maintenance - others	110	126
Travelling, conveyance and vehicle expenses	727	971
Directors Fees	6	6
Telephone, Postage & Telegram	178	188
Rates and Taxes - Office	61	74
Advertisement and Sales Promotion expenses	127	92
Commission	50	18
Bad Debts Written off (net of reversal of provision for doubtful debts Rs.Nil; Previous year Rs. 17 lacs)	6	22
Provision for Doubtful Debts	86	29
Provision for Differential Tax Liability	15	-
Loss on sale of Fixed Assets (net)	-	2
Assets written off / discarded	20	3
Printing and stationery	52	49
Auditors Remuneration (Refer Note 31)	36	40
Corporate Social Responsibility	47	-
Miscellaneous Expenses	788	858
Total	5,516	5,908


Note 30 - Manufacturing and Other Expenses

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Consumption of Stores and spares	651	680
Power and Fuel	804	854
Repairs to Machinery	113	98
Repairs to Building	21	7
Other Manufacturing expenses	681	585
Total	2,270	2,224

Note 31 - Auditors Remuneration

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Statutory audit fees	24	24
Tax audit fees	7	7
Certification and other matters	4	8
Reimbursement of out of pocket expenses	1	1
Total	36	40

Note 32 - Computation of Profit / (Loss) for Earnings per Share

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Profit before exceptional items after tax (Net of tax) (Rs. in lacs)	369	785
Profit after exceptional items after tax (Net of tax) (Rs. in lacs)	3,186	(511)
Weighted average number of shares outstanding	1,35,98,467	1,35,98,467
Earnings per share before exceptional item after tax (basic and diluted) (Rs.)	2.72	5.77
Earnings per share after exceptional item after tax (basic and diluted) (Rs.)	23.43	(3.76)



Note 33 - Contingent Liabilities not provided for

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
a) Disputed Sales Tax, as the matters are in appeal (advance paid Rs. 31 lacs; Previous year Rs. 27 lacs)	287	331
b) Disputed Excise duties, as the matters are in appeal (advance paid Rs. 2 lacs; Previous year Rs. 2 lacs)	115	123
c) On account of bills discounted by the Company	27	222
d) Bonds / Undertakings given by the Company under Concessional duty / exemption scheme / Waiver of penalty to Customs Authorities.	96	90
e) Standby Letter of Credit issued to Bank Hapoalim Ltd. / HDFC Bank Ltd - Hongkong for loans drawn / to be drawn by a subsidiary	-	73
f) Other matters	152	117

Note 34 - Commitments

Particulars	(Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
a) On Capital Account – Capital Contracts not provided for (Net of advances)	344	582
b) Other – Subsidiary Obligation to pay royalties on future sales against research grant received. (Maximum amount payable)	-	1,109

Note 35 - Segment Information
A) Business Segment

(Rs. in lacs)

Particulars	Consumables		Equipments & Project Engineering		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
External Revenue	27,181	27,532	11,425	9,594	38,606	37,126
Inter Segment Revenue	-	-	-	-	-	-
Total Revenue	27,181	27,532	11,425	9,594	38,606	37,126
Segment Result before Interest and tax	2,453	3,062	640	(9)	3,093	3,053
(Less):						
Unallocable expenses						
(Net of unallocable income)					(1,015)	(1,108)
Finance costs					(115)	(209)
Excess / (Short) Provision of Taxes In respect of earlier years (net)					63	(2)
Exceptional Items					2,817	(1,296)
Provision for taxes (Net of Deferred Tax)					(1,657)	(949)
Net Profit / (Loss)					3,186	(511)
Segment Assets	14,741	12,504	8,997	9,695	23,738	22,199
Unallocated Assets		-		-	4,677	5,841
Total Assets		-		-	28,415	28,040
Segment Liabilities	2,907	3,582	3,147	4,841	6,054	8,423
Unallocated Liabilities		-		-	2,110	2,771
Total Liabilities		-		-	8,164	11,194
Capital Expenditure						
Segment Capital Expenditure	567	377	338	532	905	909
Unallocated Capital Expenditure					19	141
Total Capital Expenditure (Tangible and Intangible Assets)					924	1,050
Depreciation and Amortisation						
Segment Depreciation and Amortisation	771	766	325	314	1,096	1,080
Unallocated Depreciation and Amortisation					158	148
Total Depreciation and Amortisation					1,254	1,228
Significant Non-Cash Expenditure						
Segment Significant Non-Cash Expenditure	3		17		20	-
Unallocated Significant Non-Cash Expenditure					-	3
Total Significant Non-Cash Expenditure					20	3



B) Geographical Segment

(Rs. in lacs)

Particulars	India		Outside India		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue	35,540	31,938	3,066	5,188	38,606	37,126
Carrying Amount of Segment Assets	23,199	20,947	539	1,252	23,738	22,199
Additions to Fixed Assets (Tangible and Intangible Assets)	905	863	-	46	905	909

C) Other Disclosures

1. Segments have been identified in line with the Accounting Standard on Segment Reporting (AS – 17) taking into account the organisation structure as well as differential risks and returns of these segments.
2. The Company has disclosed Business Segment as the primary segment.
3. Types of Products and Services in each Business Segment:

Business Segment	Types of Products and Services
a) Consumables	- Electrodes, Wires, Agency Items related to consumables.
b) Equipment & Project Engineering	- Equipment, Spares, Cutting Products and Agency Items related to Equipment and Cutting Products & Design, Engineering, Procurement and commissioning of Flares, Incinerators, Furnaces, etc.

4. The Segment Revenues, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

Note 36 -Related Parties Disclosure

A. Relationships

Relationship	Name of the Person / Company
(i) Where control exists	
a) Holding Company	J. B. Advani & Co. Private Ltd.
(ii) Other related parties with whom transactions have taken place during the year	
a) Company in which Holding Company has significant influence and its associates	Ador Powertron Limited Ador Fontech Limited Ador Multiproducts Limited Mack Valves India Pvt. Ltd. Ador Digatron Pvt. Limited Ador Green Energy Pvt. Ltd.
b) Key Management Personnel	Ms. A. B. Advani Mr. S.M.Bhat
c) Relative of Director	Mr. Ajit T. Mirchandani

Note: Related Party relationship is as identified by the Company and relied upon by the Auditors.

B. Transactions

(Rs. in lacs)

Relationship / Name of the related party	Description of the nature of transaction	Value of the transactions	
		Year ended 31-03-2015	Year ended 31-03-2014
a) Holding Company			
J. B. Advani & Company Private Limited	Sale of goods	18	14
	Purchase of goods	1,218	1,147
	Rent Received	25	25
	Rent Paid	14	-
	Reimbursement of Expenses	5	6
	Sale of Assets	-	550
	Recovery of Expenses	13	20
	Outstanding Receivable	8	6
	Other Receivable	-	398
	Outstanding Payable	122	110
	Advance / Deposit	4	-
b) Company in which Holding Company has Significant Influence and Its Associates			
(i) Ador Fontech Limited	Outstanding Receivable	15	2
	Purchase of goods	23	3
	Recovery of Expenses	1	3
	Reimbursement of Expenses	2	15
	Rent Received	8	10
	Royalty Received	-	3
	Sale of goods	213	253
	Short Term Loans / Advances	-	3
(ii) Ador Multiproducts Limited	Outstanding Receivable	14	13
	Purchase of goods	-	1
	Recovery of Expenses	3	2
	Royalty Received *	-	0
	Sale of goods	64	244
	Short-Term Loans / Advances	-	2
(iii) Ador Powertron Limited	Outstanding Payable *	-	0
	Outstanding Receivable	-	16
	Purchase of Fixed Assets	-	6
	Purchase of goods	-	4
	Recovery of Expenses	2	2
	Rent Received	1	2
	Royalty Received	-	1
	Sale of goods	4	16
Short-Term Loans / Advances	-	2	
* Amounts have been rounded off, as per norms of the Company			



(Rs. in lacs)

Relationship / Name of the related party	Description of the nature of transaction	Value of the transactions	
		Year ended 31-03-2015	Year ended 31-03-2014
c) Other Related Parties where significant influence exists			
i) Ador Digatron Pvt. Ltd.	Sale of goods*	0	-
ii) Mack Valves India Private Ltd.	Sale of Goods	2	-
	Sale of Fixed Assets	6	-
iii) Ador Green Energy Pvt. Ltd.	Service Received	123	-
	Outstanding Payables	63	-
d) Relative of Director			
Mr. Ajit T. Mirchandani	Non-compete Fees	60	60
e) Key Management Personnel			
i) Ms. A. B. Advani	Remuneration	136	94
	Other Receivable	-	24
ii) Mr. S. M. Bhat	Remuneration	107	94
iii) Non-Executive Directors	Commission	23	11
* Amounts have been rounded off, as per norms of the Company.			

Notes:

1. Related Party relationship is as identified by the Company and relied upon by the Auditors.
2. The Company has issued Standby Letter of Credit to Bank Hapoalim Ltd. and HDFC Bank Limited - Hongkong for Rs. Nil (Previous year Rs.1,127 lacs) towards security for loans drawn/to be drawn by M/s. Plasma Laser Technologies Ltd.
3. The Company has shared facilities / limits offered by HDFC Bank Limited to the extent of Rs.100 lacs by earmarking working capital funds in favour of M/s. Ador Welding Academy Pvt. Limited.

Note 37 - Exceptional Items

(Rs. in lacs)			
Sr. No.	Particulars	Year ended 31 st March, 2015	Year ended 31 st March, 2014
1.	The Company has revised its policy of providing depreciation on fixed assets effective 01 st April, 2014. The depreciation is now provided on Straight Line Method (SLM) based on useful life, as estimated by the Management and aligned to Schedule II to the Companies Act, 2013, as against Written Down Value (WDV) method followed earlier. As a result of this change, the effect relating to the period prior to 01 st April, 2014, is a net credit of Rs. 2,610 lacs (excluding deferred tax) which has been shown as an 'Exceptional Item' in the financial result for the year ended 31 st March, 2015. Further, based on the transitional provision of Schedule II to the Companies Act 2013, an amount of Rs.108 lacs (net of deferred tax) has been adjusted to retained earnings.	2,610	-
2	Surplus on sale of property. During FY 2014-15, the Company sold its 2 Residential Flats alongwith furniture for a consideration of Rs. 290 lacs, the WDV of the same was Rs. 8 lacs, which resulted in Exceptional income of Rs. 282 lacs. Similarly in the previous FY 2013-14, the Company had sold its Goa property comprising of Land, Building and furniture for a consideration of Rs. 550 lacs, the WDV of the said assets was Rs. 47 lacs, which resulted in Exceptional income of Rs. 503 lacs.	282	503
3	Final Bank Guarantee amount of Rs. 74.43 lacs (US\$ 1.20 lacs) was paid to HDFC Bank Ltd - Hongkong on behalf of PLT in FY 2014-15. Similarly net Standby Letter of Credit to Bank Hapoalim Ltd. and HDFC Bank Limited - Hongkong for Rs.171 lacs were issued towards security for loan taken by M/s. Plasma Laser Technologies Limited.	(74)	(171)
4	Goodwill on Consolidation. M/s. Plasma Laser Technologies Ltd. (PLT) has incurred losses since the date of its acquisition and the accumulated losses as at 31 st March, 2014 exceeded its net worth. The Company has evaluated its investment for the purpose of determination of potential diminution in value, and based on such evaluation and considering the underlying factors including downturn in business and decrease in related activities, has impaired the amount of Goodwill on consolidation as at 31 st March, 2014.	-	(1,628)
	Total (Gain / (Loss))	2,817	(1,296)

Note 38 - Employee Benefits

The disclosures required as per Accounting Standard - 15 - Employee Benefits (Revised 2005), are as under:

Brief Description of the Plans:

The Company has various schemes for employee benefits such as provident fund, superannuation and gratuity. In case of funded schemes, the funds are administered through trustees / appropriate authorities. The Company's defined contribution plans are superannuation and provident fund and the Company has no further obligation beyond making the contributions. The Company's defined benefit plans consists of provident fund and gratuity. The employees of the Company are entitled to compensated absences as per the Company's policy.



I. Defined Contribution Plans:

- (i) Provident Fund
- (ii) Superannuation Fund
- (iii) Employees State Insurance Fund

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss*:

Particulars	(Rs. in lacs)	
	FY 2014-15	FY 2013-14
Employer's Contribution to Superannuation Fund	22	40
Employer's Contribution to Provident Fund	103	82
Employees State Insurance Fund	9	9

*included in Note 27- 'Employee Benefit Expenses'

II. Defined Benefit Plans (Disclosure based on actuarial reports):

- a) Contribution to Gratuity Fund (Funded Scheme)

Particulars	(Rs. in lacs)	
	FY 2014-15	FY 2013-14
(i) Change in present value of obligation		
Obligation at beginning of the year	277	302
Current Service Cost	28	31
Interest Cost	25	24
Actuarial (gain) / loss	(1)	(39)
Benefits paid	(47)	(41)
Obligation at the end of the year	282	277
(ii) Change in Plan assets		
Fair value of Plan assets at beginning of the year	232	235
Expected return on plan assets	17	17
Actuarial gain / (loss)	0	6
Contributions	-	15
Benefits paid	(47)	(41)
Fair value of Plan assets at the end of the year	202	232
(iii) Actual return on Plan assets	17	23
(iv) Assets and Liabilities recognised in the Balance Sheet		
Present value of the defined obligation at the end of the year	282	277
Less: the fair value of plan assets at the end of the year	(202)	(232)
Net Liability / (Asset) recognized	80	45
Recognised under Provisions (Refer Note 7 and 11)		
Long-Term Provision	-	-
Short-Term Provision	80	45
(v) Expenses recognised in the Statement of Profit and Loss:		
Current Service cost	28	31
Interest cost	25	24
Expected return on plan assets	(17)	(17)
Actuarial (gain) / loss recognised in the current year	(1)	(45)
Net gratuity cost recognised in the current year	35	(7)

Particulars	(Rs. in lacs)	
	FY 2014-15	FY 2013-14
(vi) Expected employer's contribution for the next year	50	50
(vii) In accordance with Accounting Standard 15, actuarial valuation was performed in respect of the afore said defined benefit plans based on the following assumptions:-		
Discount rate (p.a)	7.95%	9.20%
Estimated rate of return on Plan assets (p.a)	8.00%	7.50%
Rate of growth in salary levels* (p.a)	8.00%	8.00%
Attrition Rate		
21 years to 44 years	18.87%	10.40%
45 years and above	10.46%	6.40%
The estimates of future salary increases, considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as, supply and demand factors in the employment market		
(viii) Asset Information:		
The Plan Asset for the funded gratuity plan is administered by, the Life Insurance Corporation of India ('LIC'), as per the Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority Regulations.		
*The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.		

(ix) Other Information

	(Rs. in lacs)				
	Period ended				
Gratuity	31-03-15	31-03-14	31-03-13	31-03-12	31-03-11
Present Value of Obligation at the close of the year	282	277	302	328	305
Fair Value of Plan Assets at the close of the year	202	232	235	281	274
Surplus / (deficit)	(80)	(45)	(67)	(47)	(31)
Experience adjustments on plan liabilities - gain / (loss)	(18)	(39)	8	17	10
Experience adjustments on plan assets - gain / (loss)	(0)	6	(23)	(4)	(0)

b) Provident Fund Liability

In case of certain employees, the Provident Fund contribution is made to a trust administered by the Company.

In terms of the guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of Provident Fund liability based on the assumptions listed below:

The following table gives the reconciliation of opening and closing balances of the present value of the defined benefit obligation:



Particulars	(Rs. in lacs)	
	FY 2014-15	FY 2013-14
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	1,083	975
Current Service Cost	38	45
Interest Cost	99	75
Actuarial (gain) / loss	(82)	20
Employees contribution	68	77
Liabilities assumed on Acquisition / (settled on Divestiture)	5	22
Benefits paid	(98)	(131)
Closing Defined Benefit Obligation	1,113	1,083
Change in Fair Value of Assets		
Opening Fair value of Plan assets	1,076	942
Expected return on plan assets	89	71
Actuarial gain / (loss)	(73)	50
Employer contributions during the period	38	45
Employee contributions during the period	68	77
Assets acquired on Acquisition / (distributed on Divestiture)	5	22
Benefits paid	(98)	(131)
Closing Fair value of Plan Assets	1,105	1,076
Reconciliation of present value of the obligation and the fair value of plan assets and amount recognized in the balance sheet:		
Present value of the defined benefit obligation at the end of the year	1,113	1,083
Fair value of plan assets at the end of the year	(1,105)	(1,076)
Net liability / (Asset) recognized in the balance sheet	7	7
Recognised under Provisions (Refer Note 10)		
Long-Term Provision	-	-
Short-Term Provision	8	7
Expenses recognized in the Statement of Profit and Loss:		
Current service cost	38	45
Interest cost	99	75
Expected return on plan assets	(89)	(71)
Net actuarial loss / (gain) recognized in the current year	(9)	(30)
Total Expense*	39	20
*Included in Note 27 – 'Employee Benefits Expense'		

Particulars	(Rs. in lacs)	
	FY 2014-15	FY 2013-14
Expected employer's contribution for the next year	38	45
In accordance with Accounting Standard-15, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:-		
Discount rate (p.a.)	7.95%	9.20%
Expected rate of return on assets	7.78%	8.24%
Discount rate for the remaining term to maturity of the investment	8.05%	9.18%
Average historic yield on the investment	7.88%	8.22%
Guaranteed rate of return	8.75%	8.75%
The estimates of future salary increases, considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as, supply and demand factors in the employment market.		
Break-up of Plan Assets at the end of the year		
Government of India Securities	25%	26%
Corporate Bonds	29%	31%
Special Deposit Schemes	26%	26%
Equity shares of Listed Company	8%	10%
Others	13%	6%

(ix) Other Information

Provident Fund	(Rs. in lacs)				
	Period ended				
	31-03-15	31-03-14	31-03-13	31-03-12	31-03-11
Present Value of defined benefit obligation at the end of year	1,113	1,083	975	842	-
Fair Value of plan assets at the end of year	1,105	1,076	942	821	-
Surplus / (Deficit)	(8)	(7)	(33)	(21)	-
Experience adjustments on plan liabilities - gain / (loss)	(89)	38	80	-	-
Experience adjustments on plan assets - gain / (loss)	(73)	50	90	-	-

(x) The Liability for compensated absences as at 31st March, 2015 aggregates to Rs. 183 lacs against Rs. 150 lacs in the previous year.

Note 39 - Lease arrangements - Operating Lease

The Company's significant leasing arrangements are in respect of residential flats and office premises taken on cancellable lease. The aggregate amount of operating lease rent debited to Statement of Profit and Loss during the year is Rs. 85 lacs (Previous year Rs. 194 lacs).


Note 40 - Lease Obligation- Finance Lease

Net carrying amount of carrying assets as at Balance Sheet date – Rs. 42 lacs (Previous year Rs. 141 lacs)

The minimum future lease rentals and present value of minimum lease rentals payable are as follows.

(Rs. in lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
Minimum lease rentals payable as on Balance sheet date	60	124
Present value of Minimum lease rentals payable	51	102

(Rs. in lacs)

Particulars	Minimum Lease Payment		Present Value of Minimum Lease Payments	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Amount due within one year	37	63	33	56
Amount due from one year to five years	23	61	18	46
Amount due from five years and above	-	-	-	-
Total	60	124	51	102

Note 41 - Amounts below Rs.0.49 lac have been rounded off as per rounding off norms of the Company.

Note 42 - The Figures for the previous year are regrouped / re-arranged, wherever necessary.

As per our attached report of even date

For and on behalf of the Board of Directors

For **DALAL & SHAH**
Firm Registration No: 102021W
Chartered Accountants

A.B.Advani
Executive Chairman
DIN : 00029256

Sarah George
Partner
Membership No: 045255

V.M.Bhide
**Head - Corporate Administration
& Company Secretary**

Sanjay Hede
Chief Financial Officer

S.M.Bhat
Managing Director
DIN : 05168265

Mumbai, 07th May, 2015

Mumbai, 07th May, 2015


Information on Subsidiary Companies

(under Section 129(3) of the Companies Act, 2013)

Form AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures
Part "A" : Subsidiaries

(Rs. in lacs)

Particulars	Indian Subsidiary	Foreign Subsidiaries		
	Ador Welding Academy Pvt. Ltd.	Plasma Laser* Technologies Ltd.	Plasma Laser Technologies, NA, Inc.	Aluminium Hybrid Systems Ltd.
Share Capital	10	-	-	-
Reserves & Surplus	(151)	-	-	-
Total Assets	170	-	-	-
Total Liabilities	311	-	-	-
Investments	-	-	-	-
Turnover	131	-	-	-
Profit/(Loss) before taxation	(47)	-	-	-
Provision for Taxation	(3)	-	-	-
Profit/(Loss) after taxation	(50)	-	-	-
Proposed Dividend	-	-	-	-
% of Shareholding	100%	67.55%	100%	94.73%

* under liquidation

Part "B" : Associates and Joint Ventures
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Not Applicable

For and on behalf of the Board of Directors

A.B.Advani
Executive Chairman
 DIN : 00029256

Place: Mumbai
Date: 07th May, 2015

V.M.Bhide
**Head - Corporate Administration
 & Company Secretary**

Sanjay Hede
Chief Financial Officer

S.M.Bhat
Managing Director
 DIN : 05168265

[illegible]



ADOR WELDING ACADEMY

A-108, H Block, MIDC, Pimpri, Pune - 411 018. Maharashtra, INDIA. Telefax: +91 20 4070 6300

Ador Welding Academy (AWA), in FY 2014-15 kept 100% growth pace. Ador Welding Academy, in addition to its training centers in Pune and Raipur, added 4 (four) new locations of training at the following places:

- a) Killari, Dist. Latur, Maharashtra
- b) Chandrapur, Maharashtra
- c) Hosur, near Bangalore, Karnataka
- d) Chennai, Tamil Nadu.

AWA is committed to impart quality training to the interested candidates across India and give them a good career option.

AWA is honored to contribute in building National Occupation Standards (NOS) and Qualification Pack (QP) for various Sector Skill Councils, and has conducted training for trainers under Automotive Skills Development Council (ASDC), sector skill council.

AWA's association with Dr. Babasaheb Ambedkar Research & Training Institute (BARTI) is on the growth path and now the programs under BARTI will also be implemented in Chandrapur and Killari, along with Pune center. Repeat orders from the customers like General Electronic (GE), Mahindra & Mahindra (M&M), John Deere, TATA Power and others are testimonials to quality of service, AWA provides to its clients.

AWA's training, consultancy and assessment services have widely been accepted by the industry and in FY 2014-15, AWA has added 40 new corporate clients to its client list. In the coming years, AWA is looking forward to launch new training programs in Non-Destructive Testing (NDT) arena.



WELDERS TO THE NATION SINCE 1951
ADOR WELDING LIMITED

(Formerly Advani-Oerlikon Ltd.)

www.adorwelding.com



OUR MARKET REACH

DOMESTIC SALES OFFICES

Ahmedabad

804-805, Sakar IV, Opp.Town Hall,
Near Ellis Bridge, Ashram Road,
Ahmedabad - 380006
Gujarat, INDIA.
Tel.: (079) 2657 9928, 6661 2788
Fax: (079) 6661 2788

Coimbatore

"Ramakrishna Bagh", 1289,
Trichy Road, Coimbatore - 641018
Tamil Nadu, INDIA.
Tel.: (0422) 4393 013
Fax: (0422) 2303 869

Indore

402, Apollo Trade Centre,
Ambedkar Square, Geeta Bhavan,
Chouraha,
A. B. Road, Indore - 452001
Madhya Pradesh, INDIA.
Tel.: (0731) 2494 220, 4066 840
Fax: (0731) 4066 840

Mumbai

Ador House
6, K Dubash Marg,
Fort, Mumbai - 400001-16
Maharashtra, INDIA.
Tel. : (022) 2284 2525, 6623 9300
Fax: (022) 2287 3083

Bengaluru

N-406/407, 4th Floor,
Manipal Centre, North Block,
Rear Wing, Dickenson Road,
Bengaluru - 560042
Karnataka, INDIA.
Tel.: (080) 2558 5125
Fax: (080) 2532 1477

Delhi

C-116, Naraina Industrial Area,
Phase 1, New Delhi - 110028
INDIA
Tel: (011) 4141 1049, 4141 1106
4557 8099, 4330 4333
Fax: (011) 2579 5529

Jaipur

309, Aishwarya Tower,
Near Hotel Hawa Mahal,
Ajmer Road, Jaipur - 302001
Rajasthan, INDIA.
Tel.: (0141) 2220 833
Fax: (0141) 2220 834

Pune

Akurdi Village, Chinchwad,
Pune - 411019
Maharashtra, INDIA.
Tel.: (020) 4070 6000
Fax: (020) 4070 6001

Chennai

No. 6, IInd Floor, Fagun Chambers,
26 Ethiraj Salai, Egmore,
Chennai - 600008
Tamil Nadu, INDIA.
Tel.: (044) 2827 0105

Hyderabad

9-1-93/1, Lane Adjacent to
Sangeet Cinema,
Sarojini Devi Road,
Secunderabad - 500003
Telangana, INDIA.
Tel.: (040) 2771 2090, 6649 2090
Fax: (040) 2771 5570

Kolkata

P-6, C.I.T. Road, Scheme - 55,
Moulali, Kolkata- 700014
West Bengal, INDIA.
Tel.: (033) 4008 4862 / 63
Fax: (033) 4008 4864

Raipur

Bilaspur Road, Industrial Area,
Raipur - 493221
Chhattisgarh, INDIA.
Tel.: (0771) 2562 290, 4041 317
Fax: (0771) 4041 318

OVERSEAS SALES OFFICE

Sharjah

Sharjah Airport International
Free Zone (SAIF Zone) : Q3-216,
P.O. Box No.: 120025,
Sharjah, U.A.E.
Tel.: (00971) 6557 8601
Fax: (00971) 6557 8602
Email: exports@adorians.com



WELDERS TO THE NATION SINCE 1951
ADOR WELDING LIMITED
(Formerly Advani-Oerlikon Ltd.)

www.adorwelding.com

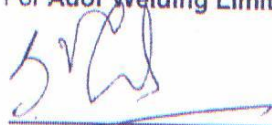
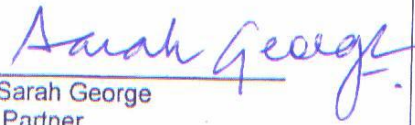
Registered & Corporate Office: Ador House, 6, K. Dubash Marg, Fort, Mumbai 400 001-16. INDIA.

Tel: +91 22 6623 9300, 2284 2525 | Fax: +91 22 2287 3083 | Email: cmo@adorians.com



Form A

Pursuant to Clause 31(a) of the Listing Agreement

Sr. No	Particulars	Details
1.	Name of the company	ADOR WELDING LIMITED
2.	Audited financial statements for the year ended	31 st March, 2015
3.	Type of Audit observation	Matter of Emphasis – Paragraph inserted in the Auditors Report on Consolidated financial statements We draw your attention to Note '1B' to the consolidated financial statements regarding non-inclusion of Plasma Laser Technologies Limited, a subsidiary of the Company and its step down subsidiaries respectively, in the preparation of the consolidated financial statements as the said subsidiary and its subsidiaries are under liquidation for which an official liquidator has been appointed by the Israel Court, resulting in the Company's loss of control over the affairs of these subsidiaries. Our opinion is not qualified in respect of this matter. 'Note 1B' to the Consolidated Financial Statements referred in Matter of Emphasis: Considering the downturn of the operation, the employees of Plasma Laser Technologies Ltd. (PLT), one of the Company's subsidiary incorporated in Israel, had approached Israel Court for the purpose of liquidation and considering the same, Israel Court has appointed the Official Liquidator to evaluate various options, including revival or liquidation. Hence, the management believes that the Company has lost its control on the affairs and assets of such subsidiary as the same is now vested with such Official Liquidator appointed by Israel Court and hence, the same has not been considered for the purpose of consolidation. Further, the Management believes that there are no further claims expected on the Company on account of PLT.
4.	Frequency of observation	First Year
5.	To be signed by:	
	a) For Ador Welding Limited  S. M. Bhat Managing Director	b) For Ador Welding Limited  S. M. Hede Chief Financial Officer
	c) For Ador Welding Limited  M. K. Maheshwari Audit Committee Chairman	d) Auditor of the Company For DALAL & SHAH, Firm Regn. No. 102021 W Chartered Accountants  Sarah George Partner Membership No. 045255