

# ADOR WELDING LIMITED



REGD. & CORPORATE OFFICE  
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Corporate Identity No: L70100MH1951PLC008647

AWL/SEC/SE/2019-20

27<sup>th</sup> July, 2019

**BSE LTD.**

Phiroze Jeejeebhoy Towers,  
01<sup>st</sup> Floor, Dalal Street,  
Fort,  
Mumbai - 400 023.

**NATIONAL STOCK EXCHANGE OF INDIA LTD.**

Exchange Plaza, C - 1, Block G,  
Bandra-Kurla Complex,  
Bandra (E),  
Mumbai - 400 051.

**Company Scrip Code: 517041**

**Company Scrip Code: ADORWELD**

Dear Sirs,

**Sub: Proceedings of the 66<sup>th</sup> Annual General Meeting (AGM)**

We wish to inform you that the 66<sup>th</sup> Annual General Meeting (AGM) of our Company was held yesterday i.e. Friday, 26<sup>th</sup> July, 2019. The AGM commenced at 11:00 am and concluded at 02:15 pm. In the said meeting, the business mentioned in the Notice of the AGM dated 16<sup>th</sup> May, 2019 was transacted.

In view of the above, we are enclosing herewith summary of proceedings of our AGM pursuant to under Regulation 30, Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby request you to take this on record and acknowledge its receipt.

Thanking you,

Yours Sincerely,  
For **ADOR WELDING LIMITED**

A handwritten signature in blue ink, appearing to read "V. M. Bhide", written over a horizontal line.

V. M. BHIDE  
**COMPANY SECRETARY**

Encl.: As above



**SUMMARY OF PROCEEDINGS OF THE 66<sup>TH</sup> ANNUAL GENERAL MEETING**

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The 66<sup>th</sup> Annual General Meeting (AGM) of the Members of M/s. Ador Welding Ltd. (AWL) was held on Friday, 26<sup>th</sup> July, 2019 at 11:00 am at Walchand Hirachand Hall, Indian Merchants' Chamber, 04<sup>th</sup> Floor, Churchgate, Mumbai – 400 020, Maharashtra, India.

Pursuant to the Articles of Association of the Company, Section 104 of the Companies Act, 2013 and as approved by the Directors & Members present at the Annual General Meeting (AGM), Mrs. N. Malkani Nagpal, Whole-Time Director, chaired the Meeting since Ms. A. B. Advani, Executive Chairman, expressed her inability to attend the said Meeting due to some emergency.

Mrs. N. Malkani Nagpal then introduced all the Directors and the officials sitting on the dais viz. Mr. G. A. Patkar, Chief Financial Officer, Mr. Suryakant Sethia – Head (Accounts & Finance), Mr. Vineet Bansal – Sales Head (Domestic Welding Business), Mr. Aniruddha Vilekar – Head (Operations & Marketing) and Mr. V. M. Bhide – Company Secretary & Compliance Officer.

Mrs. N. Malkani Nagpal called the Meeting in order as the requisite quorum was present. She further informed the Members that 84 Members were present for the meeting in person including 11 proxies and 1 Corporate Representative.

She informed the Members that Mr. G. M. Lalwani & Mr. M. K. Maheshwari, Non-Executive & Independent Directors, could not remain present for the meeting due to some exigencies.

The Notice of the AGM, Directors' Report, Statutory Auditor's Reports and Secretarial Audit Report were taken as read, with the consent of the Members.

The Chairman then delivered her speech. [copy enclosed – Annexure I (b)]

The Chairman thereafter invited comments and questions from the Members.

Queries raised by the Members with respect to the future business, market, manufacturing, quality process, dividend, performance of the Company, etc. were clarified / answered by Mr. S. M. Bhat, the Managing Director, to the satisfaction of the shareholders present at the Meeting. Mr. V. M. Bhide clarified / answered the queries raised by Members on shares, dividend, etc.

The Chairman then took up each of the following items set out in the Notice, except item No. 4 which was taken up by Mr. S. M. Bhat, and informed the Members that pursuant to Section 108 of the Companies Act, 2013 & Rule 20 of the Companies (Management & Administration) Rules, 2014, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had provided to the Members, facility to cast their votes electronically (persons who were the Members of the Company as on Friday, 19<sup>th</sup> July, 2019, being the cut-off date), on the resolutions set forth in the Notice of AGM dated 16<sup>th</sup> May, 2019, during the period 23<sup>rd</sup> July, 2019 from 09:00 am (IST) to 25<sup>th</sup> July, 2019 up to 05:00 pm (IST) and that there would be no voting by show of hands, however, Members who were present at the meeting and who had not cast their votes electronically have been provided an opportunity to cast their votes by Ballot Papers:





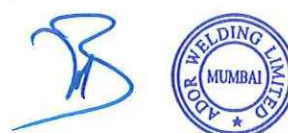
SR. No.	PARTICULARS	NATURE OF BUSINESS	TYPE OF RESOLUTION
1.	To consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 <sup>st</sup> March, 2019 together with the Reports of the Board of Directors' and the Auditors thereon.	Ordinary	Ordinary
2.	To consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 <sup>st</sup> March, 2019 together with the Report of the Auditors thereon.	Ordinary	Ordinary
3.	To declare Dividend on Equity Shares for the Financial Year ended 31 <sup>st</sup> March, 2019.	Ordinary	Ordinary
4.	Re-appointment of Mrs. N. Malkani Nagpal (DIN: 00031985) as the Whole-Time Director, who retires by rotation.	Ordinary	Ordinary
5.	Re-appointment of Mr. A. T. Malkani (DIN: 01585637) as a Non-Executive Director, who retires by rotation.	Ordinary	Ordinary
6.	Ratification of remuneration payable to M/s. Kishore Bhatia & Associates, Cost Accountants, Mumbai, as the Cost Auditors, for FY 2019-20.	Special	Ordinary
7.	Re-appointment of Ms. Aruna B. Advani (DIN: 00029256) as the Executive Chairman of the Company.	Special	Special
8.	Re-appointment of Mr. P. K. Gupta (DIN: 00963094) as an Independent Director of the Company.	Special	Special
9.	Re-appointment of Mr. R. N. Sapru (DIN: 02332414) as an Independent Director of the Company.	Special	Special
10.	Re-appointment of Mr. K. Digvijay Singh (DIN: 00004607) as an Independent Director of the Company.	Special	Special
11.	Re-appointment of Mr. G. M. Lalwani (DIN: 006928792) as an Independent Director of the Company.	Special	Special
12.	Re-appointment of Mr. S. G. Mirchandani (DIN: 01179921) as an Independent Director of the Company.	Special	Special
13.	Payment of commission to the Non-Executive Directors.	Special	Special

The Chairman then appointed Mr. Hemanshu Kapadia, Proprietor of M/s. Hemanshu Kapadia & Associates, Practicing Company Secretaries, and Mr. Raghunath Atmaram Sarvankar, Member, as the Scrutinizers to supervise the e-voting and ballot voting process and to conduct the scrutiny in a fair and transparent manner.

The Chairman subsequently informed the Members that the consolidated results of e-voting and ballot voting would be announced within 48 hours of the conclusion of the Meeting by intimating the Stock exchanges (NSE & BSE) and posting the same onto the website of the Company & onto the website of National Securities Depository Limited.

The Chairman then thanked the Members present and declared that the meeting is concluded / over. The Meeting concluded at 02:15 pm.

The vote of thanks was proposed by Mrs. Ashalata Maheshwari.



**CHAIRMAN'S STATEMENT AT THE 66<sup>TH</sup> ANNUAL GENERAL MEETING**

**Dear Shareholders,**

A Very Good Morning to all of you!

It is my privilege to address the 66<sup>th</sup> Annual General Meeting of the shareholders of Ador Welding Limited. I express my sincere appreciation and gratitude for your esteemed presence evidencing your keen interest and connect with the Company.

**REVIEW OF FY 2018-19**

The Annual Report, including the Directors' Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2019, is with you for some time now and hence, with your consent, I shall take it as read.

I am pleased to share with you, today, that FY 2018-19 has been another year of stellar performance by your Company. Your Company has been setting new benchmarks, year on year, in terms of production and revenue of welding products. Production of welding consumables has increased from around 35,400 MT in FY 2017-18 to around 38,000 MT in FY 2018-19. The Company sold 8,498 nos. of welding machines in FY 2018-19 as compared to 6,556 nos. of machines in FY 2017-18 amounting to a growth of around 30%.

Your Company has improved its market share in the consumables segment from 18% to 20% and in the Equipment segment from 11% to 12% approximately over the previous financial year 2017-18.

We believe that with continuous focus on R&D and innovation, operating efficiency, creativity, with commitment, your Company is poised for a quantum leap in performance in the near future.

Project Engineering Business of the Company is facing headwinds on account of liquidity constraints and deleveraging by the Private Sector, resulting sluggishness in investment activity. However, we believe that with political and policy continuity in decision making process, it is only a matter of time before investment activity picks up in real economy of the country providing opportunities to the Project Engineering Business of the Company.



## **BOARD OF DIRECTORS**

The tenure of Mr. P. K. Gupta, Mr. R. N. Sapru & Mr. K. Digvijay Singh, as Non-Executive & Independent Directors expires on 27<sup>th</sup> July, 2019 and the tenure of Mr. G. M. Lalwani & Mr. S. G. Mirchandani as Non-Executive & Independent Directors expires on 09<sup>th</sup> November, 2019 and hence, the Board, at its meeting held on 16<sup>th</sup> May 2019, decided to re-appoint them as Independent Directors for a second term of five consecutive years effective 28<sup>th</sup> July, 2019 and 10<sup>th</sup> November, 2019, respectively, subject to the approval of shareholders. The Board believes that their continued association would be of immense benefit to the Company and that it is desirable to avail their services as Independent Directors.

Further, the tenure of Mr. M. K. Maheshwari also expires on 27<sup>th</sup> July, 2019 and he did not seek re-appointment due to pre-occupation. However, having re-considered his decision, Mr. Maheshwari's association with us as an Independent Director stands extended for a period of three more years. The Board, thus, at its Meeting held on 25<sup>th</sup> July, 2019, re-appointed Mr. M. K. Maheshwari as Additional Director (Non-Executive & Independent Director), effective 28<sup>th</sup> July, 2019 up to the date of his superannuation i.e. 07<sup>th</sup> August, 2022, subject to the approval of shareholders, as it believes that Mr. Maheshwari's valued experience and business insight would be imperative to your Company.

## **SUBSIDIARY**

I am happy to inform you that ADOR WELDING ACADEMY PVT. LTD. --"AWAPL", our 100 % subsidiary trained over 800 students last year. Several students got employment and many are currently self-employed. "AWAPL" is now registering profits, quarter on quarter, and is able to supplement your Company in its future endeavors.

## **OUTLOOK / THE ECONOMY**

The Government, in its second term, is expected to further energize its reforms agenda. Critical reforms such as GST, Bankruptcy law, financial inclusion, liberalization of foreign direct investment (FDI), re-capitalization of Public Sector Banks, investment in other core sectors of the economy, focus on ease of doing business and encouraging competitive federalism are expected to drive economic growth. Fiscal discipline and inflation management has resulted in stable interest rates. Foreign exchange reserves are healthy with robust FDI & FII inflow. Monsoon is expected to be normal and will boost rural spending.

All these augurs well for the Indian economy and we expect the economy to grow by around 7.4 % in FY 2019-20.



## THE WELDING INDUSTRY

As you are aware, demand for welding products is dependent on investment in CAPEX and GDP growth in the manufacturing sector. Macro economic data published by the Department of Economic affairs (DEA) and RBI suggests a GDP growth of more than 7%. Investment planned by the Government of India in Infrastructure, Defense & Railways etc., growth in the cargo movement, resumption of CAPEX in Oil & Gas, Heavy Engineering, Automobiles, etc. offers promising & optimistic future for the welding industry and is expected to drive demand for our products.

Having said that, trade tariff war between USA and rest of world (ROW) is threatening to slow down world economic growth, so also posing threat to exports & imports, FDI inflows and value of the rupee. With efficient risk management, your Company is relentlessly working towards minimizing the impact of such uncertainties.

After the last few challenging years, we expect a phase of positive & sustainable business sentiments and anticipate healthy growth prospects in FY 2019-20 & beyond. In light of this paradigm, your Company has outlined a roadmap for improvement in FY 2019-20 with the following Business Priorities:

- Strengthen supply chain for meeting increasing demand.
- Increase manufacturing productivity.
- Strategic associations in new product launches.
- Exploring new geographies.
- Expand Project Engineering Business offerings by adding new products & increasing customer base.
- Capital investments in line balancing, modernizing manufacturing facilities and building R&D capabilities.
- Digitization of key business processes.

## INNOVATIONS AND NEW PRODUCT DEVELOPMENTS

As I mentioned earlier, your Company is continuously developing new products to meet the customer expectations. Our R&D team has developed several new products and improvised on existing products with new look & features. A few of our new Product Development initiatives have also been cited in the 66th Annual Report. We are now able to shrink the time taken to launch new products, gaining a competitive advantage / edge in the market place.





## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Your Company strongly believes in the economic, social and environmental benefits for all stakeholders. It has adopted a robust CSR policy, taken initiatives and implemented programs such as creating employment opportunities by providing education in welding for economically weaker sections of the society, providing safe drinking water, sanitation facility and providing educational opportunities to the needy & deserving class of society.

An unspent amount of Rs. 46.49 Lakhs was reported by the Company at the financial year ended 31<sup>st</sup> March, 2019, as it could not conclude appropriate propositions / projects, which could have created an impact on the well-being of the community, especially in the Government's initiative of "Upskilling India". However, in the last quarter of FY 2018-19, we identified a requirement of revamping, repairing & providing better infrastructure at a higher secondary school at Raipur near our factory and shall be spending Rs. 75 Lakhs on this alone in FY 2019-20, by utilising some unspent amount of last FY 2018-19. The Company will also be spending in the vicinity of its other factories for various social causes as per its CSR Policy, every year.

## **APPRECIATION**

FY 2018-19 has been another successful year and this success can be largely attributed to the committed employees of ADOR.

Lastly, on behalf of the Board of Directors, I extend my sincere thanks to our extended family of Shareholders, Customers, Dealers, Suppliers, Bankers and Government agencies as well who have supported ADOR with resolute faith in its long journey and I hope to see this bond grow stronger as we embark on our path to achieve new heights of excellence.

Thank you all once again!

N. Malkani Nagpal

**Chairman**

**Date:** 26<sup>th</sup> July, 2019

**Place:** Mumbai

