

AWL/SEC/SE/2023-24/56

17th July, 2023

BSE LTD.

Phiroze Jeejeebhoy Towers,
1st Floor, Dalal Street,
Fort, Mumbai – 400 023

Company Scrip Code: 517041

NATIONAL STOCK EXCHANGE OF INDIA LTD.

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

Company Symbol: ADORWELD

Dear Sir / Madam,

Sub: **70th Annual Report of Ador Welding Limited for FY 2022-23**

Further to our letter dated 30th May, 2023 and pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith a copy of the 70th Annual Report of the Company for FY 2022-23. The said Annual Report is also uploaded on the website of our Company at <https://www.adorwelding.com/wp-content/uploads/2023/07/ADOR-AR-Report-2022-23.pdf>

In compliance with the applicable circulars issued by the Ministry of Corporate Affairs (MCA) & SEBI, the 70th Annual Report for FY 2022-23 is being sent only by electronic mode (through email) to those Members, whose e-mail addresses are registered with the Company / Depositories / RTA.

We hereby request you to take the above information on record and acknowledge its receipt.

Thanking you,

Yours Sincerely,

For **ADOR WELDING LIMITED**

VINAYAK M. BHIDE
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl.: As above



ADOR WELDING LIMITED

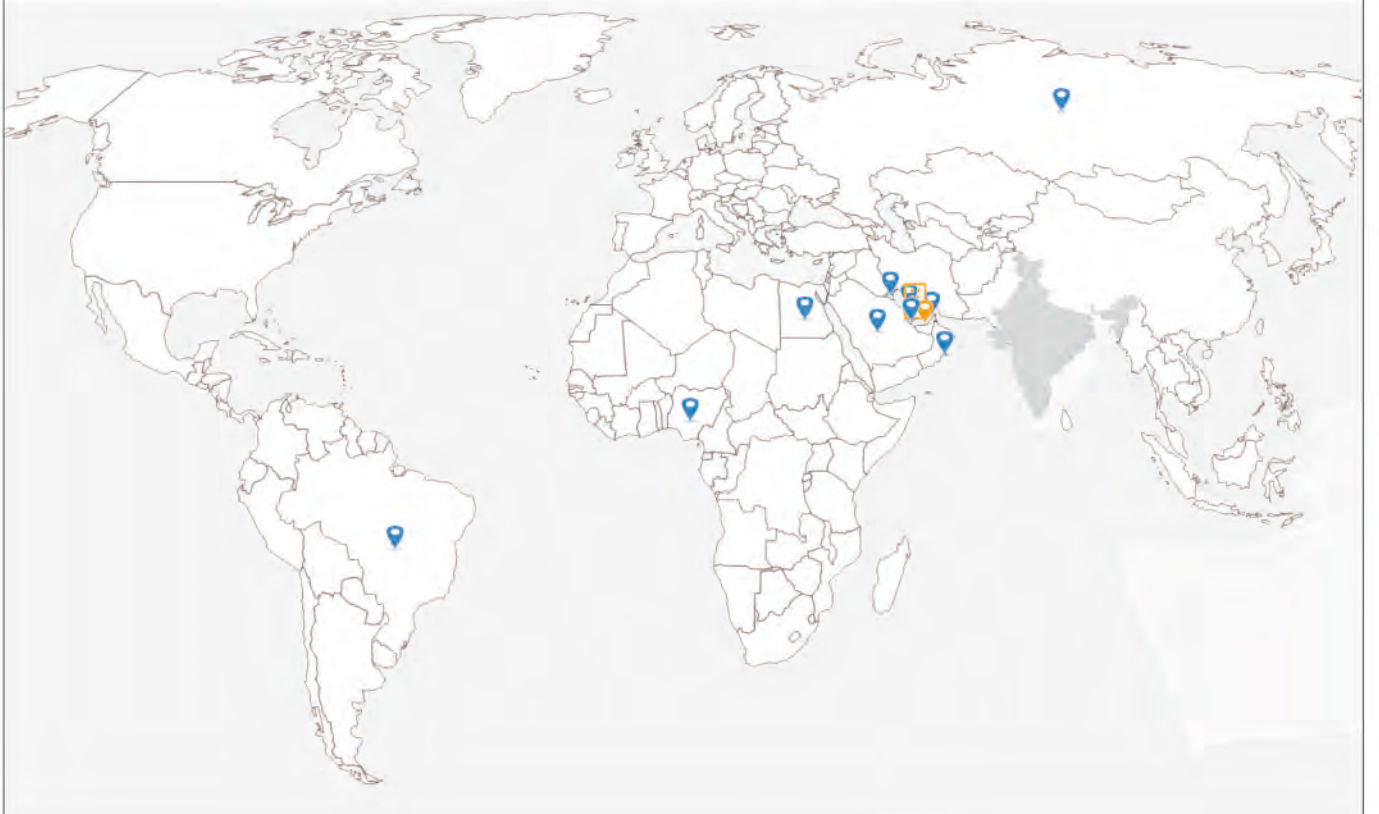
70TH ANNUAL REPORT
FY 2022-23



CREATING THE BEST WELDING EXPERIENCE

www.adorwelding.com

ADOR NETWORK



-  **INDIA DISTRIBUTOR NETWORK**
-  **INTERNATIONAL DISTRIBUTOR NETWORK**
-  **MANUFACTURING FACILITIES**
-  **OFFICES**



This map is not to scale. It is only a geographical representation. The company does not take any responsibility for the accuracy of the same.



OUR CORE VALUES



“We relentlessly deliver on **Product Performance**”



“We consistently deliver on promises to **build Trust**”



“We deliver the best **Customer Experience** at every touch point”




ADOR WELDING LTD. | ADOR FONTECH LTD.

BETTER TOGETHER



 **ador**
peace of mind™

 **ador**
peace of mind™
OVE-MP
THE LABATCHED

INDEX

Contact Us	04
Corporate Information	05
Board of Directors.....	06
Financial Performance.....	10
Ador Welding Training Division	12
Our New Product.....	14
CSR Initiatives	15
Directors' Report and its Annexures	17
Auditor's Report, Balance Sheet, Statement of Profit & Loss and Cash Flow Statement alongwith Notes.....	117



CONTACT US

REGISTERED & CORPORATE OFFICE:

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

Tel : +91 22 6623 9300, 2284 2525 | Email : investorservices@adorians.com

Plants - Welding Consumables

SILVASSA

Survey No. 59 / 11 / 1, Khanvel Road,
Masat, Silvassa 396 230,
UT of Dadra and Nagar Haveli, India.
Tel : +91 7046097910 / 11 / 12 / 13

RAIPUR

Industrial Estate, Bilaspur Road,
Birgaon, Raipur 493 221,
Chhattisgarh, India.
Tel : +91 9109156299
E-mail : rpr.plant@adorians.com

Welding Equipment Plant, Flares & Process Equipment Division and Corporate Marketing Office

CHINCHWAD, PUNE

Survey No. 147/2B, Akurdi Chowk, Near Khandoba Mandir, Chinchwad,
Pune 411 019, Maharashtra, India.
Tel : +91 20 4070 6000
E-mail : cmo@adorians.com

Domestic Regional Offices

NORTHERN

DSM 340, Third Floor, DLF Tower, Shivaji Marg,
New Delhi - 110015, India
Tel : +91 011 4330 4333

EASTERN

C/O AWFIS, Shree Manjari Building,
4th Floor, 8/1A Sir William Jones Sarani,
Kolkata - 700071, West Bengal, India
Tel: +91 033 4008 4862 / 863

SOUTHERN

1289, Ramakrishna Bagh, Trichy Road,
Coimbatore - 641018,
Tamil Nadu, India.

WESTERN

Survey No. 147/2B, Akurdi Chowk,
Near Khandoba Mandir, Chinchwad,
Pune 411 019, Maharashtra, India.
Tel: +91 20 4070 6000

CENTRAL

Industrial Estate, Bilaspur Road, Birgaon, Raipur 493 221, Chhattisgarh, India.
Tel : +91 9109156299

Ador International

DUBAI

South Zone 3, warehouse, B2SR07, JAFZA, Dubai, UAE.
Tel : +9715 0538 5041 | E-mail : mustafa@adorians.com



CORPORATE INFORMATION

BOARD OF DIRECTORS	
Mrs. Ninotchka Malkani Nagpal	- Executive Chairman
Mr. A. T. Malkani	- Managing Director
Dr. D. A. Lalvani	- Non – Executive Director
Mr. R. A. Mirchandani	- Non – Executive Director
Ms. Tanya H. Advani	- Non – Executive Director
Mr. P. K. Gupta	- Non – Executive & Independent Director
Mr. R. N. Sapru	- Non – Executive & Independent Director
Mr. K. Digvijay Singh	- Non – Executive & Independent Director
Mr. G. M. Lalwani	- Non – Executive & Independent Director
Mrs. Niita Dempo Mirchandani	- Non – Executive & Independent Director
Mr. N. S. Marshall	- Non – Executive & Independent Director (w.e.f. 21 st May, 2022)
SENIOR MANAGEMENT TEAM	Mr. S. K. Palit
	Mr. V. M. Bhide
	Mr. V. H. Bansal
	Mr. S. V. Sethia
	Mr. Mustafa Faizullahbhoj
COMPANY SECRETARY & COMPLIANCE OFFICER	Mr. V. M. Bhide
STATUTORY AUDITORS	Walker Chandniok & Co. LLP, Chartered Accountants, Mumbai
SECRETARIAL AUDITORS	N. L. Bhatia & Associates, Company Secretaries, Mumbai
INTERNAL AUDITORS	Kirtane & Pandit LLP, Chartered Accountants, Pune
COST AUDITORS	Kishore Bhatia & Associates, Cost Accountants, Mumbai
BANKERS	HDFC Bank IDFC First Bank Kotak Mahindra Bank ICICI Bank Bank of Baroda
REGISTERED OFFICE	Ador House, 6, K. Dubash Marg, Fort, Mumbai 400 001 – 16, Maharashtra, India Tel: +91 22 6623 9300, 2284 2525 Email: investorservices@adorians.com, cmo@adorians.com Web: www.adorwelding.com
CORPORATE IDENTIFICATION NUMBER (CIN)	L70100MH1951PLC008647
REGISTRAR & SHARE TRANSFER AGENT (RTA)	Link Intime India Pvt. Ltd. C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India. Tel: +91 22 4918 6000 E-mail: rnt.helpdesk@linkintime.co.in Web: www.linkintime.co.in

BOARD OF DIRECTORS

We care for the well-being of all our stakeholders and we are ethical & responsible in our approach towards business...



Mrs. Ninotchka Malkani Nagpal
Executive Chairman
(DIN: 00031985)

- MBA, with specialization in Finance from Imperial College, UK.
- B.Sc. in Business & Economics from Lehigh University, PA, USA.
- Formerly associated with Alliance Capital Asset Management in New York.
- Over 25 years of experience in Financial Management of Ador Welding Limited and Ador Group of Companies.
- Former Chairman of Ador Fontech Ltd. and J. B. Advani & Co. Private Limited (parent company of Ador Group).
- Currently, Executive Chairman of Ador Welding Ltd. w.e.f. 19th November, 2019.
- Member of Young Presidents' Organisation (YPO) & Entrepreneurs Organisation (EO).



Mr. Aditya T. Malkani
Managing Director
(DIN: 01585637)

- Pursued B.A. (Economics) from Oberlin College (Ohio, USA) and MBA from Indian School of Business (ISB, Hyderabad).
- Prior experience in Marketing & Finance functions of MNCs in FMCG industry.
- Involved across varied functions ranging from corporate marketing & exports to strategic planning & new business initiatives across Ador Group of Companies.



Mr. (Dr.) Deep A. Lalvani
Non - Executive Director
(DIN: 01771000)

- A Commerce Graduate with distinction in Marketing & Advertising and Masters in commerce with specialization in Accounting; pursued MBA from Manchester Business School, UK and did courses at London School of Economics, UK.
- Formerly associated with Langham Capital, London, DHL, Europe and various NGOs.
- Awarded an honorary Doctorate in 2019.
- 19 years hands on experience across reputed National and International firms.
- Involved across various functions within Ador Group including strategising at Ador Welding Academy, New business ideas and e-commerce initiatives at the group. Currently Chairman of the Group's holding company, JB Advani & Co Pvt. Ltd. as well as leading the Group's skincare businesses and start-up, Sublime Life.
- Appointed as the Non-Executive Director of M/s. Ador Welding Limited w.e.f. 01st April, 2022.



Mr. Ravin A. Mirchandani
Non-Executive Director
(DIN: 00175501)

- Ravin MIRCHANDANI is a business leader with significant international experience having directly lived and worked in 6 countries across Europe and Asia. His experience spans the cryogenic, defence, energy storage, and traffic infrastructure industries.
- Ravin has an MBA in Business Administration from Queensland University of Technology (International Business), Brisbane, Australia, and a Bachelor of Commerce (Accounting) degree from the University of Pune, India.
- Presently, Ravin's primary focus is "road", i.e. equipment to charge electric vehicles and road safety technology such as speed enforcement and calming systems. During his spare time he enjoys golf and kayaking. He also has a private pilot's license. Ravin speaks English, Hindi, Marathi and when it counts - some French and Indonesian.

- Graduated with a B.Sc. in Human Psychology from Aston University, Birmingham, UK.
- Completed her MBA with concentration in Marketing from London Business School.
- Has further qualifications in Business Analysis from the British Computing Society, Business Strategy from INSEAD, Marketing from Kellogg School of Management and Business Intelligence reporting from IBM.
- Started her career as a Business Consultant at IBM in London, where she specialized in Big Data and Analytics. She then joined Ador Group in Mumbai as part of their founding team for 3D Future Technologies, where she specialized in IT & Marketing.
- Post-MBA, Ms. Tanya returned to London as a Senior Technology Strategy Consultant at Accenture where she led innovation projects for both Accenture internally as well as for its external clients.
- Appointed as a Director onto the Board of M/s. Ador Welding Limited w.e.f. 19th November, 2019.



Ms. Tanya H. Advani
Non-Executive Director
(DIN: 08586636)



Mr. Piyush K. Gupta
Non-Executive &
Independent Director
(DIN: 00963094)

- Has worked both as an attorney in private practice and as an in-house counsel with MNCs, while working with O'Melveny & Myers LLP, UTStarcom Inc. and UnitedLex Corporation.
- Most recently was the CEO of Yumchek, a F&B data analytics company. Currently, he is a Director at MaxMax Chambers of Conciliation, Mediation & Arbitration.
- Has significant experience in managing affairs of Companies in various capacities, from structuring and negotiating various types of transactions (trading, licensing, outsourcing, RFPs), to conducting due diligence and executing M&As and to effectively managing outside counsel for dispute resolution; in addition to other routine corporate governance, data protection, regulatory and compliance work.
- Over the course of his career, he has lived and worked in the US and Asia and has advised clients across geographies from the US, UK, Latin America, EMEA, SEA, South Asia, China, Korea to Japan, including Credit Suisse, Lockheed Martin, Hilton Hotels, Mantas, SRI, AkzoNobel, Marriott International, Ogilvy & Mather, Apollo Global Management, Insight Partners, AtoS, British Telecom, Anglo-American, CSC, and Bristol-Myers-Squibb.
- Holds degrees in mathematics and law from Delhi University and Harvard Law School, USA.



Mr. Rakesh N. Sapru
Non-Executive &
Independent Director
(DIN: 02332414)

- Rakesh has over 35 years of work experience.
- He commenced his career with HSBC where he worked for 10 years in Corporate & Investment Banking, executing Debt, Equity and Structured Transactions with Large Indian and MNC companies.
- He then moved to the General Electric Group and worked with GE Capital and thereafter following an internal group transfer, as CEO for IGE India, where he was responsible for the initial launch of the NBC & CNBC Network in India.
- Subsequently, he spent another 3 years in the television broadcast industry before joining the The Oberoi Group (EIH), as CEO of Mercury Travels.
- He then moved and worked in Hong Kong and India as Director in a leading Executive Search firm, before establishing Executive Mantra, with two other partners in the year 2014.
- He is a B. Com. (Hons) graduate from St. Xavier's College, Kolkata and has a BBA & MBA degree from SIU, London.

- Responsible for leading global content marketing for GSK.
- He is into setting up and running global teams across geographies and capabilities including; strategy, creative, media data and technology.
- Partnered Unilever, P&G, J&J, Kimberly Clark and Government accounts including Central Provident Fund (CPF), the Housing and Development Board (HDB), and Singapore Tourism Board, amongst others.
- Has won multiple awards ranging from Cannes, Effies and has been listed as 40 under 40 in Campaign Asia's 2017 list. Gaurav also sits on the board of two public listed companies in India.



Mr. Gaurav M. Lalwani
Non-Executive &
Independent Director
(DIN: 06928792)



Mrs. Nita Dempo Mirchandani
Non-Executive &
Independent Director
(DIN: 01103973)

- Co-Founder of Kae Capital, an early stage Venture Capital Fund, where she is Director of Finance & Legal.
- Previously President of Indo Pacific Polyfibers Limited (IPL), a Dempo Group company where she was part of the Promoter Group.
- Earlier she has worked with HDFC Securities and JM Morgan Stanley primarily in the area of Equity Research. She has also served as the Commercial Executive of the Dempo Group.
- An Active Angel Investor in fast growing start-ups like InMobi, Innovcare, Squadrun and Navya.
- She has completed her M.Sc. (Econ) with specialization in Analysis Design Management of an Information System & B.Sc. (Econ) Accounting & Finance from the London School of Economics and B.A. (Econ) from St. Xavier's College of Arts, Mumbai.



Mr. K. Digvijay Singh
Non-Executive &
Independent Director
(DIN: 00004607)

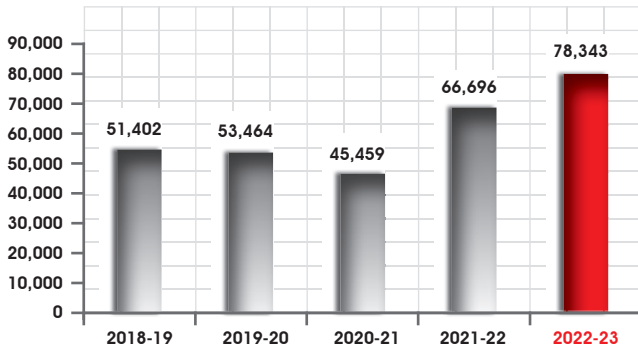
- BA (Hons.) Economics from St Stephen's College, Delhi University; Post Graduate Diploma (Business Management) from XLRI, Jamshedpur.
- Over 40 years of operating and/or advisory experience in FMCG, Television Networks, Newspapers, Sports Marketing, and Technology Companies.
- Has held operating responsibilities for India and International markets (UK & Europe, USA, Africa, GCC, Asia, Australasia).
- Has lived in and worked from postings in India, Nigeria, UK, and Singapore. Currently lives in and operates from Singapore.
- Worked with Unilever India sales & marketing; Afcott Nigeria; and Kanmoor Foods India, before transitioning to media & entertainment.
- Worked in the media industry as Executive President of Zee TV (1992-95), CEO of Zee TV International (1996-97), Group CEO Indian Express Newspapers (1998-2000), CEO Internet Company of India (2000- 01), CEO Nimbus Sport (2002-07) and CEO Nimbus Communications (2008-09).
- Project assignments with Enfold Inc. USA, T2 Diamond Singapore over 2013-2019.
- Director at Nimbus Sport (2009-12); Advisory Board at Euromax (2007-14); Non-Executive Independent Director at Mercury Travels Ltd (2014-2018).
- Member of Board of Governors of Spirit of Enterprise, Singapore 2017-2019.
- Served as an Independent Non-Executive Director on the Board of Thomas Cook India Ltd. (1999- 2006) and Ador Welding Ltd. (2009- till date).

- Navroze Shiamak Marshall is a British national of Indian origin and has been Managing Director of Simmonds-Marshall Ltd. since January 2003.
- Mr. Marshall has got an experience of over 20 years to his credit.
- He has vast experience with multinationals in the United States of America.
- Mr. Marshall was educated at Cathedral & John Connon School, Mumbai, United World College (South East Asia), Singapore and holds a Bachelors of Science degree in Chemical Engineering & Economics from Carnegie Mellon University in Pittsburgh, USA.
- Mr. Marshall also has a MBA in Management from IMD, Switzerland.

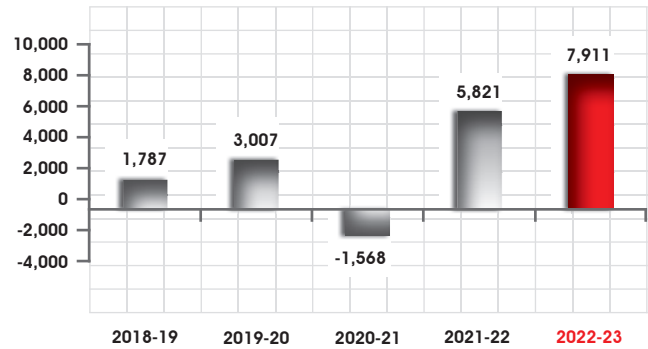


Mr. Navroze S. Marshall
Non-Executive &
Independent Director
(DIN: 00085754)

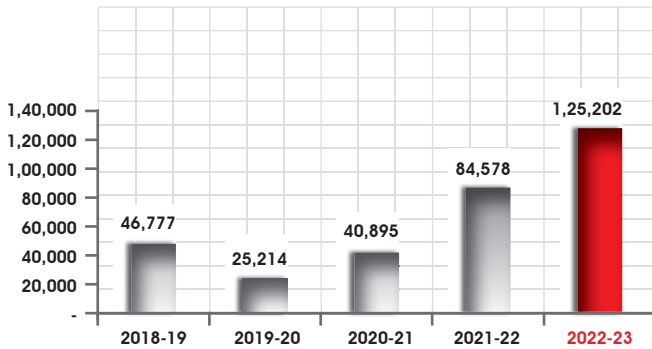
FIVE YEAR FINANCIAL STATISTICS



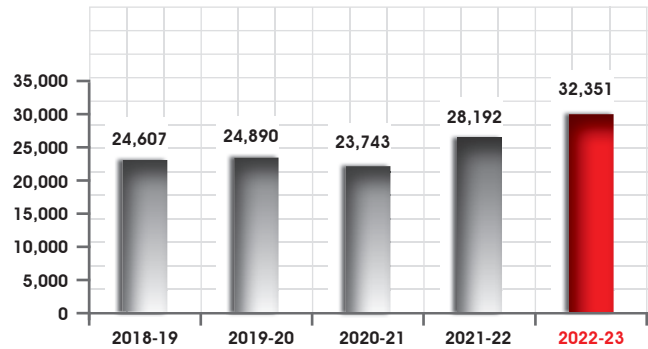
Turnover (Rs. in Lakhs)



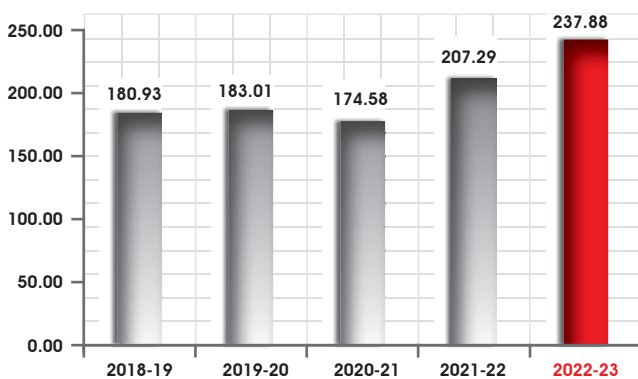
Profit Before Tax (PBT) (Rs. in Lakhs)



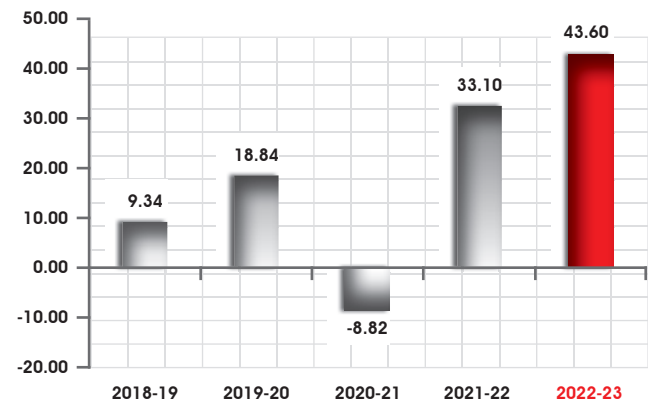
Market Capitalization (Rs. in Lakhs)



Net Worth (Rs. in Lakhs)



Book Value Per share (BVPS) (Rs.)



Earning Per Share (EPS) (Rs.)

FIVE YEAR FINANCIAL STATISTICS

(Rupees in lakhs)

PROFIT & LOSS ACCOUNT	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Sales & Other Income (net of excise duty)	78,343	66,696	45,459	53,464	51,402
Manufacturing & Other Expenses	68,955	60,311	42,739	48,528	47,750
Operating Profit / EBITDA	9,388	6,385	2,720	4,936	3,652
Depreciation	1,161	1,090	1,110	1,068	960
EBIT	8,227	5,295	1,610	3,868	2,692
Interest	236	372	641	861	905
Profit before exceptional items and tax (PBT)	7,991	4,923	969	3,007	1,787
Exceptional Items (Net)	(80)	898	(2,537)	-	-
Profit / (loss) before tax (PBT)	7,911	5,821	(1,568)	3,007	1,787
Taxation	1,982	1,319	(369)	445	505
Profit / (loss) after Tax (PAT)	5,929	4,502	(1,199)	2,562	1,282
Comprehensive Income / (loss)	(68)	(61)	52	(147)	4
Total Comprehensive income / (loss)	5,861	4,441	(1,147)	2,415	1,286
Dividend (incl. DDT)	-	1,700	-	1066	1066

BALANCE SHEET	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Net Fixed Assets (incl. CWIP and Investment in properties)	12,506	12,457	11,969	12,486	11,575
Investments	2,028	1,988	1,178	635	694
Current Assets	26,612	21,009	20,209	26,739	25,941
Current Liabilities	12,023	10,396	13,265	18,032	16,616
Net Current Assets	14,589	10,613	6,944	8,707	9,325
Other Non-Current Assets	4,022	3,811	4,152	4,024	4,098
Capital Employed	33,145	28,869	24,243	25,852	25,692
Equity Share Capital	1,360	1,360	1,360	1,360	1,360
Reserves & Surplus	30,991	26,832	22,383	23,530	23,247
Net Worth	32,351	28,192	23,743	24,890	24,607
Long term loan Funds	73	60	-	-	-
Deferred Tax Liabilities	-	-	-	423	883
Long-term provisions	615	469	359	387	172
Other long term liabilities	106	148	141	152	30
Capital Employed	33,145	28,869	24,243	25,852	25,692

RATIOS	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
EBITDA Margin (%)	12.09%	9.65%	6.08%	9.39%	7.25%
Net Margin (%)	7.63%	6.81%	-2.68%	4.87%	2.55%
Interest Cover (EBITDA / Gross Interest)	40	17	4	6	4
ROCE (EBIT / Capital Employed) (%)	24.82%	18.34%	6.64%	14.96%	10.48%
Current Ratio (times)	2.21	2.02	1.52	1.48	1.56
Debt Equity Ratio (times)	0.05	0.00	0.12	0.33	0.26
Dividend Per Share (DPS) (Rs.)	0.00	12.50	0.00	6.50	6.50
Earning Per Share (EPS) (Rs.)	43.60	33.10	(8.82)	18.84	9.43
Book Value per share (Rs.)	237.88	207.29	174.58	183.01	180.93



ADOR WELDING TRAINING DIVISION

Ador Welding Training Division started 7 decades ago with the objective of providing trained and skilled welders to the nation. Today, even though, welding is a crucial aspect of many manufacturing processes, the skill for good welding is not easy to acquire. As a result, shop managers either outsource welded production or are grappling with the issues of reliable welder availability. While there are multiple vocational training institutes, they are also handicapped by inadequate infrastructure and below-average candidates.

Ador Welding Training division has been bridging this gap, by progressively extending its knowledge and expertise by offering training that adheres to the most stringent and sophisticated demands of the industry.

There are two broad service lines, that we address:

- a. The PRE-SERVICE line - addresses the need for fresh welders in the most cost-effective way.
- b. The IN-SERVICE line - addresses the need to upgrade the skills of welders, to match the continuously evolving industry benchmarks, simultaneously creating a career-growth plan for the welders.

Over the years, we have trained thousands of engineers, technicians, and welders including over a hundred women welders. Our ISO 9001:2015 certified Training division is equipped to provide the most advanced training and can train candidates on all welding processes like GMAW, FCAW, SMAW, SAW, GTAW, TIP-TIG, Spot Welding, etc. Our testing laboratory is NABL-approved, making us one of the few welding companies to have such a recognition.



OUR
NEW PRODUCT



Champ 400 X Modify



RHINO D 2 X300



Champ Multi 500

CSR INITIATIVES



CSR INITIATIVES



DIRECTORS' REPORT

To,

The Members,

The Directors take immense pleasure in presenting the Seventieth (70th) Annual Report of the Company and the Audited Statements of Accounts for the financial year ended 31st March, 2023.

1. CORPORATE OVERVIEW

Your Company, Ador Welding Limited (ADOR) was incorporated in the year 1951 and has come a long way to become one of India's leading players in the welding industry. Your Company's Vision is "Creating the Best Welding Experience".

ADOR has a huge spectrum of products offering and aims to provide "Complete Welding Solutions" to the "World of Manufacturing" for enhancing their operational efficiency.

Our presence is there across seventy (70) odd countries and our corporate headquarter is based in Mumbai.

2. FINANCIAL PERFORMANCE & THE STATE OF COMPANY'S AFFAIRS

Sr. No.	Key Financial Indicators	(Rs. in Lakhs)	
		For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
2.1	Sales & Other Income (Net of GST, Discount & Incentives)	78,343	66,696
2.2	Profit before exceptional items Interest, Depreciation, Tax & Other Comprehensive Income	9,388	6,385
2.3	Exceptional items	(80)	898
2.4	Profit before Tax (PBT)	7,911	5,821
2.5	Provision for Tax (Including Deferred Tax)	1,982	1,319
2.6	(Loss) / Profit after Tax (PAT)	5,929	4,502
2.7	Total Comprehensive Income / (Loss)	5,861	4,441

3. DIVIDEND & RESERVE

The Board of Directors is pleased to recommend a Dividend of 175% (i.e. @ Rs. 17.50 per Equity Share) for the Financial Year (FY) 2022-23, subject to the approval of the Members.

The total amount of Dividend, to be disbursed for FY 2022-23, is Rs. 2379.73 Lakhs, subject to applicable TDS. Further, the Dividend amount will be paid out of the profits of the Company.

The Dividend for FY 2022-23 shall be paid to those Shareholders and Beneficial Owners, whose names appear in the Register of Members (RoM) as on the cut-off date for dividend payment.

The Board recommends transfer of 10 % of the Net Profits to General Reserve.

The dividend recommendation is in accordance with the Dividend Distribution Policy ("Policy") of the Company. The said policy is available on the website of your Company at <https://www.adorwelding.com/wp-content/uploads/2021/07/Dividend-Distribution-Policy.pdf>

4. SHARE CAPITAL

The paid-up Equity Share Capital as at 31st March, 2023 stood at Rs. 1,359.85 Lakhs. During the financial year under review, the Company has neither issued shares nor convertible securities nor shares with differential voting rights nor granted any stock options or sweat equity or warrants. As at 31st March, 2023, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

5. FINANCE & ACCOUNTS

During the financial year under review, there was no revision in the Credit Rating of the Company. The Rating Agency CARE maintained "A+" (Single A Plus; Outlook: Stable) rating for the Company's long term borrowings and "A1+" (A One Plus) rating for the Company's short term borrowings. The Company also obtained Ratings from CRISIL Ratings and was assigned CRISIL A+/Stable for Long Term Rating & CRISIL A1 for Short Term Rating.

As mandated by the Ministry of Corporate Affairs (MCA), the financial statements for the financial year ended 31st March, 2023 have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act"), read with the Companies (Accounts) Rules, 2014, as amended from time to time. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect a true & fair form and substance of transactions and reasonably present the Company's state of affairs, profits & cash flows for the financial year ended 31st March, 2023.

The Notes to the Financial Statements adequately cover the Audited Statements and form an integral part of this Report.

6. OPERATIONS

In FY 2022-23, the total Sales & Other Income increased by 17 % as compared to last FY 2021-22. The year ended with Sales & Other Income of Rs. 78,343 Lakhs. (Rs. 66,696 Lakhs)*.

The Company's Net Sales and Other Income during FY 2022-23 comprised the following:

- 6.1 Welding Consumables at Rs. 61,449 Lakhs (Rs. 53,540 Lakhs)*
- 6.2 Equipment and Welding Automation at Rs. 11,504 Lakhs (Rs. 9,854 Lakhs)*
- 6.3 Flares & Process Equipment Business at Rs. 4,723 Lakhs (Rs. 2,754 Lakhs)*
- 6.4 Other Income of Rs. 667 Lakhs mainly comprised of forex gain, interest, rent & export incentives etc. (Rs. 548 Lakhs)*

(*Figures in brackets indicate previous year)

7. CAPEX

The Company incurred CAPEX of Rs. 1,983 Lakhs during FY 2022-23. The Capital work-in-progress as at 31st March, 2023 was Rs. 192 Lakhs. CAPEX planned for FY 2023-24 is Rs. 4430 Lakhs, mainly for the following:–

- a. Automation / modernization at Consumables and Equipment Plants.
- b. Plant & Machinery for capacity expansion of certain products, and also for improvement of "productivity & in-process quality".
- c. Replacement of Old Machineries.
- d. Upgradation of R&D Infrastructure.
- e. Information Technology (IT) upgradation, digitalization & Compliances.
- f. Replacement of Vehicles.

8. PERFORMANCE OF THE SUBSIDIARY COMPANY

The Company does not have any material subsidiary. The Board of Directors of the Company has approved a Policy for determining material subsidiaries, which is in line with the provisions of SEBI (LODR) Regulations 2015, as amended from time to time. The said Policy has been uploaded on the Company's website at the following weblink: <https://www.adorwelding.com/wp-content/uploads/2021/07/Policy-for-determining-Material-Subsidiary.pdf>

Ador Welding Academy Private Limited (AWAPL)

The Board of Directors of AWAPL, at its meeting held on 28th May, 2021, had considered and approved the scheme of amalgamation (merger by absorption), pursuant to Sections 230 to 232 read with Section 234 and other relevant provisions of the Companies Act, 2013, of its wholly owned subsidiary, AWAPL ('Transferor Company') with Ador Welding Limited ('Transferee Company').

Further during the financial year 2021-22, your Company had filed an application on 01st September, 2021 involving Composite Scheme of Arrangement of AWAPL with AWL before the Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench, which was subject to necessary statutory and regulatory approvals, under the applicable laws, including approval of the Hon'ble NCLT. Your Company thereafter took all

the necessary statutory and regulatory approvals under applicable laws. The Scheme was finally approved by the Hon'ble NCLT, on 03rd February, 2023, while the Certified Copy of the Order approving the Scheme was issued on 22nd February, 2023. The Scheme contemplates the Effective Date as the date on which the Certified Copy of the Order is filed with the Registrar of Companies. Consequent to the receipt of the Certified Copy of the Order from Hon'ble NCLT, during the year under review, your Company has given effect to the Scheme of Amalgamation (Merger by Absorption) of Ador Welding Academy Private Limited ("AWAPL") with Ador Welding Limited ("AWL") on 16th March, 2023, being Effective Date, thereby recording the amalgamation of AWAPL into AWL, from the Appointed Date as 01st April, 2021. In view of this, AWAPL ceases to be the wholly-owned Subsidiary of the Company.

9. CONSOLIDATED FINANCIAL STATEMENT

The Consolidated financial statements till previous FY 2021-22 related to M/s. Ador Welding Ltd. (AWL) and its wholly owned subsidiary, M/s. Ador Welding Academy Pvt. Ltd. (AWAPL). Since the Company had given effect to the Scheme of Amalgamation (Merger by Absorption) of Ador Welding Academy Private Limited ("AWAPL") with Ador Welding Limited ("AWL") from 16th March, 2023, the consolidated financial statement of the Company and its subsidiary for FY 2022-23 is not applicable.

10. COMPOSITE SCHEME OF ARRANGEMENT

Scheme of Amalgamation (Merger by Absorption) of Ador Fontech Limited with Ador Welding Limited

The Board of Directors of the Company, at its meeting held on 31st May, 2022, considered and approved the Scheme of Amalgamation (Merger by Absorption) of Ador Fontech Limited (ADFL) with Ador Welding Limited (AWL) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Scheme").

The Scheme is subject to receipt of the approval of the requisite majority of the public shareholders and creditors (if applicable) of the Companies, the

Stock Exchanges where the Shares of the Company are listed, the Securities and Exchange Board of India (SEBI), the Hon'ble National Company Law Tribunal, Mumbai bench and other statutory & regulatory authorities, as may be applicable.

On the Scheme becoming effective, the shareholders of ADFL, as on the record date, will receive an aggregate of 05 (five) equity shares of AWL for every 46 (forty-six) equity shares held by them in ADFL.

The proposed Scheme would be in the best interest of both the Companies and their respective shareholders, employees, creditors and other stakeholders, as the proposed restructuring, pursuant to this Scheme of Amalgamation is expected, inter alia, to result in the following benefits:

- a. The consolidation of the businesses of ADFL with AWL will create one of the largest welding & cutting products manufacturers and refurbishment player in the industry.
- b. Creation of a combined entity, by hosting all the products under the brand "ADOR", will result in diversified portfolio of products, economies of scale, operational rationalization, efficiency of management, broader & deeper market presence and will ultimately maximize value for the shareholders.
- c. Greater synergies between businesses and optimum use of manufacturing facilities, marketing strength, R & D facilities, optimized production, streamlining of supply chains, enhancing customer delight, brand strengthening and certifications will result in productivity gains, thereby maximizing value for the shareholders.
- d. It will enable greater access to different market segments in conduct of its business and addition of new products in the portfolio, would improve the competitive position of the combined entity.
- e. Optimum use of infrastructure will happen and organizational efficiency will increase by pooling of financial, managerial, and technical resources, personnel, capabilities, skills, expertise and technologies of ADFL with AWL, thereby significantly contributing to the

future growth and maximizing shareholder value.

- f. Better financial leverage, will result in greater efficiency in cash & debt management and unfettered access to cash flow, generated by the combined business, can be deployed more efficiently, to realize higher margins for the combined entity.
- g. Improved organizational capability and leadership, arising from the pooling of human capital, who have the diverse skills, talent and vast experience, will help compete successfully in an increasingly competitive industry.
- h. Cost savings will happen because of standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.
- i. Reduction in regulatory & legal compliances and avoidance of multiple records keeping.
- j. Strengthening ability will help us face increasing competitive, regulatory, environmental and global risks; thereby resulting in sustainable and profitable long-term growth for the combined entity.

11. RISK MANAGEMENT

Given the diversified scale of operations, your Company has formulated an Enterprise Risk Management (ERM) framework to manage various financial & non-financial risks, operational & non-operational risks, amongst other risks. The Board takes responsibility of the overall process of risk management throughout the organization.

The ERM Policy of the Company 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 hereby states that there are no elements of risks, which threaten the existence / going concern status of the Company.

Further, since your Company falls under "Top 1000 Companies", based on market capitalization, since 31st March, 2021, a Risk Management Committee was constituted in last FY 2021-22 to oversee implementation of the Risk Management

Policy, to monitor & evaluate risks, basis appropriate methodology, processes & systems and to keep the Board of Directors informed and recommend the actions, to be taken.

12. RELATED PARTY TRANSACTIONS (RPTs)

The Policy on Related Party Transactions (RPTs) is reviewed by the Audit Committee & approved by the Board of Directors in a timely manner and as & when necessary. The said policy is uploaded on the Company's website at the following web link: <https://www.adorwelding.com/wp-content/uploads/2022/05/RPT-Materiality-Policy-2022-23.pdf>

During FY 2022-23, the Company entered into certain Related Party Transactions, in the ordinary course of business and on arms' length basis, with prior approval of the Audit Committee. Omnibus approvals are obtained on a quarterly basis for all the transactions, which are foreseeable & repetitive in nature and the details of all related party transactions are placed before the Audit Committee and the Board for review & approval on a quarterly basis.

There were no material related party transactions (RPTs), undertaken by the Company, during the financial year under review, that required shareholders' approval under Regulation 23(4) of SEBI (LODR) Regulations, 2015 or Section 188 of the Companies Act, 2013.

All transactions entered with the Related Parties for the financial year 2022-23 under review were on arms length basis and were not material. Hence, disclosure pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not required. Further, 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, except remuneration, commission, sitting fees and reimbursement of expenses, to the extent applicable. All Related Party Transactions are

given / mentioned in the notes to accounts. The Company has developed a framework through Standard Operating Procedures (SOPs), for the purpose of identification and monitoring of such Related Party Transactions.

13. ANNUAL RETURNS

Pursuant to Sections 92 & 134(3) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, as amended, the draft of Annual Return for FY 2022-23 in e - form MGT-7 is available on the Company's website: <https://www.adorwelding.com/wp-content/uploads/2023/07/Merged-MGT-7-to-be-uploaded.pdf>

14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Under the "Corporate Social Responsibility" (CSR) drive, the Company has spent an amount of Rs. 63.47 Lakhs during FY 2022-23, out of its budgeted annual CSR expenditure of Rs. 63.34 Lakhs & has spent Rs. 9.67 Lakhs, out of Rs. 10.50 Lakhs parked in the Unspent Corporate Social Responsibility Account (UCSR) for an "Ongoing Project". The various projects / initiatives, undertaken by the Company, were in the following areas:

- a. Promoting education among children, women, elderly and differently abled, including special education & employment enhancing vocational skills, especially skill development and encouraging safety practices in welding & allied fields for economically challenged / financially weaker sections of the Society.
- b. Empowering women towards individual and professional development opportunities.
- c. Promoting healthcare, sanitation & hygiene for the non-privileged / underprivileged.

Your Company understands its duties towards the society and considers social responsibility as an integral part of its operations. Your Company tries to ensure that its CSR initiatives have a meaningful impact on the society at large & that the contribution made by it, reaches the beneficiary at the earliest, with the aim to create a long-term positive impact.

The Company is committed to continuously explore new opportunities, in alignment with its CSR

philosophy & policy and strives to create a positive impact on the society, through its CSR initiatives.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and **the initiatives undertaken by the Company on CSR activities** during the year are set out, in a format prescribed in the Companies (CSR Policy) Rules, 2014, as amended from time to time, in **Annexure – I** to this Report. The CSR Policy is also available on Company's website at URL: <https://www.adorwelding.com/wp-content/uploads/2022/05/CSR-Policy-FY-2022-23.pdf>

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

Brief on "Ador Foundation"

"Ador Foundation" is a social initiative, undertaken by all Ador Group Companies from FY 2022-23 onwards. The mission of the Foundation is to take the Ador Group's socially conscious legacy forward, through initiatives in the field of Education, Women Empowerment, Skill-Development & Health Care, which are also considered as four pillars of the foundation. All the projects are personally vetted by the personnel of the Foundation & by at least two of our Directors and confirmed to be good, genuine and beneficial to the underprivileged society at large. Ador believes in doing well by giving good. It is our firm belief that the long-term success of a corporate depends on giving back to the society it operates in and ensuring its operations are sustainable.

15. LOANS, GUARANTEES & INVESTMENTS

The details of Loans, Guarantees & Investments, covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements, forming part of this Annual Report.

16. FIXED DEPOSIT

Your Company had no opening balances of fixed deposits. Further, the Company has not accepted or renewed any deposits, within the meaning of Section 73 of the Companies Act 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

17. SECRETARIAL STANDARDS (SS)

Your Company has complied with all the applicable Secretarial Standards (SS), issued by the Institute of Company Secretaries of India (ICSI), from time to time.

18. INSURANCE

All the properties / assets of the Company are adequately insured.

19. 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 the conservation of energy, technology absorption & foreign exchange earnings / outgo is annexed hereto as **Annexure - II**.

20. CORPORATE GOVERNANCE

As per the Listing Agreements executed with the Stock Exchanges, the Company has been following the Corporate Governance Code since FY 2001-02. Your Company has strived to comply with all the requirements of Good Corporate Governance for the period 01st April, 2022 to 31st March, 2023 (i.e. FY 2022-23), pursuant to Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per Regulation 34(3) read with Schedule V to SEBI (LODR) Regulations, 2015, a separate section on the Corporate Governance practices, followed by the Company, together with Corporate Governance Compliance Certificate received from M/s. N. L. Bhatia & Associates, Practicing Company Secretaries, Secretarial Auditors of the Company, confirming compliance forming an integral part of this Report is annexed hereto as **Annexure - III**.

The Management Discussion and Analysis (MDA) Report, as mandated under Schedule V to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is also annexed to this Report as **Annexure - IV**.

21. SIGNIFICANT & MATERIAL REGULATORY ORDERS

During FY 2022-23, there were no significant orders passed against the Company by any regulators

or courts or tribunals, impacting the going concern status and the Company's operations, in future. However, Members attention is drawn to the Statement on Contingent Liabilities and Commitments in the Notes, forming part of the Financial Statement.

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

22. NOMINATION, REMUNERATION & BOARD DIVERSITY POLICY

The Board of Directors has framed a policy, on the recommendation of the Nomination & Remuneration Committee, which lays down a framework in relation to appointment and remuneration of its Directors. The Policy includes criteria for determining qualifications, positive attributes, independence of Directors etc., as required under the provisions of Section 178(3) of the Companies Act, 2013 and SEBI (LODR) Regulations 2015. The Policy also broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the Executive & the Non-Executive Directors. The said policy has been posted on the website of the Company at https://www.adorwelding.com/wp-content/uploads/2021/07/criteria_for_payment_to_NEDs.pdf

In case of re-appointment of Non-Executive & Independent Directors, NRC and the Board takes into consideration the performance of the Director, based on the Board evaluation and his / her engagement level during his / her previous tenure.

The details of the Remuneration Policy for Directors, are explained in the **Corporate Governance Report**, annexed hereto as **Annexure - III**.

23. INDEPENDENT DIRECTORS

All the Independent Directors of the Company have given declarations under Section 149(7) of the Act, stating that they meet the criteria of independence, as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. In terms of Regulation 25(8) of SEBI (LODR) Regulations, 2015, the Independent Directors have confirmed that they are not aware

of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. They have also given declaration under Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, that their profile is uploaded / registered in the databank, as maintained by the Indian Institute of Corporate Affairs (IICA), within the stipulated time. Further, the Independent Directors have also completed their KYC confirmation on the MCA website.

Pursuant to Rule 8(5)(iii)(a) of the Companies (Accounts) Rules, 2014, in the opinion of the Board, the Independent Directors are competent, experienced and are the persons of expertise (including the proficiency), having positive attributes, standards of integrity, ethical behavior, qualifications & independent judgement.

Your Company has in all 06 (six) Independent Directors, including 01 (one) Woman Independent Director, as on 31st March, 2023. The Independent Directors met on 03rd February, 2023, without the presence of the Non-Independent Directors and Members of the Management, as required under SEBI (LODR) Regulations, 2015 and the Companies Act 2013, to discuss on various important matters & evaluate the working culture in the Company / operations of the Management (Whole-Time Directors & KMPs).

24. DIRECTORS & KEY MANAGERIAL PERSONNEL

During FY 2022-23 the following changes occurred in the composition of the Board of Directors of the Company:

- a. The Board of Directors, on the recommendation of the Nomination & Remuneration Committee, appointed Mr. Navroze S. Marshall (DIN: 00085754) as an Additional Director (Non- Executive & Independent) with effect from 21st May, 2022, subject to the approval of the Shareholders. The appointment of Mr. Navroze S. Marshall was thereafter ratified by the Shareholders at the subsequently held 69th Annual General Meeting for FY 2021-22.
- b. In accordance with the provisions of Section 152 of the Act and the Company's Articles of

Association (AoA), Mr. Ravin A. Mirchandani (DIN: 00175501), Non-Executive Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment for consideration of the Members of the Company at the forthcoming Annual General Meeting. Brief profile of Mr. Ravin A. Mirchandani has been given in the Notice convening the 70th Annual General Meeting.

- c. Subsequent to the end of the financial year 2022-23, the Board of Directors, on the recommendation of the Nomination & Remuneration Committee, re-appointed Mr. Aditya T. Malkani (DIN: 01585637) as the Managing Director for a period of three (03) years with effect from 14th September, 2023, subject to the approval of the Shareholders at the ensuing Annual General Meeting, considering his rich experience in business/strategic management, marketing & financial management as well as his long term association with the Company / Ador Group of almost 16 years. According to the Company's Articles of Association (AoA), the Managing Director is not liable to retire by rotation.

The brief profile of Mr. Aditya T. Malkani has been given in the Notice convening the 70th Annual General Meeting. In the interest of the Company's continued prosperity and well-being, the Board recommends his re-appointment as the Managing Director at the ensuing Annual General Meeting.

- d. The abovenamed Directors have submitted Form DIR-8, pursuant to Section 164 of the Companies Act, 2013 & Rule 14(1) of the Companies (Appointment & Qualification of Directors) Rules, 2014, along with their consent in Form DIR-2, pursuant to Section 152 of the Companies Act, 2013 & Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014.
- e. Necessary Resolutions for the re-appointment of the abovenamed Directors have been included in the Notice convening the ensuing 70th Annual General Meeting and details of the

proposed appointees, as required pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2 (SS-2), are given in the Appendix to the Explanatory Statement annexed to the said Notice.

25. DIRECTORS PERFORMANCE EVALUATION

The annual evaluation process of the Board of Directors, individual Directors and Committees of the Board was conducted in accordance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning, composition, structure, effectiveness of the Board & Committee Meetings, execution & performance of specific duties, obligations & governance. The performance evaluation of the Board of its own performance & that of its Committees and individual Directors, including the Executive Chairman and the Independent Directors was completed during the year under review. The NRC reviewed the performance of individual directors on the basis of criteria, such as the contribution of the individual director to the Board and committee meetings, like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. and the Board as a whole. The Board of Directors expressed their satisfaction with the evaluation process.

The evaluation process endorsed the Board's confidence in the ethical standards of the Company, cohesiveness amongst the Board members, flexibility of the Board and management in navigating the various challenges faced from time to time and openness of the management in sharing strategic information with the Board.

The manner of evaluation has been explained in the Corporate Governance Report in Annexure – III.

26. DIRECTORS RESONSIBILITY STATEMENT

Pursuant to Sections 134(3)(c) & (5) of the Companies Act, 2013, the Board of Directors of the Company, to the best of their knowledge and ability, hereby confirms that:

- a. in preparation of the Annual Accounts for FY 2022-23, all the applicable Accounting Standards (AS) have been followed, along with proper explanation relating to material departures, if any;
- b. the Directors have selected such accounting policies & practices and applied them consistently & 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 and of the profits of the Company for the year ended 31st March, 2023;
- 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 the applicable laws and that such systems were adequate & operating effectively.

27. BUSINESS RESPONSIBILITY & SUSTANABILITY REPORT

Pursuant to Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, the Business Responsibility & Sustainability Report (BRSR), in the prescribed format, is annexed as **Annexure VII** and forms an integral part of this Report.

BRSR includes reporting on the nine principles of the National Voluntary Guidelines on social, environmental and economic responsibilities of business, as framed by MCA.

28. AUDIT COMMITTEE & ITS RECOMMENDATIONS

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

The Audit Committee plays a key role in providing assurance about financial statements to the Board of Directors. Significant audit observations, if any, and corresponding corrective actions taken by the Management are presented to the Audit Committee.

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.

29. NUMBER OF BOARD MEETINGS

The Company has conducted 06 (six) Board meetings during FY 2022-23 and the details thereof are covered in the Corporate Governance Report, which is annexed to this Report as Annexure - III.

30. COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority / charter.

The following Committees, constituted by the Board, function according to their respective roles and defined scope / charter:

- a. Audit Committee (AC)
- b. Nomination and Remuneration Committee (NRC)
- c. Risk Management Committee (RMC)
- d. Corporate Social Responsibility Committee (CSR)
- e. Stakeholders' Relationship Committee (SRC)

31. KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel (KMPs) of the Company as on 31st March, 2023:

- a. Mr. Aditya T. Malkani, Managing Director
- b. Mr. Vinayak M. Bhide, Company Secretary & Compliance Officer
- c. Mr. Surya Kant Sethia, Chief Financial Officer

32. STATUTORY AUDITORS

M/s. Walker Chandiook & Co. LLP, Chartered Accountants, (FRN: 001076N / N500013), Mumbai, were re-appointed as the Statutory Auditors of the

Company for a second term of 5 (five) consecutive years at the 67th Annual General Meeting (AGM) of the Members held on 22nd September, 2020, i.e. until the conclusion of the 72nd Annual General Meeting, on such remuneration, as mutually agreed upon by the Board of Directors and the Statutory Auditors.

Their remuneration is fixed annually, as recommended by the Audit committee and approved by the Board of Directors.

33. STATUTORY AUDITOR'S REPORT

The Report of the Statutory Auditor, forming part of the Annual Report, does not contain any qualification, reservation, adverse remark or disclaimer. The observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments / explanations.

34. SECRETARIAL AUDITOR & ITS REPORT

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and the rules made thereunder, the Board of Directors had appointed M/s. N. L. Bhatia & Associates, (Unique Identification Number: P1996MH055800), a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company for FY 2022-23.

The **Secretarial Audit Report** is annexed herewith as **Annexure - V**. There are no qualifications in the said Report and therefore no explanations are provided in this Report.

35. COST AUDITOR & ITS REPORT

Pursuant to the provisions of Section 148 of the Companies Act, 2013, the Board of Directors, on the recommendation of the Audit Committee, had appointed M/s. Kishore Bhatia & Associates, Cost Accountants, Mumbai, as the Cost Auditor of the Company for FY 2022-23.

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

- a. Name of the Cost Auditor: M/s. Kishore Bhatia & Associates
- b. Address: 701/702, D-Wing, Neelkanth Business Park, Nathani Road, Vidhyavihar (West), Mumbai – 400 086, Maharashtra, India.

- c. Membership No.: 31166
- d. Firm Registration No.: 00294
- e. Due date of submitting Cost Audit Report for FY 2021-22 by the Cost Auditor with the Company: Within 180 days from the end of the financial year (by 30th September, 2022)
- f. Actual Date of filing of Cost Audit Report for FY 2021-22 with the Central Government: 22nd August, 2022

The Company has appointed M/s. Kishore Bhatia & Associates, Cost Accountants, Mumbai (Firm Registration No. 00294) as the Cost Auditors for the financial year 2023-24, as well. M/s. Kishore Bhatia & Associates have, under Rule 6(1A) of the Companies (Cost Records and Audit) Rules, 2014, furnished a certificate of their eligibility and consent for the said appointment. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor for FY 2023-24 is being placed before the Members at the ensuing Annual General Meeting, for ratification.

The cost records of the Company, as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act 2013, are duly prepared & maintained by the Company.

36. VIGIL MECHANISM & WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Act and Regulation 4(2)(d)(iv) of SEBI (LODR) Regulations, 2015, the Company has framed a policy on Vigil Mechanism - cum - Whistle Blower, which enables any Director, Employee & Stakeholder 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 employees who join the Company are apprised of the availability of the said policy as a part of their induction schedule. The policy also provides adequate safeguards against victimization of persons, who may use such mechanism.

The detailed policy is also posted on the Company's Intranet Portal "SANVAD" and also onto its website at the following weblink: <https://www.adorwelding.com/wp-content/uploads/2021/07/Mechanism-For-Whistle-Blower-For-Stakeholders11.pdf>

37. POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company has "zero tolerance" for sexual harassment at workplace and has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013", as amended from time to time, which looks into the complaints received, if any. All women associates (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office / factory premises and women service providers are covered under this Policy. ADOR is committed to creating a safe and healthy work environment, where every employee, irrespective of gender, is treated with respect and is able to work without any fear of discrimination, prejudice, gender bias, or any form of harassment at workplace.

Further, there were no complaints received by the Committee during the financial year 2022-23. The Company has also adopted a policy under the said Act, which is placed on its internal portal as well as on the website of the Company, which can be viewed at the following weblink: https://www.adorwelding.com/wp-content/uploads/2022/02/POSH-Policy_2022-1.pdf

38. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION & PROTECTION FUND (IEPF)

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended from time to time, dividends, if not claimed within / for a period of 07 (seven) years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Furthermore, IEPF Rules mandate the Companies, to transfer shares of the Members, whose dividends remain unpaid / unclaimed for a period of 07 (seven) consecutive years to the demat account of IEPF Authority. The said requirement does not apply to shares, in respect of which there is specific order of the Court, Tribunal or Statutory Authority, restraining any transfer of shares.

In the light of the aforesaid provisions, the Company has, during the financial year 2022-23 under review, transferred to IEPF, the unclaimed

dividend of Rs. 17,46,250/- pertaining to FY 2014-15. Further, 15,255 equity shares of the Company, in respect of which dividends were not claimed / remained unpaid for 07 (seven) consecutive years or more, have also been transferred to the demat account of IEPF Authority. The details of the transfer of unclaimed dividend to the Investor Education and Protection Fund ("IEPF") are provided in detail in the Corporate Governance Report, annexed as Annexure III, to this report.

The Members, may claim dividends and / or shares from IEPF Authority, by submitting an online application in the prescribed electronic Form IEPF-5, available on the website www.iepf.gov.in and subsequently send a physical copy of the e-form along with its acknowledgement, duly signed, to the Company along with the requisite documents enumerated in the said e-form IEPF-5. No claims shall lie against the Company, in respect of the dividend / shares, so transferred. Members may also kindly refer to the Refund Procedure for claiming the aforementioned amounts & shares transferred to IEPF Authority, as detailed / given on www.iepf.gov.in

Whilst the Company has already written to the Members, informing them about the due date for transfer of their shares to IEPF, the attention of the shareholders is once again drawn to this matter through the Annual Report. The data on unpaid / unclaimed dividend and shares is also available on the Company's website at www.adorwelding.com. Investors, who have not yet encashed their unclaimed / unpaid dividend amounts are requested to correspond with the Company's Registrar and Share Transfer Agent, at the earliest. Those Members / Shareholders, who do not remember / recollect having encashed their dividend, can also check the "List of Unpaid Dividends", posted on the website of the Company.

39. HUMAN RESOURCE (EMPLOYEES)

At ADOR, employee well-being is of utmost importance. The Company has a structured induction process at all its locations and undertakes training programs to upgrade skills / knowledge of its employees. Objective appraisal systems, based on key result areas (KRAs), are in place for its employees. ADOR believes in harnessing the potential of the employees, by providing them

adequate training, opportunities and inclusive work culture, in order to achieve Company's goal, in line with the overall employee development. The industrial relations at all the Plants and Offices of the Company continue to remain harmonious, cordial and peaceful.

Disclosure pertaining to remuneration and other details, as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report, as **Annexure VI**.

Statement containing particulars of top 10 employees and the employees drawing remuneration in excess of limits prescribed under Section 197 (12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, if any, is provided in the Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and the Accounts are being sent to the shareholders, excluding the aforesaid Annexure. The said Statement is also open for e-inspection / physical inspection, 21 (twenty one) days before and up to the date of the ensuing 70th Annual General Meeting, during business hours on working days. Any Member interested in obtaining a copy of the same, may write to the Company Secretary. None of the employees, listed in the said Annexure, are related to any of the Directors of the Company or to each other. None of the employees hold (by himself / herself or along with his / her spouse and dependent children) more than 2% (two percent) of the Equity Shares of the Company.

The on-roll manpower strength of the Company, as at the date of this Report, is 616.

40. MATERIAL CHANGES & COMMITMENTS

There were no material changes, affecting the financial position of the Company subsequent to the close of the financial year 2022-23, at least till 30th May, 2023 i.e. the date of this report.

41. INTERNAL FINANCIAL CONTROL SYSTEM & THEIR ADEQUACY

The Board has adopted policies & procedures of governance for orderly and efficient conduct of its

business, including adherence to the Company's policies, safeguarding its assets, prevention & detection of frauds and errors, accuracy & completeness of the accounting records and timely preparation of reliable financial disclosures. ADOR has an effective internal control system, which is constantly assessed and strengthened. The Company's financial internal control systems are commensurate with the nature of its business, the size and complexity of its operations.

The Internal Auditor reports to the Audit Committee. The Audit committee defines the scope and authority of the Internal Auditor. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of the Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and the corresponding corrective actions are, thereafter presented to the Audit Committee, on a quarterly basis and as & when required.

42. REPORTING OF FRAUDS

There were no instances of fraud, during the financial year 2022-23, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and Rules framed thereunder.

43. DISCLOSURE W.R.T. VALUATION

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done, while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable during the financial year under review.

44. CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted the Code of Conduct for Prevention of Insider Trading (PIT) for dealing / trading in the Securities of the Company, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading)

(Amendment) Regulations, 2018. The Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices is also uploaded on the website of the Company at the following weblink: <https://www.adorwelding.com/wp-content/uploads/2022/12/Code-of-practices-and-procedures-for-fair-disclosure-of-unpublished-price.pdf>

All the Directors, employees and third parties such as auditors, consultants, vendors, traders, etc, who could have access to the Unpublished Price Sensitive Information (UPSI) of the Company, are governed by this code. The objective of PIT Code is to protect the interest of the shareholders at large, to prevent misuse of any unpublished price sensitive information and to prevent any insider trading activity, by / while dealing in shares of the Company, by / through its Designated Persons and their immediate relatives. The trading window is closed during the time of declaration of results and occurrence of any material events, as per the Code. The Company Secretary & Compliance Officer, is responsible for setting forth procedures and implementation of the Code for trading in the Company's securities.

45. ENVIRONMENT & HEALTH

Your Company is conscious of the importance of environmentally clean and safe operations. ADOR has undertaken various initiatives, which contribute towards sustainable development. Your Company strives to operate, after taking into consideration various environmental, social and governance initiatives / guidelines / laws, in order to achieve maximum output by optimum utilization of available resources, in environment friendly manner / ways.

The detailed explanation w.r.t. the initiatives taken by the Company from health & environment perspective is given in BRSR Report, annexed herewith as Annexure VII.

46. ANNUAL LISTING FEES

The Company affirms that the annual listing fees for the financial year 2023-24 have been paid to both M/s. National Stock Exchange of India Limited (NSE) and M/s. BSE Limited (Bombay Stock Exchange).

Your Company has also paid its annual custodial fees to M/s. National Securities Depository Limited (NSDL) and M/s. Central Depository Services (India) Limited (CDSL).

47. ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their sincere gratitude and warm appreciation for the invaluable contribution and spirit of dedication shown by the employees, including the support staff, at all levels during FY 2022-23. Your Directors also express their deep gratitude for the business assistance, co-operation and support extended to your Company by its

Customers, Distributors, Dealers, Vendors, Suppliers, Service Providers, Bankers, various Government Organizations / Agencies & the Shareholders and look forward to their continued support and co-operation in the future, as well.

For and on behalf of the Board

Ninotchka Malkani Nagpal
Executive Chairman
(DIN: 00031985)

Place: Mumbai
Date: 30th May, 2023

ANNEXURE I - TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2022-23

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

Ador Welding Limited (ADOR) is committed to comprehensive growth and has adopted a framework of integrating social, environmental & humanitarian concerns into its core business strategy, in the best interest of all its stakeholders. As a responsible corporate citizen, the Company strives for community empowerment through socio-economic development of underprivileged and marginalized sections of the society, thereby raising the Country's Human Development Index (HDI). At ADOR, CSR is a cornerstone of its corporate culture and the Company's endeavor ardently adds more value on the societal front and to make a significant impact on the community.

The key focus areas that echo ADOR's CSR policy are the following and its CSR programs generally cover all or majority of these focus areas:

- Eradicating hunger, poverty and malnutrition, promoting preventive healthcare & sanitation, making available safe drinking water;
- Promoting education; including special education & 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 challenged 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 / Conducting various social awareness programs;
- 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;
- Contribution to the Prime Minister's National Relief Fund [or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief & welfare of the schedule caste, tribes, other backward classes, minorities and women;
- Contribution to research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or the State Government;
- Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies, established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine, aimed at promoting Sustainable Development Goals (SDGs).

2. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Deep A. Lalvani	Chairman (Non-executive Director)	2	2
2.	Mrs. Ninotchka Malkani Nagpal	Member (Executive Chairman)	2	2
3.	Mrs. Nita Dempo Mirchandani	Member (Non-executive & Independent Director)	2	2

3. Web-links:

- a. Composition of CSR committee: <https://www.adorwelding.com/wp-content/uploads/2022/05/Composition-of-Committees-FY-2022-23.pdf>
- b. CSR Policy: <https://www.adorwelding.com/wp-content/uploads/2022/05/CSR-Policy-FY-2022-23.pdf>
- c. CSR projects, approved by the Board: <https://www.adorwelding.com/wp-content/uploads/2023/04/CSR-Activities-FY-2022-23.pdf>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable for FY 2022-23, hence not carried out.

5. a. Average net profit of the Company as per sub-section (5) of section 135: Rs. 3,171.40 Lakhs
- b. Two percent of average net profit of the Company as per sub-section (5) of section 135: Rs.63.43 Lakhs
- c. Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL
- d. Amount required to be set-off for the financial year, if any: Rs. 0.09 Lakh
- e. Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs.63.34 Lakhs

6. a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

i. Details of CSR amount spent against ongoing projects for the financial year:

(1) Sr. No.	(2) Name of the Project	(3) Items from the list of activities in Schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (Rs. in lakhs)	(8) Amount spent in the current financial Year (Rs. in lakhs)	(9) Amount transferred to unspent CSR Account for the project as per Section 135(6) (Rs. in lakhs)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency		
				State	District						Name	CSR Registration Number	
1.	Renovation of a Higher Secondary School	Promoting Education	Yes	Chhattisgarh	Raipur	3 years	10.50	3.50	0.83*	Yes	NA	NA	
Total							10.50	3.50	0.83				

* This is the balance in unspent CSR account as of 31st March, 2023

ii. Details of CSR amount spent against, other than ongoing projects for the financial year:

(1) Sr. No.	(2) Name of the Project	(3) Items from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (Rs. in lakhs)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
1.	Additional salary to school teachers at Advani Oerlikon Higher Secondary School, Birgaon, Raipur	Promoting Education	Yes	Chhattisgarh	Raipur	6.30	Yes	Raipur Plant (Directly by the Company)	NA
2.	Setting up of "Rotary Innovation Centre" for Imparting employability / entrepreneurship skills and Skill development w.r.t. Robotics, AI, IOT, 3D Printing	Promoting Education	Yes	Maharashtra	Mumbai	0.25	No	Rotary Club of Mumbai, Kandivali West, Charitable Trust	CSR00004849
3.	Women & children empowerment	Livelihood enhancement project	Yes	Dadra & Nagar Haveli	Silvassa	3.50	No	Department of Social Welfare (Women & Children Development)	CSR00025593
4.	Education, Women Empowerment, Skill Development & Healthcare Activities	Education, Women Empowerment, Skill Development & Healthcare	Yes	Maharashtra	Mumbai	42.00	No	Ador Foundation	CSR00029675
5.	Purchase of Sports Equipments at Advani Oerlikon Higher Secondary School, Birgaon, Raipur	Promoting Education	Yes	Chhattisgarh	Raipur	0.38	Yes	Raipur Plant (Directly by the Company)	NA

(1) Sr. No.	(2) Name of the Project	(3) Items from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (Rs. in lakhs)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
6.	Repair, painting & flooring work at Advani Oerlikon Higher Secondary School	Promoting Education	Yes	Chhattisgarh	Raipur	5.77	Yes	Raipur Plant (Directly by the Company)	NA
7.	Providing facilities, such as Chairs and Washing Machine, for Orphan & Needy Girls	Livelihood Enhancement Projects	Yes	Maharashtra	Lonavala, Pune	1.47	No	Social Action for Manpower Creation - SAMPARC Balgram - Bhaje	CSR00003752
8.	"Rabies Mukti Mission – 2025" working in the field of vaccinating stray dogs in Maharashtra with anti-rabies vaccination with the view to eradicate / prevent rabies	Animal Welfare	Yes	Maharashtra	Mumbai, Thane & Nashik	0.25	No	Utkarsh Global Foundation	CSR00003183
9.	Treatment (Radiation therapy) of an underprivileged girl child, suffering from deadly disease	Promoting health-care including preventive health care	Yes	Maharashtra	Mumbai	0.30	No	Nanhi Pari Foundation	CSR00003182
10.	Improvisation of the old-age home.	Livelihood Enhancement Project	Yes	Maharashtra	Pune	1.00	No	Shri Dadamaharaj Natekar Morya Trust	CSR00013253
11.	Health-care of underprivileged Adivasi children	Livelihood Enhancement Project	Yes	Maharashtra	Pune	1.00	No	Punaruttan Samarasata Gurukulam	CSR00010340
12.	Financial assistance for providing mental health to the low income group people	Promoting Health Care Including Preventive Health Care	Yes	Maharashtra	Thane & Pune	1.25	Yes	Institute for Psychological Health (IPH)	CSR00002456
Total						63.47 Lakhs			

b. Amount spent in Administrative Overheads: NIL

c. Amount spent on Impact Assessment, if applicable: NA

d. Total amount spent for the Financial Year (6a + 6b + 6c): Rs. 66.97 Lakhs

e. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount unspent				
	Total Amount transferred to unspent CSR Account, as per section 135(6)		Amount transferred to any other fund specified under Schedule VII, as per second proviso to section 135(5)		
Rs. 63.47	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	Nil	Not Applicable		Nil	

f. Excess amount for set-off, if any:

Sr. No.	Particulars	Amount
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	Rs.63.43 Lakhs
(ii)	Surplus arising out of CSR projects or programmes or activities of the previous Financial Years, if any	Rs. 0.09 Lakh
(iii)	Total amount spent for the Financial Year	Rs.63.47 Lakhs
(iv)	Excess amount spent for the Financial Year [(iii)-(i)]	Rs. 0.04 Lakh
(v)	Amount available for set off in succeeding Financial Years [(ii)+(iv)]	Rs. 0.13 Lakh

7. Details of unspent CSR amount for the preceding three (03) financial years:

Sr. No.	Preceding Financial Year	Amount transferred to unspent CSR Account under section 135 (6) (Rs. in lakhs)	Amount spent in the reporting Financial Year (Rs. in lakhs)	Amount transferred to any fund specified under Schedule VII, as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (Rs. in lakhs)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1.	2020-21	10.50	3.50	NIL	NIL	NIL	0.83

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created / acquired: Not Applicable

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5): Not Applicable.

The Company has spent Rs. 63.47 Lakhs, out of its budgeted CSR expenditure of Rs. 63.34 Lakhs (excluding set off of Rs. 0.09 Lakh available, as a result of excess spent in FY 2021-22) for / in FY 2022-23.

For and on behalf of the Board

Place: Mumbai

Date: 30th May, 2023

Ninotchka Malkani Nagpal

Executive Chairman

(DIN: 00031985)

Dr. Deep A. Lalvani

Chairman of CSR Committee

(DIN: 01771000)

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

PHILOSOPHY ON CSR:

Ador Welding Limited (AWL) believes that a Company's performance must be quantified in a balanced economic, environmental and social imperative. As a pioneer in the welding industry, AWL has played a significant part in the country's industrialization and infrastructure development and its welders have played a huge role in this development. The Company's CSR vision is "Welding is an essential part of everyday life, as right from manufacturing cars to high rise buildings, airplanes to rockets, pipelines to highways, all of it requires welding." As a responsible corporate citizen, the Company strives for community empowerment through socio-economic development of underprivileged and marginalized sections of society, thereby raising the Country's human development index.

In pursuit of our commitment towards a 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. At AWL, CSR is a cornerstone of its corporate culture and the Company's endeavor ardently adds more value on the societal front and makes a significant impact on livelihood. This entails transcending business interests and grappling with the "quality of life" challenges that underserve communities face, and working towards creating a meaningful difference to them.

APPLICABILITY & SCOPE:

The scope of this policy is to strategically draw the guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of the annual action plan by the Board of the Company, after taking into account the recommendations of CSR Committee.

The said policy is to be read in alignment with the provisions of Section 135 of the Companies Act, 2013 ('the Act') and the corresponding rules made there under, as amended from time to time ('CSR Rules'), Schedule VII of the Act and AWL philosophy & CSR values.

FOCUS AREAS OF ENGAGEMENT:

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

- i. Eradicating hunger, poverty and malnutrition, promoting preventive healthcare & sanitation, making available safe drinking water;
- ii. Promoting education; including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- iii. 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;
- iv. 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;
- v. Taking up Rural development projects / Conducting various social awareness programs;
- vi. Contributing to development & improvement in quality of life of the workforce and their families as well as of the society at large;
- vii. Conservation of energy, including projects related to renewable sources of energy;
- viii. Contribution to the Prime Minister's National Relief Fund [or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the Central govt. for socio economic development & relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- ix. Contribution to research and development projects in the field of science, technology, engineering and medicine, funded by the central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;

- x. Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies, established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine, aimed at promoting Sustainable Development Goals (SDGs)
- iii. Monitor the Company's CSR activities under the policy periodically;
- iv. Developing the CSR annual strategy, based on the guidelines, set by the Companies Act, 2013 & Rules framed there under.
- v. Formulate and recommend to the Board, the annual action plan for CSR activities, CSR project development, CSR project approval, etc. in accordance with the CSR Policy, indicating the following:
 - list of CSR projects or programmes that are approved to be undertaken in areas or subjects, specified in Schedule VII of the Act;
 - manner of execution of such projects or programmes;
 - modalities of utilisation of funds and implementation schedules, for the projects or programmes;
 - monitoring and reporting mechanism, for the projects or programmes;
 - details of need and impact assessment, if any, for the projects, undertaken by the company;

ORGANIZATIONAL MECHANISM FOR CSR:

The Board of Directors shall form a Corporate Social Responsibility (CSR) Committee, pursuant to the provisions of Section 135 of the Act, which shall be responsible for formulating & recommending to the Board, the CSR Policy & CSR Annual Action Plan, list of CSR activities / manner of execution / utilization of fund and timelines / monitoring of projects and shall lay down the guidelines / key focus areas for the CSR activities every year.

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. The Company Secretary shall act as the Secretary to the Committee.

The number of members of the CSR Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board, subject to the provisions of the applicable law.

FUNCTIONS OF THE CSR COMMITTEE:

- i. To formulate and recommend to the Board, a CSR Policy, indicating the activities to be undertaken by the Company in the areas or subject, specified in Schedule VII;
- ii. Recommend the amount to be spent on these activities in every financial year;

- vi. 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 activities.
- 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:

Ador Foundation, the Philanthropy arm of Ador Group Companies will be the core / principal implementation agency for undertaking all / major CSR activities of Ador Group Companies, as well as their Subsidiaries.

The CSR activities of AWL can be undertaken by the Company either directly by itself or through Ador Foundation or through any other organization / agency, which is into CSR activities and registered with the Central Government, namely:

- a Company established under Section 8 of the Act, or a registered public trust or a society, registered

under section 12A and 80G of the Income Tax Act, 1961 (43 of 1961), established by the Company, either singly or along with any other Company, or

- a Company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- any entity established under an Act of Parliament or a State legislature; or
- a Company established under section 8 of the Act, or a registered public trust or a society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years, in undertaking similar activities.

AWL can conduct due diligence, prior to selection of an entity as its implementation organization / agency, to verify the credentials and ensure that the proposed implementation agency is eligible & capable to be appointed as such.

AWL can also enter into Collaborative partnerships with the Government, NGOs, independently registered non-profit organisations, or with other like-minded organisations / 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.

In undertaking CSR Activities, the Company shall give preference to the local areas wherein the Company operates or has its offices i.e. areas in the vicinity of its factories, depots and sales offices, if any, to the extent possible.

All contributions to the funds, referred to in the 'Focus areas of Engagement' clauses shall be made directly by the Company and shall be utilized, accounted for and monitored, strictly in accordance with the applicable provisions of law.

AWL can also engage international organizations for designing, monitoring and evaluation of CSR projects or programmes as per its CSR policy, as well as for capacity building of its own personnel for CSR.

CSR EXPENDITURE:

Statutory requirement

The Company shall spend at least 2% (two percent) of its average Net Profits, made during the last 3 (three)

immediately preceding financial years, in accordance with the Act & the Rules and the CSR Policy.

Set-off

Where the Company spends an amount in excess of requirement, provided under Section 135(5) of the Act, such excess amount will be set-off against the requirement to spend under section 135(5) up to immediate succeeding 3 (three) financial years, subject to certain conditions, given under the Act.

Ongoing project

"Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation, having timelines not exceeding three years, excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board, based on reasonable justification.

In case of ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines & year-wise allocation and shall make modifications, if any, for smooth implementation of the project, within the overall permissible time period.

Surplus

Any surplus arising out of the CSR Activities will not be considered as a part of the business profit and will be re-allocated to the same CSR project or will be transferred to the Unspent CSR Account and will be spent in pursuance of this CSR policy and / or annual action plan.

Administrative Overheads

The Board shall ensure that the administrative overheads shall not exceed 05% (five percent) of total CSR expenditure of the Company, for the financial year.

"Administrative overheads", as defined under the Act, mean the expenses incurred by the Company for 'general management and administration' of Corporate Social Responsibility functions in the Company, but shall not include the expenses directly incurred for the designing, implementation, monitoring and evaluation of a particular Corporate Social Responsibility project or programme.

Creation or Acquisition of a Capital Asset

The CSR amount may be spent by a Company for creation or acquisition of a capital asset in accordance with the CSR Rules.

Unspent Amount

Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of 06 (six) months of the expiry of the financial year.

Further, unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account, opened by the Company in any scheduled bank, called the "Unspent Corporate Social Responsibility Account". Such amount shall be spent by the Company towards CSR within a period of 3 financial years, from the date of such transfer, failing which, the Company shall transfer the same to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the third financial year.

The Board shall be responsible for sanctioning the CSR Expenditure and shall be responsible, along with the CSR Committee, for taking steps to ensure that the amount for CSR Expenditure is available for the implementation / application towards the CSR Activities.

MODALITIES FOR UTILIZATION OF FUNDS:

Our CSR underpins the significance of the people behind this development and identifies areas, where we can help nurture their current and future potential, while supporting the families of underprivileged and communities, through the following ways:

1. Up skilling India to make more Indians have meaningful jobs through Education, Training

(basic education, up-skilling India with welding skills):

- Providing sponsorship for training to underprivileged youth, to take up courses on welding skills

2. Women empowerment:

Providing a safe working environment for women

3. Areas around our factories and Offices by providing basic sanitation, drinking water, education for economically challenged and community services:

- Environmental Compliances at all plants
- CE Safety Standards
- Tree plantations at all plants
- Provide medical help, as may be fit to various strata's of society

4. Welfare Activities

Undertaking relief / welfare activities, especially during pandemic.

MONITORING MECHANISM:

Certain CSR activities will be carried out, to the extent possible, around the factory areas of the Company and the respective Plant In-charge(s) can be authorized to monitor the implementation of the said CSR activities in the vicinity of the Plants.

Mr. Vinayak M. Bhide, Company Secretary & Mr. S. K. Sethia, Chief Financial Officer will be responsible to oversee the overall functioning of the CSR activities / projects of the Company.

This policy was approved by the Board on Friday, 20th May, 2022.

ANNEXURE II - 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 Rule 8(3) of the Companies (Accounts) Rules, 2014

A. Conservation of Energy

AWL believes that the workplace forms one of the strongest pillars for implementation of best practices for sustainable development. AWL is committed to making continuous efforts that contribute towards an integrated development, on an ongoing basis, by adopting various innovative measures at its plants, which lead to positive consequences, such as reduction of wastages, optimum consumption of non-renewable resources, climate change mitigation as well as reduction in operational costs.

Some of the initiatives / measures taken by your Company are as follows:

1. Installed Solar Power Plant at Silvassa Factory with the capacity of 115 KWP, during FY 2021-22, which generated 1,32,783 units in FY 2022-23.
2. Installed Solar Power Plant at Raipur Factory with the capacity of 518 KWP during FY 2019-20, which generated 4,59,851 units, effectively reducing the greenhouse gas emission by 271.3 MT in FY 2022-23.
3. Installed timers & optimization of heat run cycles, in FY 2022-23, which resulted in improvement of process control & optimized energy usage i.e consumption of power units per machine reduced from average 10.5 units per machine to 8.40 units per machine i.e appx. 20% saving per machine over FY 2021-22.
4. Installed motion sensors and on / off timers at appropriate locations which resulted in reduction of energy consumption at Chinchwad Plant.

B. Technology Absorption

As a pioneer in the welding industry and a major supplier of a variety of Welding Consumables, Equipment and Automation systems to National as well as International markets, AWL is consistently investing in "Technology and Innovation" to deliver the best / "state of the art" products. The Company has 2 (two) Technology Development Centers (TDCs), 1 (one) each for Consumables and Equipment, both located at Chinchwad, Pune in Maharashtra. The TDCs continue to pursue their goals, with renewed vigor, in terms of innovation, upgradation, improvements & cost optimization. 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 w.r.t. TDCs are listed hereunder:

TDC Equipment:

1. Developed and introduced the welding machine using thyristor based technology for Gauging application with highest current rating of 1500A.
2. Introduced compact and light weight 400A inverter based Multi Process (MMA / GMAW / GTAW) welding machine. The compactness of this machine is unique in 400A range of machines available in market.
3. Developed engine driven welding machines, which can give power and run two number of 400A three phase inverter based MMA machines and one 200A single phase inverter based machine, apart from welding output.

TDC Consumables:

1. TDC team works in tandem with Product Management Team, to understand various customized requirements and bridge the gap between present features & expected modifications through technological improvements in product design.

2. Many of our Low alloy Steel products (Tenalloy series) have been tuned to meet sub-zero toughness properties down to minus 60°C applications.
3. Positional welding and suitability for pipe-welding is an essential requirement for any Cr-Mo electrodes. Often, sub-zero toughness properties are also demanded. Thus we have upgraded our Cr-Mo electrodes, both, in their performance & properties, to position ourselves higher over other competing brands.
4. Developed E7016-1 electrode (Tenalloy 16-Spl) for 6G position pipe-welding, meeting full penetration and Radiographic quality standards with AC polarity.
5. Upgraded hard-facing consumable range for improved wear resistant properties. Introduced new hard-surfacing electrodes with positional welding characteristics.
6. Our technical team assists customers like; BHEL, ONGC, NPCIL, Railways, BARC by offering them with "Make in India" products. We are privileged to contribute to various key projects of these prestigious customers, meeting their need of stringent manufacturing practices & critical properties.

Energy Conservation and Safety:

Installed LPG gas ovens during the last 02 (two) years, which resulted in saving of electrical power and improved the overall baking efficiency at Raipur Factory.

Summary of expenditure on R & D:

Particulars	(Rs. In Lakhs)	
	FY 2022-23	FY 2021-22
Capital	43	2
Recurring	441	332
Total	484	334
Total R & D expenditure as a percentage of total turnover	0.62%	0.51%

Foreign Exchange Earnings & Outgo:

Particulars	(Rs. In Lakhs)	
	FY 2022-23	FY 2021-22
Foreign Exchange Earnings	7,129	3,142
Foreign Exchange Outgo	6,375	5,686

For and on behalf of the Board

Place: Mumbai
Date: 30th May, 2023

Ninotchka Malkani Nagpal
Executive Chairman
(DIN: 00031985)

ANNEXURE III – TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

The detailed Report on Corporate Governance for the financial year ended 31st March, 2023, in terms of Regulation 34(3) read with Schedule V (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below. In this report, we confirm the compliance of Corporate Governance criteria, as required under the said SEBI (LODR) Regulations, 2015.

A) Mandatory Requirements:

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

The Company has a strong legacy of believing in sound corporate practices, based on transparency, accountability and high level of integrity, which forms an essential part in the functioning of the Company and increasing the 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 in motivating 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. Through the Governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities towards all its stakeholders by ensuring transparency, fair play and independence in its decision making. The Company's Policies are an extension of its values and reflect its commitment to ethical business practices, integrity and regulatory compliances.

2) Board of Directors

The Board is entrusted with the ultimate responsibility of the management and performance of the Company. It provides strategic direction, leadership and guidance to Company's Management. It monitors the performance of the Company, with the objective of creating long-term value for the Company's stakeholders as well as it ensures that the Management adheres to highest standards of ethics, transparency and disclosures.

2.1) Core Skills / Expertise of the Board

The Board of Directors, at its meeting held on 30th May, 2023, has approved the following list of core skills / expertise in context of / with respect to the line of business of the Company, for it to function effectively. The below matrix summarizes a mix of skills, expertise & competencies, possessed by the individual Directors on the Board, which are key to good corporate governance and board effectiveness:

Sr. No.	Core Skills / Expertise	Name of the Director(s)
1.	General Management & Strategic Financial Planning	Mrs. Ninotchka Malkani Nagpal, Mr. K. Digvijay Singh, Mr. Navroze S. Marshall
2.	Product Manufacturing & Technology Development	Mr. Aditya T. Malkani, Mr. Navroze S. Marshall
3.	Financial Management	Dr. Deep A. Lalvani , Mrs. Ninotchka Malkani Nagpal, Mr. Aditya T. Malkani, Mrs. Nita Dempo Mirchandani, Mr. Navroze S. Marshall
4.	Brand building & E-Commerce	Dr. Deep A. Lalvani, Mr. Gaurav M. Lalwani
5.	Business / Technology collaboration, Mergers & Acquisitions	Mr. Ravin A. Mirchandani, Ms. Tanya H. Advani, Mr. Rakesh N. Sapru
6.	Banking & Finance	Mr. Rakesh N. Sapru,
7.	Sales & Corporate Marketing	Mr. K. Digvijay Singh, Mr. Gaurav M. Lalwani, Mr. Rakesh N. Sapru, Ms. Tanya H. Advani
8.	Project Management	Mr. Aditya T. Malkani, Ms. Tanya H. Advani
9.	Intellectual Property, Joint Ventures & International Law	Mr. Piyush K. Gupta
10.	Digital transformation, data analytics, B2B and CRM marketing	Mr. Gaurav M. Lalwani

2.2) Composition, Number of Meetings held and Attendance

In order to maintain independence of the Board, we have a judicious mix of Executive, Non-Executive & Independent Directors. The Board of Directors of the Company, as of 31st March, 2023 comprises of 11 (eleven) Directors, consisting of 2 (two) Executive / Whole-Time Directors and 9 (nine) Non-Executive Directors including 6 (six) Independent Directors. There are 3 (three) Women Directors on the Board, out of which 1 (one) is an Independent Woman Director, as stipulated under Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with the statutory as well as business requirements. The Board of Directors meet, generally once in every quarter, primarily to review the quarterly performance and the financial results of the Company, amongst other things. The Meetings of the Board of Directors & the Committees of the Board are usually held at the Registered Office of the Company. The Meetings are scheduled well in advance and the intimation of each Board & Committee Meeting is given in writing to each Director / Member about 8 to 10 weeks before the scheduled date of the Meeting. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are then noted at the subsequent Board Meeting.

The information, as set out in Regulation 17 read with Part A of Schedule II of SEBI (LODR) Regulations, 2015, is provided to the Board and to the Board Committees, to the extent applicable & relevant. Such information is submitted either as part of the agenda papers, in advance, of the respective Meetings or by way of presentations & discussions during the Meetings.

The Company Secretary, in consultation with the Executive Chairman and the Managing Director, prepares the detailed Agenda for the Board / Committee 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 / Committee Members are also free to recommend inclusion of any matter in the Agenda, for discussion at the Board / Committee Meetings. The important decisions taken at the Board / Committee Meetings are communicated to the concerned department / division and the major outcome of the Board Meetings are also informed to the Stock Exchanges, where the Company's shares are listed.

During FY 2022-23 under review, the Board of Directors met 6 (six) times, i.e. on 20th May, 2022, 31st May, 2022, 11th August, 2022, 21st September, 2022, 04th November, 2022 and 03rd February, 2023. The requisite quorum was present at all the Meetings. The maximum gap between any two consecutive meetings was less than one hundred & twenty (120) days, as stipulated under Section 173(1) of the Act, and Regulation 17(2) of SEBI (LODR) Regulations, 2015 and the Secretarial Standard (SS), issued by the Institute of Company Secretaries of India (ICSI). The Board has accepted almost all the recommendations of its committees, during the relevant financial year.

Brief details of the Board Meetings held during FY 2022-23 are as follows:

Sr. No.	Date of the Board Meeting	Board Strength	No. of Directors Present	No. of Independent Directors Present
1.	20 th May, 2022	10	10	05
2.	31 st May, 2022	11	11	06
3.	11 th August, 2022	11	11	06
4.	21 st September, 2022	11	11	06
5.	04 th November, 2022	11	11	06
6.	03 rd February, 2023	11	10	05

The composition of the Board of Directors, attendance at the Board Meetings, held during FY 2022-23 and at the last Annual General Meeting, number of Directorships in other Companies & Membership of Committees across other Companies, in which the Director is a Member / Chairman, are given below:

Sr. No.	Name of the Director	Category of Directorship	Financial Year 2022- 23 Attendance at		As on 31 st March, 2023			
			Board Meetings	Last AGM (27 th July, 2022)	No. of other Directorships #	No. of Directorships in listed entities ^	Committee Positions @	
							No. of Memberships	No. of Chairmanships
1.	Mrs. N. Malkani Nagpal	Executive (Chairman)	6 of 6	Present	2	2	2	0
2.	Mr. A. T. Malkani	Executive (Managing Director)	6 of 6	Present	1	2	0	0
3.	Dr. D. A. Lalvani	Non-Executive [§]	6 of 6	Present	2	2	4	1
4.	Mr. R. A. Mirchandani	Non-Executive	6 of 6	Present	1	1	2	1
5.	Ms. Tanya H. Advani	Non-Executive	6 of 6	Present	2	2	3	0
6.	Mr. P. K. Gupta	Independent	6 of 6	Present	0	1	1	0
7.	Mr. R. N. Sapru	Independent	6 of 6	Present	0	1	0	1
8.	Mr. K. Digvijay Singh	Independent	6 of 6	Present	0	1	0	0
9.	Mr. G. M. Lalwani	Independent	6 of 6	Present	0	1	0	1
10.	Mrs. Nita Dempo Mirchandani	Independent	6 of 6	Present	0	1	0	0
11.	Mr. N. S. Marshall*	Independent	4 of 5	Present	3	4	5	1

[§] with effect from 01st April, 2022
* with effect from 21st May, 2022

Notes:

- # Excludes Directorships in Ador Welding Ltd., Foreign Companies, Private Limited Companies and Charitable Companies, if any.
- ^ Includes Directorship in Ador Welding Limited
- @ Considered Memberships / Chairmanships of the Audit Committee & the Stakeholders Relationship Committee only, other than that of Ador Welding Ltd., as per Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors is a Member of more than 10 (ten) Board Committees and Chairman of more than 05 (five) such Committees [the committees being, the Audit Committee and the Stakeholders' Relationship Committee], across all the public limited companies, in which he / she is a Director, as required under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. None of the Directors on the Company's Board hold the office of Director in more than 20 (twenty) companies, including 10 (ten) public companies and none of the Directors of the Company, are related to each other. As per Regulation 17A of SEBI (LODR) Regulations, 2015, none of the Directors hold Directorship in more than 08 (eight) listed entities and none of the Independent Directors serve as Independent Director in more than 07 (seven) listed entities and in case they are Whole Time Directors / Managing Directors in any listed entity, then they do not serve as Independent Director in more than 03 (three) listed entities. The same is also evident from the above table.

All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies, as required under Section 184 of the Companies Act, 2013. Each Director informs the Company, on an annual basis, about the Board and the Committee positions she / he occupies in other Companies,

including Chairmanships and notifies changes during the year, if any. The Members of the Board, while discharging their duties, avoid conflict of interest in the decision making process. The Members of the Board restrict themselves from any discussions and voting in transactions, in which they have concern / interest.

All the Non-Independent Directors, except the Managing Director, are liable to retire by rotation. The Executive Chairman is also liable to retire by rotation.

None of the Non-Executive Directors, including the Independent Directors of the Company, have any material pecuniary relationship or have executed any transactions with the Company, its Promoters or its Management, which would affect the independence or judgment of the Board. The Company has also not entered into any materially significant related party 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.

All the Independent Directors of the Company have certified & confirmed their independence by giving declarations that they meet the criteria of independence, as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) read with Regulation 25(8) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence, specified in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. They have also given declaration under Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, that their names are registered in the databank, as maintained by the Indian Institute of Corporate Affairs (IICA). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors, if applicable, are required to undertake online proficiency self-assessment test conducted by IICA, within a period of one (1) year from the date of inclusion of their names in the data bank or such time, as may be amended by the Central Government. In the opinion of the Board, the Independent Directors, fulfill the criteria of independence, specified in Section 149(6) of the Act and Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. The Board hereby confirms that the Independent Directors fulfill the conditions, specified in these regulations and are independent of the Management.

Details of their directorship in listed entities, other than Ador Welding Limited, and their category of Directorship, as required under SEBI (LODR), Regulations 2015, as on 31st March, 2023, are as under:

Sr. No.	Name of the Director	Name of the Listed Entity & Category of Directorship
1.	Mrs. Ninotchka Malkani Nagpal	Ador Fontech Limited – Non - Executive Director
2.	Mr. A. T. Malkani	Ador Fontech Limited – Chairman & Non-Executive Director
3.	Dr. D. A. Lalvani	Ador Multiproducts Limited – Chairman & Non - Executive Director
4.	Mr. R. A. Mirchandani	NA
5.	Ms. Tanya H. Advani	Ador Multiproducts Limited- Non-Executive Director
6.	Mr. P. K. Gupta	NA
7.	Mr. R. N. Sapru	NA
8.	Mr. K. Dlgvijay Singh	NA
9.	Mr. G. M. Lalwani	NA
10.	Mrs. Nita Dempo Mirchandani	NA
11.	Mr. N. S. Marshall	Simmonds Marshall Limited - Chairman & Executive Director Hindustan Hardy Limited – Independent Director Ador Fontech Limited – Independent Director

Broad Terms of Reference / Functions of the Board:

The duties of the Board of Directors have been enumerated in SEBI (LODR) Regulations, 2015, Section 166 of the Companies Act, 2013 and Schedule IV to the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority, amongst the Board of Directors.

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

- Annual operating plans & budgets and updates thereon.
- Capital budgets and updates thereon.
- Quarterly Unaudited Financial Results (UFR) of the Company and its Operating Divisions / Business Segments.
- Audited Financial Results (AFR) of the Company.
- Minutes of the Meetings of the Board, Committees of the Board & Subsidiary of the Company.
- The information on recruitment and remuneration of senior officers, just below the Board level, including the appointment & / or removal of the Chief Financial Officer (CFO) and the Company Secretary (CS).
- 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 may 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 labor problems and their proposed solutions.
- Any significant development in Human Resources / Industrial Relations front, like signing of wage agreement, implementation of Voluntary Retirement Scheme (VRS), etc.
- Quarterly / Half yearly / Yearly details of financials & other material information of the Subsidiary Companies.
- Sale of investments, subsidiaries, assets, etc., which are material in nature & 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, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholder services, such as non-payment of dividend, delay in share related services etc.
- Updates on working of the Subsidiaries.

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

Code of Conduct for Board of Directors & Senior Management:

The Board of Directors has laid down / adopted a 'Code of Conduct for Board of Directors & Senior Management' for all the Board Members and Senior Management Personnel of the Company. The Code requires Directors and Employees to act honestly, fairly, ethically, & with integrity, and conduct themselves

in professional, courteous and respectful manner. The 'Code of Conduct' has been communicated to the Directors and the Members of Senior Management & also been posted onto the website of the Company. All the Directors and Senior Management Personnel have confirmed / affirmed compliance with the Code of Conduct for FY 2022–23.

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 at the following web-link: <https://www.adorwelding.com/wp-content/uploads/2023/02/Code-of-Conduct-for-Directors-Senior-Managerial-Personnels-1.pdf>

Further, the Company / Board confirms that all of its Independent Directors have affirmed with the "Code of Conduct for the Independent Directors."

Committees of the Board:

The Board of Directors has constituted Board Committees to deal with specific areas and activities, as mandated under the law, which concerns the Company and requires a closer review. The Board Committees are formed with the approval of the Board and function under their respective Charters. These Committees play an important role in the overall Management of the day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps, to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The Company has 05 (five) Board Level Committees:

- a) Audit Committee (AC)
- b) Nomination and Remuneration Committee (NRC)
- c) Risk Management Committee (RMC)
- d) Corporate Social Responsibility Committee (CSR)
- e) Stakeholders' Relationship Committee (SRC)

3) Audit Committee

Broad Terms of Reference / Functions of the Committee:

The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions, in accordance with Section 177 of the Act, Regulation 18 read with Part C of Schedule II to SEBI (LODR) Regulations, 2015. Audit Committee is entrusted with the responsibility to supervise the Company's financial reporting process and internal controls.

The Audit Committee also reviews and ensures that the financial statements are correct, sufficient and credible with reference, particularly, to the requirements, as enumerated under Part C of Schedule II to SEBI (LODR) Regulations 2015, to the extent applicable.

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

- To call for the comments of the auditors on the internal control systems, design the scope of audit and review the observations of the auditors and also to review the financial reports, before they are submitted to the Board.
- To discuss any significant issues / findings 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 subject experts, to the meeting.

Composition, Number of Meetings held and Attendance:

All the Members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation and Economics. During FY 2022-23 under review, 06 (six) Audit Committee Meetings were held, i.e. on 20th May, 2022, 31st May, 2022, 11th August, 2022, 21st September, 2022, 04th November, 2022 and 03rd February, 2023. The maximum gap between two Meetings was not more than 120 days. The requisite quorum was present at all the Meetings.

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

The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. The Statutory Auditors are responsible for performing / conducting Independent Audit of the Company's Financial Statements and the Company's internal financial control over financial reporting, in accordance with the generally accepted auditing practices and have been / are issuing reports, based on such audits, while the Internal Auditors are responsible for checking the internal risk controls.

The Company follows best practices in the financial reporting. The Company has been reporting, on quarterly basis, the Unaudited Consolidated Financial Statements, as required by Regulation 33 of SEBI (LODR) Regulations, 2015. The Company's quarterly Unaudited Standalone and Consolidated Financial Statements are made available on the website www.adorwelding.com and are also uploaded on to the website of the Stock Exchanges, where its shares are listed.

It is the prerogative of the Audit Committee to invite Senior Executives, whom it considers apropos, to be present at any of the Audit Committee Meetings, as & when required. The Internal Auditors, who report directly to the Audit Committee and the representatives of the Statutory Auditors also attend the meetings of the Audit Committee, besides the executives invited by the Audit Committee, to be present thereat, if any.

Mr. R. N. Sapru, Chairman of the Audit Committee, was present at the last Annual General Meeting of the Company held on 27th July, 2022, by Video Conferencing for addressing the queries of the shareholders.

The composition of the Audit Committee and attendance at the Meetings held in FY 2022-23 is given here under:

Sr. No.	Name of the Member	Position in the Committee	Category of Directorship	Attendance during FY 2022-23
1.	Mr. R. N. Sapru	Chairman	Independent Director	6 of 6
2.	Mr. P. K. Gupta	Member	Independent Director	6 of 6
3.	Mr. R. A. Mirchandani	Member	Non-Executive Director	6 of 6
4.	Mr. N. S. Marshall	Member	Independent Director	4 of 5

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 for noting.

Subsequent to the financial year ended 31st March, 2023, the Audit Committee meeting was held on 30th May, 2023, wherein the Audited Financial Results and Audited Financial Statements of the Company for the financial year ended 31st March, 2023, were reviewed, considered and recommended to the Board.

4) Nomination & Remuneration Committee

Broad Terms of Reference / Functions of the Committee:

The Committee is vested with all the crucial powers and authority to ensure appropriate disclosures of the remuneration of 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 the Directors & Senior Management. The Committee functions in line with the Nomination & Remuneration Committee Charter, prepared in accordance with Section 178 of the Companies Act, 2013 & Regulation 19 read with Part D (A) of Schedule II to SEBI (LODR) Regulations 2015, adopted by the Board, which, inter alia, includes the following functions:

- Formulating the criteria for determining qualifications, positive attributes and independence of the Director.
- Formulating the criteria for evaluation of the Independent Directors and the Board.
- Evaluating balance of skills, knowledge & experience on the Board and prepare a description of the role and capabilities required of an Independent Director.
- Identifying suitable candidates, by considering / using the services of any external agencies, if required, from a wide range of backgrounds, having due regard to diversity and the time commitments of the candidates.
- 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 & removal.
- Ensuring that the level and composition of the remuneration is reasonable & sufficiently good to attract, retain and motivate Directors, with the required competencies, to run the Company successfully & efficiently.
- 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 & variable pay, reflecting short and long- term performance objectives, appropriate to the working of the Company & its goals.
- Carrying out evaluation of every Director's performance, including that of the Independent Directors.
- 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 the Non-Executive Directors;
 - for the Key Managerial Personnel & Senior Management; and
 - for other employees, if required / requested by the Management.
 - d) The size, qualification and composition of the Board.

- e) Short-term incentive strategy, performance targets and bonus payments for / to the Executive Directors.
- Reviewing major changes and developments in the Company's remuneration, recruitment, retention, superannuation arrangements, human resource practices and employee relations.
- Ensuring that the Board & 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 2022-23 under review, 02 (two) Nomination & Remuneration Committee (NRC) Meetings were held i.e. on 05th May, 2022 and 03rd February, 2023. The requisite quorum was present at both the Meetings. The Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

Mr. R. N. Sapru, an Independent Director, is the Chairman of the Nomination & Remuneration Committee and he was present at the last Annual General Meeting of the Company held on 27th July, 2022, through Video Conferencing (VC).

The composition of the Nomination & Remuneration Committee (NRC) and the attendance at its Meeting, during FY 2022-23 is given hereunder:

Sr. No.	Name of the Member	Position in the Committee	Category of Directorship	Attendance during FY 2022-23
1.	Mr. R. N. Sapru	Chairman	Independent Director	2 of 2
2.	Mr. P. K. Gupta	Member	Independent Director	2 of 2
3.	Mr. R. A. Mirchandani	Member	Non-Executive Director	2 of 2

The highlights of each of the Nomination & Remuneration Committee Meetings are 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 for its noting.

Subsequent to the financial year ended 31st March, 2023, NRC Meeting was held on 30th May, 2023, wherein the remuneration to be paid to Executive Directors & Senior Management, Commission to be paid to Executive & Non-Executive Directors was determined and evaluation of the performance of the Board, its Committees and the Directors was carried-out & discussed.

Performance Evaluation:

The Nomination & Remuneration Committee, pursuant to Regulation 19 read with Part D (A) of Schedule II to SEBI (LODR) Regulations 2015, has laid down the criteria for performance evaluation of the Directors, including the Independent Directors, which shall be carried out for / by the entire Board of Directors.

The evaluation is based on various parameters, as stated below:

- Participation in the Committee Meetings, Board Meetings and Annual General Meeting.
- Quality of inputs (contribution) in the Meetings.
- Contribution towards development of Strategies.
- Contribution towards Risk Management / Mitigation.
- Efforts taken towards acquiring knowledge about the Company and its businesses.
- Concern towards the holistic development of the Company, short term as well as long term.

Pursuant to the provisions of the Act and Regulation 17 of SEBI (LODR) Regulations, 2015, the Board has carried out the annual evaluation. The evaluation process includes performance evaluation of individual Directors, performance evaluation of all the Board Committees by the individual Directors and performance evaluation by the individual Directors of the entire Board. A structured questionnaire is prepared, covering various aspects of the Board's functioning. A consolidated summary of the ratings, given by each Director is then prepared & presented. The report of performance evaluation is then discussed and noted by the Nomination & Remuneration Committee and the Board.

Remuneration Policy for Directors:

Pursuant to the requirements of the Companies Act, 2013 and Part D(A)(1) of Schedule II to SEBI (LODR) Regulations 2015, the Board has, on the recommendation of the Nomination & Remuneration Committee, framed a Remuneration Policy for its Directors, considering particularly the following, amongst other things:

I. Remuneration to the Executive Directors:

The remuneration of the Managing / Whole-time / Executive Director(s) is decided by the Nomination & Remuneration Committee (NRC), based on the criteria such as industry benchmarks, Company's performance vis-à-vis Industry performance / track record of the Managing / 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 Section 198 of the Companies Act, 2013, to all / each of its Whole-time / Executive Director(s), as may be recommended by NRC and approved by the Board, such that the total remuneration (including commission / bonus, if any), as decided by the Board of Directors in its absolute discretion, does not exceed the limits prescribed under Section 197 and Schedule V to the Companies Act, 2013. In case of inadequate or no profits, remuneration is paid, subject to the provisions of the Act and / or approval of the shareholders.

In terms of Regulation 17 (6) (e) of SEBI (LODR) (Amendment) Regulations, 2018, the remuneration payable to the Executive Directors, who are Promoters or Members of Promoter Group, shall be subject to the approval of the shareholders by way of special resolution in the Annual General Meeting, if the aggregate annual remuneration payable to such Directors exceeds 5% of the net profits of the Company, as calculated under Section 198 of the Companies Act, 2013, where there is more than 1 (one) such Director. The Board has, on the recommendation of the Nomination & Remuneration Committee, approved the said payment exceeding 5% of the net profits of the Company, and was included in detail, in the Notice conveying 68th Annual General Meeting for the consideration & approval of the Shareholders.

Further, the annual increments are recommended by the Nomination & Remuneration Committee within the salary scale of each of the Executive Directors. The terms of remuneration are approved by the Shareholders at the Annual General Meeting and are effected in the individual Agreements, executed with the respective Executive Directors.

II. Remuneration to the Non-executive Directors:

As required under Schedule V(C)(5)(b) to SEBI (LODR) Regulations 2015, the Company has uploaded the criteria for payment of Remuneration to the Non- Executive Directors onto the website of the Company, at the following web link: https://www.adorwelding.com/wp-content/uploads/2021/07/criteria_for_payment_to_NEDs.pdf

The summary of the remuneration paid / payable to all the Directors for FY 2022–23 is given below:-

(Rs. in Lakhs)						
Sr. No.	Name of the Director	Salary#	Benefits (Perquisites)	Commission	Sitting Fees @ #	Total £
1.	Mrs. N. Malkani Nagpal	138.37	4.09	9.83	--	152.29
2.	Mr. A. T. Malkani	131.52	4.33	9.83	--	145.68
3.	Dr. D. A. Lalvani	--	--	9.83	--	9.83
4.	Mr. R. A. Mirchandani	--	--	9.83	--	9.83
5.	Ms. Tanya H. Advani	--	--	9.83	--	9.83
6.	Mr. P. K. Gupta	--	--	9.83	2.15	11.98
7.	Mr. R. N. Sapru	--	--	9.83	2.40	12.23
8.	Mr. K. Digvijay Singh	--	--	9.83	0.90	10.73
9.	Mr. G. M. Lalwani	--	--	9.83	1.30	11.13
10.	Mrs. Nita Dempo Mirchandani	--	--	9.83	1.05	10.88
11.	Mr. N. S. Marshall	--	--	8.45	1.20	9.65
	Total	269.89	8.42	106.75	9.00	394.06
# Fixed Component						
@ As Member / Invitee, wherever applicable						
£ Excluding TDS / GST						

Notes:

- The Whole Time Directors, as per their Agreements, are entitled to Commission upto 1% of the net profits of the Company, as calculated under Section 198 of the Companies Act, 2013.
- The Non - Executive Directors are also entitled to commission upto 1% of the net profits of the Company proportionately / on pro-rata basis collectively, as calculated under Section 198 of the Companies Act, 2013.
- The Agreement with the Whole time Directors is for a period of 03 (three) years. Either party to the Agreement is entitled to terminate the Agreement by giving 03 (three) months' notice to the other party, as mentioned in the Agreement.
- All the Promoter Directors, including the Executive Chairman & the Whole – Time Director, are liable to retire by rotation.
- According to the Articles of Association (AOA) of the Company, the Managing Director is not liable to retire by rotation.
- As per the Companies Act 2013, none of the Independent Directors are liable retire by rotation.
- The Company does not have any stock option scheme for its Directors or employees.
- Severance fees: NIL

5) Stakeholders Relationship Committee

Broad Terms of Reference / Functions of the Committee:

The Stakeholders' Relationship Committee functions in accordance with the Charter prepared as per Section 178 of the Act and Regulation 20 read with Part D of Schedule II to SEBI (LODR) Regulations, 2015. The Committee looks into the matters of Shareholders / Investors grievances along with other matters, as listed below:

- to consider and resolve the grievances of security holders of the Company, including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of dividends, issue of new / duplicate share certificates, etc.
- to consider and approve de-mat / re-mat of shares / split / consolidation /sub-division of share certificates etc.
- to consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
- to review measures taken by the Company, for effective exercise of voting rights by the shareholders
- to review adherence to the standards adopted by the Company, in respect of various services, being rendered by the Registrar & Share Transfer Agent (RTA)
- to review the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividend and ensuring timely receipt of dividend warrants / annual reports / statutory notices, by the shareholders of the Company.

The status / summary of complaints received & replied is also reported to the Board of Directors, as an Agenda item, in every quarterly Board Meeting and is also reported to the Stock Exchanges. This information is also uploaded on the website of the Company. The Committee also empowers few executives of the Company, to process the share transfer, etc.

Composition, Number of Meetings held and Attendance:

During FY 2022-23 under review, 2 (two) Stakeholders Relationship Committee (SRC) Meetings were held, i.e. on 05th May, 2022 and 03rd February, 2023. The requisite quorum was present at both the Meetings.

The Company Secretary acts as the Secretary of the Stakeholders Relationship Committee.

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

Sr. No.	Name of the Member	Position in the Committee	Category of Directorship	Attendance during FY 2022-23
1.	Mr. G. M. Lalwani	Chairman	Non - Executive & Independent Director	2 of 2
2.	Dr. Deep A. Lalvani	Member	Non - Executive Director	2 of 2
3.	Ms. Tanya H. Advani	Member	Non - Executive Director	2 of 2

The Secretarial Department of the Company and the Registrar & Share Transfer Agent (RTA) attend to all the grievances of the shareholders, received directly or through SEBI, the Stock Exchanges, the Ministry of Corporate Affairs (MCA), the Registrar of Companies (ROC), etc.

We strive to ensure that the grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are also requested to furnish their updated e-mail addresses to facilitate prompt action.

The Minutes of each of the Stakeholders Relationship Committee Meetings are sent to the Board of Directors.

Mr. G. M. Lalwani, an Independent Director, is the Chairperson of the Stakeholders' Relationship Committee and he was present at the last Annual General Meeting of the Company held on 27th July, 2022, through Video Conferencing (VC).

Compliance Officer:

Mr. Vinayak 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 complaint(s) is given below:

- The total number of complaints received and replied, to the satisfaction of the shareholders, during FY 2022-23 are 09 (nine).
- There were no complaints pending as on 31st March, 2023 with the Company.
- The Investors can also raise complaints in a centralized web-based complaints redressal system called "SCORES". The Company uploads the action taken report (ATR) on the complaints raised by the Shareholders, on "SCORES", which can be viewed by the Shareholders.
- The Statement of Directors' Shareholding is as under:

Sr. No.	Name of the Director	Shareholding (No. of Shares held) as on 31st March, 2023
1.	Mrs. Ninotchka Malkani Nagpal	1,99,952
2.	Mr. Aditya T. Malkani	1,23,198
3.	Dr. Deep A. Lalvani	4,419
4.	Mr. Ravin A. Mirchandani	8,002
5.	Ms. Tanya H. Advani	Nil
6.	Mr. Piyush K. Gupta	Nil
7.	Mr. Rakesh N. Sapru	Nil
8.	Mr. K. Digvijay Singh	Nil
9.	Mrs. Nita Dempo Mirchandani	Nil
10.	Mr. Gaurav M. Lalwani	10
11.	Mr. Navroze S. Marshall	37,800

6) Corporate Social Responsibility (CSR) Committee

Broad Terms of Reference / Functions of the Committee:

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

- Formulating & recommending to the Board, a CSR policy, which shall indicate the activities, that can be undertaken by the Company, pursuant to Schedule VII to the Companies Act, 2013.
- Recommending the annual budget of the CSR expenditure / activities, which indicates the amount of expenditure to be incurred on the CSR projects / programmes.
- Monitoring the implementation of CSR Policy of the Company from time to time.

- Setting up a transparent system to oversee the implementation of the CSR activities / projects / programmes.
- Recommending to the Board, the projects, that can be considered as “ongoing projects” of the Company, at the end of every financial year, if any.

CSR Policy is formulated & approved by the Board, as mandated under the provisions of Section 135 of the Companies Act, 2013. The CSR Policy & CSR activities / initiatives carried-out during the financial year (FY) 2022-23 are posted onto the Company’s website on the following web-link: <https://www.adorwelding.com/wp-content/uploads/2022/05/CSR-Policy-FY-2022-23.pdf>

Composition, Number of Meetings held and Attendance:

The Composition of CSR Committee is in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

During FY 2022-23 under review, 2 (two) CSR Committee Meetings were held, i.e. on 05th May, 2022 and 13th December, 2022. The requisite quorum was present at both the Meetings.

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

The composition of the CSR Committee and attendance at its Meetings are given hereunder:

Sr. No.	Name of the Member	Position in the Committee	Category of Directorship	Attendance during FY 2022-23
1.	Dr. Deep A. Lalvani	Chairman	Non-Executive Director	2 of 2
2.	Mrs. N. Malkani Nagpal	Member	Executive Chairman	2 of 2
3.	Mrs. Nita Dempo Mirchandani	Member	Non-Executive & Independent Director	2 of 2

The highlights of each of the CSR Committee Meetings are informed / presented to the Board of Directors and discussed in the Board Meetings. Subsequently, the Minutes of the CSR Committee Meetings are also sent / circulated to the Board its noting.

7) Risk Management Committee

Broad Terms of Reference / Functions of the Committee:

In terms of Regulation 21 of SEBI (LODR) Regulations, 2015, the Company has constituted a Risk Management Committee and has Risk Management Framework / Charter / Policy in place, the details of which are provided in the Directors’ report.

The Risk Management Committee (RMC) functions in accordance with the Charter prepared in accordance with Regulation 21 read with Part D (C) of Schedule II to SEBI (LODR) Regulation 2015, approved by the Board of Directors and the terms of reference of RMC the broadly comprise the following:

- Formulating detailed Risk Management Policy, which includes framework for identification of internal & external risk, measures risk mitigation, Business continuity plan.
- Ensuring appropriate methodology, process and systems are in place, to monitor and evaluate risks, associated with the business of the Company.
- Monitoring & overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems.

- Reviewing the risk management policy, at least once in every 02 (two) years, including by considering the changing industry dynamics and evolving complexity.
- Keeping the Board of Directors informed about the nature and content of its discussions, recommendations & actions, to be taken.
- Reviewing the appointment, removal & remuneration of the Chief Risk Officer (if appointed).

Composition, Number of Meetings held and Attendance

During FY 2022-23 under review, 2 (two) Risk Management Committee meetings were held i.e. on 05th May, 2022 & 04th November, 2022. The requisite quorum was present at both the Meetings.

The Risk Management Committee was constituted by the Board of Directors at its Meeting held on 28th May, 2021 with immediate effect, as per the requirement of SEBI (LODR) Regulations, 2015.

The composition of the Risk Management Committee and the attendance at its Meetings, during the FY 2022-23 is given hereunder:

Sr. No.	Name of the Member	Position in the Committee	Category of Directorship	Attendance during FY 2022-23
1.	Mr. Gaurav M. Lalwani	Chairman	Non – Executive & Independent Director	2 of 2
2.	Mrs. Ninotchka Malkani Nagpal	Member	Executive Chairman	2 of 2
3.	Mr. Surya Kant Sethia	Member	Chief Financial Officer (CFO)	2 of 2

A detailed Risk Management Policy has been formulated & approved by the Board, as mandated under Regulation 21 of SEBI (LODR) Regulations, 2015. The Risk Management Policy is posted onto the Company's website at the following web-link: <https://www.adorwelding.com/wp-content/uploads/2021/07/Risk-Management-Policy.pdf>

The highlights of each of RMC, Meetings are informed / presented at the Board Meeting and key risks highlighted by RMC, are discussed thereat. Subsequently, the Minutes of RMC Meetings are also sent to the Board for noting.

8) General Body Meetings

Location & time of the last 03 (three) Annual General Meetings of the Company is given below:

Sr. No.	Financial Year	Date	Location	Time
1.	2021-22	27 th July, 2022	Through Video Conferencing (VC), deemed to be held at the registered office of the Company	11:00 am
2.	2020-21	12 th August, 2021	Through Video Conferencing (VC), deemed to be held at the registered office of the Company	11:00 am
3.	2019-20	22 nd September, 2020	Through Video Conferencing (VC), deemed to be held at the registered office of the Company	11:00 am

All the special resolutions, moved in the previous 03 (three) Annual General Meetings were passed by the majority of the Members present & voted at the Meeting / remotely e-voted before the Meeting and there was 01 (one) special resolution in last AGM of FY 2021-22.

During the financial year under review, there was no special resolution passed through Postal Ballot.

The summary of outflow on account of Dividends & Dividend Tax for the last 10 (ten) years along with the percentage & type of Dividend is given below:

Sr. No	Financial Year	Dividend (%)	Type of Dividend	Dividend Outflow (Rs. in lakhs)	Dividend Tax Outflow (Rs. in lakhs)	Total Outflow (Rs. in lakhs)	Profit After Tax (PAT) (Rs. in lakhs)	% of Dividend & Tax Outflow to PAT
A	B	C	D	E	F	G = (E+F)	H	I = (G/H)%
1	2021-22	125	Final	1,546.34	153.50	1,699.84	4,519.00	37.62
2	2020-21	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	2019-20	65	Interim	883.90	181.73	1,065.63	2,877.00	37.04
4	2018-19	65	Final	883.90	181.73	1,065.63	2,385.00	44.68
5	2017-18	50	Final	679.92	138.42	818.34	1,856.00	44.09
6	2016-17	50	Final	679.92	138.42	818.34	1,812.00	45.16
7	2015-16	50	Final	679.92	138.42	818.34	2,264.76	36.13
8	2014-15	50	Final	679.92	138.42	818.34	3,237.32	25.28
9	2013-14	50	Final	679.92	115.55	795.47	422.70	188.19
10	2012-13	60	Final	815.91	132.36	948.27	1,908.02	49.70

9) Independent Directors Meeting and Familiarization Programme for the Independent Directors

The Independent Directors of the Company have been appointed in accordance with the provisions of Section 149 of the Companies Act, 2013 and applicable provisions of SEBI (LODR) Regulations, 2015.

Pursuant to Schedule IV to the Companies Act, 2013, every Independent Director has been issued a letter of Appointment, containing the terms and conditions of his / her appointment. The terms and conditions of appointment have been posted on the website of the Company at https://www.adorwelding.com/wp-content/uploads/2021/07/terms_and_conditions_of_appointment_of_independent_Directors2019.pdf

9.1) Independent Directors' Meeting:

During the financial year under review, the Independent Directors met on Friday, 03rd February, 2023, without the attendance of Non-independent Directors and the Members of the Management, inter alia, to discuss the following:

- Evaluate / review the performance of Non-Independent Directors and the Board of Directors, as a whole.
- Evaluate / review the performance of the Executive Chairman of the Company, taking into consideration the views of other Executive, Non- Executive & Independent Directors.
- Assess the quality, quantity and timeline of flow of information between the Company Management and the Board, that / which is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors attended the meeting through the electronic mode of video conferencing. The Independent Directors thereafter briefed the Board on their suggestions / outcome of their meeting.

9.2) Familiarization Program for Independent Directors:

Pursuant to Regulation 25 (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company carries out Familiarization Program for the Independent Directors w.r.t. nature of the industry, in which the Company operates, business model of the Company, etc., through which the Independent Directors are briefed on the affairs & operations of the Company and their roles / responsibilities thereon. The methodology of the Familiarization Program is uploaded on the Company's website at the following web link: <https://www.adorwelding.com/wp-content/uploads/2023/02/Familiarization-Programme-for-Independent-Director-2.pdf>

9.3) Materially significant Related Party Transactions (RPTs):

All transactions entered into with the Related Parties, as defined under the Act and Regulation 23 of SEBI (LODR) Regulations, 2015, during the financial year, were on arms' length basis and were in compliance with the requirements of the provisions of Section 188 of the Act. Related Party Transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS". A statement, in summary form, of transactions with Related Parties in ordinary course of business and arms' length basis is periodically placed before the Audit committee, for their review and recommended to the Board, for their approval.

During FY 2022-23 under review, there were no materially significant Related Party Transactions (RPTs) of the Company executed with its Promoters, Directors or the Senior Management Personnel or their relatives, as well as its subsidiaries, etc., that had a potential conflict with the interest of the Company at large. All the transactions were on arms' length basis and had no potential conflict with the interest of the Company at large and were carried out on an arms' length or fair value basis.

9.4) Policy for entering into Related Party Transactions:

All transactions entered into with the Related Parties, as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, during the financial year were in the ordinary course of business and on arms' length basis & did not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties, during the financial year, that had potential conflict with the interests of the Company at large. Related party transactions are disclosed in Note No. 51 to the Financial Statements.

The Company has formulated "Related Party Transactions Policy", as required under the provisions of the Companies Act, 2013 & Regulation 23 (1) of SEBI (LODR) Regulations, 2015, and the same is uploaded on the Company's website at the following web link: <https://www.adorwelding.com/wp-content/uploads/2022/05/RPT-Materiality-Policy-2022-23.pdf>

A statement in summary form of transactions with related parties is periodically / quarterly placed before the Audit Committee & the Board for their review. Omnibus approvals are obtained for transactions, which are repetitive in nature. Transactions entered into, pursuant to omnibus approvals, were placed before the Audit Committee for its review, during the year.

Material Subsidiaries:

The Minutes of the Board Meetings of the Subsidiary Company, along with the details of related party transactions and arrangements entered into by the Subsidiary Company are shared with the Board of Directors on a quarterly basis. The financial statements of the Subsidiary Companies are also presented to the Audit Committee.

Pursuant to Regulation 16(1)(c) of SEBI (LODR) Regulations 2015, a Policy for determining 'material' subsidiaries has been adopted by the Company, and the same is uploaded on the Company's website at following web link: <https://www.adorwelding.com/wp-content/uploads/2021/07/Policy-for-determining-Material-Subsidiary.pdf>

9.5) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or the Securities & Exchange Board of India (SEBI) or any Authority on any matter related to capital markets during the last three (03) financial years.

The Company has generally complied with all the known rules & regulations prescribed by the Stock Exchanges, where the shares of the Company are listed, the Securities & Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA) and all other statutory authorities relating to the capital markets during the last three (03) financial years. There were no instances of levy of any penalties or strictures on the Company.

9.6) Vigil Mechanism - Whistle Blower Policy:

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has established Vigil Mechanism–cum–Whistle Blower Policy, to enable its Directors, Employees & Stakeholders to report the instances of any unethical / improper activity in the Company. The mechanism provides for adequate safeguards against victimization of employees, Directors & stakeholders, who use such mechanism. The said Policy is uploaded on the Company's website, on the following web link:

For Stakeholders-

<https://www.adorwelding.com/wp-content/uploads/2021/07/Mechanism-For-Whistle-Blower-For-Stakeholders11.pdf>

For Directors & Employees-

<https://www.adorwelding.com/wp-content/uploads/2021/07/Whistle-Blower-for-Employees-Directors2019.pdf>

No person is denied access to the Chairman of the Audit Committee, under the said Policy.

9.7) Statutory Audit Fees:

The Statutory Auditors of the Company, M/s. Walker Chandio & Co. LLP, Chartered Accountants, Mumbai are being paid a total fees of Rs. 38.00 Lakhs plus out of pocket expenses at actuals and GST / Taxes, as applicable, at actuals, for carrying out the Statutory Audit, Limited Review and Tax Audit of the Company for FY 2022-23.

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 uploads them onto the website of the Company: <https://www.adorwelding.com/>. Hence, the financial results are not sent / posted to the shareholders residence. The Annual Report is e-mailed to those Shareholders, whose e-mail IDs are registered with the Company / RTA / DP and posted / sent / couriered to balance / other shareholders, who either do not have e-mail IDs or whose e-mail IDs are not registered with the Company / RTA / DP, (except for 67th Annual Report for FY 2019-20, 68th Annual Report for FY 2020-21, 69th Annual Report for FY 2021-22 & 70th Annual Report for FY 2022-23) or who have specifically requested for a physical copy. The Company has a **designated e-mail id: investorservices@adorians.com** exclusively for investor relation, and the same is prominently displayed on the Company's website www.adorwelding.com. A separate dedicated section under "Investors", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly / half yearly results and other relevant information of interest to the investors / public.

- 10.2)** As a part of Green Initiative, the Members who wish to receive the notices / documents through e-mail, may kindly intimate their e-mail addresses to the Company at investorservices@adorians.com
- 10.3)** Schedule of investors & / or analysts meet, the presentation made to the institutional investors & / or analysts, audio / video recording & transcript of the analysts meet is intimated to / uploaded onto the Stock Exchanges, within the prescribed time period, specified under SEBI (LODR) Regulations, 2015 and also hosted on the Company's website.
- 10.4)** The Management Discussion & Analysis (MDA) Report is an integral part of the Annual Report. (Refer Annexure IV to the Directors' Report).

10.5) General Shareholder Information

Day, Date and Time of Annual General Meeting	Wednesday, 09 th August, 2023 at 11:00 am
Venue of the Annual General Meeting	through VC, pursuant to MCA circulars
Financial Year (FY)	01 st April, 2022 – 31 st March, 2023
Cut-off date for e-voting	Wednesday, 02 nd August, 2023
Financial Reporting Calendar for FY 2023–24	Financial (unaudited) Reporting for the quarter ending June 2023 – by 14 th August, 2023
	Financial (unaudited) Reporting for the quarter ending September 2023 – by 14 th November, 2023
	Financial (unaudited) Reporting for the quarter ending December 2023 – by 14 th February, 2024
	Financial (audited) Reporting for the financial year ending March 2024 – by 30 th May, 2024

Investor Education and Protection Fund (IEPF):

- During FY 2022-23, the unclaimed dividend amount of Rs. 17,46,250/-, pertaining to the Dividend for FY 2014-15 was transferred to IEPF.
- During FY 2022-23, 15,255 Equity Shares, on which dividend had remained unclaimed for a period of 07 (seven) consecutive years, were transferred to IEPF Authority.
- Before transferring the unclaimed dividends to IEPF, letters are sent to those Members, whose unclaimed dividends are due for transfer, to enable them to claim the dividends before the due date for such transfer. The details of unclaimed / unpaid dividends are available on the website of the Company.
- During FY 2023-24, about 18,510 Equity Shares, on which dividend shall remain unclaimed for a period of 07 (seven) consecutive years, will be liable to be transferred to IEPF Authority on or before 05th October, 2023, unless Dividend is claimed on these shares till the date of transfer.

- Year wise amount of unpaid / unclaimed dividend lying in the unpaid Dividend account up to the financial year ended 31st March, 2023 and the corresponding shares, which are liable to be transferred to IEPF, is given below:

Sr. No.	Financial Year	Amount of unclaimed dividend (Rs.)	No. of shares on which dividend is unclaimed	Remarks
1.	2021-22	17,47,344	1,50,305	If the dividend remains unclaimed for a period of 7 consecutive years (till 01 st October, 2023), then unclaimed dividend / corresponding shares will be transferred to IEPF
2.	2020-21	NIL	NIL	
3.	2019-20	13,68,973	2,10,415	
4.	2018-19	12,45,522	1,91,576	
5.	2017-18	11,40,695	2,28,139	
6.	2016-17	19,30,785	3,86,157	
7.	2015-16	18,79,125	3,75,825	

Credit Rating:

Pursuant to SEBI (LODR) Regulations, 2015, the details of credit rating obtained by the Company from CARE & CRISIL for all its outstanding instruments, as on 31st March, 2023 are enumerated below:

- Long Term Credit Facilities: CARE A+; Stable (Single A Plus; Outlook: Stable)
- Short Term Credit Facilities: CARE A1+ (A One Plus)

Further, the details of credit rating obtained by the Company from CRISIL Rating, for all its outstanding instruments, as on 31st March, 2023 are enumerated below:

- Long Term Credit Facilities: CRISIL A+ / Stable (Single A Plus; Outlook: Stable)
- Short Term Credit Facilities: CRISIL A1 (A One)

The detailed information of credit rating is uploaded on the website of the Company, at the following web-link: <https://www.adorwelding.com/wp-content/uploads/2023/04/Credit-Rating-For-Ador-Welding-Limited-1.pdf>

Listing:

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

Name of the Stock Exchange	Address	Stock Code / Symbol
BSE Limited, Mumbai	Phiroze Jeejeebhoy Towers, 01 st Floor, Dalal Street, Fort, Mumbai - 400 001.	517041
The National Stock Exchange of India Limited (NSE), Mumbai	Exchange Plaza, C - 1, Block G, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051.	ADORWELD

International Securities Identification Number (ISIN):

ISIN is an identification number for traded shares. This number needs to be quoted in each transaction relating to the dematerialized equity shares of the Company. Your Company's ISIN number, for its equity shares, is INE045A01017.

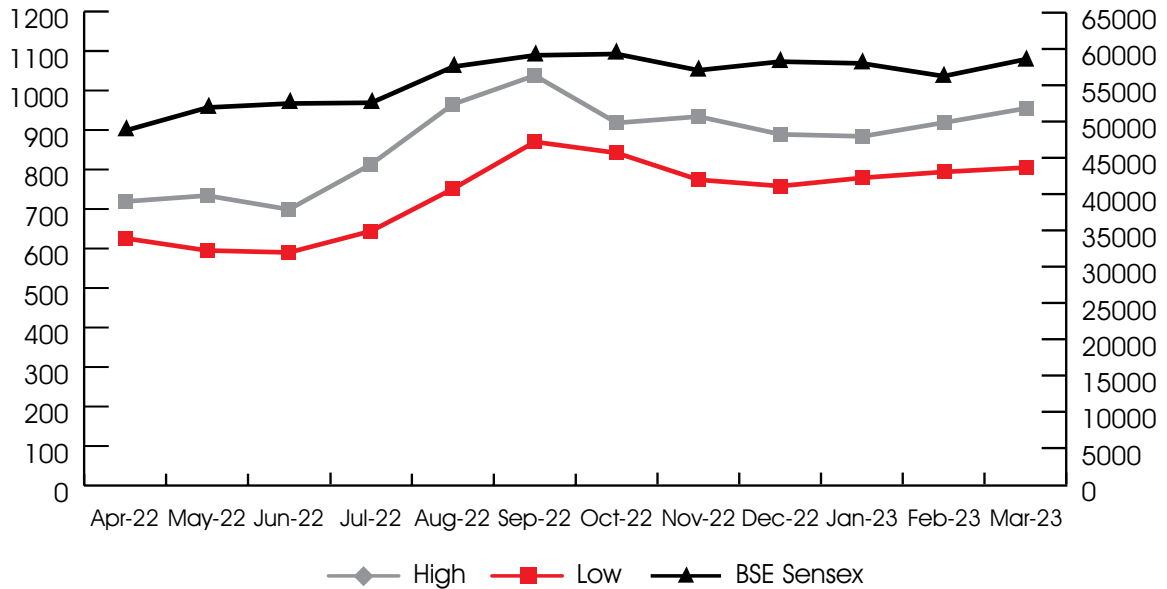
Annual Listing Fees and Custodial Fees:

The annual listing fees and custodial fees for the financial year 2023-24 has been paid by the Company within the stipulated timeline.

Market Price Data:

Market Price data, during each month of FY 2022-23, is given hereunder:

INDEX	BSE				NSE			
	Month	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades	High (Rs.)	Low (Rs.)	No. of Shares
April, 2022	718.90	625.85	22,600	2,504	737.60	616.00	3,99,189	25,469
May, 2022	734.00	595.00	18,715	2,589	710.00	595.00	2,58,863	18,808
June, 2022	698.60	589.80	34,416	2,505	700.00	589.50	3,05,045	22,035
July, 2022	812.90	643.95	48,244	8,979	812.30	644.70	7,28,756	67,793
August, 2022	964.75	751.20	65,444	12,685	965.00	750.00	9,12,090	80,190
September, 2022	1038.00	870.00	93,147	19,078	1,037.80	870.00	10,38,079	1,11,192
October, 2022	918.20	841.75	20,342	5,092	919.00	842.00	2,10,768	26,939
November, 2022	933.90	773.50	42,235	8,749	930.00	772.00	4,57,564	54,297
December, 2022	888.55	758.00	21,833	4,221	889.80	753.90	3,01,168	28,492
January, 2023	884.00	778.75	10,396	2,106	885.95	777.00	2,38,195	27,422
February, 2023	919.00	794.45	25,888	4,041	913.00	794.00	4,55,991	43,324
March, 2023	955.00	804.85	29,254	6,468	956.85	808.15	5,78,222	62,153

COMPANY SHARE PRICE WITH MONTHLY HIGH & LOW V/S BSE SENSEX

Registrar & Share Transfer Agent:

The name of the Registrar & Share Transfer Agent (RTA) of the Company is:

- M/s. Link Intime India Pvt. Ltd.

The share transfer is handled by the Company's RTA at the following address:

- **M/s. Link Intime India Pvt. Ltd.**
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400 083,
Maharashtra, India
Tel: +91 22 4918 6000
Website: www.linkintime.co.in
E-mail: rnt.helpdesk@linkintime.co.in

Share Transfer System:

Shares lodged for physical transfer (in the nature of Transmission or Name Deletion or Transposition) with RTA of the Company are normally processed within a period of 15 days from the date of lodgment, provided the documents are in order / clear in all respects. All requests for de-materialization of shares are also 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 / with respect to change of address, bank mandates, NECS etc. received from the Members, are generally processed by RTA of the Company, within 07 (seven) working days.

Distribution of shareholding as on 31st March, 2023:

Sr. No.	Range of Shareholding	No. of Shareholders	% of Total Shareholders	No. of Shares Held	% of Total Shareholding
1.	1-100	14,065	71.43	4,19,594	3.09
2.	101-200	2,296	11.66	3,60,247	2.65
3.	201-500	2,403	12.20	7,19,540	5.29
4.	501-1,000	454	2.31	3,44,286	2.53
5.	1,001-5,000	360	1.83	8,07,223	5.94
6.	5,001-10,000	51	0.26	3,84,208	2.83
7.	10,001-1,00,000	50	0.25	13,36,611	9.83
8.	1,00,001 and above	12	0.06	92,26,758	67.85
	Total	19,691	100.00	1,35,98,467	100.00

Shareholding Pattern (category wise) as on 31st March, 2023:

Sr. No.	Category	No. of Shares Held	% of Total Shareholding
1.	Promoters	77,38,162	56.90
2.	Mutual Funds	4,06,090	2.99
3.	Banks & Financial Institutions (FIs)	582	0.00
4.	Foreign Portfolio Investors	43,034	0.32
6.	NRIs	2,45,997	1.81
7.	Foreign nationals	1,182	0.01
8.	Trusts	1,000	0.01
9.	Investor Education and Protection Fund (IEPF)	2,54,582	1.87
10.	HUFs	5,26,572	3.87
11.	Private Corporate Bodies & LLPs	4,26,376	3.14
12.	Resident Individuals	39,50,280	29.05
13.	Clearing Members	4,610	0.03
	Total	1,35,98,467	100.00

De-materialization of Shares and Liquidity:

- 1,31,95,694 Equity shares of the Company, representing about 97.04% (NSDL 87.15% & CDSL 12.84%) of the total shares of the Company, have been dematerialized as on 31st March, 2023.
- Trading in the shares of ADOR WELDING LIMITED is permitted only in de-materialized form with effect from 08th May, 2000 and the said shares are available for trading on both the depositories of India, i.e. M/s. National Securities Depository Ltd. (NSDL) & M/s. Central Depository Services (India) Ltd. (CDSL).

Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. This audit is carried out in every quarter and the report thereon is submitted to the Stock Exchanges, where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Share Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and the total number of shares held in physical form.

Statutory Compliance:

During FY 2022-23 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 and the Securities & Exchange Board of India (SEBI) Regulations.

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

Commodity price risk or foreign exchange risk and hedging activities:

The Company takes 'forward cover' of appropriate amount and hedges its FOREX exposure, whenever necessary / required. The Company does not hedge in commodity prices.

Plant Locations:

The Company has the following manufacturing plants as of 31st March, 2023:

Raipur Plant	Silvassa Plant
Industrial Estate, Bilaspur Road, Birgaon, Raipur - 493 221, Chattisgarh, India	Survey No. 59/11/1, Khanvel Road, Opp. Gulf Oil, Masat, Silvassa - 396 230, UT of Dadra & Nagar Haveli, India
Chinchwad Plant	
Survey No. 147/2B, Akurdi, Near Khandoba Mandir, Chinchwad, Pune - 411 019, Maharashtra, India	

Address for Correspondence:

Ador Welding Limited

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

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of number of complaints filed, disposed-off, during the year and pending as on 31st March, 2023 have been provided in the Directors' Report.

Disclosure on Compliance

The Company has complied with all the mandatory corporate governance requirements under SEBI (LODR) Regulations, 2015. The Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.

Disclosure on Accounting treatment in preparation of Financial Statements

The Company has prepared financial statements in accordance with Indian Accounting Standards ("Ind AS"), notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Disclosures with respect to demat suspense account / unclaimed suspense account

In accordance with the requirements of SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, the Company has opened a Suspense Escrow Demat Account with the DP for transfer of shares lying unclaimed for more than 120 days from the date of issue of Letter of Confirmation to the shareholders in lieu of physical share certificate(s), to enable them to make a request to DP for dematerialising their shares.

During the year under review, none of the shares has been transferred to Suspense Escrow Demat Account.

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.

• **Shareholders Rights:**

As the Company's financial results are published in English newspaper having a wide circulation all over India and in a Marathi newspaper widely circulated in Mumbai (Maharashtra), the same are not sent individually to the shareholders of the Company. The Company's quarterly / half yearly / annual Financial Results are posted onto 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 Mrs. Ninotchka Malkani Nagpal and the Managing Director (MD), being Mr. Aditya Tarachand Malkani.

- **Modified opinion(s) in audit report:**

There are no modified opinions in the audit report for FY 2022-23.

- **Training of the Board Members:**

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

- **Reporting of the Internal Auditors:**

In accordance with the provisions of Section 138 of the Act, M/s. Kirtane & Pandit, LLP., Chartered Accountants, Pune, were appointed as the Internal Auditors of the Company for the financial year 2022-23, to conduct the Internal Audit w.r.t. all its Plants, sales offices and Head (Registered) Office, as per the scope approved by the Audit Committee. The internal auditor reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee, which reviews the audit reports and suggests necessary action, if any / required.

A certificate from a Company Secretary in practice stating / confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / the Ministry of Corporate Affairs (MCA) or any such statutory authority, is annexed herewith, as a part of the Report.

The Auditor's Certificate on Corporate Governance obtained from M/s. N. L. Bhatia & Associates, Practicing Company Secretaries (Firm Registration No. P1996MH055800) for compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to the Report.

For and on behalf of the Board

Ninotchka Malkani Nagpal
Executive Chairman
 (DIN: 00031985)

Place: Mumbai

Date: 30th May, 2023

Declaration by the Managing Director pursuant to Regulation 34(3) & Schedule V – Part D of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

As the Managing Director of M/s. Ador Welding Limited and as required pursuant to Regulation 34(3) and Schedule V - Part D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Members of the Board of Directors and Senior Management Personnel of Ador Welding Limited have affirmed compliance with the Code of Conduct of the Board of Directors & Senior Management, adopted by the Company, for FY 2022-23.

For and on behalf of the Board

Aditya T. Malkani
Managing Director
 (DIN: 01585637)

Place: Mumbai

Date: 30th May, 2023

CERTIFICATE ON CORPORATE GOVERNANCE

To

THE MEMBERS OF ADOR WELDING LIMITED

We have examined all the relevant records of M/s. Ador Welding Limited ("the Company") for the purpose of certifying compliance of the conditions of the Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") for the period from April 1, 2022 to March 31, 2023. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of the Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the Financial Statement of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance, as stipulated in the said LODR Regulations.

We further 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 **M/s N. L. Bhatia & Associates**
Practising Company Secretaries
UIN: P1996MH055800
Peer Review No.: 700/2020

Date: 30th May, 2023
Place: Mumbai

Bharat Upadhyay
Partner
FCS: 5436
CP. No. 4457
UDIN: F005436E000418167

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To the Members of **M/s. ADOR WELDING LIMITED**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. ADOR WELDING LIMITED**, having **CIN: L70100MH1951PLC008647** and having registered office at Ador House, 6, K. Dubash Marg, Fort, Mumbai – 400 001 -16 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated / listed below for the Financial Year ending on **31st March, 2023** have been debarred or disqualified from being appointed or continuing as Directors of the Company, by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA) or any such other Statutory / Regulatory Authority.

Sr. No.	Name of Director(s)	DIN	Date of appointment in Company
1.	Ninotchka Malkani Nagpal	00031985	03/10/1997
2.	Aditya Tarachand Malkani	01585637	27/07/2007
3.	Deep Ashda Lalvani	01771000	27/07/2007
4.	Ravin Ajit Mirchandani	00175501	28/07/2006
5.	Tanya Halina Advani	08586636	19/11/2019
6.	Piyush Kumar Gupta	00963094	27/10/2006
7.	Rakesh Narain Sapru	02332414	19/10/2008
8.	Kunwar Digvijay Singh	00004607	01/02/2009
9.	Gaurav Lalwani Mohan	06928792	10/11/2014
10.	Nlita Dempo Mirchandani	01103973	01/04/2020
11.	Navroze Shiamak Marshall	00085754	21/05/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Hemanshu Kapadia & Associates**
Practicing Company Secretaries

Hemanshu Kapadia
Proprietor
C.P. No. 2285
Membership No.: F3477
UDIN: F003477E000586554
PR No. 1620/2021

Place: Mumbai

Declaration by the Managing Director pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Aditya T. Malkani, Managing Director and Surya Kant Sethia, Chief Financial Officer, do hereby certify to the Board that:-

- A. We have reviewed financial statements as at 31st March, 2023 and the cash flow statement for the year ended on that date and to the best of their knowledge and belief:
- i. the said statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. the said statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed, to the Auditors & to the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and to the Audit Committee that:
- i. there have not been any significant changes in internal control over financial reporting during the year;
 - ii. there have not been any significant changes in accounting policies during the year;
 - iii. there have been no instances of significant fraud, of which we have become aware and involvement therein, if any, of the Management or an Employee having a significant role in the Company's control system over financial reporting.

For **ADOR WELDING LIMITED**

Aditya T. Malkani
Managing Director
DIN: 01585637

Surya Kant Sethia
Chief Financial Officer

Place: Mumbai
Mumbai: 30th May, 2023

ANNEXURE IV - TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERVIEW

For over 70 (seventy) years, we have been serving clients in India and around the world with end-to-end welding & cutting products and solutions. What makes us unique, is our willingness to make that extra effort for **“Creating the best welding experience”** to our customers.

Our goal is to form a sustainable Organization that meets the needs of the welding community, while providing jobs for our citizens and generating wealth for our stakeholders. Achieving these goals is not simple and we face many obstacles. We have addressed some of these challenges in this report's "Risk Factors" section.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Welding Industry forms the backbone of the manufacturing sector, which is expected @ 17% of GDP. Welding is critical for many manufacturing processes and the quality of welding has a direct impact on the quality of the final product.

The last financial year 2022-23 (FY23) commenced with strong expectations of economic growth, after the massive disruptions witnessed, in the previous years, due to impact of COVID. The impact of COVID continued to be felt during the initial part of FY23. Global developments led to supply chain interruptions throughout the year with longer lead times and higher costs on imports. Strong inflationary trends were witnessed even in locally sourced raw materials, driven by a surge in Steel prices throughout the year. The Company continued to focus on product mix and cost reductions to sustain growth and profitability. Capital goods segment witnessed some revival in activity over the previous years. New product launches continued to show encouraging results. The Company witnessed reasonably stable market conditions, despite the volatilities, to achieve growth in sales and profits.

Significant growth in the manufacturing industries is boosting the market's outlook. In line with this, rising demand for welding consumables in the energy

sector is fuelling market expansion. Other factors, such as, extensive growth in the automotive industry and various technological advancements, such as the use of dissimilar metal welding via fibre lasers in the production of electric cars, are expected to drive the market further in the country. Furthermore, the Indian welding equipment and consumables market is expected to benefit from the growth of the railway industry and the mining industry in India.

We have a sizable market share in both, the consumable and equipment markets, and we are market pioneers in a variety of goods & geographies. We wish to cater to all the customer needs, with our solutions and products under one roof, through our Welding & Cutting Automation (WCA) division.

Gross Capital Formation, which represents net investments in Fixed assets, stood at Rs. 51.23 Lakh Crore (US\$ 694.70 billion) in Q1 of FY 2022-23. The Government of India aims to increase the share of manufacturing in GDP to around 25% from 17%. All this augurs well for the welding industry, which can be expected to grow @ CAGR of around 8-9%, over the period.

OPPORTUNITIES AND THREATS

The Indian Welding Equipment & Consumables market is expected to grow at more than 7% CAGR from the year 2023 to 2028. India has a large population, which has led to an increase in demand for housing, healthcare and transportation. This has led to an increase in demand for welding equipment and consumables in various industries. Furthermore, with the increasing competition in the market, end-users are now focusing on the quality of welding equipment and consumables. This has led to an increase in demand for high-quality welding equipment and consumables that can meet the stringent quality standards. Moreover, with the increasing number of welding equipment and consumables being used in various industries, the demand for repair and maintenance services is also increasing. This has led to an increase in the demand for welding equipment and consumables

that are easy to repair and maintain. In addition, India has a large pool of skilled and unskilled workers, which has led to an increase in the availability of trained welders and welding technicians.

The mandatory requirement of BIS marking for products, used in Government Industries, has opened up the opportunities for "Made-in-India" products and manufacturers like ADOR, can obtain the BIS certification without any additional investment or efforts, since its products are already designed and manufactured in India with specifications, surpassing requirements of the standards.

OUTLOOK, RISKS AND CONCERNS

The last FY23 started on an encouraging note only to run into more turbulence with the developments arising from the conflict in Europe. Supply chain disruptions have, since become a key operational challenge, apart from further doses of inflation in commodity prices. A weaker rupee, higher interest rates and extreme challenges of inflation globally are key concerns for the ongoing financial year. Despite inherent resilience, the impact of global developments are bound to affect demand and profitability during the rest of the year. Opportunities exist in product categories where our new product launches can help gain market share and in terms of improvements in productivity and costs. A sustained period of global turbulence and squeeze on liquidity are immediate threats. RBI has shown intent to keep checks on runaway inflation. It will be important to see how it manages to continue with its accommodative stance. Even if private CAPEX is affected due to combination of inflation and rising interest rates, we hope that the Government spending will continue to boost the economy. Continued focus on infrastructure development has ensured major markets of welding industries, such as oil & gas, power, heavy engineering, shipbuilding, railways, automotive etc. with continued growth.

In the Union Budget for FY 23, Finance Minister delivered a growth-oriented budget for the coming fiscal year. The Finance Minister tried to revitalize the infrastructure sector in India, in order to, probably, have a multiplier effect on the Indian economy and help it stay on the path of growth for the coming year. She counted physical infrastructure as one of the six (06) pillars of her Budget. This should help Welding Industry to grow.

INCOME STATEMENT ANALYSIS

In FY23 overall revenue from operations reached Rs. 77,676 Lakhs from Rs. 66,148 Lakhs in FY22. This translates to about 17.4% increase from the previous year FY22. Revenue from consumables business was at Rs. 61,449 Lakhs, as compared to Rs. 53,540 Lakhs in FY22. Revenue from equipment & automation business was at Rs. 11,504 Lakhs, as compared to Rs. 9,854 Lakhs in FY22. Revenue from Flares & Process Equipment (erstwhile Project Engineering Business (PEB)) was at Rs. 4,723 Lakhs, as compared to Rs. 2,754 Lakhs in FY22. Other income of Rs. 667 Lakhs, mainly consisted of forex gains, interest income, rental income and export incentive, etc.

BALANCE SHEET ANALYSIS

During FY23, overall working capital days have been controlled at 85 days, compared to 68 days in the previous year, even after significant increase in business and undertaking a large scale project with longer lead time. The borrowings are under control, with Debt to Equity ratio of 0.05.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company continues to strongly believe that effective internal controls are critical for good corporate governance and that the operational freedom in conducting business should be exercised within the framework of appropriate checks & restraints, subject to adherence to applicable laws of the land.

The Company has robust Internal Financial Control System (IFCS), which covers the following critical aspects of business processes and reporting:

1. Financial propriety of business transactions
2. Manufacturing operations and processes
3. Reporting of financial transactions, as per the applicable accounting standards
4. Compliance with the established Company policies, guidelines, and statutes

The Company has a well-defined Internal Audit System. The scope of Internal Audit is reviewed & finalized at the beginning of every financial year, in consultation with the Statutory Auditors and approved by the Audit

Committee. The audit plan is focused, primarily, on the following objectives:

- Operational activities
- Management control
- Process efficiency

The Audit Committee reviews the Internal Audit Reports on a quarterly basis and offers necessary guidance with respect to its coverage, scope & corrective measures.

Our ERP & IT system makes Finance & Accounts Management robust, data tracking easier and decision making faster.

The Company's software helps in centralizing its order processing, leading to better logistics / movement of goods. The Company has a very sound compliance track record with all the Legal and Statutory authorities in the Country, and there is a regular Management Audit mechanism to ensure that the Company, does not violate any known Legal or Statutory provisions, applicable to the Company.

“MATERIAL DEVELOPMENTS” IN THE HUMAN RESOURCES FRONT

In FY23, our focus continued to be on working towards achieving our Vision of “Creating the best Welding Experience” by imbibing three (03) core values of Enhancing Performance, Building Trust & Relationship and strive to give better Customer Experience.

We believe that our employees (Human Capital) are our assets and key to the Company's success. We strive to attract and retain them through various HR policies, learning & development programs, employee engagement and other employee wellbeing initiatives. The success of our employees not only benefits the Organization but also our Customers, Business Partners and Other Stakeholders. Hence, we strive to provide them a happy and safe working environment. This is obtained through good HR policies and practices. We also conduct feedback surveys, to actively seek views from all our employees, regarding our HR practices & policies, with an idea of continuously improving them, in line with the expectation of majority, if not all.

We have laid emphasis on creating culture of performance, transparency and well-being of our employees. A good & positive working environment enables learning and growth for the employees. In last FY23, we could conduct classroom training sessions and also sent our senior employees to some classroom programs of reputed Business Schools, since COVID-19 impact had subsided. Several technical & behavioral development programs were conducted, to train the managers and other employees, apart from the regularly conducted on-the-job and other technical trainings.

We will continue to keep our focus on retaining and attracting best talents and strive to do even better to achieve our vision.

The employee strength as of 31st March, 2023 stood at 596.

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: 30th May, 2023

Ninotchka Malkani Nagpal
Executive Chairman
(DIN: 00031985)

ANNEXURE V - TO THE DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

[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]

To,
The Members,
Ador Welding Limited

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by Ador Welding Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in conformity with the auditing standards, issued by the Institute of Company Secretaries of India ('ICSI') ('the Auditing Standards') and the processes and practices followed during the conduct of Audit are aligned with the Auditing Standards, to provide us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms, returns filed & other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the process of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, has 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, minutes books, forms, returns filed & other records maintained by the Company for the financial year ended on 31st March, 2023, according to the provisions of:

1. The Companies Act, 2013 ('the Act') and the Rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. Foreign Exchange Management Act, 1999 and the rules & regulations made thereunder to the extent applicable;
4. The Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018 and amendments thereof and the Regulations and bye-laws framed thereunder;
5. The following Regulations and Guidelines, prescribed under the Securities and Exchange Board of India Act, 1992 and amendments thereto ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the financial year**
 - e) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018; **Not Applicable during the financial year**
 - f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the financial year**

- g)** The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable during the financial year**
- 6.** Other applicable Laws as per list attached as '**Annexure A**' to this report.
- We have also examined compliance with the applicable clauses of the following:
- The Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI'),
 - Guidelines issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI'), relating to conducting the meeting via video conferencing and Other Audio-Visual means.

During the period under review, we observed that 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 and SEBI (LODR) Regulations, 2015.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 07 (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 / opinions are captured & recorded, as part of the minutes.

All the decisions have been taken with requisite majority in the General Meetings and the views expressed by the dissenting members are captured & recorded, as part of the minutes.

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

We further report that during the audit period, the application of amalgamation between the Company and its wholly owned subsidiary, Ador Welding Academy Private Limited ('AWAPL') was approved vide Hon'ble National Company Law Tribunal, Mumbai bench ('NCLT') order dated 03rd February, 2023.

We further report that during the audit period, the Board of Directors of the Company, at their meeting held on 31st May, 2022, approved the Scheme of Amalgamation (Merger by Absorption) of Ador Fontech Limited ('ADFL') with the Company. The 'Appointed date' for this merger was proposed as 01st April 2022. Further, both the Companies have independently filed an application on 20th June, 2022, with the recognized stock exchanges, where the respective Company's shares are listed, for obtaining NOC from them, as well as from the Securities & Exchanges Board of India and have received NOC from BSE & NSE on 26th September, 2022 & 27th September, 2022 respectively. Subsequently, both the Companies filed separate application under Section 230 to Section 232 of the Companies Act, 2013 in Hon'ble NCLT, Bengaluru Bench and Mumbai Bench on 02nd February, 2023.

For **M/s N. L. Bhatia & Associates**
Practicing Company Secretaries
UIN: P1996MH055800
P/R No: 700/2020

Bharat Upadhyay
Partner
FCS: 5436
CP. No. 4457
UDIN: F005436E000417837

Place: Mumbai
Date: 30th May, 2023

'ANNEXURE A'

LIST OF OTHER APPLICABLE LAWS (including statutory amendments made thereto or amendments thereof for the time being in force):

Other Laws applicable to the Company;

- a) Factories Act, 1948 and Rules made thereunder
- b) Industrial Employment (Standing Orders) Act, 1946 & Rules 1957
- c) Payment of Bonus Act, 1965, & Rules, 1965
- d) Maternity Benefit Act, 1961 & Rules
- e) Employees Compensation Act, 1923 & Rules.
- f) Minimum Wages Act, 1948, M.W (C) Rules, 1950
- g) Child Labour (P&R) Act 1986, & Rules.
- h) Air (Prevention and Control of Pollution) Act, 1981
- i) Water (Prevention and Control of Pollution) Act, 1974
- j) The Noise (Regulation and Control) Rules, 2000
- k) The Environment (Protection) Act, 1986
- l) Payment of Wages Act, 1936
- m) Employees State Insurance Act, 1948
- n) Employees PF & Miscellaneous Provisions Act, 1952
- o) Contract Labour (Regulation & Abolition) Act, 1970
- p) Legal Metrology Act, 2009
- q) Payment of Gratuity Act, 1972
- r) Industrial Disputes Act, 1947
- s) Indian Contract Act, 1872
- t) The States Shops and Establishment Act
- u) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- v) Income tax Act, 1961
- w) The States Goods and Services Tax Act, 2017
- x) The Central Goods and Services Tax Act, 2017
- y) The Interstate Goods and Services Tax Act, 2017
- z) Any other Central and State Acts and rules made thereunder, as may be applicable

To,

The Members,

Ador Welding Limited

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

- (1) Maintenance of Secretarial record 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 auditing standards issued by the Institute of Company Secretaries of India (ICSI) and 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 the Secretarial records. We believe that the processes and practices, we have followed are aligned with Auditing Standards issued by the Institute of Company Secretaries of India (ICSI) provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of the financial records and the Books of Accounts of the Company.
- (4) Wherever required, we have obtained the Management Representation about the compliance of the applicable Laws, Rules & Regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other Applicable Laws, Rules, Regulations, Standard 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 **M/s N. L. Bhatia & Associates**
Practicing Company Secretaries
UIN: P1996MH055800
P/R No: 700/2020

Bharat Upadhyay
Partner

Place: Mumbai
Date: 30th May, 2023

FCS: 5436
CP No. 4457
UDIN: F005436E000417837

ANNEXURE VI – TO THE DIRECTORS' REPORT

Details pertaining to remuneration, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year (FY) 2022-23:

Sr. No.	Name of the Director	Designation	Ratio
1.	Mrs. N. Malkani Nagpal	Executive Chairman	29.12
2.	Mr. A. T. Malkani	Managing Director	27.86
3.	Dr. D. A. Lalvani	Director (Non-Executive)	1.88
4.	Mr. R. A. Mirchandani	Director (Non-Executive)	1.88
5.	Ms. Tanya H. Advani	Director (Non-Executive)	1.88
6.	Mr. P. K. Gupta	Director (Independent & Non-Executive)	2.29
7.	Mr. R. N. Sapru	Director (Independent & Non-Executive)	2.34
8.	Mr. K. Digvijay Singh	Director (Independent & Non-Executive)	2.05
9.	Mr. G. M. Lalwani	Director (Independent & Non-Executive)	2.13
10.	Mrs. Nita Dempo Mirchandani	Director (Independent & Non-Executive)	2.08
11.	Mr. N. S. Marshall*	Director (Independent & Non-Executive)	1.85
* w.e.f. 21 st May, 2022			

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year (FY) 2022-23:

Sr. No.	Name of the Directors / KMP	Designation	% variance
1.	Mrs. N. Malkani Nagpal	Executive Chairman	22.79
2.	Mr. A. T. Malkani	Managing Director	18.49
3.	Dr. D. A. Lalvani	Director (Non-Executive)	-92.77
4.	Mr. R. A. Mirchandani	Director (Non-Executive)	48.04
5.	Ms. Tanya H. Advani	Director (Non-Executive)	48.04
6.	Mr. P. K. Gupta	Director (Independent & Non-Executive)	49.00
7.	Mr. R. N. Sapru	Director (Independent & Non-Executive)	46.64
8.	Mr. K. Digvijay Singh	Director (Independent & Non-Executive)	48.20
9.	Mr. G. M. Lalwani	Director (Independent & Non-Executive)	48.60
10.	Mrs. Nita Dempo Mirchandani	Director (Independent & Non-Executive)	53.46
11.	Mr. N. S. Marshall*	Director (Independent & Non-Executive)	--
12.	Mr. V. M. Bhide	Company Secretary (CS)	5.40
13.	Mr. S. K. Sethia	Chief Financial Officer (CFO)	7.16
* w.e.f. 21 st May, 2022			

3. The percentage increase in the median remuneration of employees in FY 2022-23 over FY 2021-22: **8%**
4. The number of permanent employees on the roll of the Company as on 31st March, 2023: **596**

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in FY 2022-23 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: - The **percentile increase** in the remuneration of Non-Manual cadre and Managerial cadre (excluding Whole-time Directors) is **59 percentile and 70 percentile** respectively.
6. Affirmation that the remuneration is as per the remuneration policy of the Company: **Yes, we affirm / confirm that the remuneration paid, during FY 2022-23, was as per the Remuneration Policy of the Company.**
7. Details of **top 10 employees** of the Company in terms of remuneration* drawn in FY 2022-23:

Sr. No.	Name	Age (Years)	Designation	Qualification/s	Years of Experience	Date of Commencement of Employment	Last Employment	
							Post Held	Name of the Last Employer
1.	Sunanda Kumar Palit	60	Head - Strategy & Customer Experience	B. Tech. (Hons.) from IIT Kharagpur	40	04-Jun-2012	Divisional Product Manager (Equipment Division)	ESAB India Ltd
2.	Somnath Chakravarty	59	Head – Research, Development & Quality (Welding Consumables)	M.Tech and B.Tech in Metallurgy	32	01-Jun-2022	Plant Head - Saw Wire & R&D	Modi Hitech India Ltd.
3.	Sachin H. Dobhada	56	Head – Research, Development & Quality (Welding Equipment)	B.E. (Industrial Electronics)	35	08-May-2006	Manager-R&D	Hueco Electronic (India) Pvt. Ltd.
4.	Vinayak M. Bhide	54	Head - HR, Admin, IA, Legal & Company Secretary	B.Com., LL.B. (Gen), AICMA, DTL, DLL & LW FCS	33	04-Jan-1993	Assistant (costing Dept.)	BASF India Ltd
5.	Vineet Bansal	54	Head - India Welding Business & Customer Success	Mechanical Engineering	32	03-Nov-1992	Engineer – Technical Services	Cimmco Limited, Bharatpur
6.	Mustafa Faizullahbhoj	50	Head – International Operations	Masters in HRM, Bachelors in IB	23	06-Apr-2022	General Manager	Abicor Binzel Middle East
7.	Ulhas Pujari	50	General Manager - Special Projects	BE and MBA	29	15-Jul-2013	DGM - Production	Carraro India Limited
8.	Dr. Shrikant S. Suvarna	45	Head - Supply Chain & Procurement	PHD (Management Studies), E- MBA - Foreign Trade	25	05-Oct-2020	Head - Supply Chain	Voestalpine Bohler Welding India Private Limited
9.	Dr. Ajay Gorasia	44	Head - Flares & Process Equipment Division	B.Tech, M.Chem & PHD (Chemical Engg)	14	05-Jan-2021	Account Manager- Callidus & GP&H	UOP India Pvt. Ltd.
10.	SuryaKant Sethia	43	Chief Financial Officer	Chartered Accountant	18	22-Jun-2015	DGM - (Accounts & Finance)	Desert Landscape Company LLC

* The statement of remuneration will be made available for e-inspection / inspection by the Members during the business hours on any working day, 21 days prior to the date of AGM.

Interested Members may write to the Company for obtaining a copy of the same.

One employee, who is posted abroad (i.e. Ador International) is drawing remuneration of over Rs. 60 Lakhs per financial year & Rs. 5 Lakhs per month.

8. Details of employees with annual remuneration of Rs. 102 Lakhs or more, who are employed throughout the year or monthly remuneration of Rs. 8.50 Lakhs or more, even if employed for part of the year during FY 2022-23:

Sr. No.	Name	Age (Years)	Designation	Remuneration (Gross) (Rs. in Lakhs)	Qualification/s	Years of Experience	Date of Commencement of Employment	Last Employment	
								Post Held	Name of the Last Employer
1.	Mrs. N. Malkani Nagpal	53	Executive Chairman	152.29	<ul style="list-style-type: none"> MBA. with specialization in Finance from Imperial College, UK; B.Sc. in Business & Economics from Lehigh University, PA, USA 	30	03.10.1997	Chairman & Whole Time Director	J. B. Advani & Co. Pvt. Ltd.
2.	Mr. Aditya T. Malkani	42	Managing Director	145.68	<ul style="list-style-type: none"> Pursued B.A. (Economics) from Oberlin College (Ohio, USA) MBA from Indian School of Business (ISB, Hyderabad) 	16	27.07.2007	Chairman & Whole Time Director	Ador Fontech Limited

Notes:

- All the above appointments are Contractual.
- Remuneration shown above comprises of salary, allowances, bonus, commission, perquisites, contribution to Provident Fund, Superannuation Fund, Gratuity Fund etc., wherever applicable.
- Information regarding qualifications, experience and last employment held, is based on particulars furnished to the Company, by the employees concerned.
- Mrs. Ninotchka Malkani Nagpal holds 1,99,952 equity shares and Mr. Aditya T. Malkani holds 1,23,198 equity shares of the Company as on 31st March, 2023.
- Mrs. Ninotchka Malkani Nagpal and Mr. Aditya T. Malkani are not related to any other Directors or to each other or to any of the employees of the Company.
- No other employees mentioned above is related to any Director of the Company in terms of Section 2(77) of the Companies Act, 2013.

For and on behalf of the Board

Place: Mumbai
Date: 30th May, 2023

Ninotchka Malkani Nagpal
Executive Chairman
(DIN: 00031985)

ANNEXURE VII - TO THE DIRECTORS' REPORT

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Basic Information,

Ador Welding Limited (AWL), erstwhile Advani – Oerlikon Limited, is a pioneer in the welding industry. AWL, since its inception in the year 1951, has played a significant role in the country's industrialization and infrastructure development by providing the finest range of welding consumables, equipment and automation solutions, coupled with skill development in India. The Company has progressively extended its welding knowledge and expertise to cover many high-end specializations and has catered to a sophisticated range of user needs in India and in the overseas markets.

AWL's Vision is **"Creating the Best Welding Experience"**. AWL adopts responsible business practices, which are in the interest of the environment and the society, at large. AWL commits towards a comprehensive growth, by adopting a framework to integrate social, environmental, humanitarian concerns into its core business strategy, in the best interest of all its stakeholders. AWL believes that a Company's performance must be quantified in a balanced economic, environmental and social imperative. The core values of AWL strive in developing a sustainable business model, which flows from the top and infuses throughout the organization and across business segments.

Aligned with the United Nations Sustainable Development Goals (SDGs), Ador conducts its business activities responsibly and sustainably. The Company has prioritized 9 SDGs for focused action, all of which are critical to achieving its vision of "Creating the Best Welding Experience".

Ador's Business Responsibility and Sustainability Report (BRSR) is a comprehensive account of its business performance and impacts. It is aligned with the National Guidelines on Responsible Business Conduct (NGRBC) on Social, Environmental and Economic Responsibilities of Business, issued by the Ministry of Corporate Affairs (MCA). The BRSR is in accordance with clause (f) of subregulation (2) of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Company's business performance and impacts are disclosed based on the 9 Principles, as mentioned in NGRBC, reflecting Ador's unwavering commitment to responsible and sustainable business practices.

The Company's comprehensive reporting framework provides stakeholders with a transparent and detailed account of its business performance and impacts, reflecting its commitment to responsible and sustainable business practices.

Principles

1	Ethics, Transparency and Accountability	2	Product Life Cycle Sustainability	3	Employee Well-Being
4	Stakeholder Engagement	5	Human Rights	6	Environment
7	Policy Advocacy	8	Inclusive Growth and Equitable Development	9	Customer Value Creation

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L70100MH1951PLC008647
2.	Name of the Listed entity	Ador Welding Limited
3.	Year of Incorporation	October 22, 1951
4.	Registered Office Address	Ador House, 6, K. Dubash Marg, Fort, Mumbai 400 001-16, Maharashtra, India
5.	Corporate Address	Ador House, 6, K. Dubash Marg, Fort, Mumbai 400 001-16, Maharashtra, India
6.	E-mail	investorservices@adorians.com
7.	Telephone	022 6623 9300 / 022 2284 2525
8.	Website	www.adorwelding.com
9.	Financial Year, for which reporting is being done	FY 2022-23
10.	Name of Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Ltd (NSE)
11.	Paid-up Capital	1,35,98,467 Equity Shares of Rs. 10/- each, fully paid-up
12.	Name and contact details (telephone, email address) of the person, who may be contacted in case of any queries on the BRSR report	Details of director responsible for implementation of business responsibility policy Name: Mr. Aditya T. Malkani Designation: Managing Director DIN: 01585637 Telephone number: 022-66239300 / 022-22842525 E-mail id - investorservices@adorians.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made in this report are on a Standalone basis and pertain only to Ador Welding Limited.

II. Products / services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacturing of Welding Consumables like Electrodes, Wires and Fluxes	80
2	Assembly	Assembly line for assembly of welding equipments	14
3	Automation	Flare Processes, Cutting Automation and Welding Processes	6

15. Products / Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product / Service	NIC Code	% of Total Turnover contributed
1	Welding Electrodes	83111000	44
2	Coated Welding Wires	72230010 75052200 72299016 83112000	30
3	Machinery and Apparatus for Soldering, Brazing or Welding	85158090 85153990 84688000 85151900 84689000	16

III. Operations**16. Number of locations where plants and / or operations / offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	3	6	9
International	-	1	1

17. Markets served by the entity:**a. Number of locations:**

Locations	Number
National (No. of States + Union Territories)	36
International (No. of Countries)	15

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute to 8% of the total turnover of the Company.

c. A brief on types of customers.

Our customer base includes entities involved in Heavy Fabrication, Rail Coach Manufacturing, Railway Work Shops, Indian Defence, Oil & Gas, Ship Building, Power Plants, Automobiles, Hydro Plants, Nuclear Plants, Steel Mfgs., Sugar Industries, Cement Industries, other metal manufacturing such as Aluminium, Copper etc.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	596	565	95	31	5
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	596	565	95	31	5
WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	652	624	96	28	4
6.	Total workers (F + G)	652	624	96	28	4

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	-	-	-	-	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	-	-	-	-	-

19. Participation / Inclusion / Representation of women:

Sr. No.	Category	Total (A)	No. and percentage of Females	
			No. (B)	% (B / A)
1.	Board of Directors	11	3	27
2.	Key Management Personnel	3	0	-

20. Turnover rate for permanent employees and workers: (Disclose trends for the past 3 years)

Sr. No	Category	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
1.	Permanent Employees	11.33%	41.94%	12.92%	12.62%	16.67%	12.85%	18.09%	37.04%	19.08%
2.	Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

21.(a) Names of holding / subsidiary / associate companies / joint ventures:

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes / No)
NA - Since our 100% Subsidiary Ador Welding Acedemy Pvt. Ltd. merged with Ador Welding Limited effective from 16 th March 2023.				

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: Yes

(ii) **Turnover (in Rs.)** : 77,676 Lakhs (FY 2022-23); 66,148 Lakhs (FY 2021-22)

(iii) **Net worth (in Rs.)** : 32,351 Lakhs (FY 2022-23); 28,192 Lakhs (FY 2021-22)

The highlights of CSR interventions are reported in CSR Annexure to the Directors' report.

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9), under the National Guidelines on Responsible Business Conduct:

Stakeholder group, from whom complaint is received	Grievance Redressal Mechanism in place (Yes / No) (If Yes, then provide web-link for grievance redressal policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	-	-	-	-	-	-
Investors (other than shareholders)	Yes https://www.adorwelding.com/wp-content/uploads/2021/07/Mechanism-For-Whistle-Blower-For-Stakeholders11.pdf	-	-	-	-	-	-

Stakeholder group, from whom complaint is received	Grievance Redressal Mechanism in place (Yes / No) (If Yes, then provide web-link for grievance redressal policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes The Company has empowered a Board-level Stakeholders Relationship Committee ('SRC') to examine and redress complaints from/by shareholders. The status of complaints is reported to the entire Board on a quarterly basis. SRC meets atleast twice a year and as & when required to resolve shareholders grievances. Most of the grievances received through electronic communications are attended within a period of seven days and for postal communication within a period of twelve days from the date of receipt of such grievances. https://www.adorwelding.com/wp-content/uploads/2022/11/Investor-Grievance-Redressal-Policy.pdf	9	0	-	10	0	-
Employees and workers	Yes, the grievances of the employees and workers are redressed through emails, open forum meetings and also through vigil mechanism. https://www.adorwelding.com/wp-content/uploads/2021/07/Whistle-Blower-for-Employees-Directors2019.pdf	-	-	-	-	-	-
Customers	Yes All the grievances received through various available channels are registered and tracked through the Complaint CRM system. Once the complaint is registered, it is tracked through a unique number. The grievance is resolved through one-on-one interaction with the customer either telephonically or physically. Upon the final resolution of the grievance, feedback is taken through call / response sheet / feedback form.	1,046	0	-	806	0	-
Value Chain Partners	No	-	-	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-
<p>There have been no grievances regarding the 9 Principles of BRSR filed with the Company for FY 2022-23. However, if such complaints exist, they can be reported via the Whistleblower Mechanism set up by the Company that is available on the website, which also contains details of the framework along with Turn around Time, designated authority and the chain of process.</p>							

24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Core Products	Opportunity	<p>AWL's products' design has incorporated social or environmental concerns:</p> <ol style="list-style-type: none"> 1. IOT in Welding Machines: With the help of digitization, the welding machines can communicate through internet to outside world, which provide real time welding performance information in the form of welding data. This has enabled user to monitor and control the Arc, on time and quality of welding, which saves on the wastage of electrical energy and material, due to unwanted quality and idle time. 2. Engine driven Welding Machines with higher fuel efficiency: With the help of High speed engines, AWL developed engine driven welding sets, which are specially designed for higher fuel efficiency and weight reduction, by making it compact in size. These engine driven welding sets are environment friendly and compliant with the stringent norms of pollution emission, set by Pollution Control Board. 3. Special Electrodes for special material: AWL developed special electrodes, specially designed for high strength material, which enables user to go for lower thickness of material to reduce the overall weight of the job & make it lighter. 	-	Positive
2	Natural Resources	Risk and Opportunity	Conserving natural resources is a relevant & important part of our value creation model, which drives us towards meeting our business needs by creating sustainable products and solutions with minimum impact on the natural ecosystem	The Company has invested in rooftop solar projects for captive consumption within the Plants. Plant wise plans / actions implemented for alternate sources of water like borewell, tanker water supply, effluent treatment plant water re-use, rainwater usage and achieving water neutrality.	<p>Positive: Scope to increase reliability on renewable energy.</p> <p>Negative: Unavailability can impact service to customer.</p>
3	Environment Risk	Risk and Opportunity	Changes in existing regulations / emerging regulations impacting sourcing of materials, emissions, waste generation, storage and use of material or quality of finished goods	<p>Pro-actively work on emerging areas and implement much ahead of statute; and</p> <p>The Company continues to monitor all emerging regulations, incidents, developments and map it for compliance.</p>	<p>Positive: Scope to explore new sources of raw materials.</p> <p>Negative: Increased expenses in transiting towards meeting new regulations.</p>

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Handling Hazardous Material / Waste	Risk	Handling hazardous material / waste in business operations with care to avoid any threats posed to the health and well-being of our employees and to our surrounding environment	<p>Adherence to standards pertaining to Occupational Health and Safety, the Company's Environment, Health and Safety ('EHS') Policy and highest operational standards for handling hazardous materials;</p> <p>Continuous engagement with suppliers for identifying any better options, to mitigate the risks;</p> <p>Plant design to adhere to inherent safe design</p>	Negative: Impact on health and well-being of employees at the plants & community near by.
5	Product & Plastic Packaging	Risk	Several states across India are banning / restricting use of single-use plastic.	The Company is putting its efforts to keep pace with the changing regulations around plastic waste management	Negative: Failure to comply with current or future regulations on plastic packaging or failure to meet commitments on packaging and the environment would attract hefty fines and may even lead to loss of sales.
6	Safety Risk	Risk and Opportunity	The manufacturing operations of the Company require employees to work on plant, machinery and material handling equipment, all of which carry an inherent risk of injury	Adherence to safety standards, the Company's EHS Policy and highest operational standards for handling hazardous materials at plants	<p>Positive: Adoption of latest and cutting edge safety related protocols and measures to create a safe work environment.</p> <p>Negative: Impact on health and well-being of employees at the Company.</p>

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Labour Unrest	Risk and Opportunity	Disruption in manufacturing due to labour unrest	<p>Implementing alternatives in the plants – productivity measure changed from norm based output to output / group based output in many plants;</p> <p>Knowledge sharing sessions on labour laws, situations based learnings, employee life cycle documentation, regular IR management and Contract Labour management; and</p> <p>Physical, Mental and Financial Wellness sessions conducted on regular basis.</p>	<p>Positive: Opportunity to develop stronger relationship and engagement with workers.</p> <p>Negative: Labour unavailability can impact manufacturing.</p>
8	Reputation	Opportunity	Bad publicity arising out of any act / inaction by the Company on social media or any other platform	<p>Actively addressing product complaints;</p> <p>Ensuring product delivery, as promised;</p> <p>Compliance with all regulatory norms;</p> <p>Strengthening corporate governance norms, including adherence to the code of conduct by all;</p> <p>Sign off for all Product / Warranty promises to the customer.</p> <p>Active monitoring of voices on social media and having a crisis management plan ready</p>	Positive: Opportunity to improve brand presence and reputation through proactively managing possible issues.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes:									
1. a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes /No)	Y	Y	Y	Y	Y	Y	NA	Y	Y
b. Has the policy been approved by the Board? (Yes / No)	Y	N	N	Y	Y	N	NA	Y	N
c. Web Link of the Policies, if available	https://www.adorwelding.com/corporate-policies/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	NO								
3. Do the enlisted policies extend to your value chain partners? (Yes / No)	NO								
4. Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	OHSAS, BIS, ISO 14001, Corporate Governance Code are adopted and mapped at applicable principle.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	NO								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NO								
Governance, leadership and oversight:									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The Board of Directors of the Company oversee the implementation of the Business Responsibility Policies.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy(ies).	The Board of Directors of the Company and Stakeholders Relationship Committee oversee the implementation of the Business Responsibility Policies.								
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	NO								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually / Half yearly / Quarterly / Any other—please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	YES									Periodically								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company generally complies with all the known applicable statutory requirements.									Quarterly								

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
NO								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes / No)	Not Applicable								
The entity is not at a stage, where it is in a position to formulate and implement the policies on specified principles (Yes / No)									
The entity does not have the financial or / human and technical resources available for the task (Yes / No)									
It is planned to be done in the next financial year (Yes / No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year: There are regular training sessions for new inductees as well as existing employees.

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors & KMPs	6	During the year, the Board was presented updates pertaining to business, regulatory, safety, ESG matters, etc. These topics provided insights on the said Principles. Topics covered include: 1) Corporate Governance 2) Companies Act 3) SEBI Listing Requirements 4) Environmental & Safety matters	100
Employees other than BoD & KMPs	10 Sessions	Following training and awareness programmes were held for employees of the Company - Code of Conduct - Health & Safety - Prevention of Sexual Harassment - Employee Well Being - Cyber Security - Skill Upgradation / Advanced Skills pertaining to respective departments All the Policies of the Company are available on Intranet for employees to refer / access.	94
Workers	Although the company does not have any permanent workers, all the contract workers are given regular health and awareness trainings to ensure their safety.		100

Notes:

1. Health and Safety related training and awareness sessions are conducted and provided to the workers at regular intervals.
2. HODs also give training to their team members periodically about the process, product manufacturing etc. This is to be mandatorily attended to, by all the staff of the said function.

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format note: the entity shall make disclosures, on the basis of materiality, as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on entity's website):

Monetary					
Type	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty / Fine	There were no cases during the year, where monetary action has been appealed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.				
Settlement					
Compounding Fee					
Non-Monetary					
Type	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Brief of the Case		Has an appeal been preferred? (Yes / No)
Imprisonment	There were no cases during the year, where non-monetary action has been appealed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.				
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
Not Applicable, since there were no cases during the year where monetary or non-monetary action has been appealed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, we strictly prohibit our employees, agents and intermediaries from engaging in any illegal or inappropriate payments or benefits, either directly or indirectly, that may be perceived as an attempt to gain undue advantages for our business operations. The policy is available at the Company's website at <https://www.adorwelding.com/wp-content/uploads/2023/05/Anti-Bribery-and-Anti-Corruption-Policy.pdf>

5. Number of Directors / KMPs / employees / workers, against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

Category	FY 2022-23 (Current FY)	FY 2021-22 (Previous FY)
Directors	No Directors / KMPs / employees / workers were involved in bribery / corruption, both, in FY23 and FY22. Hence, no action was taken by any law enforcement agency.	
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2022-23 (Current FY)		FY 2021-22 (Previous FY)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of KMPs	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway, on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest

Not Applicable

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners), under the awareness programmes
NO	NA	NA

2. Does the entity have processes in place to avoid / manage conflict of interests, involving members of the Board? (Yes / No) If Yes, provide details of the same.

Yes, the Company has a Code of Conduct for Board of Directors and senior management personnel, which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. The Company receives an annual declaration from its Board of Directors and senior management personnel in the entities they are interested in and ensures requisite approvals, as required under the applicable laws, are taken prior to entering into transactions with each entities. The policy is available on the Company's website at <https://www.adorwelding.com/wp-content/uploads/2023/02/Code-of-Conduct-for-Directors-Senior-Managerial-Personnels-1.pdf>

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and CAPEX investments made by the entity, respectively.

Type	Current FY	Previous FY	Details of improvements in environmental and social impacts
R&D and CAPEX	Environmental and Social impact assessment is one of the key inputs for the new product development / process changes. Capital expenditure and R&D spends incurred by the Company embeds cost incurred to mitigate environmental & social hazards. These are inseparable cost of the projects and hence separately identifying such cost is not feasible.		

2.a. Does the entity have procedures in place for sustainable sourcing? (Yes / No)

The Company focuses on eliminating / minimizing restricted raw materials from their products. The Company has a strong process to control the entry of hazardous material into products.

Currently, the Company mostly deals with vendors, who are ISO Compliant, as a basis / with the presumption that they comply to the environmental norms, required by ISO Guidelines. However, in order to create a sustainable value chain, we have issued a Supply Chain Management Sustainability Policy that has come into effect from March 01, 2023. Embedded in it, is a Supplier Code of Conduct, which will help us to take our sustainability efforts towards our value chain partners as well. The Policy and Code of Conduct can be accessed at <https://www.adorwelding.com/wp-content/uploads/2023/06/Supply-Chain-Management-Sustainability-Policy.pdf> and <https://www.adorwelding.com/wp-content/uploads/2023/06/Supplier-Code-Of-Conduct.pdf>

b. If yes, what percentage of inputs were sourced sustainably?

Not Applicable

3. Describe the processes in place, to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a) Plastics (including packaging),

(b) E-waste,

(c) Hazardous waste &

(d) other waste.

80% of the Turnover of the Company is welding consumables that are used up in welding process. Hence, the Company does not have a process in place to reclaim the products. However, the Company does encourage all its customers to dispose off its products through government authorized Hazardous and Waste Disposal facilities, after end of their useful life. Also, the company encourages the customers, to safely dispose off the packing materials used for different products in an environmentally friendly way.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility (EPR) is not applicable to the Company.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NO

NIC Code	Name of the Product / Service	% of total Turnover contributed	Boundary, for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes /No) If yes, provide the web-link.
NA					

2. If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

NO

Name of Product / Service	Description of the risk / concern	Action Taken
NA		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Resource efficiency forms an integral part of our environmental strategy. Through our continuous efforts, we strive to meet the needs of our customers. In doing so, we optimise our resource management approach to efficiently utilise the raw materials and minimise material waste.		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled and safely disposed, as per the following format:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1.a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	565	565	100	565	100	-	-	565	100	-	-
Female	31	31	100	31	100	31	100	-	-	-	-
Total	596	596	100	596	100	31	5	565	95	-	-
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Other than Permanent workers											
Male	624	-	-	624	100	-	-	-	-	-	-
Female	28	-	-	28	100	-	-	-	-	-	-
Total	652	-	-	652	100	-	-	-	-	-	-

The Company ensures that all the Statutory Benefits are extended to Contract Workforce.

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted & deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted & deposited with the authority (Y/N/NA)
PF	99	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	8	100	Y	12	100	Y
Others –please specify	-	NA	NA	-	NA	-

The Company ensures that all the Statutory Benefits are extended to Contract Workforce.

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, even though the Company has no employee or worker with a disability in active employment, the premises of the company including the factory premises are accessible to differently abled employees and workers, except head office & sales offices.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, The Policy is available on the Company's website at <https://www.adorwelding.com/wp-content/uploads/2023/05/Equal-Opportunity-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers, that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive & redress grievances, for the following categories of employees & worker? If yes, give details of the mechanism in brief.

Category	Yes / No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the Company has mechanism to redress grievances, namely Whistle Blower Policy. The concern can also be raised through email. All concerns are investigated by a team of investigators and appropriate action is taken.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees						
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-
Total Permanent Workers						
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On Health & Safety Measures		On Skill Upgradation		Total (D)	On Health & Safety Measures		On Skill Upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	565	270	48	157	28	507	264	52	284	56
Female	31	7	23	7	23	30	18	60	11	37
Total	596	277	46	164	28	537	282	53	295	55
Workers										
Male	Although the Company does not have any permanent workers, all the contract workers are provided with training and awareness programs for their safety and skills upgradation									
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	565	558	99	507	485	96
Female	31	29	94	30	24	80
Total	596	587	98	537	509	95
Workers						
Male	NA			NA		
Female						
Total						

All the employees undergo Performance and Career Development Reviews, through its PMS (Performance Management System). The Company has a robust IT tool to conduct the same. Discussions are carried out periodically and feedback for development is provided.

10. Health and safety management system:

a. Whether an occupational health & safety management system has been implemented by the entity? (Yes / No). If yes, the coverage of such system?

The Company has a functioning system for health & safety management implemented for employees and workers. The employees are given appropriate training regarding the same. The coverage of this system is for 100% of employees and workers, as well as non-permanent contract workers

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has its HIRA (Hazard Identification and Risk Analysis) system in place, which is reviewed and updated regularly, which forms the basis of Risk assessment at workplace.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Every location of the Company has a designated Safety Officer. The workers and employees can report such hazards to the Safety Officer and appropriate measures to avert such hazards in the future are taken. Also, regular trainings are given to all the employees and workers to avoid risks and to remove them from such situations. Safety audits are carried out every alternate year by a third party to ensure highest level of safety. Further, there are also safety meetings, near miss / unsafe form and tool box meetings, that are carried out regularly

d. Do the employees / worker of the entity have access to non-occupational medical and healthcare services? (Yes / No)

All the locations of the Company have a visiting doctor for regular health check up including eye check ups. Also, the Company has tie-ups with hospitals in the vicinity of the area, where it operates in case of any future medical emergencies. Further, the company has provided Mediclaim Facility to all its employees.

11. Details of safety related incidents, in the following format:

Safety Incident / Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	6
	Workers (Contract Workers)	39	56
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

Note: Most of these injuries were minor in nature and treated with first aid.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has a Policy integrated for Quality, Health, Safety & Environment in place at all its factory locations. The Policy is issued in accordance with ISO requirement. The premises of the Company are also Audited every year by ISO Auditors.

The Company also carries out Safety Audit, alternate year, through Competent Authority (as required under the Factories Act).

For Health of the Employees and Contract Workers, Health Check-up Camps including Eye Check-ups are organized at the Plants. There is also a visiting Medical Practitioner at every Plant along with tie-ups with hospitals in the vicinity of the Plant for any emergency cases.

Further, various measures such as, Class room safety training, shop floor safety training, Tool box talk , Safety discussion, safety meeting, safety inspection, safety induction, Contractors meeting, safety observation & unsafe identification, awareness drills, safety campaign, recording of unsafe conditions & near miss cases, Display of signage boards along with providing protective gear is / are done.

13. Number of Complaints on the following, made by employees and workers:

Topic	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	100
Working Conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

For the safety related incidents a root cause analysis is done by the team, which is monitored and reviewed by the central quality & safety team. Corrective measures, in various forms, based on the root cause is taken (like elimination of man machine interaction, inadequate guarding etc.). The corrective action is shared in the form of horizontal deployment with all the manufacturing locations for assessment and implementation.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

- Employees (Y/N): Yes, Group Term Life Insurance (GTLI)
- Workers (Y/N): Yes, Group Term Life Insurance (GTLI)

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The entity ensures adherence to statutory compliances related to workers, such as timely wage payment and Provident Fund. In case of non-compliances stringent actions are taken against defaulter business partner.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, However we retain few employees post retirement, either as consultants or extend their employment.

5. Details on assessment of value chain partners:

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety practices	Nil
Working Condition	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns, arising from assessments of health and safety practices and working conditions of value chain partners.

Nil

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholders are identified on the basis of their immediate impact on the operations and working of the Company. Currently, these groups include internal as well as external group of stakeholders and are identified as Shareholder, Employees & Workers and finally Value Chain Partners, which include vendors as well as customers.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes / No)	Channels of communication (Email,SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify)	Purpose & scope of engagement including key topics & concerns, raised during such engagement
Shareholders	No	Annual General Meeting, Shareholders Meeting, Email, Letters, Website	Annual, periodic	Feedback on Operations & Performance
Investors (other than shareholders)	No	Investors Meetings, Email	Annual, periodic	Feedback on Operations & Performance
Employees and Workers	No	Emails, Calls, MD's Communication	Regular	Employee Engagement
Value Chain Partners	No	Email, Surveys	Annual	Engagements, Surveys
Communities	No	CSR initiatives & interventions	On-going	Local development & touching lives of people.

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, & social topics or if consultation is delegated, how is feedback from such consultations, provided to the Board.

We believe that consultation with our stakeholders is an ongoing process, and our leadership takes the lead by engaging with them regularly across various platforms. Additionally, we have established a Corporate Social Responsibility Committee at the Board level that reviews progress periodically. Moreover, we provide shareholders with the opportunity to interact with all board members on an annual basis during Annual General Meeting. This enables us to keep a constant pulse on the needs and concerns of our stakeholders and ensures that we remain accountable to them

2. Whether stakeholder consultation is used to support the identification & management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, there have been many instances in which Company has inculcated these feedbacks into planning.

3. Provide details of instances of engagement with & actions taken to, address the concerns of vulnerable / marginalized stakeholder groups.

The Company identifies the disadvantaged, vulnerable and marginalised stakeholders on an ongoing basis. Any new proposed project or expansion is mapped by engaging the stakeholder proactively, specifically via Corporate Social Responsibility activities.

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees & workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No.of Employees / Workers covered (B)	% (B / A)	Total (C)	No.of Employees / Workers covered (D)	% (D / C)
Employees						
Permanent	596	216	36	537	187	35
Other than permanent	-	-	-	7	-	-
Total	596	216	36	544	187	34
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	652	-	-	653	-	-
Total	652	-	-	653	-	-

Notes:

- The trainings on human rights are a part of the Code of Conduct and recorded data is available for the financial year 2022-23 only.
- For other categories of employees and workers, the Code of Conduct policy is available for their reference on the Company's website and on the Company's intranet portal. They are expected to read and understand this Code, uphold these standards in day-to-day activities, and comply with: all applicable laws; rules and regulations; and all applicable policies and procedures adopted by the Company.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to minimum Wage		More than Minimum Wage		Total (D)	Equal to minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	565	-	-	565	100	507	-	-	507	100
Female	31	-	-	31	100	30	-	-	30	100
Other than Permanent										
Male	-	-	-	6	-	7	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	624	494	79	130	21	630	424	67	206	33
Female	28	20	71	8	29	30	20	67	10	33

The Company is providing either equal to or more than the statutorily required minimum wages to all its employees and workers, whether permanent or temporary and ensures equal remuneration for equal work.

3. Details of remuneration /salary / wages, in the following format:

Category	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	8	10,92,716	3	10,87,716
Key Managerial Personnel (KMP)	2	45,84,000	-	-
Employees, other than BoD and KMP	565	5,22,891	31	5,43,000
Workers	-	-	-	-

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? - (Yes / No)

Yes, Head - HR is responsible for addressing human rights impacts or issues caused or contributed to, by the business.

5. Describe the internal mechanisms in place to redress grievances, related to human rights issues.

Human rights principles, as enshrined in the United Nations Global Compact ("UNGC"), are embedded in our core values and system. We have framework that focuses on good governance, our commitment to abiding by each law, ensuring timely payment of employee salaries and providing equal opportunities without exception. Grievances are routed to Human Resource Function. Necessary action is taken in line with underlying policies and regulations, applicable to the workplace. The closure is intimated to the aggrieved person.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour / Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a Prevention of Sexual Harassment Policy (POSH) and a committee is set up for such cases.

The Company has zero tolerance for sexual harassment at the workplace and has adopted a comprehensive policy on preventing, prohibiting and redressing sexual harassment of women in the workplace. We have established an Internal Committee (IC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Members of IC are responsible for conducting inquiries related to such complaints. Throughout the process, IC will safeguard the identities of all parties involved, as well as the contents of complaints and inquiry proceedings.

8. Do human rights requirements form part of your business agreements and contracts? (Yes / No)

Yes, all the business agreement and contracts which are entered into by the Company with any party include relevant clauses on the affirmation of applicable regulatory requirements, which include human rights.

9. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced / involuntary labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not Applicable

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced, as a result of addressing human rights grievances / complaints.

The Company is of the belief that it has upheld the basic principles of human rights in all its dealings. The Company regularly creates awareness among its employees on the Code of Conduct, through various training programmes.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Human Rights due-diligence will be conducted in FY 2023-24.

3. Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Planned steps are being taken to create the infrastructure support for Persons with Disabilities in offices & plants.

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	
Child Labour	
Forced Labour / Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway, to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	49723498.80	47671284.24
Total fuel consumption (B)	30959829.46	27047463.10
Energy consumption through other sources (C)	2133482.40	2165058.00
Total energy consumption (A+B+C)	82816810.66	76883805.34
Energy intensity per rupee of turnover (Total energy consumption (in Megajoules) / turnover in rupees (in lakhs))	0.0106618	0.0116230
Energy intensity (optional)–the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the entity does not have any facilities under PAT Scheme

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	36813.29	37883.63
(iii) Third party water	25029	18116
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	61842.29	55999.63
Total volume of water consumption (in kilolitres)	60042.29	54199.63
Water intensity per rupee of turnover (Water consumed / turnover)	0.0000077	0.0000082
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) if yes, name of the external agency.

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Zero Liquid Discharge (ZLD) is applicable to / at all the Plants of the Company. Treated water is used in restrooms of the factories and also used for tree / garden and other plantations. However, as the requirement of water is very low for the process of manufacturing, the processing at ZLD processor happens just once in a month.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx		We do not have meters / instruments to measure this, hence these are not being monitored currently.	
SOx			
Particulate Matter (PM)			
Persistent Organic Pollutants (POP)			
Volatile Organic Compounds (VOC)			
Hazardous Air Pollutants (HAP)			
Others–please specify			

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. Provide details of greenhouse gas emissions (Scope 1 & Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1244.49	1059.15
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	8393.59	8047.16
Total Scope 1 and Scope 2 emissions per rupee of turnover	tonne / rupee	0.0000012408	0.0000013767
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N), if yes, name of external agency.

No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The Company has set up Solar Power Generation units at its Raipur and Silvassa Plants for conservation of energy and for reduction of Greenhouse Gas Emissions.

The Solar Power Plant set up at Raipur has a capacity of 518 KWP, which generated 468841 units, effectively reducing GreenHouse Gas Emissions by 272 MT. Similarly, Solar Power Plant set up at Silvassa has a capacity of 115 KWP which generated 132564 units, effectively reducing Greenhouse Gas Emissions by 52 MT.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	65.40	65.94
E-waste (B)	360.115	100.33
Bio-medical waste (C)	-	-
Construction & demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify if any (G)	82.23	74.18
Other Non-Hazardous waste generated (H).Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1125.69	1284.49
Total (A+B + C + D + E + F + G + H)	1633.435	1524.94

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1191.09	1349.93
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	1191.09	1349.93
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	1.03	13.44
(iii) Other disposable operations (Sell)	35.91	15.12
Total	36.94	28.56

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, we are working on a technical solution for replacing existing wooden pallets used for material storage/movement by eco friendly (Bio-Degradable) pallets. This will be done in phases with a target to replace all pallets across all plants in the next one year. Although this will increase the cost of pallets, still "Going Green" is treated as the topmost priority by us (the Company).

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Company has tied up with the State Pollution Control Board recognized vendors, who collect the Hazardous Waste from our plant and send it to Common Hazardous Waste Treatment, Storage and Disposal Facility of / for disposal purpose.

10. If the entity has operations /offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof & corrective action taken, if any.
NA			

11. Details of environmental impact assessments of projects undertaken by the entity, based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-	-	-	-	-	-

During FY 2022-23, No Environment Impact Assessment (EIA) Projects, were undertaken.

12. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder - (Y/N) if not, provide details of all such non compliance, in the following format:

Yes

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA				

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	-	-
Total fuel consumption (E)	-	-
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	-	-

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		NA
No treatment		
With treatment –please specify level of treatment		
(ii) To Ground water		
No treatment		
With treatment –please specify level of treatment		
(iii) To Sea water		
No treatment		
With treatment –please specify level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment –please specify level of treatment		
(v) Others		
No treatment		
With treatment –please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		NA
(ii) Ground water		
(iii) Third party water		
(iv) Sea water / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	
No treatment		
With treatment –please specify level of treatment		
(ii) Into Ground water		
No treatment		
With treatment –please specify level of treatment		
(iii) Into Sea water		
No treatment		
With treatment –please specify level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment –please specify level of treatment		
(v) Others		
No treatment		
With treatment –please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

None of our factories or offices withdraw, consume and discharge water from areas of water stress.

No independent assessment / evaluation / assurance has been carried out by any external agency.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	NA	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
NA			

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words / web link.

Emergency plan is prepared at all plants and mock drills are conducted once in six months.

Following are the major components of the emergency plan:

- Emergency response team on site consists of site main controller, incident controller, firefighting team, first aiders, communications team, power and utility teams.
- Responsibilities are assigned to key members of emergency response team.
- List of Regulatory agencies with names and telephone numbers.
- List of Local Hospitals with names and telephone numbers

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

There has been no adverse impact to the environment arising from the value chain of the entity, as per our understanding.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Nil

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers / associations.
- b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.

Sr. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1	Bombay Chamber of Commerce and Industry (BCCI)	State
2	Association of Welding Products Manufacturers (AWPM)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

No adverse order was received by the Company from regulatory authorities during the Financial Year 2022-23, hence no corrective action was required to be taken.

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes / No)	Frequency of Review by Board (Annually / Half yearly / Quarterly / Others- please specify)	Web Link,if available
The Company does not have a separate policy on "policy advocacy".					

PRINCIPLE 8: Businesses should promote inclusive growth & equitable development**ESSENTIAL INDICATORS****1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity, based on applicable laws, in the current financial year.**

Name & brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

For FY 2021-22 and 2022-23 we did not have any grievance from the Community. At present, there is no such mechanism in place in / with the Company. However, we may plan on developing a mechanism to resolve any community grievances in future, if required.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Business	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs / small producers	17%	13%
Sourced directly from within the district & neighbouring districts	34%	38%

LEADERSHIP INDICATORS**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
NA	NA

2. Provide the following information on CSR projects, undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In INR)
NA			

3.(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No)

No

(b) From which marginalized / vulnerable groups do you procure? NA

(c) What percentage of total procurement (by value) does it constitute? NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned / Acquired (Yes / No)	Benefit shared (Yes / No)	Basis of calculating benefit share
NIL				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes, wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NIL		

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Haven't assessed.			

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Consumer Complaints Resolution:

A well-established system viz. Customer Care Center (CCC) is in place for dealing with customer feedback and complaints. Customers are provided various options to connect with the Company through Zendesk Platform, WhatsApp, e-mails, telephone, website, social media, feedback forms etc. All complaints are appropriately addressed and efforts are taken to resolve the same in a timely manner. Around 75% of the complaints were related to application issue (lack of knowledge of customer / their welder). The application issues were all addressed and resolved within maximum of 48 hours through online consultation or physical visits by technical experts from the related plants. All the complaints are efficiently attended by our cross functional team (Plant Customer Care / Plant QC team / Plant Production / TDC {R&D} team) along with our service team.

Further, we conduct regular meetings with customer representatives for understanding the nature of difficulties faced by our customers. Based on the feedback of representatives, we suggest welding parameters specific to the customer's job, provide demonstration to the welders at customer's premises as well as replace specific lot, if required, in order to satisfactorily resolve the complaints. Corrective & preventive actions are taken and shared with the customers as well.

Consumer Feedback:

We do have a system in place to get feedback from our customers, which is through our Sales and Service Team. A feedback sheet is sent to the customers, to give their views / feedback on our services, including product quality, cost and timely delivery, amongst other things.

In the said feedback sheet the customer can rate our services in the scale from "poor to excellent" and has to also mention their expectations, if any. In addition to this, we also carry out survey through electronic media from time-to- time to get customer feedback. Upon receipt of feedbacks, the same are analyzed and a suitable action plan is formed for improvements.

We have not carried-out any consumer survey / consumer satisfaction survey in the last Financial Year 2022-23. However, we have collected customer feedback forms / performance letters from our customers / vendors.

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	100%
Recycling and / or safe disposal	100%

3. Number of consumer complaints in respect of the following:

Particulars	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-Security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy.

We use Vulnerability Assessment and Penetration Testing (VAPT) for identifying and addressing Cyber Security vulnerabilities.

VAPT is a comprehensive approach to assessing and improving the security of computer systems, networks and applications. It involves a combination of vulnerability scanning, vulnerability assessment, and penetration testing to identify vulnerabilities and potential security weaknesses in an organization’s digital infrastructure.

6. Provide details of any corrective actions or underway, on issues to relating advertising, and delivery of essential services; cyber security and data privacy of customers; reoccurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of product / services:

Not Applicable

LEADERSHIP INDICATORS

1. Channels / platforms, where information on products and services of the entity can be accessed (provide web link, if available).

The platforms used for the information are Website, Annual Report, Social Media Platforms and Media advertisement / publications. Information relating to all the products and services provided by the Company are available on the Company’s website at www.adorwelding.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and / or services

Instructions go alongwith product package / invoice

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

Instructions go alongwith product package / invoice

4. Does the entity display product information on the product over & above, what is mandated as per local laws? (Yes / No / Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes / No)

No, we seek Customer Feedback on a printed form but do not carry out Customer Satisfaction Survey.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

Nil

b. Percentage of data breaches involving personally identifiable information of customers

Nil

Independent Auditor's Report

To the Members of Ador Welding Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Ador Welding Limited** ('the Company'), which comprise the Balance Sheet as at **31 March 2023**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition	
Refer Notes 1(II)(I), 34 and 60 to the financial statements	
Revenue from sale of goods (hereinafter referred to as "Revenue") is recognized when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.	Our audit procedures, related to revenue recognition, included, but were not limited, to the following: <ul style="list-style-type: none"> • Assessed the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from contracts with customers") and testing thereof. • Evaluated the design and operating effectiveness of Company's controls (including the automated controls) around revenue recognition (including rebates / discounts).

Key audit matter	How our audit addressed the key audit matter
<p><u>Revenue Recognition</u></p>	
<p>Refer Notes 1 (II)(I), 34 and 60 to the financial statements</p>	
<p>The Company has three reportable business segments: i) Consumables ii) Equipment and automation; and iii) Flares and Process Equipment Division (FPED).</p> <p>The timing of recognition of revenue in case of sale of consumables is when control over the same is transferred to the customer, which is mainly upon delivery. The performance obligations are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms i.e., performance obligations are satisfied at a point in time.</p> <p>The performance obligations in case of FPED, are satisfied over the time, whereas in case of equipment, performance obligations are satisfied at a point in time.</p>	<ul style="list-style-type: none"> • Tested the effectiveness of such controls over revenue cut off at year-end by selecting samples and verified the same with underlying documents, which included shipping documents, loading receipt, gate register. We carried out a combination of procedures involving inquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Inspected the samples of sales return and checked the appropriateness of sales return accounted in the books by verifying its approval from authorized person and goods inward note. • Selected a sample of continuing and new contracts and performed the following procedures. <ul style="list-style-type: none"> o Read, analyzed and identified the performance obligations in these contracts. o Compared these performance obligations with that identified and recorded by the Company. o Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration; and o Determined the allocation of transaction price to identified performance obligations in the contract. • Scrutinized sales ledgers to verify completeness of sales transactions. • We performed substantive testing by extracting samples of revenue transactions recorded during the year by verifying the underlying documents, which included shipping documents, lorry receipt, sales order, approved price list, proper recording in ledger of receivables etc. • Performed analytical procedures on current year revenue based on overall revenue recognized, customer wise analysis, product wise analysis and where appropriate, conducting further enquiries and testing. • Obtained balance confirmations for samples of customers selected and reviewed the reconciling items, if any; • Tested the related disclosures made in financial statements in accordance with Ind AS 115.

Key audit matter	How our audit addressed the key audit matter
<u>Indirect tax balances and litigations</u>	
Refer Notes 1(II)(r), 13 and 44 to the financial statements	
<p><u>Indirect tax balances and litigations</u></p> <p>As at 31 March 2023, the Company has balances with indirect tax authorities aggregating to Rs. 2,442 lakhs (PY Rs. 2,406 lakhs) net of provision Rs. 1,389 lakhs (PY 1,353 lakhs) and has contingent liabilities amounting Rs. 2,285 lakhs (PY Rs. 2,344 lakhs) pertaining to various indirect tax matters pending before appropriate authorities. Based on a detailed assessment done by the management of recoverability of aforesaid balances.</p> <p>The amounts involved are material and the application of accounting principles as given under Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management.</p> <p>The eventual outcome of the said legal proceedings is dependent on the outcome of future events and unexpected adverse outcomes could significantly impact the Company's reported profits and balance sheet position.</p> <p>We considered this as Key audit matter due to the materiality of the amounts involved, inherent high estimation uncertainty and significant judgements as stated above.</p>	<ul style="list-style-type: none"> • Obtained an understanding of the management process for identification of indirect tax matters that are under litigations or involve balances with the authorities that are doubtful of recovery, assessment of accounting treatment for each such litigation identified in accordance with the principles of under Ind AS 37, and measurement of amounts involved in such litigations and assessments. • Evaluated the design and tested the operating effectiveness of key controls around above process. • Obtained and read the Company's accounting policies in respect of balances, provisions, and contingent liabilities to assess compliance with accounting standards. • Obtained list of indirect tax balances, litigations and claims as at 31 March 2023 from management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations and recoverability of balances with government authorities. This involved assessing the probability of an unfavourable outcome of a given proceeding and testing the computation of amounts involved, through inspection of underlying documents and communications with the tax authorities. • Evaluated assessment of the management with respect to long standing balances with authorities which have been considered good and recoverable as at 31 March 2023. • Engaged auditor's experts, who obtained an understanding of the management's assessment of the recoverability, conducted discussions with the management, and considered relevant tax laws and available precedents to validate the conclusions made by the management. • Assessed and evaluated the adequacy and appropriateness of the disclosures made by the management in the accompanying financial statements.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

7. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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.
8. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The comparative financial information presented in the accompanying financial statements includes the financial information of erstwhile wholly owned subsidiary, Ador Welding Academy Private Limited ('the transferor company') which has been merged with the Company as explained in Note 64 to the accompanying financial statements. Such financial information of the transferor company for the year ended 31 March 2022 has been audited by the auditor of the transferor company, M/s Phadke & Associates, who had issued an unmodified opinion vide their audit report dated 25 April 2023, which have been furnished to us by the management and have been relied upon by us for the aforementioned purpose. Our opinion is not modified in respect of the matter referred above.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, 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 purpose of our audit of the accompanying financial statements;
 - 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 financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company, as detailed in note 44 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - 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 31 March 2023;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 59 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 59 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. a. The final dividend paid by the Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
 - b. As stated in note 68 to the accompanying financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.: 042423

UDIN: 23042423BGWIOH6891

Place: Mumbai

Date: 30 May 2023

Annexure A referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Ador Welding Limited on the financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and investment property.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment, right of use assets and investment property under which the assets are physically verified in a phased manner 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. In accordance with this programme, certain property, plant and equipment, right of use assets and investment property were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties including investment properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 2 to the financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, including inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.
- (b) As disclosed in note 46 to the financial statements, the Company has been sanctioned a working capital limit in excess of Rs 5 crore by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods which were subject to audit/review, except for the following :

Name of the Bank	Working capital limit sanctioned	Nature of current assets offered as security	Quarter	Information disclosed as per return	Information as per books of accounts	(Rs. in Lakhs)
						Difference
HDFC Bank	10,550	Working Capital *	Jun-22	13,792	13,263	529
IDFC Bank	7,500	Working Capital *	Jun-22	13,792	13,263	529
HDFC Bank	10,550	Working Capital *	Sep-22	13,159	13,244	(85)
IDFC Bank	7,500	Working Capital *	Sep-22	13,159	13,244	(85)
HDFC Bank	10,550	Working Capital *	Dec-22	14,424	14,424	0
IDFC Bank	7,500	Working Capital *	Dec-22	14,424	14,424	0
HDFC Bank	10,550	Working Capital *	Mar-23	17,249	17,249	0
IDFC Bank	7,500	Working Capital *	Mar-23	17,249	17,249	0

*Working Capital = Inventory + Trade Receivables + Unbilled revenue – Trade Payables

- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (Rs. in Lakhs)	Amount paid under Protest (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of scientific research expenses	62.63	12.55	2013-14	Commissioner of Income-tax (Appeals)
	Addition in Income and Disallowance of entrance fees and subscriptions and Restatement Impact	89.88	-	2019-20	Commissioner of Income-tax (Appeals)
Customs Act, 1962	Rejection of refund of excess duty paid	45.53	45.53	2016-17	Custom, Excise and Service Tax Appellate Tribunal
The Central Excise Act, 1944	Additional Liability arising due to difference in assessable value, disallowance of CENVAT credit (including penalty/ interest, if any)	7.72	1	1998-99	Custom, Excise and Service Tax Appellate Tribunal
		2.18	0.96	2006-07	Assistant Commissioner
		13.42	-	2008-09	Commissioner-Appeal
		899	898.16	April-2012 to Mar-2017	Custom, Excise and Service Tax Appellate Tribunal
Central Sales tax Act and Local Sales Tax Acts of various states	Additional Liability arising due to difference in assessable value, disallowance of CENVAT credit (including penalty/ interest, if any)	18.07	9.21	1987-1988, 1992-1993	High court
		45.19	35.87	2005-2006	Deputy Commissioner-Appeals
		152.23	5.50	2005-2006	Maharashtra Sales tax Tribunal
		20.09	-	2004-05	Joint Commissioner-Sales Tax
		6.88	-	2004-05	Joint Commissioner-Sales Tax
		7.98	-	2003-04	Joint Commissioner-Sales Tax
		0.21	-	2003-04	Joint Commissioner-Sales Tax
		327.42	-	2009-10	Joint Commissioner (VAT)
		3.74	-	2011-12	Joint Commissioner (VAT)
		0.24	-	2012-13	Joint Commissioner
		76.27	-	2014-15	Joint Commissioner (VAT)
		144.77	-	2015-16	Joint Commissioner (VAT)

Name of the statute	Nature of dues	Gross Amount (Rs. in Lakhs)	Amount paid under Protest (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
		14.90	0.74	July'2017 to March'2019	Commissioner-Appeal
		159.60	-	2016-17	Joint Commissioner (VAT)
		9.16	-	2016-17	Commissioner-Appeal
		21.99	-	2017-18	Joint Commissioner (VAT)
		8.66	-	2017-18	Joint Commissioner-Appeals
		93.40	6.65	2017-18	Joint Commissioner-Appeals
		72.83	3.50	2017-18	Joint Commissioner-Appeals
		11.10	-	2016-17	Commissioner-Appeal
		121.87	41.83	2016-17	Deputy Commissioner (Appeals)

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) According to the information and explanations given to us, there are no unspent amounts towards

Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

- (b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act, except for the following:

Financial year*	Amount unspent on CSR activities for "On going Projects"	Amount transferred to Special Account within 30 days from the end of the Financial Year	Amount Transferred after the due date	Date of Transfer
FY 20-21	9.40	-	10.50	24-May-2021

- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No.: 042423
UDIN: 23042423BGWIOH6891

Place: Mumbai
Date: 30 May 2023

Annexure B to the Independent Auditor's Report of even date to the members of Ador Welding Limited on the financial statements for the year ended 31 March 2023

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Ador Welding Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal

financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.: 042423

UDIN: 23042423BGWIOH6891

Place: Mumbai

Date: 30 May 2023

BALANCE SHEET AS AT 31 MARCH 2023

Particulars	Notes	As at 31 March 2023	(Rs. in lakhs)
			As at 31 March 2022 (Restated) ^
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	2	10,738	10,471
(b) Right-of-use asset	3	484	481
(c) Capital work-in-progress	4	151	706
(d) Investment property	5	1,045	729
(e) Intangible assets	6	47	66
(f) Intangible assets under development	7	41	4
(g) Financial assets			
(i) Investment	8	269	-
(ii) Loans	9	22	30
(iii) Other financial assets	10	767	927
(h) Non-current income tax assets (net)	11	1,115	1,192
(i) Deferred tax assets (net)	12	464	268
(j) Other non-current assets	13	1,654	1,394
Total non-current assets		16,797	16,268
(2) Current assets			
(a) Inventories	14	11,621	8,997
(b) Financial assets			
(i) Investments	15	1,759	1,988
(ii) Trade receivables	16	12,517	9,315
(iii) Cash and cash equivalents	17	595	661
(iv) Bank balances other than cash and cash equivalent	18	94	102
(v) Loans	19	38	38
(vi) Other financial assets	20	50	92
(c) Other current assets	21	1,617	1,797
		28,291	22,990
(d) Assets classified as held for sale	22	80	7
Total current assets		28,371	22,997
Total Assets		45,168	39,265
Equity and liabilities			
Equity			
(a) Equity share capital	23	1,360	1,360
(b) Other equity		30,991	26,832
Total equity		32,351	28,192
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	73	60
(ii) Lease liabilities	47	84	127
(iii) Other financial liabilities	25	16	18
(b) Provisions	26	615	469
(d) Other non-current liabilities	27	6	3
Total non-current liabilities		794	677
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	28	1,513	8
(ii) Lease liabilities	47	58	26
(iii) Trade payables	29		
Total outstanding dues to micro and small enterprises		1,366	192
Total outstanding dues to creditors other than micro and small enterprises		5,942	7,559
(iv) Other financial liabilities	30	1,346	996
(b) Other current liabilities	31	809	923
(c) Provisions	32	660	651
(d) Current tax liabilities, (net)	33	329	41
Total current liabilities		12,023	10,396
Total equity and liabilities		45,168	39,265

Summary of significant accounting policies and other explanatory information 1

The accompanying notes form an integral part of the financial statements

^ Restated pursuant to Merger of subsidiary company (Refer note 64).

This is the balance sheet referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No. 042423

Place : Mumbai
Date : 30 May 2023

Vinayak M. Bhide
Head - Corp. Admin,
Legal and Company
Secretary

Surya Kant Sethia
Chief Financial Officer

Aditya T. Malkani
Managing Director
DIN : 01585637

N. Malkani Nagpal
Executive Chairman
DIN : 00031985

For and on behalf of the Board of Directors

Place : Mumbai
Date : 30 May 2023

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

Particulars	Notes	(Rs. in lakhs)	
		Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
I. Income			
(a) Revenue from operations	34	77,676	66,148
(b) Other income	35	667	548
Total Income		78,343	66,696
II. Expenses			
(a) Cost of raw materials and components consumed	36	51,065	42,125
(b) Purchase of stock-in-trade	37	2,643	5,850
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	38	(1,396)	(990)
(d) Employee benefits expenses	39	5,685	4,866
(e) Finance costs	40	236	372
(f) Depreciation and amortisation expense	2,3,5,6	1,161	1,090
(g) Other expenses	41	10,958	8,460
Total Expenses		70,352	61,773
III. Profit before exceptional items and tax (I-II)		7,991	4,923
IV. Exceptional items (net) (expenses) / income	62	(80)	898
V. Profit before tax (III-IV)		7,911	5,821
VI. Tax expense / (credit)	42		
(a) Current tax		2,174	1,473
(b) Deferred tax credit		(173)	(168)
(c) Tax pertains to earlier years		(19)	-
(d) MAT Credit Entitlement		-	14
Total tax expense		1,982	1,319
VII. Profit for the year (V-VI)		5,929	4,502
VIII. Other comprehensive income	43		
(a) Items that will not be reclassified to statement of profit and loss		(91)	(81)
(b) Income tax relating to above items		23	20
Total other comprehensive loss (net)		(68)	(61)
IX. Total comprehensive income for the year (VII+VIII)		5,861	4,441
X. Earnings per equity share	56		
Basic and diluted earnings / (losses) per share (Face value per share Rs. 10)		43.60	33.10
Summary of significant accounting policies and other explanatory information	1		

The accompanying notes form an integral part of the financial statements

^ Restated pursuant to Merger of subsidiary company (Refer note 64)

This is the statement of profit and loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No. 042423

Vinayak M. Bhide
Head - Corp. Admin,
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Chief Financial Officer

Aditya T. Malkani
Managing Director
DIN : 01585637

N. Malkani Nagpal
Executive Chairman
DIN : 00031985

For and on behalf of the Board of Directors

Place : Mumbai
Date : 30 May 2023

Place : Mumbai
Date : 30 May 2023

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2023

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
(A) Cash flow from operating activities		
Profit before tax	7,911	5,821
Adjustment for:		
Fair value adjustments relating to		
- Financial assets at amortised cost	(4)	1
Provision / liabilities no longer required now written back	(61)	(70)
Depreciation and amortisation expense	1,161	1,090
Bad debts written off	29	24
Expected Credit Loss	492	106
Inventory written off	126	38
Property, plant and equipment written off	29	21
Gain on derecognition of ROU and Lease liability	(29)	-
Items considered separately:		
Finance costs	220	359
Surplus on sale of investments	(49)	-
Interest expense on lease liability	15	13
(Profit)/loss on sale of property, plant & equipment	(11)	10
Fair value change of financial asset measured at FVTPL	9	(52)
Interest income	(116)	(86)
Rental income	(126)	(122)
Exchange gain on revaluation of foreign currency monetary item	(1)	-
Exceptional items (Refer note 62)	80	(898)
Operating profit before working capital changes	9,675	6,255
Adjustments for changes in working capital		
Inventories	(2,750)	(2,789)
Trade receivables	(3,717)	629
Loans and Other receivables	166	(249)
Trade payables	(382)	(229)
Liabilities and Provisions	165	458
Cash generated from operating activities	3,157	4,075
Income tax paid	(1,790)	(1,436)
Net cash generated from operating activities	1,367	2,639
(B) Cash flow from investing activities		
Acquisition of property, plant and equipment (including capital work-in-progress, intangible assets under development and capital advances)	(1,475)	(1,733)
Purchase of investments	(680)	(2,016)
Proceeds from sale of property, plant and equipment	123	1,853
Advance received against proposed sale of property	-	14
Proceeds from sale of investments	680	1,149

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
Interest received	97	85
Rental received	129	130
Increase/ (decrease) in fixed deposits	160	(27)
Net cash used in investing activities	(966)	(545)
(C) Cash flow from financing activities		
Finance cost	(220)	(375)
Finance cost paid on lease liabilities	(15)	(13)
Repayment of lease liability	(49)	(17)
Repayment of borrowings	(11)	(2,802)
Dividend paid	(1,700)	-
Proceeds from borrowings	1,528	70
Net cash used in financing activities	(467)	(3,137)
(D) Net decrease in cash and cash equivalents (A+B+C)	(66)	(1,043)
Cash and cash equivalents at the beginning of the year	661	1,704
Cash and cash equivalents at the end of the year [Refer note 17]	595	661

Notes to the cash flow statement

- (a) The statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
- (b) Components of cash and cash equivalents:

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022
Cash on hand	5	5
Balances with banks in current accounts	590	656
Total	595	661

Summary of significant accounting policies and other explanatory information

1

The accompanying notes form an integral part of the financial statements

^ Restated pursuant to Merger of subsidiary company (Refer note 64)

This is the cash flow statement referred to in our report of even date.

For Walker Chandniok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013
Khushroo B. Panthaky
Partner
Membership No. 042423

Vinayak M. Bhide
Head - Corp. Admin,
Legal and Company
Secretary

Surya Kant Sethia
Chief Financial Officer

Aditya T. Malkani
Managing Director
DIN : 01585637

N. Malkani Nagpal
Executive Chairman
DIN : 00031985

Place : Mumbai
Date : 30 May 2023

Place : Mumbai
Date : 30 May 2023

STATEMENT OF CHANGES IN EQUITY AS AT AND FOR THE YEAR ENDED 31 MARCH 2023

A) Equity share capital (Refer note 23)

Particulars	Number of shares	Amount (Rs. in lakhs)
Issued, subscribed and paid up:		
As at 1 April 2022	13,598,467	1,360
As at 31 March 2023	1,35,98,467	1,360

B) Other equity

Particulars	Reserves and surplus				Total
	General reserve	Capital redemption reserve	Capital reserve on amalgamation (refer note 64)	Retained earning	
Balance as at 1 April 2021 (As reported earlier)	14,669	223	-	7,491	22,383
Amalgamation of Ador Welding Academy Private Limited (refer note 64)	-	-	140	(132)	8
Restated balance as at the beginning of the reporting year	14,669	223	140	7,359	22,391
Profit for the year	-	-	-	4,502	4,502
Net other comprehensive (loss) for the year	-	-	-	(61)	(61)
Balance as at 31 March 2022	14,669	223	140	11,800	26,832
Balance as at 1 April 2022	14,669	223	140	11,800	26,832
Profit for the year	-	-	-	5,929	5,929
Net other comprehensive (loss) for the year	-	-	-	(68)	(68)
Transfer from retained earnings to general reserve	452	-	-	(452)	-
Equity dividend including taxes thereon as above	-	-	-	(1,700)	(1,700)
Balance as at 31 March 2023	15,121	223	140	15,509	30,991

Nature and purpose of the reserves

(1) General reserve

The general reserve is a distributable reserve maintained by the Company to be utilised in accordance with the Act.

(2) Capital redemption reserve

The Capital redemption reserve has been created on/during buy back of equity shares and it is a non-distributable reserve.

(3) Capital reserve on amalgamation

The Capital reserve has been created on the difference between the consideration for acquisition of Ador Welding Academy Private Limited (AWAPL) and the amount of share capital and security premium of AWAPL as per Ind AS 103 (Appendix C), Business combinations of entities under common control (Refer note 64).

(4) Retained earnings

The Retained earnings pertain to the accumulated earnings made by the Company over the years.

Summary of significant accounting policies and other explanatory information

1

The accompanying notes form an integral part of the financial statements

This is the statement of changes in equity referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No. 042423

Place : Mumbai
Date : 30 May 2023

Vinayak M. Bhide
Head - Corp. Admin,
Legal and Company
Secretary

Surya kant Sethia
Chief Financial Officer

Aditya T. Malkani
Managing Director
DIN : 01585637

N. Malkani Nagpal
Executive Chairman
DIN : 00031985

For and on behalf of the Board of Directors

Place : Mumbai
Date : 30 May 2023

Note 1 - Significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

I. Corporate Information

Ador Welding Limited ('the Company') was incorporated in 1951 and 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 and gas, petrochemicals, fertilizers, steel plants, pharma, water and other chemical process industries. The Company is a public limited company and domiciled in India and its shares are listed on two recognised stock exchanges in India- the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange (India) Limited (NSE). The registered and corporate office of the Company is situated at Ador House, 6, K. Dubash Marg, Fort, Mumbai.

The separate financial statements were authorised for issue in accordance with the resolution of the Board of Directors on 30 May 2023.

II. Significant Accounting Policies followed by the Company

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

(a) Basis of Preparation

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act and guidelines issued by the Securities & Exchange Board of India (SEBI).

The financial statements have been prepared on a historical cost convention and accrual basis, except for the certain financial assets and liabilities that are measured at fair value and defined benefit plan assets measured at fair values by Ind AS.

Fair value is the price that would be received on sale of asset or paid on transfer of liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Current and non-current classification

All assets and liabilities have been classified as current or non-current based on the Company's normal operating cycle for each of its businesses, as per the criteria set out in Schedule III to the Act.

(b) Critical estimates and judgments

The preparation of Financial Statements in conformity with Ind AS, which requires management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Useful lives of PPE, investment property and Intangible assets

Property, plant and equipment represent a significant proportion of the asset base of the Company. Depreciation is provided as per the Straight Line Method over the estimated useful lives of assets. The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act. Management believes that the useful life of assets are the same as those prescribed in Schedule II to the Act- Refer note 1 (II)(d),(e),(f),(g).

Valuation of deferred tax assets / liabilities

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Significant judgment is involved in arriving at the deferred tax assets and liabilities, which is based on the Company's current operations and projections for the future. - Refer note 1 (II)(q)

Defined benefit obligation

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty. The assumptions used are disclosed in Note 50.

Fair value measurements of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets wherever possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. - Refer note 1 (II)(j).

Other areas involving critical estimates or judgments are :

- i) Revenue from Flares and Process Equipment Division - Refer note 1 (II)(n)
- ii) Estimation of tax expenses and tax payable - Refer note 42
- iii) Probable outcomes of matters included under Contingent Liabilities - Refer note 44
- iv) Leases - Estimating the incremental borrowing rate - Refer note 1 (II)(r)

(c) Property plant and equipment (including Capital Work-in-Progress)

Freehold Land is carried at historical cost less any accumulated impairment losses. All other items of Property, plant and equipment are stated at cost/deemed cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction are capitalised as part of the cost of qualifying asset.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value or net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets, which are carried at cost, are recognised in the Statement of Profit and Loss.

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.

Estimated useful lives of assets are as follows:

Assets Category	Useful Life (in Years)	Basis of Determination of useful life
Buildings	30-60 years	Assessed to be in line with schedule II to the Act
Ownership Premises	30-60 years	Assessed to be inline with schedule II to the Act
Plant and equipments (including computer)	8 to15 years	Assessed to be in line with schedule II to the Act
Electrical installation	10 years	Assessed to be in line with schedule II to the Act
Furniture and fixtures	8 to10 years	Assessed to be in line with schedule II to the Act
Office equipment	5 years	Assessed to be in line with schedule II to the Act
Vehicles	4 to10 years	Management Estimate ^

^ As per management estimate, motor cars purchased after 1-4-2019 are depreciated over 4 years as per the new vehicle policy. Assets not yet ready for use are recognised as capital work-in-progress.

(d) Non-current assets and liabilities classified as held for sale

Assets that are available for immediate sale and where the sale is highly probable of being completed within one year from the date of classification are considered and classified as assets held for sale. Assets classified as held for sale are measured at the lower of carrying amount or fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of asset held for sale has been estimated using observable inputs such as price quotations. Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

(e) Intangible Assets (including intangibles under development)

Initial recognition and measurement

Intangible assets relating to product development are recorded at actual cost incurred on the development of products and are capitalised once the products receive approval from relevant authorities and the same are carried at cost less accumulated amortisation.

Subsequent measurement (amortisation and useful lives)

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.

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. The amortisation expense on intangible assets with finite life is recognised in the statement of profit and loss under the head Depreciation and amortization expense.

Derecognition

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

(f) Investment properties

Initial recognition and measurement

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the entity, is classified as Investment Property. Investment property is measured initially at its cost, including

related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed, when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

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.

Derecognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

Estimated useful lives of assets are as follows:

Assets Category	Useful Life (in Years)	Basis of Determination of useful life
Buildings	30-60 years	Assessed to be in line with schedule II to the Act
Ownership Premises	30-60 years	Assessed to be inline with schedule II to the Act

(g) Impairment of non-financial assets

The carrying amount of the non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised, whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss. (Fair value less disposal cost)

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation, if there were no impairment.

(h) Investments and financial assets Classification

The Company classifies its financial assets in the following measurement categories:

- (i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (ii) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in a statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business

model, in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Initial recognition and measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Subsequently Company measures a financial asset at amortised cost using the effective interest method, less any impairment losses. However, trade receivables and unbilled receivables that do not contain a significant financing component are measured at the Transaction Price.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Measurement of debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which the Company classifies its debt instruments:

- (i) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss, when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- (ii) **Fair value through other comprehensive income (FVTOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- (iii) **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in statement of profit and loss and presented net in the statement of profit and loss within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in the other income.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach, permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when

- (i) The Company has transferred the rights to receive cash flows from the financial asset or,
- (ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

(i) Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement comprise of the cash on hand and at bank and current investments with an original maturity of three months or less. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(j) Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). The difference between the fair value and the transaction proceeds on initial is recognised as an asset / liability based on the underlying reason for the difference. Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

(k) 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 material, 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 selling expenses.

(l) Revenue recognition

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers, at an amount that reflects the consideration expected to be received by the Company in exchange for those products or services.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met: (i.) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or (ii). The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (iii). The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date. For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied. Revenue from sale of products are recognised by the Company at a point in time on which the performance obligation is satisfied. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates and discounts, value added taxes, goods and service tax and applicable taxes, which are collected on behalf of the government or on behalf of third parties.

i) Sale of consumables

Revenue from sale of consumables is recognised at point in time when the control of the asset is transferred to the customer, generally on delivery of the consumables.

ii) Flares and process equipment division (FPED)

FPED contracts generally take 1 to 2 years for execution. A contract's transaction price is allocated to each distinct performance obligation within that contract and recognized as revenue when, or as, the performance obligation is satisfied. The majority of Company's contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and is, therefore, not distinct. For contracts with distinct performance obligations, Company allocates the contract's transaction price to each performance obligation using the best estimate of the standalone selling price (i.e., fair value based on market approach)

of each distinct goods or service in the contract. Generally, most of the revenue in FPED segments is recognized over time, because control of the asset is transferred as and when the asset is created or enhanced to customers.

The Company monitors estimates of total contract revenue and costs on a regular basis throughout the contract 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.

iii) **Contract Assets**

Contract assets represent revenue recognized in excess of revenue billed. These amounts are billed after milestones specified in the agreement are achieved. Contract assets are disclosed under Other Current Assets in the Balance sheet.

iv) **Benefit on account of entitlement to Import duty**

Duty drawback or merchant export from India (MEIS) scheme are accounted in the year of export as export incentives. From, 1 January 2021 onwards, Merchant Export from India (MEIS) Scheme has been abolished by Central Government and introduced Remission of Duties and Taxes on Export Products (RoDTEP) scheme, under which exporters receive the refunds on the embedded taxes and duties previously non-recoverable. Tax credit as per RoDTEP scheme is accounted on receipt basis.

(m) **Other income**

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

(n) **Employee Benefits**

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

Gratuity fund: 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 gains / losses arising on the measurement of defined benefit obligation are credited / charged to other comprehensive income.

Superannuation fund: Contribution towards superannuation fund for certain employees is made to Ador Welding Employees Superannuation Fund Trust administered by the Company. The benefit is classified as a "Defined Contribution Schemes" as the Company does not carry any further obligation, apart from the contribution made on a monthly basis.

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

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 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 and loss, as and when incurred.

(o) Income taxes

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of profit and loss, except when they relate to item that are recognised in Other comprehensive income or directly in Equity, in which case, the current and deferred tax are also recognised in Other comprehensive income or directly in Equity respectively.

(i) Current income tax

The current income tax includes income tax payable by the Company, computed in accordance with the tax laws applicable in the jurisdiction in which the Company operates. Advance tax and provision for current income tax are presented in the Balance sheet after offsetting the advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

(ii) Deferred income tax

Deferred income tax is recognised using Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of recognition.

Deferred tax assets are recognised to the extent that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow or part of deferred income tax assets to be utilised. At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

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

(p) Leases

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains,

a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straightline basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised in other income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(q) Foreign currency transactions

The functional and presentation currency of the Company is Indian rupee.

Transactions in foreign currency are recorded at an exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance sheet date and exchange gain or loss arising on settlement and restatement are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

(r) Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company.

Contingent assets are not recognised in financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

(s) Earnings per share

Basic earning per share is computed by dividing net profit after tax (excluding other comprehensive income) by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing net profit after tax (excluding other comprehensive income) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

(t) 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.

(u) Research & Development

Revenue expenditure on research & development (including overheads) are charged out as expense in the year in which they are incurred. Expenditure of a capital nature on research & development is debited to respective fixed assets and depreciation is provided on such assets, as are depreciable.

III. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Error

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are 'monetary amounts in financial statements that are subject to measurement uncertainty'. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact on its financial statements.

Note 2 - Property, plant and equipment

Description	(Rs. in lakhs)													
	Freehold land	Buildings [Refer notes (a)]	Ownership premises	Plant and equipment (including computers)	Electrical installations	Furniture and fixtures	Office equipment	Vehicles	Freehold land	Buildings	Plant and equipment (including computers)	Furniture and fixtures	Air conditioner	Total
As at 1 April 2021 (As reported earlier)	342	7,418	353	14,503	1,251	1,041	251	383	34	127	777	4	7	26,491
Amalgamation of Ador Welding Academy Private Limited [refer note 64]	-	62	-	62	11	6	7	-	-	-	-	-	-	148
Restated balance as at the beginning of the reporting year	342	7,480	353	14,565	1,262	1,047	258	383	34	127	777	4	7	26,639
Additions	-	179	21	240	96	170	56	169	-	-	2	-	-	933
Adjustments [Refer notes (h) as below]	-	-	(9)	-	-	-	-	-	-	-	-	-	-	(9)
Deductions	-	153	20	226	23	167	9	64	-	-	-	-	-	662
As at 31 March 2022	342	7,506	345	14,579	1,335	1,050	305	488	34	127	779	4	7	26,901
Additions	-	440	-	1,193	20	43	22	209	-	-	43	-	-	1,970
Adjustments [Refer notes (b) as below]	-	-	-	206	-	-	-	-	-	-	-	-	-	206
Deductions	-	13	0	605	13	21	5	45	-	-	0	-	-	702
Transfer to Investment Property [Refer notes (c) & (d) as below]	0	663	38	-	-	-	-	-	-	-	-	-	-	701
As at 31 March 2023	342	7,269	307	14,961	1,342	1,072	322	652	34	127	822	4	7	27,262
Accumulated depreciation														
As at 1 April 2021 (As reported earlier)	-	2,497	85	10,717	894	635	189	180	-	95	537	2	5	15,836
Amalgamation of Ador Welding Academy Private Limited [refer note 64]	-	14	-	30	10	4	4	-	-	-	-	-	-	62
Restated balance as at the beginning of the reporting year	-	2,511	85	10,747	904	639	193	180	-	95	537	2	5	15,898
Depreciation charge	-	247	8	511	62	67	26	63	-	1	26	0	0	1,011
Adjustments [Refer notes (h) as below]	-	-	(2)	-	-	-	-	-	-	-	-	-	-	(2)
Deductions	-	25	5	229	17	145	8	49	-	-	-	-	-	478
As at 31 March 2022	-	2,733	86	11,029	949	561	211	194	-	96	563	2	5	16,430
Depreciation charge	-	245	8	516	55	69	30	97	-	1	27	0	0	1,050
Adjustments [Refer notes (b) as below]	-	-	-	5	-	-	-	-	-	-	-	-	-	5
Deductions	-	5	-	570	13	18	5	32	-	-	0	-	-	642
Transfer to Investment Property [Refer notes (c) & (d) as below]	-	299	10	-	-	-	-	-	-	-	-	-	-	309
As at 31 March 2023	-	2,674	84	10,970	991	612	236	259	-	97	590	3	6	16,524
Net carrying value														
As at 31 March 2022	342	4,773	259	3,550	386	488	94	294	34	31	216	2	2	10,471
As at 31 March 2023	342	4,595	223	3,991	351	460	86	393	34	30	231	1	1	10,738

Notes:-

- (a) Includes:
 - (i) Rs. 0.01 lakh (31 March 2022: Rs. 0.01 lakh) being the aggregate value of shares in Co-operative housing societies.
 - (ii) Rs. 4 lakhs (31 March 2022: Rs. 4 lakhs) for tenements in an association of apartment owners.
- (b) During the Current year, a plant & machinery at silvassa classified from "Property, plant and equipment" (Gross carrying amount Rs. 206 lakhs and Accumulated depreciation of Rs. 5 lakhs till 31 March 2023) is classified as "Asset held for sale".
- (c) During the Current year, a factory building at chennai plant has been transferred from "Property, plant and equipment" (Gross carrying amount Rs. 663 lakhs and Accumulated depreciation of Rs. 299 lakhs) to "Investment Property". As there is no business activities in the said premises.
- (d) During the Current year, a Ownership premises at indore has been transferred from "Property, plant and equipment" (Gross carrying amount Rs. 38 lakhs and Accumulated depreciation of Rs. 10 lakhs) to "Investment Property". As the Company has stopped business activities from the office and leased out the premises.
- (e) The Company has pledged certain assets against borrowing limits (refer note 57 for details).
- (f) The vehicles are hypothecated against the vehicle loans availed from Bank of Baroda @ 7.1%, repayable in 84 EMI of Rs. 1.62 lakhs. (refer note 24)
- (g) The title deeds of all immovable properties (other than properties where the Company is the lessee and lease arrangements are duly exercised in favour of the lessee) are held in the name of the Company.
- (h) During the previous year, a flat at Silvassa is classified from "Property, plant and equipment" (Gross carrying amount Rs. 9 lakhs and Accumulated depreciation of Rs. 2 lakhs till 31 March 2022) is classified as "Asset held for sale".

Note 3 - Right-of-use asset [Refer note 47]

Description	(Rs. in lakhs)			
	Leasehold Land	Ownership premises	Computers	Total
Gross carrying value				
As at 1 April 2021	22	126	11	159
Additions	357	-	43	400
Deductions	15	1	-	16
As at 31 March 2022	364	125	54	543
Additions	-	111	23	134
Deductions	-	122	-	122
As at 31 March 2023	364	114	77	555
Accumulated amortisation				
As at 1 April 2021	-	36	-	36
Amortisation charge	5	12	9	26
As at 31 March 2022	5	48	9	62
Amortisation charge	2	29	26	57
Deductions	-	48	-	48
As at 31 March 2023	7	29	35	71
Net carrying value				
As at 31 March 2022	359	77	45	481
As at 31 March 2023	357	85	42	484

Notes:-

- (a) The Company incurred Rs. 331 lakhs in the year ended 31 March 2023 (31 March 2022: Rs. 220 lakhs) towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is Rs. 396 lakhs for the year ended 31 March 2023 (31 March 2022: Rs. 250 lakhs), including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is Rs. 15 lakhs for the year 31 March 2023 (31 March 2022: Rs. 13 lakhs). [Refer note 40 and note 47]

Note 4 - Capital work-in-progress

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Opening balance	706	327
Add : Addition during the year	1,049	1,127
Less : Capitalised during the year	(1,604)	(748)
Total	151	706

a) Capital work-in-progress aging schedule

CWIP Project in Process	Amount in CWIP for a period of 31 March 2023				(Rs. in lakhs)
	Less than 1 year	1-2 years	2-3 years	above 3 years	Total
Projects in progress	148	3	-	-	151
Projects temporarily suspended	-	-	-	-	-
Total	148	3	-	-	151

CWIP Project in Process	Amount in CWIP for a period of 31 March 2022				(Rs. in lakhs)
	Less than 1 year	1-2 years	2-3 years	above 3 years	Total
Projects in progress	470	236	-	-	706
Projects temporarily suspended	-	-	-	-	-
Total	470	236	-	-	706

(b) Completion schedule (For projects where completion is overdue or has exceeded its cost compared to its original plan) as at 31 March 2023

CWIP	To be completed in				(Rs. in lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Process	-	-	-	-	-

Completion schedule (For projects where completion is overdue or has exceeded its cost compared to its original plan) as at 31 March 2022

CWIP	To be completed in				(Rs. in lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Process					
Stainless Steel Plant	246	-	-	-	-

Note : There are no overdue projects or projects which has exceeded costs compared to original plan, other than mentioned above

Note 5 - Investment property

Description	(Rs. in lakhs)				
	Freehold land	Leasehold land	Buildings	Ownership premises	Total
Gross carrying value (at deemed cost)					
As at 1 April 2021	49	21	886	82	1,038
Additions	-	-	-	-	-
Deductions	-	21	34	-	55
As at 31 March 2022	49	-	852	82	983
Additions	-	-	-	-	-
Adjustments [Refer note (d) below]	18			12	30
Deductions	18	-	-	12	30
Transfer from PPE	0	-	663	38	701
As at 31 March 2023	13	-	1,516	96	1,625
Accumulated depreciation					
As at 1 April 2021	-	-	217	32	249
Depreciation charge	-	-	17	1	18
Deductions	-	-	13	-	13
As at 31 March 2022	-	-	221	33	254
Depreciation charge	-	-	26	1	27
Adjustments	-	-	-	5	5
Deductions	-	-	-	5	5
Transfer from PPE	-	-	299	10	309
As at 31 March 2023	-	-	546	34	580
Net carrying value					
As at 31 March 2022	49	-	631	49	729
As at 31 March 2023	13	-	970	62	1,045

Notes:**(a) Fair Value of Investment properties***

Description	(Rs. in lakhs)				
	Freehold land	Leasehold land	Buildings	Ownership premises	Total
As at 31 March 2022	301	1,441	751	646	1,697
As at 31 March 2023	9,035	1,463	1,457	841	11,333

***Estimation of fair value**

During the year, valuations of the Investment properties is performed by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value measurement is based on comparable sales approach. The fair value measurement is categorised in level 3 of fair value hierarchy.

The fair valuation is based on current prices in the active market of similar properties. The main inputs used for valuation are quantum, area, location, demand, quality of construction, age of building and trend of fair market etc.

(b) Information regarding income and expenditure of Investment property :

Particulars	Year ended 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Rental income derived from investment properties	126	122
Direct operating expenses (including repairs and maintenance) for properties generating rental income	21	15
Profit arising from investment properties before depreciation	105	107
Less: Depreciation	(27)	(18)
Profit arising from investment properties	78	89

(c) The Company has no restrictions on the reliability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

(d) During the current year, the Company has sold part property at Kochi (1st Floor), for a consideration of Rs. 90 lakhs having gross block of Rs. 30 lakhs and accumulated depreciation of Rs. 5 lakhs shown under head "Investment Property".

Note 6 - Intangible assets

Description	(Rs. in lakhs)		
	Computer Software	E learning Module	Total
Gross carrying value			
As at 1 April 2021 (As reported earlier)	709	-	709
Amalgamation of Ador Welding Academy Private Limited (refer note 64)	1	11	12
Restated balance as at the beginning of the reporting year	710	11	721
Additions	25	-	25
Deductions	-	-	-
As at 31 March 2022	735	11	746
Additions	5	-	5
Deductions	-	-	-
As at 31 March 2023	740	11	751
Accumulated amortisation			
As at 1 April 2021 (As reported earlier)	634	-	634
Amalgamation of Ador Welding Academy Private Limited (refer note 64)	-	10	10
Restated balance as at the beginning of the reporting year	634	10	644
Amortisation charge	35	-	35
Deductions	-	-	-
As at 31 March 2022	669	10	679
Amortisation charge	25	-	25
Deductions	-	-	-
As at 31 March 2023	694	10	704
Net carrying value			
As at 31 March 2022	65	1	66
As at 31 March 2023	46	1	47

Note 7 - Intangible assets under development

Particulars	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Opening balance	4	-
Add : Addition during the year	37	4
Less : Capitalised during the year	-	-
Total	41	4

Intangible assets under development Project in Process	Amount in Intangible Assets under development as on 31 March 2023				Total
	Less than 1 year	1-2 years	2-3 years	above 3 years	
Projects in progress	37	4	-	-	41
Projects temporarily suspended	-	-	-	-	-
Total	37	4	-	-	41

Intangible assets under development Project in Process	Amount in Intangible Assets under development as on 31 March 2022				Total
	Less than 1 year	1-2 years	2-3 years	above 3 years	
Projects in progress	4	-	-	-	4
Projects temporarily suspended	-	-	-	-	-
Total	4	-	-	-	4

Note : There are no overdue projects or projects which has exceeded costs compared to original plan, other than mentioned above

Note 8 - Investment (Non-current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Investment in debt instruments		
Investment in quoted market linked debentures valued at cost, fully paid up		
Capsave Finance Private Ltd	100	-
Incred Financial Services Limited	169	-
Total	269	-
Aggregate amount of quoted investments	269	-
Market value of quoted investments (including interest accrued)	287	-

Note 9 - Loans (Non-current)

Unsecured, considered good (unless otherwise stated)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Loan to employees	22	30
Total	22	30

Break-up:

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Loans considered good - Unsecured	22	30
Total	22	30

Note 10 - Other financial assets (Non-current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Security deposit	177	177
Fixed deposits held as lien by bank against bank guarantees (Refer note 44)	590	750
Total	767	927

Note 11 - Non-current income tax assets (net)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Advance income tax (net of provision)	1,115	1,192
Total	1,115	1,192

Notes:

(a) The following table provides the details of income tax assets and liabilities:

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Income tax assets	5,619	4,223
Income tax liabilities	4,504	3,031
Net balances	1,115	1,192

Note 12 - Deferred tax assets (net)

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Deferred tax assets on account of:		
Employee benefits	250	202
Expected Credit Loss	943	817
	1,193	1,019
Deferred tax liabilities on account of:		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	727	746
Financial asset measured at FVTPL	2	5
	729	751
Net deferred tax assets	464	268

Note 13 - Other non-current assets

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Capital advances considered good [Refer notes (a) below]	198	23
Capital advances credit impaired [Refer notes (a) below]	27	27
Less : Loss allowance	(27)	(27)
	198	23
Balances with government authorities considered good	1,389	1,353
Balances with government authorities credit impaired	1,053	1,053
Less : Loss allowance [Refer notes (b) below]	(1,053)	(1,053)
	1,389	1,353
Prepaid expenses	67	18
Total	1,654	1,394

Break-up:

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Other assets considered good - Secured	-	-
Other assets considered good - Unsecured	1,654	1,394
Other assets credit impaired	1,080	1,080
Other assets which have significant increase in credit risk	-	-
Loss allowance	(1,080)	(1,080)
Total	1,654	1,394

Notes:

(a) Capital advances include:

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Land at Raipur	30	-
Land at Silvassa	27	27
Less : Provision for capital advances	(27)	(27)
Building	55	12
Plant and equipment	113	11
Total	198	23

Note 14 - Inventories

(Valued at lower of cost or net realisable value)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Raw materials, components and packing material	4,751	3,771
Work-in-progress	1,433	1,026
Finished goods *	4,095	2,817
Stock-in-trade	526	742
Stores, spares, parts, scrap etc.	531	283
Right to receive inventory	285	358
Total	11,621	8,997

Inventory write downs are accounted, considering the nature of inventory, ageing, and net realisable value. Write-downs of inventories to net realisable value amounted to Rs. 126 lakhs (31 March 2022: 38 lakhs). These write down were recognised as an expense during the year and included in the 'Changes in inventories of finished goods, work-in-progress, and stock-in-trade' in the Statement of Profit and Loss.

* Certain imported inventory amounting to Rs. 336 lakhs, which has been detained by the Bureau of Indian Standards (BIS). As accordingly to BIS, the said imported inventory doesn't meet the standards as specified in the notification issued by BIS. The matter is still pending before BIS and Company is awaiting for the outcome of the same.

Refer note 24 for details on Inventory pledged as security against borrowings of the Company.

Note 15 - Investments (Current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Financial assets classified and measured at fair value through profit or loss		
(A) Investment in mutual funds (Unquoted)		
Axis Bluechip fund - growth-direct plan	96	70
(31 March 2023: 206,470.03 units, 31 March 2022: 140,799.06 units)		
Axis Strategic Bond fund - growth-direct plan	162	154
(31 March 2023: 641,195.42 units, 31 March 2022: 641,195.41 units)		
Birla Sunlife Low Duration fund - direct plan-growth	102	351
(31 March 2023: 16,652.44 units, 31 March 2022: 60,854.154 units)		
HDFC Balanced Advantage fund - regular plan - growth	-	310
(31 March 2023: Nil, 31 March 2022: 108,461.36 units)		
HDFC Credit Risk Debt fund - growth - direct plan	162	155
(31 March 2023: 749,799.09 units, 31 March 2022: 749,799.09 units)		
Hdfc Short Term Debt fund - growth - direct plan	134	127
(31 March 2023: 486,028.23 units, 31 March 2022: 486,071.23 units)		
ICICI Prudential Medium Term Bond fund - growth - direct plan	163	154
(31 March 2023: 399,964.54 units, 31 March 2022: 399,964.54 units)		
ICICI Prudential Short Term fund - growth - direct plan	136	128
(31 March 2023: 249,850.69 units, 31 March 2022: 249,850.69 units)		
Kotak Bluechip fund -growth - direct plan	142	97
(31 March 2023: 34,117.28 units, 31 March 2022: 23,816.45 units)		
Kotak Medium Term fund -growth - direct plan	101	-
(31 March 2023: 491,699.74 units, 31 March 2022: Nil)		
Mirae Asset Focused fund -growth - direct plan	96	69
(31 March 2023: 506,294.33 units, 31 March 2022: 345,780.12 units)		
Mirae Asset Large Cap fund -growth - direct plan	103	71
(31 March 2023: 121,533.18 units, 31 March 2022: 84,312.81 units)		
SBI Focused Equity fund -growth - direct plan	96	70
(31 March 2023: 40,104.67 units, 31 March 2022: 27,428.11 units)		
UTI Flexicap fund - growth - direct plan	123	92
(31 March 2023: 52,881.32 units, 31 March 2022: 35,883.81 units)		
Birla sunlife floating rate fund - growth - direct plan	12	10
(31 March 2023: 4048.083 units; 31 March 2022: 4048.083 units)		
Birla sunlife arbitrage fund - growth - direct plan	6	6
(31 March 2023: 25184.984 units; 31 March 2022: 25184.984 units)		
Birla sunlife arbitrage fund - growth - regular plan	37	35
(31 March 2023: 160644.404 units; 31 March 2022: 160644.404 units)		
SBI Magnum low duration fund - growth plan	18	18
(31 March 2023: 602.522 units; 31 March 2022: 602.522 units)		
Aditya Birla sunlife arbitrage fund - growth - regular plan	7	7
(31 March 2023: 30761.186 units; 31 March 2022: 30761.186 units)		

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Bandhan Banking & PSU Debt Fund - Regular Plan - Growth (31 March 2023: 35493.508 units; 31 March 2022: 35493.508 units)	7	7
Aditya Birla sunlife equity hybrid 95 fund - growth - direct plan (31 March 2023: 1245.128 units; 31 March 2022: 1245.128 units)	14	15
HDFC Corporate bond fund - growth - regular plan (31 March 2023: 43871.772 units; 31 March 2022: 43871.772 units)	12	11
Investment in mutual funds	1,729	1,958
(B) Investment in bonds (Quoted)		
9.60% Tourism Finance Corporation Limited Bonds_2028 (31 March 2023: 2 units, 31 March 2022: 2 units)	20	20
9.65% Tourism Finance Corporation Limited Bonds_2033 (31 March 2023: 1 unit, 31 March 2022: 1 unit)	10	10
Investment in bonds	30	30
Total (A+B)	1,759	1,988
Aggregate amount of investments and its market value		
Unquoted	1,729	1,958
Quoted	30	30

Note 16 - Trade receivables

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Trade receivables	12,485	9,089
Receivables from related parties (Refer note 51)	32	226
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	2,684	2,193
Less : Loss allowance	(2,684)	(2,193)
Total	12,517	9,315

Break-up:

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Secured, considered good [Refer note (a) below]	1,457	295
Unsecured, considered good [Refer note (b) below]	11,060	9,020
Unsecured, credit impaired	2,684	2,193
Less : Loss allowance	(2,684)	(2,193)
Total	12,517	9,315

Trade Receivable aging schedule as at 31 March 2023

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	6,238	4,164	406	333	186	-	11,327
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	141	35	235	209	379	999
(iv) Disputed Trade Receivables– considered good	-	-	-	1,061	-	129	1,190
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	1,661	13	11	1,685
Total	6,238	4,305	441	3,290	408	519	15,201
Less: Allowance for credit impaired balances							(2,684)
							Total 12,517

Trade Receivable aging schedule as at 31 March 2022

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4590	2,456	304	480	131	164	8,125
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	96	82	14	56	260	508
(iv) Disputed Trade Receivables– considered good	-	-	1,061	-	129	-	1,190
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	1,433	241	11	-	1,685
Total	4,590	2,552	2,880	735	327	424	11,508
Less: Allowance for credit impaired balances							(2193)
							Total 9,315

Notes:

- (a) Secured by letter of credit
- (b) Refer notes 54(A) for information on credit risk and details regarding past dues receivables and, movement in loss allowance.
- (c) No amount is due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member except disclosed in note no. 51.
- (d) Refer note 24, for details on trade receivables pledged as security against the borrowings of the company.

Note 17 - Cash and cash equivalents

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Cash on hand	5	5
Balances with banks in current accounts	590	656
Total	595	661

Note 18 - Bank balances other than cash and cash equivalents

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Earmarked balances with banks [Refer note (a) below]	93	94
Unspent corporate social responsibilities balances with banks	1	8
Total	94	102

Note:

- (a) There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31 March 2023 and as at 31 March 2022.

Note 19 - Loans (Current)

Unsecured, considered good (unless otherwise stated)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Loans to employees	38	38
Total	38	38

Break-up:

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Loans considered good - Secured	-	-
Loans considered good - Unsecured	38	38
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	38	38

Note 20 - Other financial assets (Current)

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Security deposits	20	38
Interest accrued but not due on fixed deposits	20	2
Other receivables		
(a) from related parties (Refer note 51)	-	3
(b) from others	10	49
Total	50	92

Note 21 - Other current assets

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Contract assets	114	125
Advance to suppliers	840	1,234
Prepaid expenses	319	159
Export incentive receivable	20	26
Input tax credit receivable	242	220
Other receivables	26	30
Others	56	3
Total	1,617	1,797

Note 22 - Asset classified as held for sale

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Leasehold land (Refer note (b) below)	18	-
Ownership premises (Refer note (b) below)	7	7
Plant and equipments (Refer note (c) below)	55	-
Total	80	7

Note: Asset classified as held for sale (Ind AS 105)

- (a) During the Current year, the Company has sold one flat at Silvassa (Ownership premises), for a consideration of Rs. 20 lakhs which was duly approved by Board which was reported under 'Assets classified as held for sale' in FY 2022-23.
- (b) During the Current year, the Company has sold part property at Kochi (1st Floor), for a consideration of Rs. 90 lakhs which was duly approved by Board. Further the Company intends to sale the balance portion of property at Kochi (Ground Floor), hence same has been classified as 'Assets classified as held for sale'.
- (c) During the Current year, the Company has received an order from interested buyers for one of the manufacturing facility of wires at Silvassa, for a consideration of Rs. 77 lakhs which has been duly approved by Board. The Company has received Rs. 5 lakhs as advance against the transactions. The transactions is likely to be completed in FY 2023-24, hence same has been classified as 'Assets classified as held for sale'.

Item wise net carrying value as at 31 March 2023 of the Asset classified as held for sale is as follows:

Particulars	Gross carrying value	Impairment	Accumulated depreciation	(Rs. in lakhs)
				Net carrying value
Leasehold land	18	-	-	18
Ownership Premises	12	-	5	7
Plant and equipments	206	146	5	55
Total	236	146	10	80

Item wise net carrying value as at 31 March 2022 of the Asset classified as held for sale is as follows:

Particulars	Gross carrying value	Accumulated depreciation	(Rs. in lakhs)
			Net carrying value
Ownership Premises	9	2	7
Total	9	2	7

Note 23 - Equity share capital

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Authorised shares		
33,000,000 (31 March 2022: 33,000,000) equity shares of Rs. 10 each	3,300	3,300
Issued, subscribed and fully paid-up shares		
13,598,467 (31 March 2022: 13,598,467) equity shares of Rs. 10 each fully paid up	1,360	1,360
Total	1,360	1,360

Note 23 a- Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2023		As at 31 March 2022 (Restated) ^	
	No. of shares	(Rs. in lakhs)	No. of shares	(Rs. in lakhs)
Equity shares				
Shares outstanding at the beginning of the year	1,35,98,467	1,360	1,35,98,467	1,360
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,35,98,467	1,360	1,35,98,467	1,360

Note 23 b- Rights, preferences and restrictions

The Company has only one class of shares referred to as equity shares having a par (face) value of Rs. 10 per share. Each and every shareholder is eligible for one vote per share held.

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 23 c- Shares held by holding Company

Particulars	As at 31 March 2023		As at 31 March 2022 (Restated) ^	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares of Rs. 10 each				
J. B. Advani & Company Private Limited	6,800,531	50.01%	6,800,531	50.01%

Note 23 d- Details of shares held by shareholders holding more than 5% of aggregate shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022 (Restated) ^	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares of Rs. 10 each				
J. B. Advani & Company Private Limited	6,800,531	50.01%	6,800,531	50.01%
Total	68,00,531	50.01%	68,00,531	50.01%

Note 23 e- Details of shares held by promoter and promoter's group in the Company

Name of Promoter	As at 31 March 2023						As at 31 March 2022 (Restated) ^			
	No. of shares held at the beginning of the year	change in the no. of shares during the year (Purchase / (Sold))	No. of shares held at the end of the year	Percentage of total shares	Percentage change during the year	No. of shares held at the beginning of the year	change in the no. of shares during the year (Purchase / (Sold))	No. of shares held at the end of the year	Percentage of total shares	Percentage change during the year
J B Advani And Company Pvt Limited	68,00,531	-	68,00,531	50.01%		68,00,531	-	68,00,531	50.01%	
Aruna B. Advani	2,95,480	-	2,95,480	2.17%		2,95,480	-	2,95,480	2.17%	
Aditya T. Malkani	1,23,198	-	1,23,198	0.91%		1,23,198	-	1,23,198	0.91%	
(Late) A. T. Mirchandani	64,430	-	64,430	0.47%		64,430	-	64,430	0.47%	
N. Malkani Nagpal	1,93,952	6,000	1,99,952	1.47%	3.09%	81,052	1,12,900	1,93,952	1.43%	139.29%
Michelle Gulu Malkani	79,200	-	79,200	0.58%		79,200	-	79,200	0.58%	
Gulshan Gulu Malkani	-	-	-	0.00%		1,11,900	(1,11,900)	-	0.00%	-100.00%
Rajbir Tarachand Malkani	64,507	2,910	67,417	0.50%	4.51%	64,507	-	64,507	0.47%	
Piyadarshini Lambert	49,050	-	49,050	0.36%		49,050	-	49,050	0.36%	
Vimla A. Lalvani	19,490	-	19,490	0.14%		19,490	-	19,490	0.14%	
Ravin A. Mirchandani	8,002	-	8,002	0.06%		8,002	-	8,002	0.06%	
Deep A. Lalvani	19,419	(15,000)	4,419	0.03%	-77.24%	19,419	-	19,419	0.14%	
Reshma A. Lalvani	3,680	2,500	6,180	0.05%	67.93%	3,680	-	3,680	0.03%	
Shirin Aditya Malkani	15,873	3,590	19,463	0.14%	22.62%	15,873	-	15,873	0.12%	
Pravena K Mathur	900	450	1,350	0.01%	50.00%	900	-	900	0.01%	
Total	77,37,712	450	77,38,162	56.90%		77,36,712	1,000	77,37,712	56.90%	

Note 23 e- The Company has not issued any bonus shares or shares for consideration other than cash nor has there been any buyback of shares during five years immediately preceding 31 March 2023.

Note 24 - Borrowing (Non-current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Secured Term Loan from Bank		
Vehicle Loan*	73	60
Total	73	60

* The Company has availed vehicle loans from Bank of Baroda @ 7.1%, repayable in 84 EMI of Rs. 1.62 lakhs. The above loan is hypothecated against the vehicles having a gross block of Rs. 125 lakhs (March 2022 : 94 lakhs) and written-down value of Rs. 92 lakh (March 2022 : 86 lakhs) as at March 2023.

Note 25 - Other financial liabilities (Non-current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Rent deposit	-	3
Rent deposit from related parties [Refer note 51]	16	15
Total	16	18

Note 26 - Provisions (Non-current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Provision for employee benefits		
Gratuity [Refer note 50(II)]	615	469
Total	615	469

Note 27 - Other non-current liabilities

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Advance income	6	3
Total	6	3

Note 28 - Borrowings (Current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Secured Borrowings		
From banks		
Working capital loan repayable on demand [Refer notes (i) below and note 57]	1,500	-
Current maturities of Long term borrowing	13	8
Total	1,513	8

Notes:

(i) **Nature of Security and terms of repayment for short term secured borrowings of Company:**

Working capital loan from a bank, balance outstanding amount as at 31 March 2023 is Rs. 1,500 Lakhs (31 March 2022: Rs Nil) is secured first pari passu charge by way of hypothecation of Company's entire stocks and book debts, both present and future, exclusive charge on the entire plant and machinery and other movable fixed assets of the Company and on the land and building of the Company located at survey no. 59/11/1, 59/11/2, 59/11/3, 59/12 and 59/13 situated at village Masat, Silvassa Dadra and Nagar Haveli. Working capital loan repayable on demand, Rate of interest 7.86 % p.a. (31 March 2022: 7 % p.a.)

(ii) Guarantees given by banks to third parties amounting to Rs. 1,742 lakhs (31 March 2022: Rs. 2,286 lakhs) on behalf of the Company are secured against securities mentioned in (i) above. (Refer note 44)

Note 29 - Trade payables

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Dues to micro and small enterprises [Refer notes (a) below]	1,366	192
Others	4,876	6,678
Amounts due to related parties [Refer note 51]	315	232
Sub-total	6,557	7,102
Accrued expenses	751	649
Total	7,308	7,751

Trade Payable ageing schedule as at 31 March 2023

Particulars	(Rs. in lakhs)				Total
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed - MSME	1,366	-	-	-	1,366
Undisputed - Others	3,882	31	1,219	60	5,191
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	5,248	31	1,219	60	6,557
Accrued expenses					751
Total	5,248	31	1,219	60	7,308

Trade Payable ageing schedule as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				(Rs. in lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Undisputed - MSME	179	1	1	-
Undisputed - Others	5,540	1,265	15	90	6,910
Disputed dues - MSME	-	-	-	11	11
Disputed dues - Others	-	-	-	-	-
	5,719	1,266	16	101	7,102
Accrued expenses					649
Total	5,719	1,266	16	101	7,751

Notes :

- (a) The Company has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act). The disclosure pursuant to the said Act is as under:

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Principal amount due remaining unpaid to supplier as at the end of accounting year	1,366	192
Interest due remaining unpaid to supplier as at the end of accounting year	-	1
Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	1
Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23	-	-

This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the Company.

Note 30 - Other financial liabilities (Current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Deposits:		
(a) Rent deposit	14	14
(b) To distributors	290	293
(c) To others	4	8
Employee benefits payable	553	450
Unclaimed dividend	93	94
Creditors for capital goods	163	5
Corporate Social Responsibility Liability	1	4
Other payables		
(a) to related parties (Refer note 51)	109	70
(b) to others	119	58
Total	1,346	996

Note 31 - Other current liabilities

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Advances received from distributors on behalf of customers	12	12
Advances received from customers	228	490
Statutory dues	568	407
Advance received against sale of asset	-	14
Advance income	1	-
Total	809	923

Note 32 - Provisions (Current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Provision for employee benefits		
Gratuity [Refer note 50(II)]	49	71
Provision for Compensated absences [Refer note 50(III)]	329	262
Other provisions [Refer note (a) below]		
Provision for warranties [Refer note (b) below]	83	96
Provision for sales return	199	222
Total	660	651

Notes:**(a) Movement in provision:**

Particulars	(Rs. in lakhs)	
	Provision for warranties	Provision for sales return
As at 1 April 2021	53	200
Additional provision recognised	96	222
Amount used (charged against provisions) during the year	(53)	(200)
As at 31 March 2022	96	222
Additional provision recognised	83	199
Amount used (charged against provisions) during the year	(96)	(222)
As at 31 March 2023	83	199

(b) Provision of Rs. 83 lakhs (31 March 2022: Rs. 96 lakhs) has been recognised for expected warranty claims on welding equipment and goods traded during the current financial year. It is expected that all these expenditures will be incurred in next financial year.

Note 33 - Current tax liabilities, (net)

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Provision for income tax (Refer note below)	329	41
Total	329	41

Note : Provision for income tax is net of advance tax. (Provision for Income tax Rs. 2,174 lakhs and advance tax Rs. 1,845 lakhs).

Note 34 - Revenue from operations

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
Sale of goods (Refer notes (a) below and Refer note 51)		
Domestic	69,927	62,504
Export	7,129	3,142
Sale of services	59	54
Other operating revenue:		
Sale of scraps and others	561	448
Total	77,676	66,148

Notes:

(a) Refer note 60 for information on Revenue from contracts with customers under Ind AS 115.

Note 35 - Other income

Particulars	Year ended 31 March 2023	(Rs. in lakhs)
		Year ended 31 March 2022 (Restated) ^
<u>Interest income on financial asset measured at amortised cost:</u>		
(i) Fixed deposits with banks	35	37
(ii) Overdue amount from customers	50	36
(iii) Others	31	13
Realised gain on financial assets measured at fair value through profit or loss	49	-
Rent received (Refer notes 48 and 51)	126	122
Duty drawback and export incentive	119	60
Insurance recovered (net of expense)	-	15
Profit on sale of property, plant and equipment (net)	11	-
Foreign currency fluctuation gain (net)	93	100
Provisions/ liabilities no longer required now written back	61	70
Fair value change of financial asset measured at fair value through profit or loss	-	52
Insurance claims received	6	7
Miscellaneous income	86	36
Total	667	548

Note 36 - Cost of raw materials and components consumed

Particulars	Year ended 31 March 2023	(Rs. in lakhs)
		Year ended 31 March 2022 (Restated) ^
Opening stock	3,771	2,044
Add: Purchases	52,045	43,852
Less: Closing stock	(4,751)	(3,771)
Total	51,065	42,125

Note 37 - Purchase of stock-in-trade

Particulars	Year ended 31 March 2023	(Rs. in lakhs)
		Year ended 31 March 2022 (Restated) ^
Welding products	1,796	5,210
Welding accessories	847	640
Total	2,643	5,850

Note 38 - Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	Year ended 31 March 2023		(Rs. in lakhs)	
			Year ended 31 March 2022 (Restated) ^	
At the beginning of the Year				
Finished goods (including Right to receive inventory)	3,175		2,781	
Stock-in-trade	742		109	
Work-in-progress	1,026	4,943	1,063	3,953
At the end of the Year				
Finished goods (including Right to receive inventory)	4,380		3,175	
Stock-in-trade	526		742	
Work-in-progress	1,433	6,339	1,026	4,943
Total		(1,396)		(990)

Note 39 - Employee benefits expenses

Particulars	Year ended 31 March 2023		(Rs. in lakhs)	
			Year ended 31 March 2022 (Restated) ^	
Salaries, wages and bonus	4,730		4,086	
Contribution to provident and other funds [Refer note 50(I)]	274		278	
Contribution to gratuity [Refer note 50(II)]	103		77	
Staff welfare expenses	578		425	
Total	5,685		4,866	

Note 40 - Finance costs

Particulars	Year ended 31 March 2023		(Rs. in lakhs)	
			Year ended 31 March 2022 (Restated) ^	
Interest expense on borrowings	166		242	
Interest on supplies	54		112	
Interest on lease liability [Refer note 47]	15		13	
Interest on others	1		5	
Total	236		372	

Note 41 - Other expenses

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
Manufacturing and other expenses [Refer note 41(a)]	4,437	3,730
Electricity expenses	24	15
Rent [Refer note 47]	331	220
Freight	2,364	1,410
Legal and professional fees	498	378
Insurance	92	42
Repairs and maintenance - others	174	210
Travelling, conveyance and vehicle expenses	612	467
Directors fees [Refer note 51]	9	5
Telephone, postage and telegram	162	133
Rates and taxes	84	93
Advertisement and sales promotion expenses	198	31
Commission paid	49	54
Bad debts written off	29	24
Expected credit loss	492	106
Donations	-	3
Fair value change of financial asset measured at FVTPL	9	-
Loss on sale of property, plant and equipment (net)	-	10
Property, plant and equipment written off	29	21
Printing and stationery	85	60
Auditors remuneration [Refer note 41(b)]	46	49
Corporate social responsibility [Refer note 63]	63	58
Selling and distribution incentive	183	168
Housekeeping and security charges	225	207
Bank charges	144	208
Miscellaneous expenses	619	759
Total	10,958	8,460

Note 41(a)- Manufacturing and other expenses

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
Consumption of stores, spare parts and scraps	1,170	894
Power and fuel	1,594	1,440
Repairs to machinery	156	153
Repairs to building	49	22
Payment to contract labours	860	732
Other manufacturing expenses	608	489
Total	4,437	3,730

Note 41(b)- Auditors' remuneration (excluding taxes)

Particulars	Year ended 31 March 2023	(Rs. in lakhs)
		Year ended 31 March 2022 (Restated) ^
Statutory audit fees (including limited review fees)	31	24
Tax audit fees	7	7
Certification and other matters	7	17
Reimbursement of out of pocket expenses	1	1
Total	46	49

Note 42 - Tax (credit)/expense

Particulars	Year ended 31 March 2023	(Rs. in lakhs)
		Year ended 31 March 2022 (Restated) ^
Current tax	95	95
Current tax for the year	2,174	1,473
MAT Credit Entitlement	-	14
Tax pertains to earlier years	(19)	-
	2,155	1,487
Deferred tax	-	-
Change in deferred tax assets	(151)	(138)
Change in deferred tax liabilities	(22)	(30)
	(173)	(168)
Total	1,982	1,319

Notes :

(a) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit is as follows for 31 March 2023 and 31 March 2022:

Particulars	Year ended 31 March 2023	(Rs. in lakhs)
		Year ended 31 March 2022 (Restated) ^
Profit before tax as per books	7,911	5,823
Applicable income tax rate	25.17%	25.17%
Estimated income tax expenses	1,991	1,466
Tax effect of the amounts which are not deductible / (taxable) in calculating taxable income:		
Non-deductible expenses	16	28
Tax on income at different tax rates	(6)	(183)
Other items	-	(7)
MAT Credit Entitlement	-	14
Tax pertains to earlier years	(19)	-
Reported income tax expenses	1,982	1,319

(b) Deferred tax related to the following:

Particulars	As at 31 March 2023	(Rs. in lakhs)			
		Recognised through profit and loss and OCI	As at 31 March 2022	Recognised through profit and loss and OCI	As at 1 April 2021
Deferred tax assets on account of:					
Provision for gratuity and Leave encashment	250	48	202	51	151
Expected Credit Loss	943	126	817	144	673
Deferment of revenue	-	-	-	(36)	36
Total deferred tax assets	1,193	174	1,019	159	860
Deferred tax liabilities on account of:					
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	727	(19)	746	(33)	779
Financial asset measured at FVTPL	2	(3)	5	4	1
Total deferred tax liabilities	729	(22)	751	(29)	780
Deferred tax assets/(liabilities) (net)	464	196	268	188	80

Note 43 - Other comprehensive income

Particulars	Year ended 31 March 2023	(Rs. in lakhs)
		Year ended 31 March 2022 (Restated) ^
Items that will not be reclassified to profit or loss		
Actuarial (loss) on defined benefit obligations	(91)	(81)
Income tax effect on above	23	20
Total	(68)	(61)

Note 44 - Contingent Liabilities not provided for :

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
A. Claims against the company not acknowledged as debt:		
- Disputed sales tax as the matters are in appeal (advance paid 31 March 2023: Rs 102 lakhs; 31 March 2022: Rs 105 lakhs)	1,317	1,376
- Disputed excise duties as the matters are in appeal (advance paid 31 March 2023: Rs 900 lakhs; 31 March 2022:Rs 900 Lakhs)	922	922
- Disputed income tax as the matters are in appeal (advance paid 31 March 2023: Rs 13 lakhs; 31 March 2022: Rs. 13 lakhs)	153	63
- Custom Duty refund (advance paid 31 March 2023: Rs 46 lakhs; 31 March 2022: Rs. 46 lakhs)	46	46
B. Guarantees :		
- Bank guarantees Bank guarantees of Rs. 1811 lakhs (31 March 2022: Rs. 2434 lakhs) has been issued to various customers as performance gurantee, Rs. 235 lakhs (31 March 2022: Rs. 182 lakhs) issued for securing supplies of materials and services and Rs. 41 lakhs (31 March 2022: Rs. 41 lakhs) to various agencies including government as security. The Company does not anticipate any liability on these guarantees."	2,087	2,657
C. Other money for which the company is contingently liable :		
- Other matters	363	98
- Provident fund Based on the Honorable Supreme Court judgment dated 28 February 2019, relating to components of salary structure that needs to be taken into account while computing the contribution to provident fund under the Employee Provident Fund Act. Past provident fund liability is not determinable at present in view of uncertainty on the applicability of the judgment to the Company with respect to timing and the components of its compensation structure. In absence of further clarification, the Company has been advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any."	Amount not determinable	Amount not determinable
- Inventory Certain imported inventory amounting to Rs. 336 lakhs, which has been detained by the Bureau of Indian Standards (BIS). As accordingly to BIS, the said imported inventory doesn't meet the standards as specified in the notification issued by BIS. The matter is still pending before BIS and Company is awaiting for the outcome of the same."	Amount not determinable	Amount not determinable

Future cash outflows in respect of above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities. The management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognised in the financial statements.

Note 45 - Estimated amount of contracts remaining to be executed

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
On Capital account and not provided for (net of advances)	450	182

Note 46 - Borrowings secured against current assets :

Disclosure of current assets secured and filed with the banker against borrowings availed

Quarter Ended	Name of Bank	Particulars of securities provided	(Rs. in lakhs)					
			FY 2022-2023			FY 2021-2022		
			As per books of account	Reported to Bank	Amount of difference [Refer note (a) & (b) below]	As per books of account	Reported to Bank	Amount of difference [Refer note (c) below]
Jun	HDFC Bank	Working capital *	13,263	13,792	529	12,859	13,038	179
	IDFC Bank	Working capital *	13,263	13,792	529	12,859	13,038	179
Sep	HDFC Bank	Working capital *	13,244	13,159	(85)	13,141	13,644	503
	IDFC Bank	Working capital *	13,244	13,159	(85)	13,141	13,644	503
Dec	HDFC Bank	Working capital *	14,424	14,424	-	14,465	14,513	48
	IDFC Bank	Working capital *	14,424	14,424	-	14,465	14,513	48
Mar	HDFC Bank	Working capital *	16,944	16,944	-	11,335	11,532	197
	IDFC Bank	Working capital *	16,944	16,944	-	11,335	11,532	197

* Trade Receivables + Inventories + Unbilled Revenue/contract asset - Trade Payables

Note for discrepancies :

- Difference was on account of reclassification of provision of expenses in financial statement for the quarter ended 30, June 2023 amounting to Rs. 529 Lakhs.
- Difference was on account of reclassification of contract liability in financial statement for the half year ended 30, September 2023 amounting to Rs. 85 Lakhs.
- The Bank returns were prepared and filed before the completion of all financial statements closure activities including Ind AS related adjustments / reclassifications, as applicable, which led to these differences between the final books of accounts and the bank returns which were based on provisional books of accounts.

Note 47- Leases: Ind AS 116

The Company's lease asset primarily consist of leasehold land, Ownership premises and Computers used in its operations. The Company recognized right-of-use assets and lease liabilities amounting to Rs. 134 lakhs (31 March 2022: Rs. 400 lakhs) and Rs. 134 lakhs (31 March 2022: Rs. 43 lakhs) respectively. During the year ended, the Company had recognized interest expense on lease amounting to Rs. 15 lakhs (31 March 2022: Rs. 13 lakhs) and depreciation on right-of-use assets amounting to Rs. 57 lakhs (31 March 2022: Rs. 26 lakhs).

The weighted average incremental borrowing rate applied to lease liabilities is 9.5 % p.a.

Right-of-use assets:

Additional information on the right-of-use assets by class of assets are as follows:

Particulars	Gross carrying value	Accumulated depreciation [Refer note (a) below]	(Rs. in lakhs)
			Net carrying value
As at 31 March 2023			
Leasehold Land	364	7	357
Ownership premises	114	29	85
Computers	77	35	42
Total	555	71	484
As at 31 March 2022			
Leasehold Land	364	5	359
Ownership premises	125	48	77
Computers	54	9	45
Total	543	62	481

The following is the movement in Right-of-use assets for the year ended:

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Balance at the beginning of the year	543	159
Addition during the year [Refer notes (b) below]	134	400
Deductions during the year [Refer notes (c) below]	(122)	(16)
Gross carrying value	555	543
Accumulated depreciation [Refer notes (a) below]	(71)	(62)
Net carrying value	484	481

Lease liabilities:

Lease liabilities are presented in the balance sheet are as follows:

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Non-current lease liabilities	84	127
Current lease liabilities	58	26
Total	142	153

The following is the movement in lease liabilities for the year ended:

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Balance at the beginning of the year	153	119
Addition during the year [Refer notes (b) below]	134	42
Deductions during the year	(102)	-
Finance cost accrued during the year [Refer notes (c) below]	15	13
Revaluation of lease liability	7	9
Payment of lease liabilities	(65)	(30)
Total	142	153

Notes:

- The aggregate depreciation expense on Right-of-use assets is included under "Depreciation and amortization expense" in the statement of Profit and Loss.
- During the current year 2022-23 in Right-of-use assets and lease liabilities, there is addition of Rs 23 lakhs towards laptops and Rs. 111 lakhs towards Office premises taken on rental basis.
- The accrued finance cost on lease liabilities is included under "Finance cost" in the statement of Profit and Loss.

Cash flow from leases

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
Cash payments for the principal and interest portion of lease liability within financing activities	65	30
Short-term lease payments, payments for lease of low-value assets and variable lease payments not included in the measurement of lease liability from operating activities	331	220
Total	396	250

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is as follows:

Particulars	(Rs. in lakhs)	
	Minimum lease payment	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Amount due within one year	69	33
Amount due from one to five years	90	99
Amount due from five years and above	-	69
Total	159	201

Note 48- Lease rental income

The investment properties (Office premises) are leased to tenants under operating leases. Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. The aggregate amount of rent credited to statement of profit and loss account during the year is Rs. 126 lakhs (31 March 2022: Rs. 122 lakhs). [Refer note 35]

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Amount due within one year	110	83
Amount due from one year to two years	106	66
Amount due from two to three years	104	62
Amount due from three to four years	68	66
Amount due from four to five years	41	32
Amount due from five years and above	5	37
Total	434	346

Note 49- In the current year, Company operations are at normalcy and there is no impact of pandemic on the Company's financials for the year ended 31 March 2023. However, the Management is continuously monitoring the current COVID-19 developments and possible effects that may result from the current pandemic on its financial conditions, liquidity, operations and actively working to minimise the impact of this unprecedented situation.

Note 50 - Employee benefits

As per Indian Accounting Standard-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

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, employees state insurance and provident fund as the Company has no further obligation beyond making the contributions. The Company's defined benefit plans consists of gratuity only. The employees of the Company are entitled to compensated absences as per the Company's policy.

I. Defined Contribution Plan:

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

During the year, the Company has recognised the following amounts in the Statement of profit and loss*:

Contribution to Defined contribution plan, recognized as expense for the year is as under:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
Employer's Contribution to Superannuation	41	40
Employer's contribution to provident fund	229	223
Employer's Contribution to Employees state insurance fund	4	15
Total	274	278

* included in Note 39- 'Employee benefits expenses'

II. Defined Benefit Plan :

Contribution to Gratuity fund (funded scheme):

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:-

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
(i) Actuarial assumptions		
Discount rate (per annum)	7.60%	6.50%
Salary escalation rate (per annum)	8.00%	7.00%
Attrition rate		
21 years to 44 years (per annum)	15.00%	18.45%
45 years and above (per annum)	7.00%	8.00%
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.		
(ii) Assets information:		
The plan assets 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.		
(iii) Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	573	457
Current service cost	69	54
Interest on defined benefit obligation	34	26
Remeasurements during the period due to:		
Actuarial loss/(gain) arising from change in financial assumptions	(5)	(5)
Actuarial loss/(gain) arising from change in demographic assumptions	5	(0)
Actuarial loss/(gain) arising on account of experience changes	91	84
Benefits paid	(44)	(42)
Present Value of obligation at the end of the year	723	573

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
(iv) Changes in the Fair value of Plan Assets		
Fair value of plan assets at beginning of the year	33	71
Interest on plan assets	-	3
Remeasurements during the period due to:		
Actual return on plan assets less interest on plan assets	-	(2)
Contributions by employer	70	3
Benefits paid	(44)	(42)
Fair Value of Plan Assets at the end of the year	59	33
(v) Assets and liabilities recognised in the balance sheet		
Present value of the defined benefit obligation at the end of the year	723	573
Less: Fair value of plan assets at the end of the year	(59)	(33)
Net liability recognised	664	540
Recognised under provisions [Refer note 26 and note 32]		
Non current provisions	615	469
Current provisions	49	71
(vi) Expenses recognised in the Statement of Profit and Loss		
Current Service Cost	69	54
Interest on net defined benefit liability	34	23
Net gratuity cost recognised in current year	103	77
Included in note 39 'Employee benefits expenses'		
(vii) Expenses recognised in other comprehensive income		
Remeasurements during the period due to:		
Actuarial (gain) / loss arising from change in financial assumptions	(5)	(5)
Actuarial loss/(gain) arising from change in demographic assumptions	5	(0)
Actuarial loss/(gain) arising on account of experience changes	91	84
Actuarial loss/(gain) arising on account of Actual return on plan assets less interest on plan assets	-	2
Net cost recognised in other comprehensive income	91	81

(viii) Sensitivity Analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	31 March 2023		31 March 2022	
	Discount Rate	Salary escalation rate	Discount Rate	Salary escalation rate
Impact of increase in 50 bps on DBO	(3.05%)	3.19%	(2.81%)	2.93%
Impact of decrease in 50 bps on DBO	3.22%	(3.05%)	2.96%	(2.81%)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

(ix) Maturity Pattern:

Maturity Profile	(Rs. in lakhs)	
	31 March 2023	31 March 2022
Expected benefits for year 1	109	104
Expected benefits for year 2	106	82
Expected benefits for year 3	68	78
Expected benefits for year 4	75	56
Expected benefits for year 5	72	53
Expected benefits for year 6	123	50
Expected benefits for year 7	67	77
Expected benefits for year 8	52	43
Expected benefits for year 9	56	34
Expected benefits for year 10 and above	555	318

Note:

- The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

III. Compensated absences

- An amount of Rs. 86 lakhs (31 March 2022: Rs 73 lakhs) has been recognised as an expense in the statement of profit and loss account and included in "Salaries, wages and bonus" under Note 39 "Employee benefits expenses".
- Balance sheet reconciliation

Particulars	(Rs. in lakhs)	
	Short term current provisions	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Liability as per actuarial valuation	329	262

The liabilities are split between different categories of plan participants as follows:

Defined Benefit obligations and employer contributions (Active members)	Gratuity	Compensated Absences
As at 31 March 2023	584	584
As at 31 March 2022	531	531

Risk Exposure - Asset Volatility

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

Note 51 - Related Party Disclosure:

As per Ind AS 24 "Related party Disclosures", disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

(I) List of related parties and relationship:

Relationship	Name of the Persons / Company
(i) Holding Company:	J. B. Advani & Company Private Limited
(ii) Subsidiary Company and fellow subsidiaries:	Ador Welding Academy Private Limited (Subsidiary of Ador Welding Limited) (Merged during the current year)(Refer note 64)
	Ador Powertron Limited (Subsidiary of J. B. Advani & Company Private Limited)
	Ador Green Energy Private Limited (Subsidiary of J.B. Advani & Company Private Limited)
	Ador Fontech Limited (Subsidiary of J.B. Advani & Company Private Limited)
	Ador Multiproducts Limited (Subsidiary of J.B. Advani & Company Private Limited)
	3D Future Technologies Private Limited (Subsidiary of Ador Fontech Limited)
(iii) Other related party:	1908 E-Ventures Private Limited (Step down subsidiary of J. B. Advani & Company Private Limited)
	Mack Valves India Private Limited (Common director)
	Executive Mantra Search Services Private Limited (Common director)
(iv) Key management personnel:	Mrs. N. Malkani Nagpal - Executive Chairman
	Mr. A. T. Malkani - Managing Director (Executive)
	Dr. D. A. Lalvani - Director (Non-executive) (Whole Time Director upto 31 March 2022)
	Mr. R. A. Mirchandani - Director (Non-executive)
	Ms. T. H. Advani - Director (Non-executive)
	Mrs. Nita Dempo Mirchandani - Director (Independent & Non-executive)
	Mr. P. K. Gupta - Director (Independent & Non-executive)
	Mr. R. N. Sapru - Director (Independent & Non-executive)
	Mr. K. Digvijay Singh - Director (Independent & Non-executive)
	Mr. G. M. Lalwani - Director (Independent & Non-executive)
	Mr. N. S. Marshall - Director (Independent & Non-executive) (w.e.f 21 May 2022)
	Mr. V. M. Bhide - Head - Corp. Admin, IA, KM, Legal & Company Secretary
	Mr. Surya kant Sethia - Chief Financial Officer

(II) Transactions during the year:

Description of the nature of transactions	Year ended 31 March 2023	(Rs. in lakhs)
		Year ended 31 March 2022 (Restated) ^
Sale of Fixed assets		
- Holding Company		
J. B. Advani & Company Private Limited	10	7
	10	7
Purchases of Fixed assets		
Ador Powertron Limited	1	15
	1	15
Sale of goods		
- Holding Company		
J. B. Advani & Company Private Limited	143	146
- Subsidiary Company and fellow subsidiaries		
Ador Powertron Limited*	-	127
Mack Valves India Private Limited*	-	-
Ador Fontech Limited	376	281
	519	554
Purchase of goods and services received		
- Holding Company		
J. B. Advani & Company Private Limited	2,240	1,103
- Subsidiary Company and fellow subsidiaries		
Ador Powertron Limited	26	29
Ador Fontech Limited	253	148
- Other related party		
1908 E-Ventures Private Limited	5	3
	2,524	1,283
Rent received		
- Holding Company		
J. B. Advani & Company Private Limited	30	27
- Subsidiary Company and fellow subsidiaries		
Ador Powertron Limited*	-	-
3D Future Technologies Pvt Ltd*	-	-
Ador Fontech Limited	3	3
	33	30
Recovery of expenses (received)		
- Holding Company		
J. B. Advani & Company Private Limited	10	8
- Subsidiary Company and fellow subsidiaries		
Ador Powertron Limited*	-	-
Ador Fontech Limited	4	2
	14	10

Description of the nature of transactions	Year ended 31 March 2023	(Rs. in lakhs)
		Year ended 31 March 2022 (Restated) ^
Reimbursement of expenses (paid)		
- Holding Company		
J. B. Advani & Company Private Limited	13	33
- Subsidiary Company and fellow subsidiaries		
Ador Fontech Limited*	-	-
Ador Powertron Limited*	-	7
	13	40
Remuneration paid		
Short Term Benefit paid		
- Key Management Personnel		
Mrs. N. Malkani Nagpal - Executive Chairman	158	105
Mr. A. T. Malkani - Managing Director	147	106
Dr. D. A. Lalvani - Director (Non-executive) (Whole Time Director upto 31 March 2022)	-	116
Mr. V. M. Bhide (Corp. Admin, IA, Legal & Company Secretary)	54	41
Mr. Surya kant Sethia - Chief Financial Officer	55	41
Post employment benefit		
- Key Management Personnel		
Mrs. N. Malkani Nagpal - Executive Chairman	34	19
Mr. A. T. Malkani - Managing Director	27	17
Dr. D. A. Lalvani - Director (Non-executive) (Whole Time Director upto 31 March 2022)	-	20
Mr. V. M. Bhide (Corp. Admin, IA, Legal & Company Secretary)	12	6
Mr. Surya kant Sethia - Chief Financial Officer	4	
	491	471
Sitting fees		
- Key Management Personnel		
Mrs. Nita Dempo Mirchandani - Director (Independent & Non-executive)	1	-
Mr. P. K. Gupta - Director (Independent & Non-executive)	2	1
Mr. R. N. Sapru - Director (Independent & Non-executive)	2	2
Mr. K. Digvijay Singh - Director (Independent & Non-executive)	1	1
Mr. G. M. Lalwani - Director (Independent & Non-executive)	1	1
Mr. N. S. Marshall - Director (Independent & Non-executive) (w.e.f 21 May 2022)	1	-
	8	5
Rent Deposit Received		
- Holding Company		
J. B. Advani & Company Private Limited*	1	-
- Subsidiary Company and fellow subsidiaries		
3D Future Technologies Pvt Ltd*	-	-
Ador Fontech Limited	1	1
	2	1

Description of the nature of transactions	Year ended 31 March 2023	(Rs. in lakhs)
		Year ended 31 March 2022 (Restated) ^
Dividend paid		
- Holding Company		
J. B. Advani & Company Private Limited	850	-
	850	-
Commission		
- Key Management Personnel		
Mr. R. A. Mirchandani - Director (Non-executive)	10	7
Ms. T. H. Advani - Director (Non-executive)	10	7
Mr. P. K. Gupta - Director (Independent & Non-executive)	10	7
Mr. R. N. Sapru - Director (Independent & Non-executive)	10	7
Mr. K. Digvijay Singh - Director (Independent & Non-executive)	10	7
Mr. G. M. Lalwani - Director (Independent & Non-executive)	10	7
Mrs. Nita Dempo Mirchandani - Director (Independent & Non-executive)	10	7
Dr. D. A. Lalvani - Director (Non-executive) (Whole Time Director upto 31 March 2022)	10	-
Mr. A. T. Malkani - Managing Director	10	-
Ms. N. M. Nagpal (Executive Chairman)	10	-
Mr. N. S. Marshall - Director (Independent & Non-executive) (w.e.f 21 May 2022)	9	-
	109	49

(III) Amount outstanding at the year end:

Description of the nature of transactions	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Trade receivables		
- Holding Company		
J. B. Advani & Company Private Limited	32	55
- Subsidiary Company and fellow subsidiaries		
Ador Powertron Limited*	-	42
Ador Fontech Limited*	-	129
	32	226
Rent deposit payable		
- Holding Company		
J. B. Advani & Company Private Limited	15	14
- Subsidiary Company and fellow subsidiaries		
3D Future Technologies Pvt Ltd*	-	-
Ador Fontech Limited	1	1
	16	15

Description of the nature of transactions	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Other receivables		
- Subsidiary Company and fellow subsidiaries		
Ador Powertron Limited*	-	-
Ador Fontech Limited*	-	2
- Key Management Personnel		
Mr. V. M. Bhide (Corp. Admin, IA, Legal & Company Secretary)*	-	1
	-	3
Trade payables		
- Holding Company		
J. B. Advani & Company Private Limited	315	95
- Subsidiary Company and fellow subsidiaries		
Ador Fontech Limited*	-	137
	315	232
Other payable (Commission payable)		
Mr. R. A. Mirchandani - Director (Non-executive)	10	7
Ms. T. H. Advani - Director (Non-executive)	10	7
Mr. P. K. Gupta - Director (Independent & Non-executive)	10	7
Mr. R. N. Sapru - Director (Independent & Non-executive)	10	7
Mr. K. Digvijay Singh - Director (Independent & Non-executive)	10	7
Mr. G. M. Lalwani - Director (Independent & Non-executive)	10	7
Mrs. Nita Dempo Mirchandani - Director (Independent & Non-executive)	10	7
Dr. D. A. Lalvani Director (Non-executive) (Whole Time Director upto 31 March 2022)	10	7
Mr. A. T. Malkani - Managing Director	10	7
Ms. N. M. Nagpal (Executive Chairman)	10	7
Mr. N. S. Marshall - Director (Independent & Non-executive) (w.e.f 21 May 2022)	9	-
	109	70

* Amounts below Rs 0.50 lakh have been rounded off.

Notes:

- All the above transactions with related parties are net of Goods and Service Tax.
- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. The settlement for these balances occurs through payment. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates

Note 52 - Segment reporting

The Company's chief operating decision maker (CODM) examines the Company's performance and has identified three reportable segments of its business instead of two segment as reported earlier:

- (i) Consumables
- (ii) Equipment and automation
- (iii) Flares & Process Equipment Division

The above operating segments have been identified considering:

- (i) The internal financial reporting systems
- (ii) The nature of the products/ process
- (iii) The organisation structure as well as differential risks and returns of these segments.

Types of products and services in each business segment:

Business Segment	
a) Consumables	Electrodes, wires, agency items related to consumables from Silvassa, Raipur and Chennai plant.
b) Equipment and automation	Equipment, spares, cutting products and agency items related to equipment, cutting products etc. from Chinchwad plant.
c) Flares & Process Equipment Division	Flares & Process Equipment Division (FPED) Division is a multi-disciplined SBU that provides services like design, manufacture, erection & commissioning, mechanical, electrical and instrumentation of process packages, process equipment, flare system & components and EPC contracts from Chinchwad plant.

Revenue and expenses have been accounted on the basis of their relationship to the operating activities of the segment. Expenses, which related to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Income" and "Unallocable Expenses" respectively. Assets and Liabilities, which related to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Assets / Liabilities". Inter-segment transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods.

A) Business segment

Particulars	(Rs. in lakhs)					
	Year ended 31 March 2023			Year ended 31 March 2022 (Restated) ^		
	External	Inter Segment	Total	External	Inter Segment	Total
1. Segment revenue						
Consumables	61,490	(41)	61,449	53,571	(31)	53,540
Equipment and automation	11,535	(31)	11,504	9,878	(24)	9,854
Flares & Process Equipment Division	4,779	(56)	4,723	2,843	(89)	2,754
Total revenue	77,804	(128)	77,676	66,292	(144)	66,148
2. Segment result						
(a) Segment result before exceptional items						
Consumables			8,876			6,060
Equipment and automation			772			784
Flares & Process Equipment Division			486			(90)
Unallocable			(1,961)			(1,575)
			8,173			5,179
(b) Exceptional items (net) profit / (loss)						
Consumables			(146)			-
Equipment and automation			-			(380)
Flares & Process Equipment Division			-			(820)
Unallocable			66			2,098
			(80)			898
(c) Segment result after exceptional items						
Consumables			8,730			6,060
Equipment and automation			772			404
Flares & Process Equipment Division			486			(910)
Unallocable			(1,895)			523
Total Segment result			8,093			6,077
Interest and finance charges (unallocable)			(182)			(256)
Profit / (Loss) before tax			7,911			5,821
Tax (expenses) / credit			(1,982)			(1,319)
Net profit / (loss) after tax			5,929			4,502
3. Capital expenditure						
Consumables			1,227			749
Equipment and automation			249			92
Flares & Process Equipment Division			391			22
Unallocated			116			453
Total capital expenditure			1,983			1,316

Particulars	(Rs. in lakhs)					
	Year ended 31 March 2023			Year ended 31 March 2022 (Restated) ^		
	External	Inter Segment	Total	External	Inter Segment	Total
4. Depreciation and amortisation						
Consumables			656			639
Equipment and automation			254			269
Flares & Process Equipment Division			69			62
Unallocated			182			113
Total depreciation and amortisation			1,161			1,083

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Other information		
Segment assets		
Consumables	25,184	22,193
Equipment and automation	9,925	7,595
Flares & Process Equipment Division	4,435	4,245
Assets classified as held for sale (unallocable)	80	7
Unallocated	5,544	5,225
Total assets	45,168	39,265
Segment liabilities		
Consumables	5,375	6,036
Equipment and automation	2,677	1,897
Flares & Process Equipment Division	2,016	2,456
Unallocated	2,749	684
Total liabilities	12,817	11,073
Capital employed		
Consumables	19,809	16,157
Equipment and automation	7,248	5,698
Flares & Process Equipment Division	2,419	1,789
Unallocated	2,875	4,548
Total capital employed	32,351	28,192

B) Geographical segment**Revenue from external customers:**

Particulars	Year ended 31 March 2023	(Rs. in lakhs)
		Year ended 31 March 2022 (Restated) ^
Within India	70,547	63,006
Outside India	7,129	3,142
Total	77,676	66,148

Domestic Segment includes sales and services rendered to customers in India.

Overseas Segment includes sales and services rendered to customers located outside of India.

Non-current assets:

The following are the details of the carrying amount of non current assets, which do not include deferred tax assets, income tax assets, financial assets and investments, of the geographical area in which the assets are located:

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
Within India	16,679	16,169
Outside India	118	99
Total	16,797	16,268

C) Other disclosures

- The Company is currently focused on three business segments : Consumables, Equipment and Automation, and Flares & Process Equipment Division. The Company's organisational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.
- The Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.
- The geographical information considered for disclosure are :
 - Sales within India
 - Sales outside India
- No single external customer represents 10% or more of the Company's revenue from operations for the year ended 31 March 2023 and 31 March 2022.

Note 53 - Fair value measurements

Financial assets and liabilities

The carrying value of financial instruments by categories is as follows:

Particulars	(Rs. in lakhs)			
	31 March 2023		31 March 2022 (Restated) ^	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
<u>Financial Assets - Non-current</u>				
Investments	-	269	-	-
Loans	-	22	-	30
Other non-current financial assets	-	767	-	927
<u>Financial Assets - Current</u>				
Investments	1,759	-	1,988	-
Trade receivables	-	12,517	-	9,315
Cash and cash equivalents	-	595	-	661
Other bank balances	-	94	-	102
Loans	-	38	-	38
Other current financial assets	-	50	-	92
<u>Financial Liabilities - Non-current</u>				
Borrowings	-	73	-	60
Lease liabilities	-	84	-	127
Other non-current financial liabilities	-	16	-	18
<u>Financial Liabilities - Current</u>				
Borrowings	-	1,513	-	8
Lease liabilities	-	58	-	26
Trade payables	-	7,308	-	7,751
Other financial liabilities	-	1,346	-	996

All the above amounts are net of provisions for impairments.

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgments and estimates made in determining the fair values of the financial instruments that are

- recognised and measured at fair value and,
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.”

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

The fair values for Security deposits, loan to employees and deposits are based on discounted cash flows using a discount rate determined considering the borrowing rate charged by the bank on the loan facility availed.

III. Financial assets and liabilities measured at fair value (Fair value hierarchy- recurring fair value measurement):

Particulars	(Rs. in lakhs)		
	Investment in Mutual funds	Investment in Bonds	Total
As at 31 March 2023			
Level 1	1,729	-	1,729
Level 2	-	299	299
As at 31 March 2022			
Level 1	1,958	-	1,958
Level 2	-	30	30

IV. Fair value of financial assets and liabilities measured at amortised cost for which fair values are disclosed

Particulars	(Rs. in lakhs)			
	31 March 2023		31 March 2022 (Restated) ^	
	Fair Value	Carrying amount	Fair Value	Carrying amount
<u>Financial assets - Non-current</u>				
Investments	287	269	-	-
Loans	22	22	30	30
Other financial assets	767	767	927	927
<u>Financial Assets - Current</u>				
Trade receivables	12,517	12,517	9,315	9,315
Cash and cash equivalents	595	595	661	661
Other bank balances	94	94	102	102
Loans	38	38	38	38
Other current financial assets	50	50	92	92
<u>Financial liabilities - Non-current</u>				
Borrowings	73	73	60	60
Lease liabilities	84	84	127	127
Other non-current financial liabilities	16	16	18	18
<u>Financial Liabilities - Current</u>				
Borrowings	1,513	1,513	8	8
Lease liabilities	58	58	26	26
Trade payables	7,308	7,308	7,751	7,751
Other financial liabilities	1,346	1,346	996	996

During the years mentioned above, there have been no transfers amongst the levels of hierarchy.

The fair values computed above for assets measured at amortised cost are based on discounted cash flows using a current borrowing rate. They have been classified at level 2 in fair value hierarchy due to the use of valuation techniques which measure the use of observable market data.

Note 54- Financial risk management

The company is exposed primarily to fluctuations in foreign currency exchange rates, credit quality and liquidity management which may adversely impact the fair value of its financial assets and liabilities. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the company. The Company's principal financial assets include loans, investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments in mutual funds and bonds.

A) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms and obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and credit worthiness of the customer on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables, loans, cash and bank balances and bank deposits.

To manage credit risk, the Company follows a policy of advance payment or credit period upto 30 days to reputed customers. In case of foreign receivables, majority of the sales are made either against advance payments or by way of letter of credit. The credit limit policy is established considering the current economic trends of the industry in which the company is operating.

Also, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Bank balances are held with only high rated banks and majority of other security deposits are placed majorly with government agencies.

The table below provides details regarding past dues receivables as at each reporting date:

	(Rs. in lakhs)					
	Not due	0-12 months	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2023						
Gross Carrying amount of - trade receivables (Un-disputed)	6,238	4,746	568	395	379	12,326
Expected credit loss - trade receivables (Un-disputed)	-	176	235	209	379	999
Expected credit loss - trade receivables (%)	0%	4%	41%	53%	100%	8%
Gross Carrying amount of - trade receivables (Disputed)	-	-	2,722	13	140	2,875
Expected credit loss - trade receivables	-	-	1,661	13	11	1,685
Expected credit loss - trade receivables (%)	100%	100%	61%	100%	8%	59%
Carrying amount of trade receivables (net of impairment)	6,238	4,570	1,394	186	129	12,517
As at 31 March 2022						
Gross Carrying amount of - trade receivables (Un-disputed)	4,590	2,938	494	187	424	8,633
Expected credit loss - trade receivables (Un-disputed)	-	178	14	56	260	508
Expected credit loss - trade receivables (%)	0%	6%	3%	30%	61%	6%
Gross Carrying amount of - trade receivables (Disputed)	-	2,494	241	140	-	2,875
Expected credit loss - trade receivables	-	1,433	241	11	-	1,685
Expected credit loss - trade receivables (%)	100%	100%	100%	8%	100%	59%
Carrying amount of trade receivables (net of impairment)	4,590	3,821	480	260	164	9,315

B) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain optimum levels of liquidity and to ensure that funds are available for use as per requirement. The liquidity risk principally arises from obligations on account of following financial liabilities viz. borrowings, trade payables and other financial liabilities.

The Company's corporate finance department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The maturity profile of the Company's financial liabilities based on contractual undiscounted payment at each reporting date is :

As at 31 March 2023

Particulars	(Rs. in lakhs)				
	Less than 1 year	1 - 2 years	2 -5 years	More than 5 years	Total
Financial Liabilities - Non-current					
Borrowings	-	19	56	9	84
Lease liabilities	-	66	24	-	90
Other non-current financial liabilities	-	-	16	-	16
Financial Liabilities - Current					
Borrowings	1,513	-	-	-	1,513
Lease liabilities	58	-	-	-	58
Trade payables	7,308	-	-	-	7,308
Other current financial liabilities	1,346	-	-	-	1,346
Total	10,225	85	96	9	10,415

As at 31 March 2022

Particulars	(Rs. in lakhs)				
	Less than 1 year	1 - 2 years	2 -5 years	More than 5 years	Total
Financial Liabilities - Non-current					
Borrowings	-	13	38	22	73
Lease liabilities	-	32	67	69	168
Other non-current financial liabilities	-	-	13	5	18
Financial Liabilities - Current					
Borrowings	8	-	-	-	8
Lease liabilities	26	-	-	-	26
Trade payables	7,751	-	-	-	7,751
Other current financial liabilities	996	-	-	-	996
Total	8,781	45	118	96	9,040

C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk. The company's exposure to market risk is primarily on account of foreign currency risk and price risk.

(i) Foreign currency risk

The Company is exposed to foreign exchange risk on their receivables, payables and bank balances which are held in USD, AED, KWD and EUR. The fluctuation in the exchange rate of INR relative to USD, AED, KWD and EUR may have a material impact on the Company's assets and liabilities.

In respect of the foreign currency transactions, the Company manages the exchange rate exposure by entering into forward contracts where the exposure is significant. Further, some of the exposures are kept open since the management believes the same will be offsetted by the corresponding receivables and payables which will be in the nature of natural hedge.

The Company's exposure to unhedged foreign currency risk at the end of reporting period are as under:

Particulars	(Rs. in lakhs)				
	As at 31 March 2023				
	USD	AED	KWD	EUR	Total
Financial assets					
Trade receivables	1,783	-	1,198	-	2,981
Bank balances	129	14	-	-	143
Total exposure to foreign currency risk (assets)	1,912	14	1,198	-	3,124
Financial liabilities					
Trade payables	170	-	1,198	22	1,390
Lease liabilities	-	90	-	-	90
Total exposure to foreign currency risk (liabilities)	170	90	1,198	22	1,480

Particulars	(Rs. in lakhs)				
	As at 31 March 2022 (Restated) ^				
	USD	AED	KWD	EUR	Total
Financial assets					
Trade receivables	605	-	1,198	-	1,803
Bank balances	15	45	-	-	60
Total exposure to foreign currency risk (assets)	620	45	1,198	-	1,863
Financial liabilities					
Trade payables	58	-	1,198	10	1,266
Lease liabilities	-	105	-	-	105
Total exposure to foreign currency risk (liabilities)	58	105	1,198	10	1,371

Sensitivity Analysis

The following table demonstrates the sensitivity in USD, EUR, AED and KWD with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

Currencies	31 March 2023		(Rs. in lakhs) 31 March 2022	
	Effect on Profit before tax	Effect on Pre-tax equity	Effect on Profit before tax	Effect on Pre-tax equity
5 % appreciation	82	82	25	(25)
5 % depreciation	(82)	(82)	(25)	25

(ii) Price Risk

The Company is exposed to price risk from its investment in mutual fund and bonds classified in the balance sheet at fair value through profit or loss.

To manage its price risk arising from the investment, the Company has invested in the mutual funds and bonds after considering the risk and return profile of the said investments i.e. the debt profile of the investments indicates that the debt has been given to creditworthy banks and other institutional parties and equity investment is made after considering the performance of the stock.

Sensitivity Analysis

Particulars	31 March 2023		(Rs. in lakhs) 31 March 2022	
	Effect on Profit before tax	Effect on Pre-tax equity	Effect on Profit before tax	Effect on Pre-tax equity
Impact on profit before tax for 5% increase in NAV/ Price	88	88	99	99
Impact on profit before tax for 5% decrease in NAV/ Price	(88)	(88)	(99)	(99)

Note 55 - Capital Management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits to other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders.

The Company monitors its capital by using gearing ratio, which is net debt divided by total equity. Net debt includes interest bearing loans. Total equity comprises of Equity share capital, General reserve, Capital redemption reserve and Retained earnings.

A. The capital composition is as follows:

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
(a) Net debt [Refer note (61)]	1,133	(440)
(b) Equity	32,351	28,192
(c) Gearing ratio (a/b)	0.04	(0.02)

B. Dividends

Particulars	As at 31 March 2023	(Rs. in lakhs)
		As at 31 March 2022 (Restated) ^
(a) Final dividend		
Final proposed dividend - Rs. 17.5 per share for each fully paid up share for 31 March 2023 (31 March 2022- Rs. 12.5 per share for each fully paid share)	2,380	1,700

Note 56 - Earnings per share

Particulars	Year ended 31 March 2023	Year ended
		31 March 2022 (Restated) ^
Net Profit after tax for the year (Rs. in lakhs)	5,929	4,502
Profit attributable to equity share holders (Rs. in lakhs)	5,929	4,502
Weighted Average Number of equity shares outstanding during the year	1,35,98,467	1,35,98,467
Basic and Diluted Earnings Per Share (Rs.)	43.60	33.11
Face Value per Share (Rs.)	10.00	10.00

Note 57 - Assets Pledged as security:

The carrying amounts of Assets Pledged as security for current borrowings are:

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
<u>Current Assets</u>		
Financial Assets		
Investments	1,759	1,988
Trade Receivables	12,517	9,315
Cash and cash equivalents	595	661
Other bank balances	94	102
Loans	38	38
Other financial assets	50	92
Non Financial Assets		
Inventories	11,621	8,997
Other current assets	1,617	1,797
Total Current Assets Pledged as security	28,291	22,990
<u>Non Current Assets</u>		
Plant and Machinery	4,408	3,739
Land and building at Silvassa plant	1,468	1,477
Land and building at Chennai plant	353	373
Other moveable fixed assets	1,285	1,262
Total Non-Current Assets Pledged as security	7,514	6,851
Total Assets Pledged as security	35,805	29,841

Note 58 - Revenue expenditure incurred during the year on research and development amounts to Rs. 441 lakhs (31 March 2022: Rs. 332 lakhs) (including depreciation Rs. 29 lakhs (31 March 2022: Rs. 28 lakhs) and capital expenditure thereof amounts to Rs. 43 lakhs (31 March 2022: Rs. 2 lakhs).

Note 59

- (i) No funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.
- (ii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 60- Revenue from contracts with customers: Ind AS 115

The Company is engaged in providing welding Products Technologies and Services, customized solutions for multi-disciplinary projects and contracts related to refineries, oil and gas, petrochemicals, fertilizers, steel plants, pharma, water and other chemical process industries. Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

The Company determines revenue recognition through the following steps:

1. Identification of the contract, or contracts, with a customer.
2. Identification of the performance obligations in the contract.
3. Determination of the transaction price.
4. Allocation of the transaction price to the performance obligations in the contract.
5. Recognition of revenue when, or as, we satisfy a performance obligation.

a) Disaggregated revenue information

The Company has three reportable segments of its business :

- (i) Consumables
- (ii) Equipment and automation
- (iii) Flares & Process Equipment Division

The Company's revenue disaggregated by pattern of revenue recognition for the year ended 31 March 2023 and 31 March 2022 are as follows:

Sr. No	Particulars	Year ended 31 March 2023	(Rs. in lakhs)
			Year ended 31 March 2022 (Restated) ^
1	<u>Goods and services transferred at a point in time</u>		
	(i) Consumables	61,451	53,540
	(ii) Equipment and automation	11,503	9,854
2	<u>Goods and services transferred over time</u>		
	(iii) Flares & Process Equipment Division	4,722	2,754
	Total	77,676	66,148

b) (i) Contract balances information

Particulars	Trade receivables	Contract Assets (Refer note (ii) below)	(Rs. in lakhs)
			Contract Liabilities (Refer note (ii) below)
Balance as at 1 April 2021	10,533	314	507
Net Increase/(decrease)	(1,218)	(189)	298
Balance as at 1 April 2022	9,315	125	805
Net Increase/(decrease)	3,202	(11)	(275)
Balance as at 31 March 2023	12,517	114	530

(ii) Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

1. The significant changes in contract Assets includes contracts are billed during the year for an amount of Rs. 11 lakhs (31 March 2022: Rs. 186 lakhs) and unbilled revenue written off during the previous year Rs. 3 lakhs.
2. The significant changes in contract liabilities includes customer and distributors advance during the year decreased by Rs. 275 lakhs (31 March 2022 increased by Rs. 298 lakhs).

(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price as on 31 March 2023 and 31 March 2022 as follows:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
Revenue as per contracted price	77,875	66,370
Adjustments:		
Sales return	(199)	(222)
Revenue from contract with customers	77,676	66,148

c) Performance obligations

The following aggregated amounts of transaction prices relate to the performance obligations from existing contracts that are unsatisfied or partially unsatisfied as on 31 March 2023 and 31 March 2022 as follows:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
Revenue expected to be recognised	12,489	2,577

Note 61- Net debt reconciliation

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated) ^
Cash and cash equivalents	595	661
Borrowings	(1,586)	(68)
Lease liability	(142)	(153)
Interest Payable	-	-
Net debt	(1,133)	440

Particulars	(Rs. in lakhs)				
	Cash and cash equivalents	Borrowings	Lease liability	Interest Payable	Total
Net debt as at 1 April 2021	1,704	(2,800)	(119)	(16)	(1,231)
Cash flows	(1,043)	-	-	-	(1,043)
Repayment of borrowing	-	2,802	-	-	2,802
Proceeds from borrowing	-	(70)	-	-	(70)
Non cash movement : Acquisitions/disposals/revaluation	-	-	(51)	-	(51)
Leases	-	-	17	-	17
Finance costs recognised	-	-	(13)	(359)	(372)
Finance costs paid	-	-	13	375	388
Net debt as at 1 April 2022	661	(68)	(153)	-	440
Cash flows	(66)	-	-	-	(66)
Repayment of borrowing	-	10	-	-	10
Proceeds from borrowing	-	(1,528)	-	-	(1,528)
Non cash movement : Acquisitions/disposals/revaluation	-	-	(39)	-	(39)
Leases	-	-	50	-	50
Finance costs recognised	-	-	(15)	(220)	(235)
Finance costs paid	-	-	15	220	235
Net debt as at 31 March 2023	595	(1,586)	(142)	-	(1,133)

Note 62- Exceptional items :

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
<p>1. Impairment in the value of the wire manufacturing facility-</p> <p>During the year, the Company had provided Rs. 146 lakhs towards impairment in the carrying value of one of the manufacturing facility of wires based on order from potential buyer.</p>	(146)	-
<p>2. Balances with government authorities-</p> <p>The Company has written off Rs. 380 lakhs towards disputed VAT input credit matter which was pending before CESTAT, VAT tribunal during the current year. The Company has decided to avail benefit of Amnesty scheme announced by Government of Maharashtra.</p>	-	(380)
<p>3. Flares & Process Equipment Division</p> <p>During the year, the Company has sold one project, which was in progress (as is where as basis) to the third party and booked an additional cost of Rs. 535 lakhs towards compensation to buyer for future estimated losses, expected liquidated damage and other incidental costs. (It includes provision of Rs. 230 lakhs and Rs.305 lakhs towards write off)</p>	-	(535)
<p>During the year, the Company has made provision of Rs. 285 lakhs towards cost incurred on crematorium projects of MCGM and expected liquidated damages, as estimated by the Management.</p>	-	(285)
<p>4. Profit on sale of Property</p> <p>During the year, the Company has sold partly property situated at Kochi and the profit on sale has been recognised as an exceptional item.</p> <p>During the previous year, the Company had sold three properties situated at Delhi- Narayana, Silvassa and Ahmednagar and the profit on sale had been recognised as an exceptional item."</p>	66	2,098
Total	(80)	898

Note 63- Corporate Social Responsibility :

The Company has formed a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013. The Company is required to spend Rs. 63.43 lakhs as per Section 135(5). However, the Company has spent Rs. 63.47 lakhs on the activities mentioned in Schedule VII to the Companies Act, 2013. The Company had spent Rs. 0.09 lakh excess in previous financial year and hence eligible for set off, against current financial year obligation.

Details of CSR spent during the financial year 2022-23:

Where the company covered under section 135 of the companies act, the following shall be disclosed with regard to CSR activities:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022 (Restated) ^
(i) Amount required to be spent by the Company during the year	63	48
(ii) Amount of expenditure incurred * (Refer note a below)	63	58
(iii) Shortfall at the end of the year *	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA

(vi) Nature of amount spent during financial year 2022-23 is detailed below:-

CSR project or activity identified	Sector in which project is covered	Projects or programs	(Rs. in lakhs) Amount spent: direct or through implementing agency
Promoting Education	Promoting education for poor & needy	Additional salary to school teachers at Advani Oerlikon Higher Secondary School, Birgaon, Raipur	6
Promoting Education	Promoting education for poor & needy	Contributing to "Rotary Innovation Centre" for Imparting employability / entrepreneurship skills and Skill development w.r.t. Robotics, AI, IOT, 3D Printing	0
Livelihood enhancement project	Contribution to relief funds for socio economic development, relief and welfare of the socially backward class/ unprivileged	Providing financial assistance to orphans & single parent children	4
Education, Women Empowerment, Skill Development & Healthcare	Contribution to relief funds for socio economic development, relief and welfare of the socially backward class/ unprivileged	Contribution made to the Trusts / NGOs through Ador Foundation:	43

CSR project or activity identified	Sector in which project is covered	Projects or programs	(Rs. in lakhs)
			Amount spent: direct or through implementing agency
Promoting Education	Promoting education for poor & needy	Purchase of Sports Equipments at Advani Oerlikon Higher Secondary School, Birgaon, Raipur	0
Promoting Education	Promoting education for poor & needy	Repair, painting & flooring work at Advani Oerlikon Higher Secondary School, Birgaon, Raipur	6
Livelihood enhancement project related to underprivileged children	Contribution to relief funds for socio economic development, relief and welfare of the socially backward class / unprivileged	Purchase 100 Chairs and Washing Machine for 120 Orphan & Needy Girls	1
Animal Welfare	Contribution to the welfare of street animals / stray dogs	Contributing to "Rabies Mukti Mission – 2025" for vaccinating stray dogs in Maharashtra with anti-rabies vaccination with the view to eradicate / prevent rabies.	0
Livelihood Enhancement Project	Promoting Health Care Including Preventive Health Care	Contributing to the treatment (Radiation therapy) of an underprivileged girl child, suffering from deadly disease.	0
Setting Up Homes And Hostels For Orphans	Contribution to relief funds for socio economic development, relief and welfare of the socially backward class / unprivileged	Providing financial assistance for Infrastructure Development & Renovation, procuring materials / instruments and improvisation of an old-age home.	1
Livelihood Enhancement Project	Contribution to relief funds for socio economic development, relief and welfare of the socially backward class / unprivileged	Providing nutrition kit and health-care products to underprivileged Adivasi children	1
Livelihood Enhancement Project	Promoting Health Care Including Preventive Health Care	Extending financial assistance for providing mental health services at bare minimum / marginal cost to the low income group people	1
Total			63

Note :

Amount spent during the year on

Particulars	(Rs. In lakhs)	
	2022-23	2021-22
i) Construction / Acquisition of any assets	-	-
ii) Purpose other than (i) above	63	58
Total	63	58

(vii) Details of related party transactions:

During the current year, Company has not entered into any related party transaction with respect to CSR expenditure.

(viii) During the year, the Company has not required to make any provision with respect to a liability incurred by entering into a contractual obligation.

Note 64- Merger of subsidiary company (Ador Welding Academy Private Limited) :

As a part of reorganization of the Company, the Board of Directors of the Company and its wholly owned subsidiary, Ador Welding Academy Private Limited (AWAPL) (engaged in providing training in respect of welding activity) have in their respective board meetings held on 28 May 2021, unanimously approved the proposal for the amalgamation of AWAPL with the Company, subject to all the necessary statutory / regulatory approvals.

The Scheme of Amalgamation ('The Scheme') for merger of AWAPL with the Company has been approved by the National Company Law Tribunal (NCLT), Mumbai Bench under Section 230 to Section 232 of Chapter XV of the Companies Act, 2013 on 03 February 2023, the Scheme has become effective from appointed date i.e., 1 April 2021. The Scheme of Amalgamation ('The Scheme') for merger of AWAPL with the Company has been approved by the National Company Law Tribunal (NCLT), Mumbai Bench under Section 230 to Section 232 of Chapter XV of the Companies Act, 2013 on 03 February 2023, the Scheme has become effective from appointed date i.e., 1 April 2021. The merger has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combinations' and comparatives have been restated for merger from the beginning of the preceding year i.e. 1 April 2021 as detailed in Tables 1, 2 and 3 below.

In accordance with the Scheme, the shares held by the Company in AWAPL shall stand cancelled and extinguished in entirety. Since the Company is the 100% shareholder of AWAPL, no shares shall be required to be allotted by the Company either to itself or to any of its nominee shareholders holding shares in AWAPL.

The difference, between the book value of the assets of AWAPL and the aggregate of: (a) the book value of liabilities of AWAPL vested in the Company pursuant to the Scheme; (b) the book value of the reserves of AWAPL vested in the Company pursuant to the Scheme; and the book value of investment held by the Company in AWAPL, recorded as capital reserve. Upon the Scheme becoming effective and with effect from the appointed date, the authorized share capital of AWAPL shall stand transferred to and be merged/amalgamated with the authorised share capital of the Company. Consequently, authorised share capital of the Company enhanced to Rs. 3,300 lakhs (divided into 3,30,00,000 equity shares of Rs. 10 each).

Table 1 - Restatements - Balance Sheet

Particulars	As at 31 March 2022 Reported	As at 31 March 2022 Restated
Assets		
(1) Non-current assets		
(a) Property, plant and equipment	10,393	10,471
(b) Right-of-use asset	481	481
(c) Capital work-in-progress	706	706
(d) Investment property	729	729
(e) Intangible assets	65	66
(f) Intangible assets under development	4	4
(g) Financial assets		
(i) Investment	213	-
(ii) Loans	30	30
(iii) Other financial assets	928	927
(h) Income Tax (current-tax) assets (net)	1,192	1,192
(i) Deferred tax assets (net)	275	268
(j) Other non-current assets	1,394	1,394
Total non-current assets	16,410	16,268
(2) Current assets		
(a) Inventories	8,997	8,997
(b) Financial assets		
(i) Investments	1,878	1,988
(ii) Trade receivables	9,315	9,315
(iii) Cash and cash equivalents	638	661
(iv) Other bank balances	102	102
(v) Loans	41	38
(vi) Other financial assets	91	92
(c) Other current assets	1,794	1,797
	22,856	22,990
(d) Assets classified as held for sale	7	7
Total current assets	22,863	22,997
Total Assets	39,273	39,265
Equity and liabilities		
Equity		
(a) Equity share capital	1,360	1,360
(b) Other equity	26,841	26,832
Total equity	28,201	28,192

Particulars	As at 31 March 2022 Reported	As at 31 March 2022 Restated
Liabilities		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	60	60
(ii) Lease liabilities	127	127
(iii) Other financial liabilities	18	18
(b) Provisions	469	469
(c) Deferred tax liabilities (net)	-	-
(d) Other non-current liabilities	3	3
Total non-current liabilities	677	677
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	8	8
(ii) Lease liabilities	26	26
(iii) Trade payables		
Total outstanding dues to micro, small and medium enterprises	192	192
Total outstanding dues to creditors other than micro, small and medium enterprises	7,558	7,559
(iv) Other financial liabilities	986	996
(b) Other current liabilities	933	923
(c) Provisions	651	651
(d) Current tax liabilities, (net)	41	41
Total current liabilities	10,395	10,396
Total equity and liabilities	39,273	39,265

Table 2 - Restatements – Statement of Profit and loss

Particulars	Year ended 31 March 2022 Reported	Year ended 31 March 2022 Restated
I. Income		
(a) Revenue from operations	66,148	66,148
(b) Other income	541	548
Total Income	66,689	66,696
II. Expenses		
(a) Cost of raw materials and components consumed	42,125	42,125
(b) Purchase of stock-in-trade	5,850	5,850

Particulars	Year ended 31 March 2022 Reported	Year ended 31 March 2022 Restated
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress"	(990)	(990)
(d) Employee benefits expenses	4,865	4,866
(e) Finance costs	372	372
(f) Depreciation and amortisation expense	1,083	1,090
(g) Other expenses	8,459	8,460
Total Expenses	61,764	61,773
III. Profit before exceptional items and tax (I-II)	4,925	4,923
IV. Exceptional items (net) income /(expenses)	898	898
V. Profit /(Loss)before tax (III-IV)	5,823	5,821
VI. Tax expense /(credit)		
(a) Current tax	1,473	1,473
(b) Deferred tax (credit)/charge	(169)	(168)
(c) MAT Credit Entitlement	-	14
Total tax expense /(credit)	1,304	1,319
VII. Profit / (Loss)for the year (V-VI)	4,519	4,502
VIII. Other comprehensive income		
(a) Items that will not be reclassified to statement of profit and loss	(81)	(81)
(b) Income tax relating to above items	20	20
Total other comprehensive (loss) / income(net)	(61)	(61)
IX. Total comprehensive income / (loss) for the year (VII+VIII)	4,458	4,441
X. Earnings per equity share		
Basic and diluted earnings /(losses)per share (Face value per share Rs. 10)	33.23	33.10

Table 3 - Restatements – Statement of Cash flow

Particulars	Year ended 31 March 2022 Reported	Year ended 31 March 2022 Restated
Cash flows from Operating Activities	2,633	2,639
Cash flows from Investing Activities	(546)	(545)
Cash flows from Financing Activities	(3,137)	(3,137)
Net increase in cash and cash equivalents	(1,050)	(1,043)
Add: Cash and cash equivalents at beginning of the year	1,688	1,704
Cash and cash equivalents at the end of the year	638	661

Table 4 - Capital Reserve on Merger due to the excess of the net assets taken over against the cancellation of investments in equity shared of AWAPL held by the company

Particulars	Amount (Rs. in lakhs)
A) Assets taken over	
Non-current assets	101
Current assets	129
Total assets (A)	230
B) Liabilities taken over	
Non-current liabilities	6
Current liabilities	2
Total liabilities (B)	8
C) Net assets taken over (C = A – B)	222
D) Reserves of AWAPL vested in the Company:	
Retained earnings	(132)
Total reserves	(132)
E) Cancellation of Investments in equity of AWAPL held by the Company	213
Capital reserve on amalgamation (C - D – E)	141

Note 65- Disclosure of Ratios :

Sr. No.	Nature of Ratio	Description		As at 31 March 2023	As at 31 March 2022	% change from Previous year	Reason for change more than 25%:
		Nominator	Denominator	Ratio	Ratio		
1	Current Ratio	Current Asset	Current Liabilities	2.36	2.21	7%	N.A.
2	Debt-Equity Ratio	Borrowings	Net worth	0.05	0.00	1932%	As business has increased and which lead to higher requirement of working capital (Significant increase in trade receivables and inventory)

Sr. No.	Nature of Ratio	Description		As at 31 March 2023	As at 31 March 2022	% change from Previous year	Reason for change more than 25%:
		Nominator	Denominator	Ratio	Ratio		
3	Debt Service Coverage Ratio	Profit After Tax (before exceptional Item)+Depreciation +Interest on borrowing	Interest on borrowings	44.19	20.45	116%	As stated above, because of significant increase in business profit also increase significantly which is reflected in improved debt service coverage ratio. Also average borrowing is lesser as compare to last year.
4	Return on Equity Ratio	Profit After Tax (before exceptional Item)	Average Shareholders fund	20%	14%	43%	Profit After Tax has improved compared to last year, due to improvement in turnover.
5	Inventory turnover ratio	Cost of Goods sold	Average Inventory	5.07	6.16	-18%	N.A.
6	Trade Receivables turnover ratio	Revenue from operations	Average Trade receivables	7.12	6.67	7%	N.A.
7	Trade payables turnover ratio	Credit purchases	Average trade payables	8.17	7.09	15%	N.A.
8	Net capital turnover ratio	Revenue from operations	Working Capital	4.75	5.25	-9%	N.A.
9	Net profit ratio	Profit After Tax (before exceptional Item)	Sales (Revenue from Operations)	8%	5%	41%	Profit After Tax has improved compared to last year, due to improvement in turnover and efficiency.
10	Return on Capital employed	Earning Before Interest and Tax(before exceptional item)	Capital employed (Net worth + Total debt)	24%	18%	32%	Earning Before Interest and Tax has improved compared to last year, due to improvement in turnover.
11	Return on investment.	Return on investment	Average of Investment	2%	4%	-43%	Company has invested in Mutual fund in FY 22, overall market rates are low in FY 23.

Note 66 - The Company has registered all charges or satisfaction with Registrar of Companies during current year and previous year.

Note 67 - During the current year and previous year, the Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Note 68 - The Board has recommended a final dividend for the financial year 2022-23 @ Rs.17.5 per share, i.e. 175% of the face value of Rs.10 each.

Note 69 - The Company evaluated subsequent events from the balance sheet date to 30 May 2023, the date at which the financial statement were available to be issued and determined that there are no item to report.

Note 70 - The figures of the previous years have been regrouped / rearranged wherever necessary. The impact of restatements/ regroupings in the previous year fugures are not material to Financial Statements except as explained in note 64 (amalgamation).

Note 71 - Amounts below Rs 0.50 lakh have been rounded off.

The accompanying notes form an integral part of the financial statements

This is a summary of significant accounting policies and other explanatory information referred to in our other report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No. 042423

Place : Mumbai
Date : 30 May 2023

Vinayak M. Bhide
Head - Corp. Admin,
Legal and Company
Secretary

Surya kant Sethia
Chief Financial Officer

Aditya T. Malkani
Managing Director
DIN : 01585637

N. Malkani Nagpal
Executive Chairman
DIN : 00031985

Place : Mumbai
Date : 30 May 2023

For and on behalf of the Board of Directors

ADOR'S WELDING TRAINING DIVISION

Ador Welding Training Division has been instrumental in training welders with the right skills for over 7 decades now. In last FY 2022-23, the training division successfully trained over 850 candidates in a series of in-house & onsite training sessions, including trade testing of welders, who aspire to move abroad.

Staying true to our commitment of "Creating the Best Welding Experience", we helped develop a workforce for one of the leading global port organizations. We were invited to conduct an output-outcome-based welding training session for their welders, adding to yet another training milestone for Ador.

In FY 2022-23, we continued to support the ITIs by providing free training sessions to their students. The welding training sessions are built keeping the industry demands in mind and help students find better job opportunities, while also supplying

skilled welders to the nation. FY 2022-23 also gave us the opportunity to upgrade welders' skills and engineers' knowledge, specific to maintenance-related welding in the mining sector.

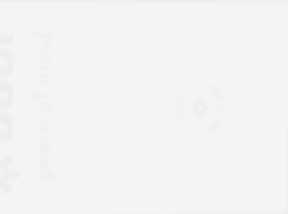
Ador's effort towards providing the nation with skilled welders was recognized at the WELDFAB TECH AWARDS – 2022, organized by Weldfab Tech Times, where we received the "Best Welding Industry Training Provider" award.

We foresee a good future for skilled welders & welding engineers and along with training sessions, we are also focusing on increasing awareness & aspiration. The youth of India, if trained well, can make a promising career in Welding and add to the "#AtmaNirbhar" initiative by of the government.





ador
peace of mind



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