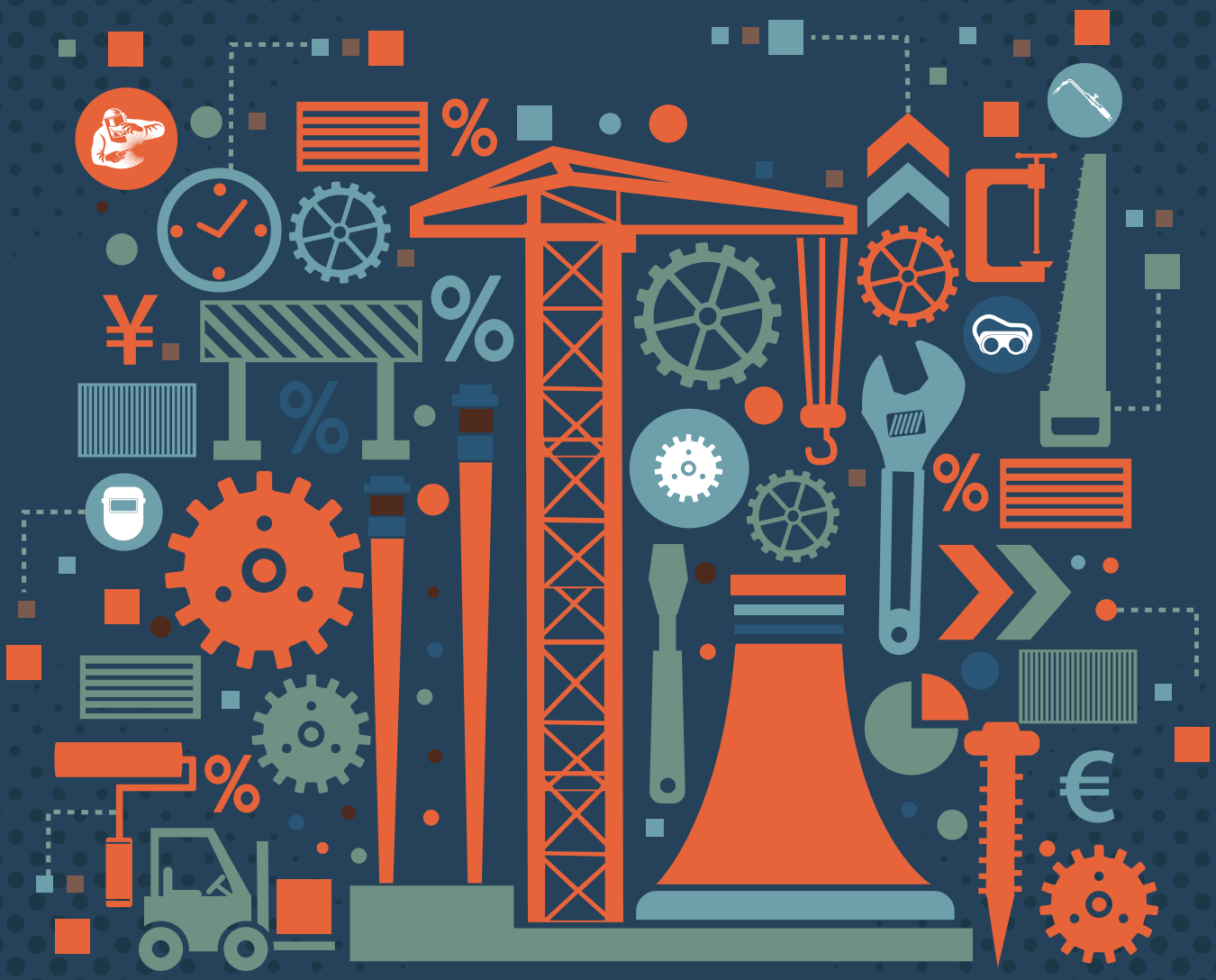
Engineering GROWTH



ADOR WELDING LIMITED

63RD ANNUAL REPORT 2015-16

WELDERS TO THE NATION SINCE 1951

ADOR WELDING LIMITED

REGISTERED & CORPORATE OFFICE

Ador House, 6, K. Dubash Marg,
Fort, Mumbai 400 001-16,
Maharashtra, India.
Tel : +91 22 6623 9300, 2284 2525
Fax : +91 22 2287 3083
Email: investorservices@adorians.com
cmo@adorians.com

PLANTS

Consumables

Raipur
Industrial Estate, Bilaspur Road,
Raipur 493 221,
Chhattisgarh, India.
Tel : +91 771 6452 201
Fax : +91 771 6542 201
Email: rpr.plant@adorians.com

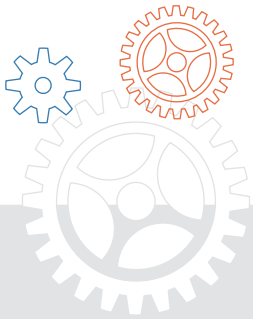
Silvassa
Survey No. 59 / 11 / 1,
Khanvel Road, Masat, Silvassa 396 230,
U.T. of Dadra & Nagar Haveli, India.
Tel : +91 260 2632 287, 3258 843, 2604 477
Fax : +91 260 2632 776
Email: silvassa.plant@adorians.com

Chennai
Melakottiyur, via Vandalur,
Chennai 600 048, Tamil Nadu, India.
Tel : +91 44 2747 7116

Equipment & Project Engineering

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

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



Board of Directors

Ms. A. B. Advani
Executive Chairman

Mr. S. M. Bhat
Managing Director

Mrs. N. Malkani Nagpal$
Whole-Time Director

Mr. R. A. Mirchandani
Director

Mr. A. T. Malkani
Director

Mr. D. A. Lalvani
Director

Mr. M. K. Maheshwari
Director

Mr. P. K. Gupta
Director

Mr. R. N. Sapru
Director

Mr. K. Digvijay Singh
Director

Mr. G. M. Lalwani
Director

Mr. S. G. Mirchandani
Director

Executive Management Team

Mr. S. M. Bhat
Mr. G. A. Patkar
Mr. L. Sundar
Mr. S. S. Bhoi
Mr. V. M. Bhide
Mr. A. R. Vilekar
Mr. Manoj Pandey
Mr. R. Nath
Mr. V. Bansal
Mr. S. Ajay Kumar
Mr. S. K. Palit

Company Secretary

Mr. V. M. Bhide

Registered Office

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

Corporate Identification Number

L70100MH1951PLC008647

Bankers

HDFC Bank
Bank of Baroda
Kotak Mahindra Bank

Statutory Auditors

Walker Chandiok & Co. LLP,
Chartered Accountants
Mumbai

Cost Auditors

Kishore Bhatia & Associates
Cost Accountants
Mumbai

Secretarial Auditors

N. L. Bhatia & Associates
Company Secretaries
Mumbai

Internal Auditors

Kirtane & Pandit LLP,
Chartered Accountants
Pune

Solicitors

Nanu Hormasjee & Co.,
Mumbai

Registrar & Share Transfer Agent (RTA)

Sharex Dynamic (I) Pvt. Ltd,
Unit No. 1, Luthra Industrial Premises,
Andheri Kurla Road,
Safed Pool, Andheri (East),
Mumbai 400 072,
Maharashtra, INDIA.
Tel : +91 22 2851 5606, 44
+91 22 2851 6338
Fax : +91 22 2851 2885
Web : www.sharexindia.com
Email : sharexindia@vsnl.com

$ Re-designated as the Whole Time Director on 07th May, 2015

Board of Directors

We care for the wellbeing of all our stakeholders and we are ethical and responsible in our approach to business.

Ms. A. B. Advani

Executive Chairman

- A Science Graduate (Hons) from University of Sussex and has also done Owners Management Programme from Harvard Business School and Strategic Financial Planning course from IIM, Ahmedabad
- Associated with Ador Welding Limited for over 39 years
- Associated as Chairman and Whole-time Director of the Company since 1999
- Re-designated as the Executive Chairman of the Company w.e.f. 1st May, 2004
- Area of expertise is Strategic Financial Planning

Mr. S. M. Bhat

Managing Director

- A Bachelor in Production Engineering from VJTI of 1983 batch, he has done his post-graduation in International Marketing and Finance from International Management Institute (IMI) New Delhi, which is affiliated with Institute of Management Development (IMD), Geneva
- Nominated for Indirect Taxation Committee of Association of India Automobile Manufacturers (AIAM), Bombay Chamber of Commerce & Industry (BCCI)
- Associated with M/s. Mahindra & Mahindra (M&M) from1983 to 2006 and M/s. Schuler India Pvt. Ltd. from October 2006 to 2008
- Currently also holding honorary post of Secretary to Association of Welding Products Manufacturers (AWPM) which promotes safety practices within user industry and Skill development for the Industry. In addition, the Association takes up all issues faced by Industry through CII with various Govt. departments

Mrs. N. Malkani Nagpal

Whole–Time Director

- MBA, with specialisation in Finance from Imperial College, UK; attained BSC in Business & Economics from Lehigh University, PA, USA
- Formerly associated with Alliance Capital Asset Management in New York
- Over 18 years of experience in Financial Management of Ador Welding Limited and Ador Group of Companies
- Presently heads Ador Group's parent Company, M/s. J.B. Advani & Co. Private Limited and is actively involved in new e-business initiatives of the group

Mr. R. A. Mirchandani

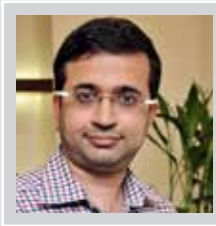
Director (Non-Executive)

- Is a Commerce Graduate and has a Masters Degree in Business Administration (MBA) from the Queensland University of Technology, Brisbane, Australia
- He has worked as Regional Manager South Australia & Northern Territories for M/s. Origin Energy Australia
- He has also worked as Managing Director of M/s. Cryolor Asia Pacific Pvt Limited
- Presently he is part of the leadership team of M/s. Ador Powertron Ltd. and Mack Valves Pvt Limited

Mr. A. T. Malkani

Director (Non-Executive)

- 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. D. A. Lalvani

Director (Non-Executive)

- A Commerce Graduate with distinction in Marketing & Advertising and Masters in commerce with specialisation 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
- 12 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

Mr. Manoj Maheshwari

Director (Non-Executive & Independent)

- Chairman of a large privately held Non-Banking Financial Company - MIPL - as well as an active Angel Investor and Venture Capitalist
- Graduate from the Bombay University with a major in Chemistry and has done his post graduation in Industrial Management
- Work experience encompasses the project management, production, marketing, financial and general management areas of medium sized companies
- Serves on the board of directors of a number of public and private companies as an executive/independent non-executive director and brings a judicious mix of entrepreneurial and professional skills to the various Boards that he serves on
- Serves as Director of Metro Shoes Limited, Mahindra Gears and Transmissions Pvt Limited and Mahindra CIE Limited, in addition to several private limited companies, he also serves a number of Board Committees

Mr. Piyush K. Gupta

Director (Non-Executive & Independent)

- An Arts & Law Graduate from University of Delhi; pursued Masters Degree in Law from Harvard Law School, USA
- Possess expertise in Intellectual Property, Joint Ventures, Corporate Governance among others
- Currently, CEO of Yumchek, an internet start-up, with the purpose to #MakeEachMealCount
- Formerly associated with various companies like UnitedLex (legal BPO) as SVP Legal Services, with UTStarcom (a telecom and internet equipment company) as Assistant General Counsel, and with O'Melveny & Meyers LLP (an international law firm) as Counsel in Washington DC

Mr. R. N. Sapru

Director (Non-Executive & Independent)

- B. Com (Hons.), BBA and MBA
- Commenced his career as a banker in 1985 and worked with HSBC for over 10 years before joining GE Capital, where he was internally transferred to another GE Company, IGE India as CEO
- Four years stint in the television and broadcasting sector with companies like GE (CNBC), SAB TV, Reliance Entertainment
- Was with EIH Limited (Oberoi Group of Hotels) as CEO for the Group's travel related business, Mercury Travels Ltd. for over three years
- Spent 8 Years in Executive Search in Hong Kong and India with The Executive Access Group looking at Recruitment for Leadership Roles
- In 2014, Rakesh Co- founded Executive Mantra Search Services Pvt Limited, a firm focused on Senior & Middle Management Recruitment and is the Managing Partner of the firm

Mr. K. Digvijay Singh

Director (Non-Executive & Independent)

- BA (Honours) Economics from St Stephen's College, Delhi University; Post Graduate Diploma (Business Management) from XLRI, Jamshedpur
- 37 years of operating 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 for 10 years in FMCG sales and marketing, and at Afcott Nigeria, and Kanmoor Foods India, before transitioning to media and technology businesses
- 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)
- Independent consultant, part-time Director Nimbus Sport (2009-12), Advisory Board Euromax (2007-14), non-executive and independent Director Mercury Travels Ltd (2014-till date)
- Early investor in, and operating Head of Asia (2013-till date), at Enfold Inc, USA - a technology company offering digital file storage & management via secure online vaults
- Served as an independent non-executive Director on the Board of Thomas Cook India Ltd (1999-2006) and Ador Welding Ltd (2009-till date)

Mr. Gaurav M. Lalwani

Director (Non-Executive & Independent)

- A Masters in Commerce with Diploma in Advertising, Marketing and Sales Promotion
- Work experience of over 15 years in brand building, communication across Asia
- Regional Director at Leo Burnett- Asia, based in Singapore, and leads P&G brands for the region. His portfolio includes Skin care products (SK-II is a luxury skin care brand Asia) and Fabric care products – (Tide across Asia and Ariel in Japan)
- He has been responsible for big ideas and setting up new capabilities that have driven brand shares and profitability; these include Innovation Lab (adding creativity to product science), Trial Lab (driving Trial for brands through sampling, Content Creation / Productions (in-house content creation and production studio)
- He also leads Mobile, digital efforts and integrated content development on key P&G brands across Asia
- Partnered with some of the most prestigious marketing companies like Unilever, Citibank, Airtel, Tata Sons, Tata Motors, Accenture, Franklin Templeton amongst others during his tenure with Y&R and Lowe

Mr. Sasha G. Mirchandani

Director (Non-Executive & Independent)

- Completed Business Administration from Strayer University and MMDP program at IIM, Ahmedabad
- Managing Director and Founder of Kae Capital and Co-Founder of Mumbai Angels
- Former ventures include the following: Managing Director at Blue Run Ventures (India Operations), CEO and Founder of Imercius Technologies (BPO focussed on healthcare space), Head - Corporate Affairs and New Business at Mirc Electronics
- Key investor in Fractal Analytics, Inmobi, Healthkart, Myntra, Greendust, Cloudbyte, Canverra and Mettl
- Presides on the Board of Hathway Cable and Datacom Limited, Akasaka Electronics Limited and Mumbai Angels Venture Mentors, Governors of the Universal Business School, amongst others
- Past President of Entrepreneurs Organisation (EO) Mumbai; Chapter Member at TiE Mumbai and a member of the Mumbai Chapter of the Young Presidents Organisation (YPO)

Disclaimer

This document contains statements about expected future events and financials of Ador Welding Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management's Discussion and Analysis Report of Ador Welding Limited's Annual Report for FY 2015-16.

Between the pages

7 Being a Pioneer

8 Managing Director's Review

10 Five Year Financial Performance (Standalone)

11 Five Year Financial Highlights (Standalone)

12 Advancing The Technology

14 Robust Infrastructure and Quality Systems

16 Project Engineering Business

18 Advancing through Automation

20 Innovating through Research & Development

22 Building the nation builders – Ador Welding Academy

23 New Product Developments

28 Directors' Report and its Annexures

76 Auditor's Report
Balance Sheet and Statement of Profit & Loss (Standalone)
Cash Flow Statement (Standalone)
Notes to Accounts (Standalone)

125 Auditor's Report on the Consolidated Financial Statements
Balance Sheet and Statement of Profit & Loss (Consolidated)
Cash Flow Statement (Consolidated)
Notes to Accounts (Consolidated)
Statement pursuant to Section 129(3) of the Companies Act, 2013

BEING A PIONEER AND TRENDSETTER IN THE WELDING INDUSTRY, WE HAVE PLAYED A SIGNIFICANT ROLE IN BEING A PART OF INDIA'S INDUSTRIALISATION AND INFRASTRUCTURE DEVELOPMENT.

Over the last six decades, we have developed expertise in providing the finest welding consumables and equipment across varied industries.

We mastered our capabilities and enhanced our efficiencies.

We consciously invested in Research & Development and Automation systems.

We developed new products and solutions to meet a wide range of user needs in India and overseas.

Our venturing into turnkey project engineering business has further improved our market leadership.

Our focus and foresightedness has enabled us to adopt appropriate growth strategies for becoming the prominent welding solution provider to the world of engineering.

Managing Director's **Review**

There is no strong performance without a little fanaticism in the performer

Dear Friends,

It gives me great pleasure to report that the Company has performed exceptionally well despite economic challenges and subdued growth in the manufacturing segment.

Our passion to identify the growth areas and customer expectations has been our growth mantra. We are passionate to understand the client's requirements with sensitivity and bring to life technology-driven innovations that deliver value with efficiency. Our strong after sales service further ensures constant customer engagement to know their requirements closely. The result is 'higher customer satisfaction index' and 'differentiation' that is essential for businesses to survive and grow in a complex world.

FY 2015-16 Performance

During FY 2015-16, our revenues increased by 5.2% and reported EBITDA and PAT margins of 11.4% and 5.6%, respectively. We delivered high volumes in both consumables and equipment, further strengthening our industrial leadership. Automation business and PEB performed exceptionally owing to the launch of new products and successful commissioning of projects during the year.

Innovation and automation

Innovation is in our DNA. We have imbibed the culture of innovation among employees to constantly focus on improving our products and services. Our DSIR recognised R&D Centre works closely with our customers and delivers exceptional solutions. This makes us invulnerable to competition and helps us improve our customer relations.

Automation is our important focus area, considering the aggressive infrastructure development plans of GOI. The '**Make in India**' campaign has already started showing improvements, especially in Railways, Infrastructure and Defence sectors. We have been consciously putting our efforts towards developing products with high levels of automation. This will allow us to enhance our market share in these segments.

Macro-economic opportunities

With India's GDP growth at 7.6%, our nation is steadily outperforming other economies. With high investor sentiments, improving relations with CIS countries and the possibilities of introduction of GST bill, we envisage huge investments

in infrastructure, especially in oil & gas, ship & port building. This will culminate in good business opportunities for us in the years to come. We have also received CE Marking certifications for some of our products which comply with EU safety, health and environmental requirements, thus opening up growth avenues in the European region.

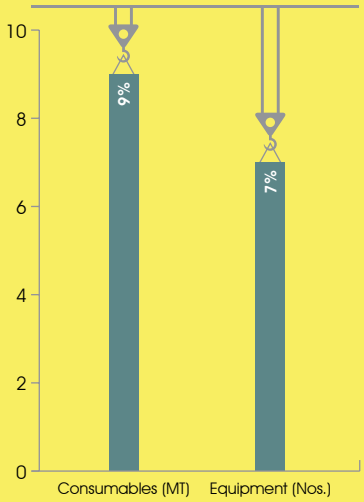
Ador vision

We aim to become the best-in-class enterprise known for continuous innovation in products & solutions and significant growth by FY 2018-19, notwithstanding the economic or market scenario. We will focus on sustaining the initiatives taken over the past three years, in addition to the following:

- Capitalise our customer relations, technical and manufacturing capabilities
- Build synergies with our current capabilities and resources in order to offer new products across domestic and export markets
- Create value through forward as well as backward integration
- Imbibe innovation culture & implement advance lean manufacturing process to maximise efficiency and zero wastage
- Level workload across all processes through line balancing so as to identify bottlenecks and excess capacity
- Enhance focus on Project Engineering Business and strengthen the customer base
- Strengthen IT for implementing digitisation across our processes and systems

"It is a proud moment for Adorians, when customers expect us to deliver and offer solutions to their problems"

Sales Volumes Growth
(FY 2015-16 over FY 2014-15)



Proud of our Adorians

Our outstanding achievements would not have been possible without the support of our employees. A constant zeal of finding avenues to add value to the organisation is the spirit of our employees. This is what leads us to such innovations at multiple levels, translating to organisational growth as a whole.

Ador Welding Academy

Our Ador Welding Academy encourages young and fresh talent to make a career in welding and offer them exciting opportunities and freedom to experiment. We nurture talent under the guidance of seasoned Adorians with a special emphasis on establishing processes and improving weld quality. We strive to move forward in the industry in both thought and action, as well as inspire new generations to see the exciting career opportunities available today.

Closing Thoughts

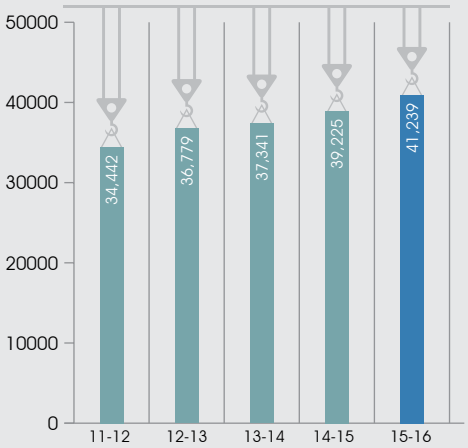
We have consistently maintained high levels of corporate governance and ethical standards across our operations. We continue our endeavours towards corporate social responsibilities in the fields of education, skill development, water conservation and betterment of society around our factory premises.

I would sincerely like to thank our valued customers and vendors for their constant faith & belief in us, our Board of Directors & the Management Team for their conscientious guidance and all our talented Adorians for contributing immensely to the organisational growth. We look forward to your continued support and expect your vital involvement in the Company's journey towards achieving its goal.

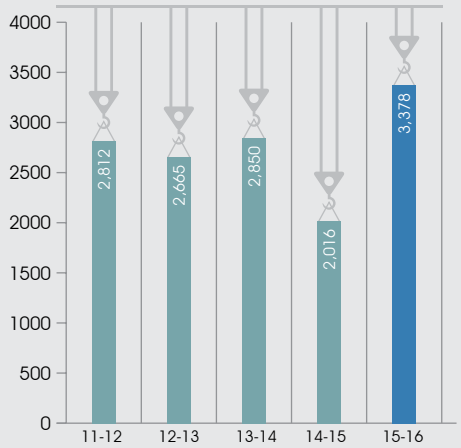
Best Wishes,
Satish M. Bhat
Managing Director

Five Year Financial Performance (Standalone)

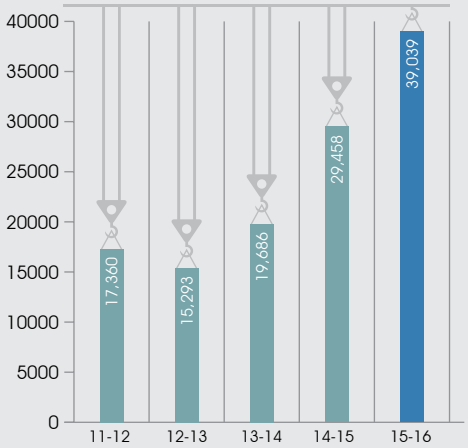
Sales & Other Income (₹ in Lacs)



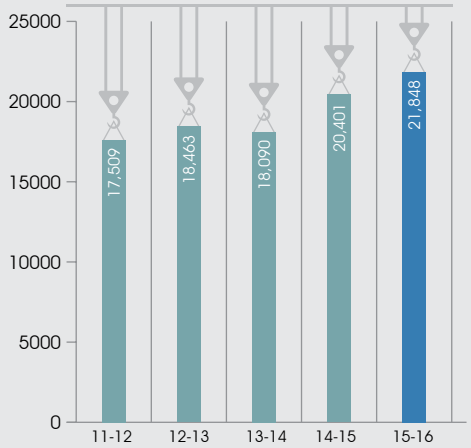
Profit Before Tax (₹ in Lacs)



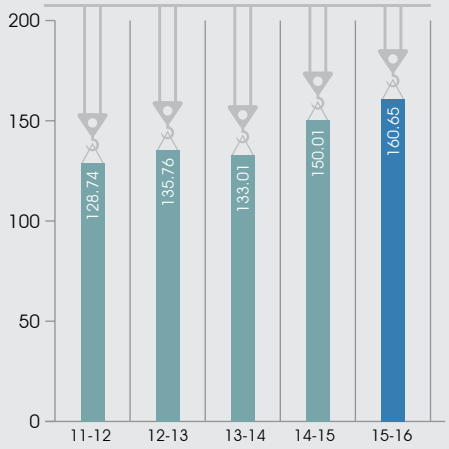
Market Capitalisation (₹ in Lacs)



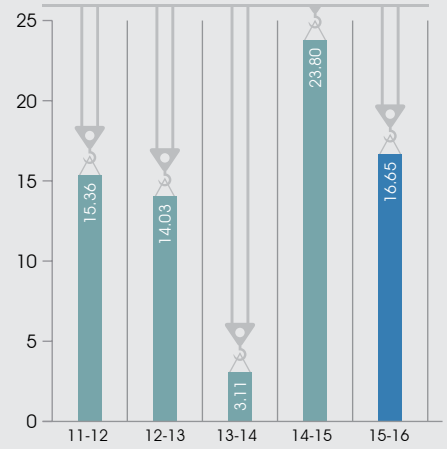
Net Worth (₹ in Lacs)



Book Value Per share (BVPS) (₹)



Earning Per Share (EPS) (Rs.)



Five Year Financial Highlights (Standalone)

(₹ in lacs)

	FY 2015-16	FY 2014-15	FY 2013-14	FY 2012-13	FY 2011-12
PROFIT & LOSS ACCOUNT					
Sales & Other Income	**41,239**	39,225	37,341	36,779	34,442
Manufacturing & Other Expenses	**36,609**	35,928	33,146	32,799	30,298
Operating Profit / EBITDA	**4,630**	3,297	4,195	3,980	4,144
Depreciation & Amortisation Expenses	**1,166**	1,243	1,203	1,234	1,245
EBIT	**3,464**	2,054	2,992	2,746	2,899
Finance Cost	**86**	38	142	81	88
Profit before Tax (PBT)	**3,378**	2,016	2,850	2,665	2,812
Exceptional Items (Net)	**(195)**	2,811	(1,478)	-	-
Tax Expense	**918**	1,590	949	757	723
Profit after Tax (PAT)	**2,265**	3,237	423	1,908	2,088
Dividend (incl. DDT)	**818***	818	796	948	948

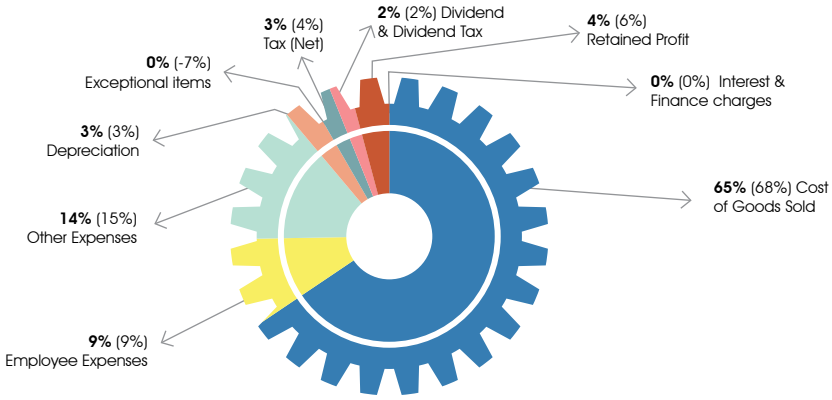
*For Proposed Dividend

BALANCE SHEET					
Net Fixed Assets (incl. CWIP)	**10,010**	9,754	7,704	8,152	7,899
Investments	**1,215**	655	1,385	3,266	3,627
Current Assets	**19,872**	15,636	16,056	12,994	10,776
Current Liabilities	**10,917**	7,170	9,137	6,823	5,609
Net Current Assets	**8,955**	8,466	6,919	6,171	5,167
Other Non-Current Assets	**2,555**	2,555	2,301	1,059	1,000
Capital Employed	**22,735**	21,430	18,309	18,647	17,693
Equity Share Capital	**1,360**	1,360	1,360	1,360	1,360
Reserves & Surplus	**20,488**	19,041	16,730	17,103	16,149
Net Worth	**21,848**	20,401	18,090	18,463	17,509
Loan Funds	**-**	13	77	171	128
Deferred Tax Liabilities	**715**	852	50	44	56
Long-term provisions	**172**	84	92	-	-
Capital Employed	**22,735**	21,350	18,309	18,678	17,693

RATIOS					
EBITDA Margin (%)	**11.38%**	8.53%	11.39%	10.93%	12.16%
Net Margin (%)	**5.57%**	8.37%	1.15%	5.24%	6.12%
Interest Cover (EBITDA / Gross Interest)	**54**	87	30	49	47
ROCE (EBIT / Capital Employed) (%)	**15.24%**	9.58%	16.34%	14.72%	16.38%
Current Ratio (times)	**1.82**	2.18	1.76	1.90	1.92
Debt Equity Ratio (times)	**0.00**	0.00	0.00	0.01	0.01
Dividend Per Share (DPS) (₹)	**5.00***	5.00	5.00	6.00	6.00
Earning Per Share (EPS) (₹)	**16.65**	23.80	3.11	14.03	15.36
Book Value per share (₹)	**160.65**	150.01	133.01	135.76	128.74

*Proposed Dividend Per Share

Distribution of Revenue*



Notes: 0% indicates less than 0.49%
Figures in brackets indicate previous year
Revenue includes sales & other income

Advancing the technology and application of welding, allied joining and cutting processes worldwide

Ador Welding Limited (formerly Advani-Oerlikon Limited) has been spearheading the technological innovations in the field of welding equipment and consumables since 1951. We are a complete welding & cutting solution provider, from development to delivery, and industry leader in India. Besides, our products and services are widely accepted globally.

Our strategic business units

- Welding electrodes, wires and fluxes
- Welding & cutting equipment, gas cutting, PPE & accessories and CNC machines
- Project engineering solutions
- Welding automation
- Ador Welding Academy

Product offerings (Welding Business)

Consumables	Welding and Cutting Equipment	Gas Cutting Products	Personal Protective Equipment and Accessories (Safety Measures)
Consumables for most of the welding processes like SMAW /MIG/MAG (Solid wire/FCW wire) /SAW/TIG/ brazing for manual, semi automatic as well as fully automatic applications, covering a very wide range of metals and alloys – C-Mn steels/Low alloy steels/Cast iron/ stainless steels/Copper alloys/Nickel based alloys and Aluminium alloys.	• Shielded Metal Arc Welding (SMAW) • Gas-shielded Metal Arc Welding/Flux Cored Arc Welding (GMAW/FCAW) • Gas-shielded Tungsten Arc Welding (GTAW) • Submerged Arc Welding (SAW) • Oxyfuel and Plasma Cutting	• Single stage regulator • Two stage regulator • Cutting torch – nozzle mixing • Nozzles for acetylene and LPG • Portable gas cutting machines • Hose for oxygen acetylene	• Welding cables - Al, Cu • Electrode holder • Auto darkening helmet • Hand shield • Welding gloves • Welding clothing • Safety shoes • Welding curtains

Industries served

Our products and solutions, for every welding and cutting process, are applicable across the following industries:

- Automotive
- Defence
- Fertiliser Plants
- Hydro Electric
- Construction and infrastructure
- Mining
- Nuclear Energy
- Railways
- Refineries
- Pipelines
- Ship Building
- Steel Plants
- Thermal Power
- Wind Power

9,000+
Welding equipments manufactured (standard and customised)

35,000+
Estimated Annual production of welding consumables

300+
Pan India distributors and dealers with 11 sales offices

70+
Countries served globally through International Business Division located in Sharjah (UAE) with 24 distributors

Our brand is synonymous with

- Quality
- Reliability
- Responsibility
- Delivery

Guiding philosophies

Vision

To become the best-in-class enterprise known for continuous innovation in products & solutions and significant growth by FY 2018-19

Mission

To provide complete welding solutions for enhancing operational efficiency of organisations through Ador products

ENGINEERING GROWTH...
... WITH ROBUST INFRASTRUCTURE AND QUALITY SYSTEMS

Ador is one of the leaders in the production of welding and cutting equipment and consumables.

01

We have four manufacturing plants with world-class labs and quality systems approved by most of the stringent and critical authorities, including PDO, QP, KOC and KNPC, among others.

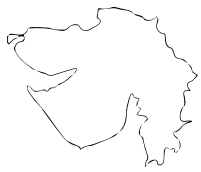
Our manufacturing sites located across the country with the best-in-class plant & machineries are equipped with latest technologies and efficient processes, to manufacture quality products.

Chennai Plant

Manufactures welding consumables

Certifications: ISO 9001, ISO 14001

Approving agencies: ABS, BV, DNV, IRS, LRA, RDSO



Silvassa Plant

Manufactures welding consumables

Certifications: ISO 9001, ISO 14001, OHSAS 18001 and CE Marking

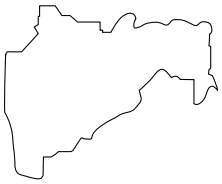
Approving agencies: ABS, BIS, BV, GL, LRS

Raipur Plant

Manufactures welding consumables

Certifications: ISO 9001, ISO 14001, OHSAS 18001

Approving agencies: ABS, BIS, BV, LRS

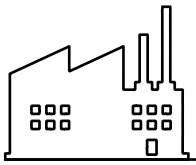


Chinchwad Plant (Pune)

Manufactures welding & cutting equipment including PPE and also houses the PEB Division

Certifications: ISO 9001, ISO 14001, OHSAS 18001, "U", "R" and "NB" Certificates and Stamps from 'ASME', 'National Board of Boilers & Inspectors' of USA

Approving agencies for PEB: BPCL, EIL, HPCL, IOCL, NPCIL, TOYO, TPL, UHDE



A Sneak-peek to our quality systems

- Comprehensive and stringent QA procedures, compliant to international standards
- Additional tests on request such as:
  - Corrosion tests as per NACE standards
  - Corrosion practices for stainless steel as per ASTMA 262 & ASTMA 923
  - Fractional toughness test – CTOD
- High temperature strength especially for creep resistant material
- Special testing facilities such as Optical Emission Spectrometer, Carbon & Sulphur Analyzer, Gas Chromatograph, Metallurgical Microscope with Image Analyzer Software and more
- Fully equipped in-house laboratory with latest instruments for carrying out required tests and trials, e.g. ICP, XRF

ENGINEERING GROWTH...
... STRENGTHENING CAPABILITIES IN PROJECT ENGINEERING BUSINESS

At Ador, we have successfully executed turnkey project engineering solutions (project designing, engineering and management) across domestic and International market.

02

Our Project Engineering Business (PEB) is a multi-disciplined SBU that provides services like design, manufacture, erection & commissioning process, mechanical, electrical and instrumentation of process packages, process equipment, flare system & components, LSTK Turnkey projects and EPC contracts. Our state-of-the-art fabrication facility in Pune is equipped with heavy fabrication shop and has been approved by the likes of U, NB, R, IBR, EIL, PDO, Toyo, UHDE, KOC, ADNOC Companies and many more. The division provides an end-to-end solution with product warranty and process guarantee, ensuring one stop solution.

In doing so, we have carved out a niche for ourselves and created an additional growth avenue for our business.

26 years

Existence in Project Engineering Business

ENGINEERING GROWTH...
... ADVANCING THROUGH AUTOMATION

At Ador, we have adapted automation as our new mantra.

03

We understand the importance of accuracy and efficiency. Hence, we created automation as our strategic business unit - Welding Automation Products and Systems (WAPS). We continuously invested with an underlying focus on:

- Quality, consistency and flexibility
- Improving construction process of major infra projects
- Replacing unskilled man force through automated error free outcomes

The unit facilitates integrating operations to design and implement state-of-the-art systems and processes to deliver customised automated solutions in the shortest possible time.

These initiatives have enabled our customers to achieve higher productivity, enhance quality at PPM level as well as reduce errors resulting out of manual intervention.

Yes, we did it!

Time and again we build customised automation solutions for our customers across India as well as in the Gulf Countries. Some of the prominent ones include:

- Square axles welding system
- System for longitudinal welding of girders
- System for internal longitudinal welding of pipes that are 12m long and 350mm in diameter
- Manipulator for welding of assembled railway bogies
- L-Seam welding system with FCAW
- Automated TIG welding set-up with cold wire feeding for pipe-to-flange welding
- Dedicated MIG welding set-up for LPG cylinder manufacturing

ENGINEERING GROWTH...
... INNOVATING THROUGH RESEARCH & DEVELOPMENT

At Ador, we have invested heavily into Research & Development (R&D).

04

Continuous innovation is the need of the hour. As such, we have established the state-of-the-art R&D facilities manned by a team of dedicated research chemists and engineers that focus on:

- Improving offerings of existing consumables
- Strengthening equipment efficiency through innovative automation solutions
- Developing new consumables and equipment for new processes and technologies for enhancing the value offered to our customers

The results are commendable. For instance, we developed customised solutions that strategically tweaked and established new welding processes to give the desired welding specifications, despite using local consumables.

Thus, R&D facilitates innovation that adds value to the customer and the organisation as a whole.

Yes, we did it!

During FY 2015-16, we came up with innovative solutions through our continuous R&D:

- Developed flexible user interface location (power source, feeder, remote operator interface)
- Developed Welding Intelligence Software, for equipment 'with a power to think and adapt'
- Improvised welding of 9% Ni steels using Ni-Cr-Fe alloys for storing and transporting LNG
- Increased efficiency of wet drawing machine by changing the original design of the pulley that was provided by the OEM manufacturer of the machine
- Developed very high frequency switching technique for switching devices of Inverter-based welding machines; it has improved the response to welding dynamics, resulting into better arc control and enhanced welding performance
- Developed the compact engine driven welding machines, with compliance to CPCB II stringent norms of emission and noise; it only reduced the size and the overall weight of the engine, thus becoming India's smallest "engine driven welding machine" in its class
- Adapted innovative isolation technique that made the welding machines immune to large input supply voltage fluctuations, even double the rating of input supply voltage of the machine

5 Years
of registration with DSIR, Govt. of India

50
Dedicated research chemists and engineers for R&D

19
Number of products developed in FY 2015-16

Building the nation builders - Ador Welding Academy

Ador Welding Academy Private Limited is a 100% subsidiary of Ador Welding Limited that focuses on welding education and skill development of professionals. These include:

Pre-service Training	In-service Training	Post Graduate Programs	Consultancy & Research
To create a talent pool of welding technicians, supervisors, engineers and inspectors	To enhance skill sets and job performance at par with the industry requirements for the best manufacturing practices	To build a national level vocational institute providing degree, diploma and certificate programs	To provide consultancy for achieving world class welding practices in India Our cross section of professionals includes students of technical institutes, fabrication shop employees as well as engineering teams of various corporates These trained professionals are working across India and in several countries globally. They serve as a testimony to the quality of theory and practical training they have acquired at our centres

5
Tie ups with NGO's and Institutes

1,00,000+
Welding professionals churned out in the past 40 years

47
Training imparted to women

Being a responsible citizen

At Ador, our business sustainability is connected to the sustainable development of the societies, communities and environment we operate. Our CSR initiatives are long term plans that take into account people's aspirations, well being and expectations.

Our key focus areas under CSR include:

- Helping Educational Institutes impart vocational training to economically weaker section
- Pass on technological expertise in the field of welding
- Empower people to minimise unemployment through vocational training
- Sponsor / support charitable organisations and trusts that focus on:
  - Children's education
  - Healthcare
  - Women empowerment
  - Sanitation
  - Hygiene
  - Drinking water
- Provide financial support / assistance during Natural Calamities

Welding Equipment and Gas Cutting Products (New Product Developments)

1) New Design of 400A inverter based Welding machines

Aesthetic look is enhanced on all inverter based 300A and 400A welding machines. While enhancing the look of machine, it has been improved with the following features:

- Minimum screws are given for enclosure and also ergonomic handle, which can be lifted either manually or by crane hook
- Protection cover is provided for sensitive power components like IGBTs to protect the IGBTs against Metallic dust deposition. This also avoids direct exposure of High voltage live parts, when side covers of machines are removed for maintenance
- Output terminals are provided at certain height to avoid short circuiting of welding cables due to mud/metallic jobs, if it is near to ground level
- Output terminals can be tightened by hand and also by spanner
- Control Panel has been provided with unbreakable transparent cover
- Total Eight models are getting accommodated in this new design, as follows:

a.	CHAMP T400	e.	CHAMPTIG 300P
b.	CHAMPMIG 400	f.	CHAMPTIG 300AD
c.	CHAMPMULTI 400	g.	CHAMPCUT 100
d.	CHAMPTIG 400P	h.	CHAMPPULSE 500

2) New design of Single phase welding machines

Aesthetic look is enhanced for all single phase inverter based welding machines. Following are some of the features of new design:

- Ergonomic Chromium plated handle is provided for better handling
- Shoulder belt is also provided for carrying the machine at height, which keeps the hands free for welding
- Built in bush for stable sitting arrangement
- Assembly of machine is easy due to minimum screws for enclosure
- Following machines are accommodated in this new design:

  a. CHAMP 200 b. CHAMPTIG 200P

3) CHAMPCUT 100

This is a heavy duty inverter based Plasma cutting machine, having clean cut capacity of 25 mm thick MS plate. It is suitable for both, manual cutting as well as CNC cutting. Following are some of the features of this machine:

- It is heavy duty machine, having 100% duty cycle and can be used for continuous cutting work
- Safety locks are provided for sequence of operation for safety of operator
- Low Air pressure protection is provided to inhibit the cutting operation, if air pressure is low
- Euro type of connection for Cutting torch, makes it easy to connect the cutting torch
- Digital 7 segment LED display is provided for display set current and actual cutting current
- Minimum current of 20A is provided for cutting thin sheets
- Emergency Stop switch is provided, to stop the cutting operation in case of emergency
- Machine is compatible for automation of cutting operation

4) New Compact CHAMP 250

This is a new generation compact three phase inverter based 250 Ampere electrode welding machine, suitable for all types of welding electrodes, including Cellulosic electrode. Due to its capability of welding at minimum current down to 40A, it is suitable for working with smaller diameter pipes for circumference welding. This machine has the following features:

- Compact in size and light weight of 18kg for better portability
- Suitable for all types of electrodes, including Cellulosic electrodes
- High OCV of 88 V,which enables better arc striking
- Protection against high input voltage supply, by providing isolation to switching power semiconductors
- Digital 7 segment LED display shows actual welding current
- Welding Current can be adjusted remotely with the help of remote controller

5) SILENT CHALLENGER 301

This is a new generation Compact Diesel Engine Driven Silent Welding Set, which is conforming to latest CPCB II Norms for noise & exhaust emission levels. It is suitable for Versatile applications, including cross country, in-plant pipe and tube welding. Apart from the above following are additional features of this welding set:

- Ideal for heavy fabrication & site applications.
- Highly reliable even in hostile site conditions.
- Big savings in fuel and longer runs before next refueling.
- Specially proven with Cellulosic (6010, 7010G & 8010G types) and other special types of electrodes.
- Excellent Pre and Post Sales Services.
- Super Silent Operations.
- Compact in size – Only 1.7 meters in length.
- Works on Two cylinder Diesel engine.

6) KING TORCH – IM (2 SEAT)

KING TORCH – IM is gas cutting Torch, which is engineered from solid brass forgings with silver brazed permanent brass parts joints offering maximum reliability. King Cutting Torch is available with 'A' type nozzle for use with Acetylene as fuel gas and 'P' type nozzle for use with LPG as fuel gas. King Torch can be employed for a wide range of cutting jobs. All you need is to change the nozzle to suit the job. Following are some of the features of this gas cutting torch:

- Torch Body & Torch Head: Solid Brass Forged components ensure enhanced safety.
- Mixing gas tube made of solid extruded round bar for precise gas flows for cutting application
- Torch Handle: Single piece round aluminum extrusion, black powder coated - better grip, better aesthetic look and durable
- Gas Control Knobs: Rear mounted Anodised metallic knobs – Better aesthetic look, durable and better grip
- Low weight well balanced torch
- Cutting Oxygen Lever: Compact Metallic with black powder coated, better grip, better aesthetic and durable
- Gas Tubes: Seamless Stainless Steel tubes for safer operation

Project Engineering Business

(New Product Development)

Mobile Flare in Horizontal Position

FOLDING STACK MOBILE FLARE SYSTEM

This is a system that can be mobilized at multiple flaring stations for flaring operation. This system is suitable for flaring the excess amount of gas present normally in the gas distribution pipeline.

Following are some of the features of this System:

- One system can be used at multiple flaring stations
- As the system can mobilize, permanent are not require to dedicate
- By accommodating flare stack system on trailer, it can travel through confined places where roads are narrow

Converted to Vertical Position for operation

Welding Automation Products & Systems (WAPS) (New Product Developments)

1. **TWIN TORCH WELD LATHE SPM**

   Recently we have designed, manufactured & supplied a, "Twin Torch Weld Lathe SPM". This serves as an entry for AWL in the pumps industry. This SPM will be used for stator to pressure ring circular seam welding.

   This SPM consists of a sturdy base frame, a machined plate mounted on the base structure, which will be used for smooth sliding motion of the tailstock on top of it, a headstock & a tailstock to mount the component for welding. The headstock is fixed while the tailstock serves as an idler support for component rotation & can slide manually with the help of a hand wheel, to match the lengths of variety of components. It also consists of a gantry, which enables mounting of TIG welding head, which can slide on LM shaft with the help of motor through rack and pinion pair. The welding torch is brought to the required welding point by pneumatic slides and fine adjustment is done with manual slides. At the back of the machine, we have provided a fume extraction unit, which works on the principle of two stage electrostatic air filtration.

   Advantages:

   - Auto TIG with cold wire feeding
   - Oscillation can be provided
   - Increased productivity with RT quality
   - Leak proof joints
   - Consistent weld quality
   - Reduces re-work

2. SPM FOR PIPE TO FLANGE WELDING AND INTERNAL PIPE WELDING MACHINE

Recently we have designed, manufactured & supplied a, "Twin Torch Weld Lathe SPM". This SPM can be used for pipe linear seam welding and pipe to flange circular welding.

Different combination of pipes (12 types of combinations) and flanges can be welded on a single machine. Internal welding of pipe is also possible on this same machine.

Job is tested (after pipe to flange welding) by Hydro Pneumatic test upto 200 bar pressure.

Advantages:

- High productivity
- By using this single machine, one can perform liner welding (straight & taper welding), Circular outer welding & Circular internal welding
- Good welding quality because of uniform arc length
- Uniform and consistent output results
- Quick change over
- PLC and HMI logic controlled panel
- User friendly
- Less maintenance cost
- Semi-skilled operator can operate this machine, Skilled operator is not required to operate this machine
- Machine can be shifted from one place to the other very easily

3. DUAL HEAD SAW WELDING GANTRY

Recently we have designed, manufactured & supplied a,"Box Welding Gantry" with SAW process. AWL has designed this machine specifically for Bridge application.

Different thicknesses, widths and lengths of the box can be welded on same machine. This machine consists of sturdy Gantry structure and two vertical motorized columns. Vision system is also provided along with the machine, so that operator is not required to move along with the gantry movement.

Operator can see the torch position on the screen by sitting at the end of the machine, on to the operator seat. Operator can also adjust the torch position with the help of joystick, if torch position is disturbed/offset to the weld joint.

Longitudinal fillet and butt welding is possible by this machine.

Advantages of dual head gantry over Tractor head are as follow:

- By using dual head Gantry, customer gets higher productivity
- Different sizes of jobs can be welded on single machine
- Flexibility of keeping different angle of welding torch
- No constraint of width and length (machine will be tailored according to min and max sizes of the job)
- Vision system ensures that operator can adjust the torch with respect to the weld joint by standing or sitting away from the actual welding position i.e. at a remote place
- By using Automatic flux recovery unit, flux will get automatically sucked simultaneously during welding cycle. This will save time and ensure eradication of extra manual operation, which is needed in tractor mounting head

Welding Consumables

(New Product Developments)

SMAW Electrodes

1. **Tenalloy-50**

   AWS classification: AWS A/SFA 5.5 E8016-G

   - Welding Electrode with excellent subzero temperature properties
   - Basic coated electrode which produces weld metal giving excellent as-welded and post welded properties
   - Welding of steels with high yield strength upto 450MPa
   - Welding and repairing of high strength steels, such as BS 4360-55 E/F

2. **Betanox-D-MoL-15**

   AWS classification: AWS A/SFA 5.4 E309LMo-15

   - Extra low carbon stainless steel electrode depositing 23/12/2.5 Mo alloy
   - Basic coated electrode which deposits weld metal, giving excellent corrosion and oxidation resistance at elevated temperatures
   - Weld metal is also resistant to inter-granular corrosion cracking
   - Welding of AISI 316, 316L type stainless steels
   - Joining difficult to weld steel
   - Buffer layer on low alloy and carbon steels, to improve corrosion and wear resistance
   - Dissimilar joints between austenitic stainless steels containing Mo and low alloy or carbon steels

3. **Cromoten 9L**

   AWS Classification: AWS A / SFA 5.1 E8018-B8L

   - Electrode depositing low alloy weld metal for high temperature applications
   - Creep resistant weld metal
   - It is a low hydrogen, basic coated, iron powder electrode
   - Suitable for pipe welding

SAW Wires

1. **Automelt S3Ni2.5CrMo**

   AWS classification: AWS A/SFA 5.23 EG

   - Copper coated Submerged Arc welding solid wire
   - Low alloyed wire with 2.5Ni, 0.60Cr, 0.50Mo alloying
   - Produces weld metal with high strength and excellent subzero temperature notch toughness
   - Best results are achieved when welded in combination with Automelt B20 Plus

SAW Flux

1. **Acemelt**

   AWS classification: AWS A/SFA 5.27 F7AZ-EL8

   - Agglomerated Aluminate-Rutile type of Submerged Arc welding flux for general structural welding and in fabrication of cylinders and vessels
   - Active flux with moderate Mn and Si pickup
   - Used to weld carbon steels, in multi-pass and fillet joints in single wire system

Flux Cored Wires

1. **Automig FC 71T-1CJ**

   AWS classification: AWS A/SFA 5.29 E71T1-CJH8

   - Rutile type gas shielded FCW wire
   - Weld metal meets (-40° C) CVN impact requirements
   - All position welding

2. **Automig FC 400**

   - It is a rutile type hardfacing flux cored wire with external gas shielding
   - Can be used with CO_2 as well as Ar gas shielding
   - The weld metal is specially suited for hot forging die repairing

Solid MIG Wires

1. **Automig 70SG**

   AWS classification: AWS A/SFA 5.18 ER70S-G

   - Copper coated solid GMAW wire for Welding C-Mn steels
   - Can be used with 100% Ar and Ar + CO_2 mixed gas
   - Suitable for applications where dirt, rust or mill-scale is present
   - Used for welding of pressure vessels, LPG cylinders, Construction and mining equipments, pipe and structural steel welding, Thin sheet metal welding, High speed robotic, automatic and semiautomatic welding applications

2. **Non copper coated solid wire for MIG / MAG application E70S-6**

   AWS Classification: AWS A/SFA 5.18 ER70S-6

Projects:

Cladding of 347 on MS / LA plates – for BARC – By SAW process – With severe prolonged PWHT, chemical and corrosion requirements.

DIRECTORS' REPORT

To,
The Members,

The Directors take pleasure in presenting the Sixty Third Annual Report of the Company and the Audited Statements of Accounts for the financial year ended 31st March, 2016.

1.0 FINANCIAL PERFORMANCE

(Rs. in lacs)

Sr. No.	Key Financial Indicators	For the year ended 31st March, 2016	For the year ended 31st March, 2015	For the year ended 31st March, 2016	For the year ended 31st March, 2015
		Standalone		Consolidated	
1.1	Sales & Other Income (Net of Excise Duty, Discounts & Incentives)	**41,239**	39,225	**41,362**	39,617
1.2	Profit before Interest, Depreciation, Tax & Exceptional Items	**4,630**	3,297	**4,620**	3,256
1.3	Profit before Tax & Exceptional Items	**3,378**	2,016	**3,354**	1,963
1.4	Exceptional Items	**(195)**	2,811	**(195)**	2,817
1.5	Provision for Tax (including Deferred Tax)	**918**	1,590	**920**	1,594
1.6	Profit After Tax (PAT) & Exceptional Items	**2,265**	3,237	**2,239**	3,186

2.0 DIVIDEND AND RESERVES

2.1 The Board of Directors is pleased to recommend a Dividend of 50% (i.e. @ Rs. 5/- per Equity Share) for the Financial Year (FY) 2015-16, subject to the approval of the Members. Dividend for the previous FY 2014-15 was declared @ 50% (i.e. @ Rs. 5/- per Equity Share)*.

2.2 The Dividend for FY 2015-16 shall be paid to those Shareholders and Beneficial Owners whose names appear in the Register of Members as on the date of the Book Closure for dividend payment.

2.3 The Board recommends transfer of Rs. 227 Lacs (Rs. 324 Lacs)* to General Reserve, and the balance of Rs. 6,491 Lacs (Rs. 5,271 Lacs)* for retention in the Profit & Loss Account.

(*Figures in brackets indicate previous year).

3.0 OPERATIONS

In FY 2015-16, the total Sales and Other Income went up by 5.13%. The year ended with Sales and Other Income of Rs. 41,239 Lacs (Rs. 39,225 Lacs)*.

The Company's Sales and Other Income during FY 2015-16 comprised of the following:

3.1 Welding Consumables at Rs. 27,470 Lacs (Rs. 27,354 Lacs)* recorded a marginal growth of 1% over the previous year.

3.2 Equipment & Project Engineering at Rs.13,213 Lacs (Rs. 11,306 Lacs)* was higher by around 17% over the previous year, due to better performance of Project Engineering division.

3.3 Other Income of Rs. 556 Lacs mainly comprised of forex gain, interest, rent income and profit on sale of investment etc. (Rs. 565 Lacs)*.

(*Figures in brackets indicate previous year).

4.0 CAPEX

The Company incurred CAPEX of Rs. 1,527 Lacs and CAPEX of Rs. 136 Lacs was in various stages of progress as of 31st March 2016. The balance CAPEX programme of FY 2015-16 shall be completed by end of June 2016. For FY 2016-17, CAPEX is budgeted at Rs.1,646 Lacs, mainly for the following–

(a) Automation at Consumables and Equipment Plants.

(b) Production Equipments to balance lines for achieving capacity levels.

(c) Production related Equipment to improve "in-process quality and deviation control".

(d) Analytical Instruments for R&D.

(e) IT Compliances.

5.0 SUBSIDIARY COMPANIES

5.1 Ador Welding Academy Pvt. Ltd. (AWAPL)

AWAPL, a Wholly Owned Subsidiary of the Company, focuses on creating a pool of skilled welding technicians to serve a cross-section of industries in the infrastructure sector and also renders consulting to corporates on setting up / improving their welding processes. AWAPL registered a total revenue of Rs. 158 Lacs (Rs. 131 Lacs)*, with a net loss (before exceptional and extraordinary items and tax) of Rs. 24 Lacs (Rs. 53 Lacs)*.

(*Figures in brackets indicate previous year).

5.2 Plasma Laser Technologies Ltd. (PLT)

During FY 2013-14, the Company had recognised diminution in the value of its investment in PLT and had fully provided for the same in the financial accounts. In FY 2014-15, a Petition for liquidation of PLT was filed by the employees of PLT with the District Court sitting in Nazareth, Israel. In view of this & orders of District Court of Nazareth, the authority to operate & manage PLT vests with the Court. The due process of law for liquidation is in progress. Your Company does not foresee any further liability to devolve on it.

6.0 CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial statements relate to Ador Welding Ltd. and its wholly owned subsidiary, Ador Welding Academy Private Ltd. These consolidated financial statements are prepared in compliance with all the applicable Accounting Standards. The standalone financial statements of AWAPL are posted onto the website of the Company at the below weblink:

http://www.adorwelding.com/images/pdf/key_financials/2016/financial-ftatementsf-for-fy-2015-16.pdf and hence the same are not annexed with this 63rd Annual Report.

The Annual Accounts and other related information of the said Subsidiary Company will also be made available to the shareholders of the Holding Company.

The Annual Accounts of the Subsidiary Company are available for inspection by the shareholders at the registered office of the Company and your Company shall furnish a physical copy of the detailed accounts of subsidiary to any shareholder of AWL, on request.

7.0 RISK MANAGEMENT

Your Company has formulated an Enterprise Risk Management (ERM) framework, to manage various financial & non-financial risks, amongst other things.

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

8.0 RELATED PARTY TRANSACTIONS

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

http://www.adorwelding.com/images/pdf/corporate_policies/RPT_policy.pdf

During FY 2015-16, the Company entered into certain Related Party Transactions, in the ordinary course of business and on arms length basis, with the prior approval of the Audit Committee. The Audit Committee grants omnibus approval alongwith the Annual Budget for the transactions with the related parties, which are foreseen & repetitive in nature. A detailed summary of Related Party Transactions vis-à-vis the omnibus approval, is placed before the Audit Committee & the Board of Directors for their review on a quarterly basis.

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

9.0 EXTRACT OF ANNUAL RETURN

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

10.0 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As part of our CSR initiatives, the Company spent Rs. 18.20 Lacs during FY 2015-16 out of the budgeted CSR expenditure of Rs. 46.64 Lacs, on various projects in the following areas:

- Promoting education among children, women and underprivileged, including special education & employment enhancing vocation skills, especially skill development.
- Promoting sanitation, hygiene and making available safe drinking water or means for the same, to the underprivileged.

The above projects are in accordance with Schedule VII to the Companies Act, 2013. The unspent amount of Rs.28.44 Lacs was budgeted towards the following projects, which were under consideration as of 31st March, 2016:

1. Setting up vocational training facilities / centres in Pimpri, Chakan & Murud.
2. River clean up project in Pune.

The Annual Report on CSR activities is annexed hereto as Annexure – II.

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

11.0 LOANS & GUARANTEES

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

12.0 FIXED DEPOSITS

The Company has neither accepted nor renewed Fixed Deposits during FY 2015-16 and FY 2014-15.

13.0 INSURANCE

The properties / assets of the Company are adequately insured.

14.0 ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE

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

15.0 CORPORATE GOVERNANCE

As per the Listing Agreements executed with the Stock Exchanges, the Company has been following the Corporate Governance Code from FY 2001–02 onwards. The Company has complied with all the requirements of the Corporate Governance as per the provisions of Clause 49 of the Listing Agreement executed with the Stock Exchanges for the period 01st April, 2015 to 30th November, 2015 and of the Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 for the period 01st December, 2015 to 31st March, 2016 and a separate Report is attached hereto as Annexure - IV.

The Corporate Governance Compliance Certificate received from M/s. Walker Chandiok & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, is also attached to this Report.

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

16.0 SIGNIFICANT AND MATERIAL ORDERS

During FY 2015-16, there were no significant orders passed against the Company by the regulators or courts or tribunals, impacting the going concern status and the Company's operations in future.

17.0 NOMINATION & REMUNERATION POLICIES

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

18.0 INDEPENDENT DIRECTORS

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

19.0 DIRECTORS AND KEY MANAGERIAL PERSONNEL

19.1 Mr. Aditya T. Malkani (DIN: 01585637) and Mr. Deep A. Lalvani (DIN: 01771000), Directors of the Company, retire by rotation, as per the Articles of Association of the Company and are eligible for re-appointment.

The Board of Directors, pursuant to Section 152 of the Companies Act, 2013 & Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, has received Form MBP-1 and Consent to act as a Director in Form DIR-2, from M/s. Aditya T. Malkani & Deep A. Lalvani.

19.2 Necessary Resolutions for the re-appointment of the aforesaid Directors have been included in the Notice convening the ensuing AGM and details of the proposed appointees are mentioned in the Appendix to the Explanatory Statement to the Notice.

19.3 The Board of Directors of the Company at its Meeting held on 07th May, 2015 re-designated Mrs. N. Malkani Nagpal (DIN: 00031985) as the Whole-time Director, for a period of 3 years and the same was approved by the Members at the 62nd Annual General Meeting.

19.4 During FY 2015-16, Mr. Sanjay Hede, CFO tendered his resignation and was relieved from the services of the Company on & w.e.f. 29th May, 2015. The Board of Directors appointed Mr. Girish A. Patkar as the CFO of the Company w.e.f. 29th October, 2015.

20.0 DIRECTORS PERFORMANCE EVALUATION

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

21.0 DIRECTORS' RESPONSIBILITY STATEMENT

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

a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed, alongwith proper explanation relating to material departures, if any;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true & fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities;

d) the Directors have prepared the Annual Accounts on a going concern basis;

e) the Directors have laid down internal financial controls, to be followed by the Company and that such internal financial controls are adequate & were operating effectively, and

f) the Directors have devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems were adequate & operating effectively.

22.0 AUDIT COMMITTEE AND ITS RECOMMENDATIONS

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

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

23.0 NUMBER OF BOARD MEETINGS

The Company has conducted 4 (four) Board meetings during FY 2015-16 and the details thereof are covered under the Corporate Governance Report, which is annexed to this Report as Annexure - IV.

24.0 STATUTORY AUDITORS

At the last Annual General Meeting held on 30th July, 2015, M/s. Walker Chandiok & Co. LLP, Chartered Accountants, (FRN: 001076N/N500013) were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting, to be held in the calendar year 2019. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every subsequent Annual General Meeting since their first appointment. Accordingly, the appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

25.0 STATUTORY AUDITOR'S REPORT

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

26.0 SECRETARIAL AUDITOR & ITS REPORT

The Board of Directors had appointed M/s. N. L. Bhatia & Associates, (Unique Identification Number: S1996MH016600), a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company for FY 2015-16. The Secretarial Audit Report is annexed herewith as Annexure - VI. There are no qualifications in the said Report and therefore there are no further explanations to be provided for in this Report.

27.0 COST AUDITOR

Pursuant to the provisions of Section 148 of the Companies Act, 2013, the Board of Directors had appointed Mr. Vishvesh Desai, Cost Accountant, Pune, as the Cost Auditor of the Company for FY 2015-16.

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

27.1 Name of the Cost Auditor: CMA Vishvesh Desai

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

27.3 Membership No.: F-7330

27.4 Firm Regn. No. : 102151

27.5 Due date for filing Cost Audit Report (XBRL) for FY 2014-15 by the Cost Auditor with the Central Government: Within 180 days from the end of the financial year.

27.6 Actual Date of filing of Cost Audit Report for FY 2014-15 with the Central Government: 16th September, 2015

The Company has appointed M/s. Kishore Bhatia & Associates, Cost Accountants, Mumbai (Firm Registration No. 00294) as the Cost Auditors for FY 2016-17. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor for FY 2016-17, is placed before the Members at the ensuing Annual General Meeting, for ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s. Kishore Bhatia & Associates, Cost Auditors is included at Item No. 6 of the Notice convening the Annual General Meeting.

28.0 VIGIL MECHANISM & WHISTLE BLOWER POLICY

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

29.0 PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has adopted a policy under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During FY 2015-16 the Company reconstituted the Committee, as required under the Act & Rules made thereunder and has carried out awareness programs. No complaints were received by the Committee during FY 2015-16.

30.0 EMPLOYEES

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

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

30.3 The manpower strength of the Company as at the date of this Report is 616.

31.0 ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their warm appreciation for the invaluable contribution and spirit of dedication shown by the employees at all levels during FY 2015-16. The Directors also express their deep gratitude for the business assistance, co-operation and support extended to your Company by its Customers, Distributors, Dealers, Suppliers, Service Providers, Bankers, various Government Organisations / Agencies & Shareholders and look forward to their continued support and co-operation in future also.

For and on behalf of the Board

Aruna B. Advani
Executive Chairman
(DIN: 00029256)

Place: Mumbai
Date: 10th May, 2016

ANNEXURE I - TO THE DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN as on the Financial Year ended 31st March, 2016
[Pursuant to Section 92(3) & 134(3)(a) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details

1	CIN	L70100MH1951PLC008647
2	Registration Date	22nd October, 1951
3	Name of the Company	Ador Welding Limited
4	Category / Sub-Category of the Company	Public Company
5	Address of the Registered Office and contact details	Ador House, 6, K. Dubash Marg, Fort, Mumbai - 400 001-16, Maharashtra, India Tel: +91 22 6623 9300 / 2284 2525 Fax: +91 22 2287 3083 Web: www.adorwelding.com Email ID: investorservices@adorians.com
6	Whether listed Company (Yes / No)	Yes
7	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd. Address: Unit – 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072 Tel. No. +91 22 2851 5606 / 44 / 6338 Email: sharexindia@vsnl.com

II. Principal Business Activities of the Company

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

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	MANUAL METAL ARC WELDING / BRAZING ELECTRODES of Manufacture falling under ITC-broad description of CORED WIRE BASE OF METAL FOR ELECTRIC ARC WELDING	83112000 & 83111000	68
	CONTINUOUS WELDING ELECTRODES of Manufacture falling under ITC-broad description CORED WIRE OF BASE METAL FOR ELECTRIC ARC WELDING, ARC WELDING / BRAZE WELDING FLUXES of Manufacture falling under ITC broad description of OTHER, including parts.	72299016	
2	WELDING & CUTTING EQUIPMENT AND ACCESSORIES of Manufacture falling under ITC-broad description OTHER (including PEB Products)	85151900	32

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	J. B. Advani & Co. Pvt. Ltd. Ador House, 6, K. Dubash Marg, Fort, Mumbai 400 001-16, Maharashtra, India	U51900MH1925PTC004217	Holding	50.01%	2(46)
2	Ador Welding Academy Pvt. Ltd. A-108, H Block, MIDC, Pimpri - 411 018, Maharashtra, India	U74900PN2012PTC144148	Subsidiary	100%	2(87)

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

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the financial year (01.04.2015)				No. of Shares held at the end of the financial year (31.03.2016)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoters**									
	(1) Indian									
	a) Individual / HUF	8,58,756	0	8,58,756	6.31	8,58,916	0	8,58,916	6.31	0.00
	b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
	c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
	d) Bodies Corps.	68,00,531	0	68,00,531	50.01	68,00,531	0	68,00,531	50.01	0.00
	e) Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
	f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A)(1)	**76,59,287**	**0**	**76,59,287**	**56.32**	**76,59,447**	**0**	**76,59,447**	**56.32**	**0.00**
	(2) Foreign									
	a) NRIs – Individuals	49,050	0	49,050	0.36	49,050	0	49,050	0.36	0.00
	b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	c) Bodies Corps.	0	0	0	0.00	0	0	0	0.00	0.00
	d) Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
	e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A)(2)	**49,050**	**0**	**49,050**	**0.36**	**49,050**	**0**	**49,050**	**0.36**	**0.00**
	Total shareholding of Promoters (A) = (A)(1)+(A)(2)	**77,08,337**	**0**	**77,08,337**	**56.68**	**77,08,497**	**0**	**77,08,497**	**56.68**	**0.00**
B.	**Public Shareholding**									
	(1) Institutions									
	a) Mutual Funds	21,33,326	4,600	21,37,926	15.72	22,13,006	4,600	22,17,606	16.31	0.59
	b) Banks / FIs	332	300	632	0.01	332	300	632	0.01	0.00
	c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
	d) State Govt(s)	7	0	7	0.00	0	0	0	0.00	0.00
	e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	f) Insurance Companies	0	10	10	0.00	0	10	10	0.00	0.00
	g) FIIs	0	3,925	3,925	0.03	0	3,925	3,925	0.03	0.00
	h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(1)	**21,33,665**	**8,835**	**21,42,500**	**15.76**	**22,13,338**	**8,835**	**22,22,173**	**16.35**	**0.59**

	(2) Non Institutions									
	a) Bodies Corp.									
	i) Indian	2,16,749	3,505	2,20,254	1.62	2,80,139	3,505	2,68,644	1.97	0.35
	ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto Rs. 1 Lac	20,54,335	4,51,739	25,06,074	18.43	19,20,785	4,35,537	23,56,322	17.33	-1.10
	ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lac	4,47,308	1,16,640	5,63,948	4.15	4,45,151	1,16,640	5,61,791	4.13	-0.02
	c) Others (specify)									
	i) Clearing Members	30,892	0	30,892	0.23	45,703	0	60,703	0.45	0.22
	ii) OCBs	0	300	300	0.00	0	300	300	0.00	0.00
	iii) NRIs	1,82,768	2,43,394	4,26,162	3.13	1,82,308	2,37,729	4,20,037	3.09	-0.04
	Sub-total (B)(2)	**29,32,052**	**8,15,578**	**37,47,630**	**27.56**	**28,74,086**	**7,93,711**	**36,67,797**	**26.97**	**-0.59**
	Total Public Shareholding (B) = (B)(1)+(B)(2)	**50,65,717**	**8,24,413**	**58,90,130**	**43.32**	**50,87,424**	**8,02,546**	**58,89,970**	**43.32**	**0.00**
C.	**Shares held by Custodian for GDRs & ADRs**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Grand Total (A+B+C)		**1,27,74,054**	**8,24,413**	**1,35,98,467**	**100.00**	**127,95,921**	**8,02,546**	**1,35,98,467**	**100.00**	**0.00**

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the financial year (01.04.2015)			Shareholding at the end of the financial year (31.03.2016)			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	J. B. Advani & Co. Pvt. Ltd.	68,00,531	50.01	0.00	68,00,531	50.01	0.00	0.00
2.	A. B. Advani	2,95,480	2.17	0.00	2,95,480	2.17	0.00	0.00
3.	A. T. Malkani	1,03,626	0.76	0.00	1,03,626	0.76	0.00	0.00
4.	A. T. Mirchandani	64,430	0.47	0.00	64,430	0.47	0.00	0.00
5.	G. H. Malkani	56,400	0.41	0.00	56,400	0.41	0.00	0.00
6.	N. Malkani Nagpal	57,352	0.42	0.00	57,352	0.42	0.00	0.00
7.	M. G. Malkani	55,500	0.41	0.00	55,500	0.41	0.00	0.00
8.	G. G. Malkani	55,500	0.41	0.00	55,500	0.41	0.00	0.00
9.	R. T. Malkani	56,171	0.41	0.00	56,171	0.41	0.00	0.00
10.	P. D. Lambert	49,050	0.36	0.00	49,050	0.36	0.00	0.00
11.	G. H. Malkani (HUF)	47,400	0.35	0.00	47,400	0.35	0.00	0.00
12.	D. A. Lalvani	20,952	0.16	0.00	21,112	0.16	0.00	0.00
13.	V. A. Lalvani	19,190	0.14	0.00	19,190	0.14	0.00	0.00
14.	S. A. Malkani	14,173	0.10	0.00	14,173	0.10	0.00	0.00
15.	R. A. Mirchandani	8,002	0.06	0.00	8,002	0.06	0.00	0.00
16.	R. A. Lalvani	3,680	0.03	0.00	3,680	0.03	0.00	0.00
17.	P. K. Mathur	900	0.00	0.00	900	0.00	0.00	0.00

iii) Change in Promoters Shareholding

Sr. No.	Particulars	Shareholding at the beginning of the financial year (01.04.2015)		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the financial year 2015-16	
		No. of Shares	% of total Shares of the Company			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	D. A. Lalvani	20,952	0.16	17.07.2015	Purchase of Shares	70	0.00	21,022	0.16
				20.11.2015	Purchase of Shares	90	0.00	21,112	0.16

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

Sr. No.	Shareholder's Name (for each of the top 10 shareholders)	Shareholding at the beginning of the financial year (01.04.2015)		Cumulative Shareholding during the financial year 2015-16	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Reliance Capital Trustee Co Ltd. A/c	9,18,884	6.76	9,91,605	7.29
2	HDFC Small & Midcap Fund	1,45,317	1.07	1,45,317	1.07
3	DSP Blackrock Micro Cap Fund	5,43,061	3.99	N.A.	N.A.
4	Court Receiver, High Court, Mumbai	1,16,640	0.86	1,16,640	0.86
5	Jetu Jacques Taru Lalvani	94,000	0.69	94,000	0.70
6	Perviz Farrok Kaka	58,281	0.43	N.A.	N.A.
7	Tata Trustee Co. Ltd A/c Tata Mutual	2,44,549	1.80	2,44,549	1.80
8	Sundaram Mutual Fund A/c Sundaram Series I	95,045	0.70	1,36,192	1.00
9	Angel Holdings Pvt Ltd.	68,888	0.51	94,350	0.69
10	Sundaram Mutual Fund A/c Sundaram Series II	61,534	0.45	N.A.	N.A.
11	Sundaram Mutual Fund A/c Sundaram Series VI	N.A.	N.A.	2,12,328	1.56
12	Sundaram Mutual Fund A/c Sundaram Series V	N.A.	N.A.	1,42,957	1.05
13	Sundaram Mutual Fund A/c Sundaram Series VIII	N.A.	N.A.	1,13,987	0.84

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholder's Name (for Each of the Directors and KMPs)	Shareholding at the beginning of the financial year (01.04.2015)		Cumulative Shareholding during the financial year 2015-16	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	A. B. Advani	2,95,480	2.17	2,95,480	2.17
2	N. Malkani Nagpal	57,352	0.42	57,352	0.42
3	R. A. Mirchandani	8,002	0.06	8,002	0.06
4	A. T. Malkani	1,03,626	0.76	1,03,626	0.76
5	D. A. Lalvani	20,952	0.16	21,112	0.16
6	G. M. Lalwani	10	0.00	10	0.00
7	V. M. Bhide	150	0.00	150	0.00

V. Indebtedness

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

(Rs. in Lacs)

Particulars	Secured	Unsecured Loans (excluding deposits)	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2015)				
i) Principal Amount	-	43	-	43
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	**43**	-	**43**
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	(26)	-	(26)
Net Change	-	**(26)**	-	**(26)**
Indebtedness at the end of the financial year (31.03.2016)				
i) Principal Amount	-	17	-	17
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	**17**	-	**17**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to the Managing Director, Whole-time Directors and / or Manager

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total
		A. B. Advani	S. M. Bhat	N.Malkani Nagpal ^	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	99.84	75.11*	65.35	240.30
	(b) Value of perquisites u/s 17(2) of the Income Tax Act,1961	7.41	2.56	3.43	13.40
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit -others, specify…	3.92	17.82	3.92	25.66
5	Others (Bonus for FY 2015-16)	-	5.00	-	5.00
	Total (A)	**111.17**	**100.49**	**72.70**	**284.36**

^ From 07th May, 2015

* includes Rs. 19.19 Lacs towords Bonus for FY 2014-15 paid in FY 2015-16

Note: The remuneration payable / paid to the Executive Chairman, the Managing Director & the Whole Time Director for FY 2015-16 is within the overall ceilings, as per the Companies Act, 2013.

B. Remuneration to other Directors

1. Independent Directors

(Rs. in lacs)

Particulars of Remuneration	Name of the Directors						Total
	M. K. Maheshwari	P. K. Gupta	R. N. Sapru	K. Digvijay Singh	G. M. Lalwani	S. G. Mirchandani	
Fees for attending Board & Committee meetings	0.82	0.72	0.50	0.72	0.20	0.40	**3.36**
Commission	3.91	3.91	3.91	3.91	3.91	3.91	**23.46**
Others, please specify	-	-	-	-	-	-	**-**
Total (1)	**4.73**	**4.63**	**4.41**	**4.63**	**4.11**	**4.31**	**26.82**

2. **Other Non-Executive Directors**

(Rs. in lacs)

Particulars of Remuneration	Name of the Directors				Total
	N. Malkani Nagpal ^	R. A. Mirchandani	A. T. Malkani	D. A. Lalvani	
Fees for attending Board & Committee meetings	0.23	0.65	0.65	0.60	**2.13**
Commission	3.91	3.91	3.91	3.91	**15.64**
Others, please specify	-	-	-	-	**-**
Total (2)	**4.14**	**4.56**	**4.56**	**4.51**	**17.77**
Total (B)=(1+2)					**44.59**

^ Non-Executive Director till 06th May, 2015

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

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

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO*	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	25.51	19.20	44.71
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.57	-	0.57
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - other, specify...	-	-	-
5	Others - specify...	-	-	-
	Total	**26.08**	**19.20**	**45.28**

*includes salary to ex-CFO paid during the year

VII. Penalties / Punishment / Compounding of Offences

Sr. No.	Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A	Company	NIL				
	Penalty					
	Punishment					
	Compounding					
B	Directors					
	Penalty					
	Punishment					
	Compounding					
C	Other Officers In Default					
	Penalty					
	Punishment					
	Compounding					

For and on behalf of the Board

Aruna. B. Advani
Executive Chairman
(DIN: 00029256)

Place: Mumbai
Date: 10th May, 2016

ANNEXURE II – TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2015-16

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

   Ador Welding Limited's (AWL's) CSR Committee believes that it is important for the organization to focus on philanthropic activities as a part of its DNA, and had, hence, identified the following three areas as its primary focus for FY 2015-16:

   - Education & skill development and encouraging safety practices in the field of welding & allied fields;
   - Empowering women towards individual and professional development;
   - Providing facilities for education, promoting gender equality, empowering women, setting up homes and hostels or facilities 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.

   Web-link of CSR Policy: http://www.adorwelding.com/images/pdf/corporate_policies/CSR_FY_2015-16.pdf

2. **Composition of the CSR Committee:**

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

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

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

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

3. **Average net profits of the Company** for the last three financial years, under Section 198 of the Companies Act, 2013: **Rs. 2,332.15 Lacs**

4. **Prescribed CSR Expenditure** (2% of the amount as in item 3 above): **Rs. 46.64 Lacs**

5. **Details of CSR spend for FY 2015-16:**

   (a) Total amount **spent**: **Rs. 18.20 Lacs**

   (b) Amount **unspent**: **Rs. 28.44 Lacs**

   (c) Manner in which the amount spent during FY 2015-16 is detailed below:

Sr. No.	CSR project or activity identified	Sector in which project is covered	Projects or Programs	Amount of outlay (budget) – project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects / programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Drinking water facility & Promoting Education	Making available clean drinking water to the students	Funding to Vanvasi Kalyan Ashram for laying water pipe line to facilitate students affected from shortage of water supply, which was hampering their education in Adivasi areas near Silvassa	Rs. 2.01 Lacs	Direct Exp.- Rs.2.01 Lacs Overhead - Nil	Rs.2.01 Lacs	Rs.2.01 Lacs: Direct

Sr. No.	CSR project or activity identified	Sector in which project is covered	Projects or Programs	Amount of outlay (budget) – project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects / programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
2	Promoting Education & drinking water facility	Making available clean drinking water to the school students	RO water purification system and computer for the students at a Public HS School in Birgaon, Raipur, Chhatisgarh	Rs. 2.95 Lacs	Direct Exp. - Rs. 2.95 Lacs Overhead - Nil	Rs. 2.95 Lacs	Rs. 2.95 Lacs: Direct
3	Drinking water facilities	Making available clean drinking water to the differently abled	Water cooler for the Handicap Centre Pune for blind	Rs. 0.50 Lac	Direct Exp. - Rs. 0.50 Lac Overhead - Nil	Rs. 0.50 Lac	Rs. 0.50 Lac: Direct
4	Welfare of senior citizens	Providing facilities at Old Age home	Industrial / heavy duty Laundry Machine for Kinara Vrudha Ashram, Rupi Nagar, Pune	Rs. 2.10 Lacs	Direct Exp. - Rs. 2.10 Lacs Overhead - Nil	Rs. 2.10 Lacs	Rs. 2.10 Lacs: Direct
5	Vocational Training	Vocational Training in the field of welding	4 welding machines and spares to Zeal College of Engineering, Pune	Rs. 2.43 Lacs	Direct Exp. - Rs. 2.43 Lacs Overhead - Nil	Rs. 2.43 Lacs	Rs. 2.43 Lacs: Direct
6	Vocational Training	Vocational Training in the field of welding	13 Welding Machines to Ambuja Cement Foundation	Rs. 7.81 Lacs	Direct Exp. - Rs. 7.81 Lacs Overhead - Nil	Rs. 7.81 Lacs	Rs. 7.81 Lacs through Ambuja Cement Foundation
7	Promoting Education	Facilities for Education	Chairs, tables and cupboards to Shardashram Primary School, Pune	Rs. 0.40 Lac	Direct Exp. - Rs. 0.40 Lac Overhead - Nil	Rs. 0.40 Lac	Rs. 0.40 Lac: Direct
					Total	**Rs.18.20 Lacs**	

6. In case the Company has failed to spend two percent of the average net profits of the last three Financial Years or any part thereof, the Company shall provide the reasons for not spending the amounts in its Board Report: Refer Directors' Report.

7. During FY 2015-16, the implementation and monitoring of CSR Policy was in conformity with the CSR objectives and CSR Policy of the Company.

For **Ador Welding Limited**

S. M. Bhat
Managing Director
(DIN:05168265)

M. K. Maheshwari
Chairman of the CSR Committee
(DIN:00012341)

Place: Mumbai
Date: 10th May, 2016

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

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

Philosophy on CSR:

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

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

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

Focus areas of CSR:

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

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

Organisational mechanism for CSR:

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

The CSR committee will be in charge for:

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

The CSR Committee will ensure the following:

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

Implementation Mechanism of CSR:

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

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

Management Commitment to CSR:

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

AWL believes that in doing so, it will add significant value to our society.

Composition of the CSR Committee:

Three or more Directors, of which at least one Director shall be an Independent Director. No sitting fees will be paid to the Members of CSR Committee.

Functions of the CSR Committee:

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

ANNEXURE III – TO THE DIRECTORS' REPORT

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

A. Conservation of Energy

1. Replaced the induction lights and tube lights with LED High Bay Lights in various Departments at Plants.
2. Maintained the Power Factor (0.98 – 0.99) of Main Electricity Supply, which gave us cost benefit.
3. Proper distribution of total load as per transformers and DG sets gave us maximum utilization of loads.
4. Installed the latest technology energy efficient electrode plants and also replaced old cutting machines by stop & cut type energy efficient machines.

B. Technology Absorption

The Company has 2 (two) Technology Development Centres (TDCs), 1 (one) each for Consumables and Equipments, both located at Chinchwad, Pune in Maharashtra. The TDCs continue to pursue their goals, with renewed vigour, in terms of innovation, upgradation, improvement and cost reduction. These TDCs regularly interact with the market / users for improving the competitive features and performance of the Company's products. Some of the significant technology absorption / innovations are listed hereunder:

1. Design and development of very High frequency IGBT based welding machine by using ferrite core transformer for better response to welding dynamics and enhancing the welding performance.
2. Development of compact engine driven welding machines with a length of 1.7 m, which has not only reduced the size but also the overall weight of the Engine driven welding set.
3. Developed Digital controller and energy efficient inverter based Air Plasma cutting machine for cutting the metals like Aluminum, Mild Steel and Stainless Steel.
4. Innovated the protection for high voltage input supply by isolating the input supply from sensitive power semiconductors like IGBTs.
5. Developed the pulse MIG welding machine for pulse MIG process by developing the innovative algorithm for producing the current pulses and stable arc length.
6. Import substitute by Localization:

   Following components are developed locally as import substitute:

   a) MOSFET based Chopper module on Aluminum based substrate.

   b) Hall-sensors for welding current sensing.

7. Energy Conservation and Safety:

   The Company got CE marking for two of its models named 'CHAMPMULTI 400' and 'THYROLUXE 401'. For complying with the CE marking requirement, the machines were tested for safety in respect of Electrical Hazards and Fire Hazards. Apart from these Safety hazards, our CE marked machines do not produce any electrical pollution, like Current Harmonics and also do not emit electromagnetic noise on electric supply lines.

8. Summary of expenditure on R & D:

(Rs. in Lacs)

Particulars	**FY 2015-16**	FY 2014-15
Capital	**14**	46
Recurring	**371**	307
Total	**385**	353
Total R & D expenditure as a percentage of total turnover	**0.93%**	0.90%

C. Foreign Exchange Earnings & Outgo:

(Rs. in Lacs)

Particulars	**FY 2015-16**	FY 2014-15
Foreign Exchange Earnings	**4,163**	3,065
Foreign Exchange Outgo	**4,516**	4,867

For and on behalf of the Board

Aruna B. Advani
Executive Chairman
(DIN: 00029256)

Place: Mumbai
Date: 10th May, 2016

ANNEXURE IV - TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

The detailed Report on Corporate Governance pursuant to Schedule V(C) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations) is set out below. In this report, we confirm the compliance of the Corporate Governance criteria, as required under the SEBI Listing Regulations.

A) Mandatory Requirements

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

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

2) Board of Directors

Composition, Number of Meetings held and Attendance:

The Board of Directors of the Company comprises of 12 (twelve) Directors consisting of 3 (three) Executive / Whole-time Directors and 9 (nine) Non-Executive Directors. There are 2 (two) women Directors on the Board.

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

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

During FY 2015-16 under review, the Board of Directors met 4 (four) times, i.e. on 07th May 2015, 31st July 2015, 29th October 2015 and 09th February 2016. Details of the Board Meetings held during FY 2015-16 are as follows:

Sr. No.	Date of the Board Meeting	Board Strength	No. of Directors Present
1	07th May, 2015	12	11
2	31st July, 2015	12	12
3	29th October, 2015	12	12
4	09th February, 2016	12	11

The composition of the Board of Directors, attendance at the Board Meetings held during FY 2015-16 and at the last Annual General Meeting, number of Directorships in other Companies and Memberships of Committees across various other Companies, in which the Director is a Member / Chairman, are given below:

Sr. No.	Name of the Director	Date of Appointment	Category of Directorship	Financial Year 2015–16 Attendance at		As on March 31, 2016		
				Board Meetings	Last AGM (30th July, 2015)	No. of other Directorships #	Committee Positions @	
							No. of Memberships	No. of Chairmanships
1	Ms. A. B. Advani	06/09/1982	Promoter & Executive	4 of 4	Present	2	3	Nil
2	Mr. S. M. Bhat	11/05/2012	Executive	4 of 4	Present	Nil	Nil	Nil
3	Mrs. N. Malkani Nagpal$	03/07/1997	Promoter & Executive	4 of 4	Present	3	3	Nil
4	Mr. R. A. Mirchandani	28/07/2006	Promoter & Non-Executive	4 of 4	Present	2	Nil	2
5	Mr. A. T. Malkani	27/07/2007	Promoter & Non-Executive	4 of 4	Present	1	Nil	Nil
6	Mr. D. A. Lalvani	27/07/2007	Promoter & Non-Executive	4 of 4	Present	2	3	1
7	Mr. M. K. Maheshwari	28/03/2005	Independent & Non-Executive	4 of 4	Present	3	1	1
8	Mr. P. K. Gupta	27/10/2006	Independent & Non-Executive	4 of 4	Present	Nil	Nil	Nil
9	Mr. R. N. Sapru	19/10/2008	Independent & Non-Executive	4 of 4	Present	Nil	Nil	Nil
10	Mr. K. Digvijay Singh	01/02/2009	Independent & Non-Executive	4 of 4	Present	1	1	Nil
11	Mr. G. M. Lalwani	10/11/2014	Independent & Non-Executive	2 of 4	Present	1	1	Nil
12	Mr. S. G. Mirchandani	10/11/2014	Independent & Non-Executive	4 of 4	Present	2	2	Nil

 # Excludes Directorships in Foreign Companies, Private Limited Companies & Charitable Companies, if any, and Ador Welding Ltd.

@ Considered Memberships / Chairmanships of Audit Committee & Stakeholders Relationship Committee only, other than Ador Welding Ltd., as per Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

$ Appointed as Executive Director on 07th May, 2015

Brief profile of each of the above Directors is available on the Company's website: www.adorwelding.com.

None of the Directors is a Member of more than 10 (ten) Board Committees and Chairman of more than 5 (five) such Committees, across all the Companies in which he / she is a Director, as required under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The same is also evidenced from the above table. All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies and none of the Directors hold Directorship in more than seven

listed Companies out of a maximum of twenty Companies, where they can hold Directorship. None of the Directors of the Company are related to each other. All the Non-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 transactions with the Company, its Promoters or its Management, which would affect the independence or judgement of the Director/s. The Company has also not entered into any materially significant transactions with its Promoters, Directors or their relatives or with the Management, etc. that may have potential conflict, with the interest of the Company at large.

***Broad Terms of Reference / Functions of the Board*:**

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

- Annual operating plans & budgets and updates thereon.
- Capital budgets and updates thereon.
- Quarterly Unaudited Financial Results of the Company and its Operating Divisions or Business Segments.
- Audited Financial Results of the Company.
- Minutes of the Meetings of the Committees of the Board & Subsidiaries of the Company.
- The information on recruitment and remuneration of senior officers, just below the Board level, including the appointment & / or removal of CFO & 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 labour problems and their proposed solutions.
- Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.
- Quarterly / Half yearly / Yearly details of financials & other material information of Subsidiary Companies.
- Sale of material nature of investments, subsidiaries, assets, etc. which are 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 transfers, etc.
- Updates on working of Subsidiaries.

The Board of Directors is routinely provided with all the above information and the information as set out in Regulation 17 read with Part A of Schedule II of SEBI Listing Regulations, to the extent it is applicable and relevant. Such information is submitted either as a part of the agenda papers or tabled in the course of the Board Meeting, which gets discussed and noted in the Meeting.

Code of Conduct:

The Board of Directors has laid down a 'Code of Conduct' for all the Board Members and Senior Management Personnel of the Company. The 'Code of Conduct' has also been posted onto the website of the Company – www.adorwelding.com. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for FY 2015–16.

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.

Insider Trading Code:

The Securities and Exchange Board of India (SEBI) has promulgated SEBI (Prohibition of Insider Trading) Regulations, 2015 ("The PIT Regulations"). The PIT Regulations have come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulations is to curb the practice of insider trading in the securities of a Listed Company. The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the PIT Regulations.

The Code is applicable to the Promoters, Promoter's Group, all the Directors and Designated Employees, who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is displayed on the Company's website at the weblink below:

http://www.adorwelding.com/index.php?option=com_content&view=article&id=55&Itemid=170

3) Audit Committee

***Broad Terms of Reference / Functions of the Committee*:**

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

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

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

Composition, Number of Meetings held and Attendance:

During FY 2015-16 under review, 4 (four) Audit Committee Meetings were held, i.e. on 07th May 2015, 31st July 2015, 29th October 2015 and 09th February 2016.

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

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

The composition of the Audit Committee and attendance at the Meetings held in FY 2015-16 is given hereunder:

Sr. No.	Name of the Member	Position	Category	Attendance during FY 2015-16
1	Mr. M. K. Maheshwari	Chairman	Non-Executive & Independent Director	4 of 4
2	Mr. K. Digvijay Singh	Member	Non-Executive & Independent Director	4 of 4
3	Mr. P. K. Gupta	Member	Non-Executive & Independent Director	4 of 4
4	Mrs. N. Malkani Nagpal	Member	Executive Director	4 of 4

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 circulated 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 disclosure on the remuneration of the Directors and to deal with all the elements of remuneration packages w.r.t. all the Directors. The Nomination & Remuneration Committee recommends to the Board the compensation terms of the Directors & Senior Management. The Committee functions in accordance with the Nomination & Remuneration Committee Charter, prepared in accordance with the Companies Act, 2013 & Part D (A) of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, adopted by the Board, which, inter alia includes the following functions, amongst other things:

- Formulating the criteria for determining qualifications, positive attributes and independence of Directors.
- Formulating the criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- Ensuring that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Ensuring that the remuneration of the Directors, key managerial personnel and senior management involves a balance between fixed and incentive (variable) pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- Carrying out evaluation of every Director's performance, including 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 Non-executive Directors
     - for the Key Managerial Personnel & Senior Management and
     - for other employees.
  d) The size, qualification and composition of the Board.
  e) Short-term incentive strategy, performance targets and bonus payments for the Executive Directors.
  f) Offers, under the Company's employee equity incentive plans, if any, in respect of a financial year.
- Proposing the time expected to be devoted by the Non-executive Directors in relation to the Company's affairs.
- Reviewing major changes and developments in the Company's remuneration, recruitment, retention, superannuation arrangements, human resource practices and employee relations.
- Ensuring that the Board and the Management makes available to them sufficient information and external advice for informed decision-making regarding remuneration.

Composition, Number of Meetings held and Attendance:

During FY 2015-16 under review, 2 (two) Nomination & Remuneration Committee Meetings were held, i.e. on 07th May 2015 and 29th October 2015.

On 07th May 2015, the Nomination & Remuneration Committee was reconstituted by the Board of Directors by inducting Mr. A. T. Malkani in place of Mr. R. A. Mirchandani.

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

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

Sr. No.	Name of the Member	Position	Category	Attendance during FY 2015-16
1	Mr. R. N. Sapru	Chairman	Non-Executive & Independent Director	2 of 2
2	Mr. M. K. Maheshwari	Member	Non-Executive & Independent Director	2 of 2
3	Mr. R. A. Mirchandani *	Member	Non-Executive Director	1 of 1
4	Mr. A. T. Malkani ^	Member	Non-Executive Director	1 of 1

*** Till 07th May, 2015**

^ From 08th May, 2015

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

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Nomination & Remuneration Committee has laid down the criteria for performance evaluation of the Board, its Committees, all the Directors, including the Executive Chairman. Evaluation is based on various parameters as stated below:

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

The evaluation process takes place through self-evaluation of Directors and evaluation by the peers. The performance evaluation of Independent Directors is done by the entire Board of Directors, and in the said evaluation, the Directors who are subject to evaluation, do not participate.

***Remuneration Policy for Directors*:**

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

1. **Remuneration to the Executive Directors:**

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

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

2. **Remuneration to the Non-executive Directors:**

   As required under Schedule V(C)(5)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has uploaded the criteria for payment to Non-executive Directors onto its website at the following web link:

   http://www.adorwelding.com/images/pdf/corporate_policies/criteria_for_payment_to_NEDs.pdf

The details of the remuneration paid / payable to all the Directors for FY 2015–16 are given below:-

(Rs. in lacs)

Sr. No.	Name of the Director	Salary #	Benefits (Perquisites)	Bonus	Commission £	Sitting Fees @ £	Total
1	Ms. A. B. Advani	119.14	7.01	-	3.92	-	130.07
2	Mr. S. M. Bhat	90.21	1.71	5.00	17.82	-	114.74
3	Mrs. N. Malkani Nagpal ^	82.33	3.04	-	3.92	0.23	89.52
4	Mr. R. A. Mirchandani	-	-	-	3.91	0.65	4.56
5	Mr. A. T. Malkani	-	-	-	3.91	0.65	4.56
6	Mr. D. A. Lalvani	-	-	-	3.91	0.60	4.51
7	Mr. M. K. Maheshwari	-	-	-	3.91	0.82	4.73
8	Mr. P. K. Gupta	-	-	-	3.91	0.72	4.63
9	Mr. R. N. Sapru	-	-	-	3.91	0.50	4.41
10	Mr. K. Digvijay Singh	-	-	-	3.91	0.72	4.63
11	Mr. G. M. Lalwani	-	-	-	3.91	0.20	4.11
12	Mr. S. G. Mirchandani	-	-	-	3.91	0.40	4.31
	Total	**291.68**	**11.76**	**5.00**	**60.85**	**5.49**	**374.78**

 # Fixed Component

@ As Member / Invitee, wherever applicable

£ Excluding Service Tax

^ Appointed as Whole-time Director on 07th May, 2015

Notes:

- The Agreement with the Executive Chairman is for a period of five years. Either party to the Agreement is entitled to terminate the Agreement by giving 6 months' notice to the other party, as mentioned in the Agreement.
- Performance linked incentive for the Executive Chairman as per the Agreement is, "Commission" upto 1% of the net profits of the Company, as calculated under Section 198 of the Companies Act, 2013.
- The Agreement with the Managing Director is for a period of three years. Either party to the Agreement is entitled to terminate the Agreement by giving three months' notice to the other party, as mentioned in the Agreement.
- The Agreement of the Whole-Time Director is for a period of three years. Either party to the Agreement is entitled to terminate the Agreement by giving three months' notice to the other party, as mentioned in the Agreement.
- Performance linked incentive payable to the Managing Director as per the Agreement is as under:

  (1) Bonus @ 0.05% of the Net Sales, subject to the achievement of the targeted Net Sales.

  (2) Commission @ 0.50% of the Net Profits u/s 198 of the Companies Act 2013, subject to the achievement of the targeted PBT.

- All the Promoter Directors, including the Executive Chairman & the Whole–Time Director, are liable to retire by rotation.
- According to the Articles of Association of the Company, the Managing Director is not liable to retire by rotation.
- As per the Companies Act 2013, none of the Independent Directors retire by rotation.
- Presently, the Company does not have any stock option and pension 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 of the Board looks into the redressal of investors grievances / complaints like non-receipt of Annual Report, Dividend, Share Certificates, etc. and the matters related to share transfers, issue of duplicate share certificates, dematerialisation / rematerialisation of shares, transmission of shares and other allied transactions. It also delegates necessary powers to the executives of the Company to process the share transfer, etc.

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

Composition, Number of Meetings held and Attendance:

During FY 2015–16 under review, 4 (four) Stakeholders Relationship Committee Meetings were held, i.e. on 07th May 2015, 31st July 2015, 29th October 2015 and 09th February 2016.

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	Category	Attendance during FY 2015-16
1	Mr. R. A. Mirchandani*	Chairman	Non - Executive Director	4 of 4
2	Mrs. N. Malkani Nagpal	Member	Whole-Time Director	4 of 4
3	Mr. A. T. Malkani #	Member (Ex-Chairman)	Non - Executive Director	4 of 4
4	Mr. D. A. Lalvani	Member	Non - Executive Director	4 of 4

**** From 08th May, 2015***

 # Till 07th May, 2015

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

Compliance Officer:

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

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

- The total number of shareholders complaints received and replied during FY 2015–16 are 8.
- There were no outstanding complaints as on 31st March, 2016.
- There are no pending share transfers in physical as well as in demat category. All the requests received upto 31st March, 2016 for share transfers have been processed by the Registrar & Share Transfer Agent of the Company.

The Statement of **Directors' Shareholding** is as under:

Sr. No.	Name of the Director	Shareholding	
		As on 31st March, 2016	As on 10th May, 2016
1	Ms. A. B. Advani	2,95,480	2,95,480
2	Mr. S. M. Bhat	Nil	Nil
3	Mrs. N. Malkani Nagpal	57,352	57,352
4	Mr. R. A. Mirchandani	8,002	8,002
5	Mr. A. T. Malkani	1,03,626	1,03,626
6	Mr. D. A. Lalvani	21,112	21,112
7	Mr. M. K. Maheshwari	Nil	Nil
8	Mr. P. K. Gupta	Nil	Nil
9	Mr. R. N. Sapru	Nil	Nil
10	Mr. K. Digvijay Singh	Nil	Nil
11	Mr. G. M. Lalwani	10	10
12	Mr. S. G. Mirchandani	Nil	Nil

6) Corporate Social Responsibility (CSR) Committee

***Broad Terms of Reference / Functions of the Committee*:**

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

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

A CSR Policy is formulated & approved by the Board, as mandated under the provisions of Section 135 of the Companies Act, 2013. The details of the CSR Policy are placed on the Company's website at http://www.adorwelding.com/images/pdf/corporate_policies/corporate-social-responsibility-CSR-policy.pdf

Composition, Number of Meetings held and Attendance:

During FY 2015–16 under review, 4 (four) CSR Committee Meetings were held, i.e. on 07th May 2015, 31st July 2015, 29th October 2015 and 09th February 2016.

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

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

Sr. No.	Name of the Member	Position	Category	Attendance during FY 2015-16
1	Mr. M. K. Maheshwari	Chairman	Non - Executive & Independent Director	4 of 4
2	Ms. A. B. Advani	Member	Executive Chairman	4 of 4
3	Mr. S. M. Bhat	Member	Managing Director	4 of 4
4	Mr. D. A. Lalvani	Member	Non - Executive Director	4 of 4

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

7) General Body Meetings

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

Sr. No.	Financial Year	Date	Location	Time
1	2014-15	30th July, 2015	Walchand Hirachand Hall, IMC, Mumbai	03:30 pm
2	2013-14	28th July, 2014	Walchand Hirachand Hall, IMC, Mumbai	03:30 pm
3	2012-13	24th July, 2013	Walchand Hirachand Hall, IMC, Mumbai	03:30 pm

All the special resolutions moved in the previous 3 (three) Annual General Meetings were passed by requisite majority by the Members. No special resolution was put through postal ballot during last year. However, the Company had provided e-voting facility to its Members and a poll (Physical Ballot) was conducted at the 62nd Annual General Meeting held on 30th July, 2015. All the resolutions were passed with requisite majority thereat.

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

Sr. No.	Financial Year	Dividend %	Type	Dividend Outflow (Rs. in lacs)	Dividend Tax Outflow	Total Outflow (Rs. in lacs)	Profit After Tax (PAT) (Rs. in lacs)	% of Dividend & Tax to PAT
A	B	C	D	E	F	G = E+F	H	I = (G/H)%
1	2015-16	50 $	Final	679.92	138.42	818.34	2,264.76	36.13
2	2014-15	50	Final	679.92	138.42	818.34	3,237.32	25.28
3	2013-14	50	Final	679.92	115.55	795.47	422.70	188.19
4	2012-13	60	Final	815.91	132.36	948.27	1,908.02	49.70
5	2011-12	60	Final	815.91	132.36	948.27	2,089.11	45.39
6	2010-11	60	Final	815.91	135.51	951.42	2,569.11	37.03
7	2009-10	60	Final	815.91	135.51	951.42	2,633.52	36.13
8	2008-09	40	Final	543.94	92.44	636.38	1,257.18	50.62

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

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

8.1 Independent Directors' Meeting:

During the year under review, the Independent Directors met on 09th February 2016, inter alia, to discuss the following:

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

All the Independent Directors, except Mr. G. M. Lalwani, were present at the Meeting.

8.2 Familiarisation Programme for the Independent Directors:

Pursuant to Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has carried out Familiarization Programme for the Independent Directors on their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through which the Independent Directors were briefed on the affairs of the Company. The detailed methodology of the Familiarisation Programme is uploaded on the following web link:

http://www.adorwelding.com/images/pdf/corporate_policies/familiarisation_programme_for_independent_directors.pdf

9) Disclosures

9.1 Materially significant related party transactions:

During FY 2015–16 under review, there were no materially significant Related Party Transactions of the Company with its Promoters, Directors or 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.

9.2 Policy for entering into Related Party Transactions:

The Company has formulated Related Party Transaction Policy, as required under the provisions of the Companies Act, 2013 & Regulation 23(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, and the same is uploaded on the follwing weblink:

http://www.adorwelding.com/images/pdf/corporate_policies/RPT_policy.pdf

9.3 *Material Subsidiaries:*

Pursuant to Regulation 16 (1) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a Policy for determining material subsidiaries has been adopted by the Company, which was approved by the Board on 10th November 2014, and the same is uploaded on the following web link: http://www.adorwelding.com/images/pdf/corporate_policies/material_Subsidiary_print.pdf

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

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

9.5 *Vigil Mechanism - Whistle Blower Policy:*

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

http://www.adorwelding.com/images/pdf/corporate_policies/whistle_Blower_cum_Vigil_Mechanism_Policy.pdf

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

10) Means of Communication

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

10.2 The presentations are made to the Institutional Investors / Analysts, as & when required and are also uploaded on the website of the Company along with the relevant news. During FY 2015-16, 1 (one) Analyst / Institutional Investors Meet was held on 19th February, 2016 and the details thereof are available at the following weblink:

http://www.adorwelding.com/index.php?option=com_content&view=article&id=38&Itemid=153

10.3 A separate dedicated section under "Investors" tab on the Company's website gives information on the Financials, Shareholding Pattern, Events, Annual Reports and other relevant information of interest to the investors / public.

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

11) General Shareholder Information

***Annual General Meeting*:**

Day, Date and Time	Thursday, 28th July 2016 at 03:30 pm
Venue	Walchand Hirachand Hall, Indian Merchants' Chamber, Churchgate, Mumbai - 400 020, Maharashtra, India.
Financial Year	01st April 2015 – 31st March 2016
Book Closure Date	Saturday , 23rd July 2016 to Thursday, 28th July 2016
Dividend Payment Day and Date	By Friday, 05th August 2016
Last date of receiving Proxy Forms	Tuesday, 26th July 2016 before 03:30 pm
Financial Calendar for FY 2016–17	Financial Results (unaudited) Reporting for the quarter ending June 2016 – by 14th August, 2016 Financial Results (unaudited) Reporting for the quarter ending September 2016 – by 14th November, 2016 Financial Results (unaudited) Reporting for the quarter ending December 2016 – by 14th February, 2017 Financial Results (audited) Reporting for the year ending March 2017 – by end of May 2017

Listing:

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

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

Annual Listing Fees and Custodial Fees:

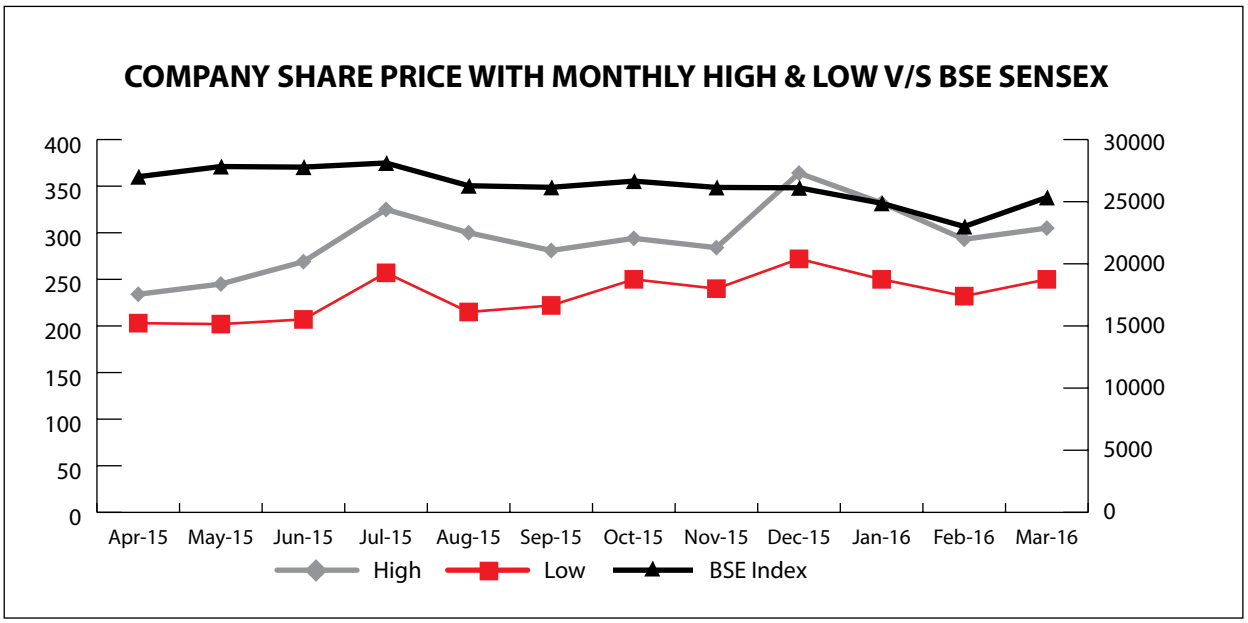
The listing fees and custodial fees for FY 2015-16 have been paid by your Company within the stipulated time.

***Market Price Data*:**

High / Low during each month of the last FY 2015-16 is given hereunder:

INDEX	BSE				NSE			
Month / Year	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades
April, 2015	233.50	203.00	19,166	1,809	233.00	203.25	62,773	2,059
May, 2015	245.00	202.00	3,21,251	3,067	244.05	200.50	4,03,780	5,263
June, 2015	269.40	207.10	45,590	3,327	269.00	206.20	1,49,287	6,329
July, 2015	325.00	257.00	2,34,018	13,015	324.90	256.50	5,66,375	23,550
August, 2015	300.00	215.00	73,574	6,134	302.90	215.50	2,03,430	9,291
September, 2015	281.00	222.10	41,318	3,936	280.00	223.10	74,373	5,799
October, 2015	294.00	250.00	45,516	3,326	302.00	262.10	1,28,150	5,248
November, 2015	284.00	239.90	24,338	3,029	283.50	235.00	65,860	4,830
December, 2015	364.00	272.00	1,97,176	11,327	363.90	272.00	6,99,805	24,846
January, 2016	331.90	250.00	32,088	3,597	334.95	246.10	1,11,320	6,902
February, 2016	292.50	231.70	29,311	3,008	294.00	231.00	1,33,310	5,967
March, 2016	305.00	250.00	20,358	2,261	304.80	248.85	88,708	4,546

Performance in comparison to BSE Sensex:



***Registrar & Share Transfer Agent*:**

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

  Unit No.1, Luthra Industrial Premises,
  Andheri Kurla Road, Safed Pool,
  Andheri (East), Mumbai – 400 072.
  Maharashtra, INDIA
  Tel : +91 22 2851 5606 / 44 / 6638

  Website: www.sharexindia.com
  Email : sharexindia@vsnl.com / sd_india@rediffmail.com

Share Transfer System:

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

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

Distribution of shareholding as on 31st March, 2016:

Sr. No.	Range of Shareholding	No. of Shareholders	% of Total Shareholders	No. of Shares held	% of Total Shareholding
1	1- 100	6,890	49.63	3,64,493	2.68
2	101-200	3,100	22.33	4,89,401	3.60
3	201-500	3,122	22.49	9,04,478	6.65
4	501-1000	415	2.99	3,26,959	2.40
5	1,001-5,000	281	2.02	6,00,777	4.42
6	5,001-10,000	32	0.23	2,31,297	1.70
7	10,001-1,00,000	34	0.24	11,51,779	8.47
8	1,00,001 and above	8	0.06	95,29,283	70.08
	Total	**13,882**	**100.00**	**1,35,98,467**	**100.00**

Shareholding Pattern (category wise) as on 31st March, 2016:

Sr. No.	Category	No. of Shares Held	% of Total Shareholding
1	Promoters	77,08,497	56.68
2	Mutual Funds	22,17,606	16.31
3	Banks / Financial Institutions	632	0.01
4	FIIs	3,925	0.03
5	NRIs / OCBs	4,20,337	3.09
6	Private Corporate Bodies	2,68,644	1.97
7	Resident Individuals & others	29,18,113	21.46
8	Clearing Members	60,703	0.45
	Total	**1,35,98,467**	**100.00**

Dematerialisation of Shares and Liquidity:

- 1,27,95,921 Equity shares of the Company, representing about 94.10% (NSDL: 89.64% and CDSL: 4.46%) of the total shares of the Company, have been dematerialized as on 31st March, 2016.
- The Company has entered into agreements with M/s. National Securities Depository Ltd. (NSDL) & M/s. Central Depository Services (India) Ltd. (CDSL), whereby shareholders have an option to dematerialise their shares with either of the Depositories.

Statutory Compliance:

During FY 2015-16 under review, the Company has generally complied with all the applicable provisions, filed all returns, forms, etc. & furnished all the relevant particulars as required under the Companies Act, 2013 to the extent notified and other allied Acts / Rules, the Securities & Exchange Board of India (SEBI) Regulations and the Listing Agreements.

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

Commodity price risk or foreign exchange risk and hedging activities:

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks, wherever possible, through strategic sourcing domestically & internationally for its raw material requirements. The Company takes forward cover of appropriate amount and hedges its forex exposure. The Company does not hedge in commodity prices.

Unclaimed Dividend / Shares Certificates:

The unclaimed dividend for a period of seven years is mandatorily deposited in Investor Education and Protection Fund (IEPF) Account in accordance with Section 205C of the Companies Act, 1956 (which is in force), administered by the Central Government, which cannot be claimed by the Shareholders /Investors. The details of unclaimed dividend are posted on the website of the Company at http://www.adorwelding.com/index.php?option=com_content&view=article&id=43&Itemid=158

During the financial year under review, the Company has transferred Rs. 16,81,439/- to the Investor Education and Protection Fund towards Unclaimed Dividend. The Company does not have any unclaimed share certificates and hence, has not credited any shares to the Suspense Account, as required under Regulation 34(3) read with Schedule V of SEBI Listing Regulations.

Plant Locations:

The Company has the following manufacturing plants as of 31st March, 2016:

Raipur Plant	**Chinchwad Plant**
Bilaspur Road, Industrial Estate, Raipur - 493 221. Chattisgarh, INDIA	Survey No. 147/2B, Akurdi, Near Khandoba Mandir, Chinchwad, Pune - 411 019. Maharashtra, INDIA
Chennai Plant	**Silvassa Plant**
Melakottaiyur via Vandalur, Chennai - 600 048. Tamil Nadu, INDIA	Survey No. 59/11/-1, Khanvel Road, Masat, Silvassa - 396 230. U. T. of Dadra & Nagar Haveli, INDIA

***Address for Correspondence*:**

ADOR WELDING LIMITED

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

B) Non Mandatory Requirements

- Chairman of the Board:

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

- Shareholder's Rights:

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

- Audit Qualifications:

  There are no qualifications in the Auditor's Report.

- Separate Posts for Chairman & CEO:

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

- Training of Board Members:

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

- Reporting of Internal Auditors:

  M/s. Kirtane & Pandit, LLP, Chartered Accountants, Pune were appointed as the Internal Auditors of the Company for FY 2015-16 to conduct the Internal Audit, as per the scope approved by the Audit Committee, at all the Plants & Sales offices / locations.

For and on behalf of the Board

Aruna B. Advani
Executive Chairman
(DIN: 00029256)

Place: Mumbai
Date: 10th May, 2016

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

As the Managing Director of 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 Board of Directors and Senior Management Personnel of Ador Welding Limited have affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management adopted by the Company for FY 2015-16, as provided under Regulation 26(3) of the said SEBI Regulations.

For **Ador Welding Limited**

S. M. Bhat
Managing Director
(DIN: 05168265)

Mumbai, 10th May, 2016

AUDITORS' CERTIFICATE
ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of Corporate Governance by Ador Welding Limited (the 'Company') for the year ended 31 March 2016, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations 2015.

We state that such compliance is neither an assurance as to the future viability of the Company, nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per Sudhir N. Pillai
Partner
Membership No.:105782

Place: Mumbai
Date: 10th May 2016

ANNEXURE V - TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. INDUSTRY STRUCTURE & DEVELOPMENTS

In FY 2015-16, the Government took the lead in reviving the investment cycle, but hesitation from the private sector to undertake capital expenditure lead to a slowdown in new investment expected during the year. Despite GDP growth of around 7.6% during last financial year, declining inflation and the RBI interventions by way of reduction in key interest rates, demand from some key sectors like Oil & Gas, Power & Engineering, remained sluggish. Severe competition from domestic Companies as well as imports in a sluggish market put pressure on margins. Global economic growth slowed down from 3.4% to 3.1%, causing commodity prices to remain subdued and disincentivizing investment in new projects. China devalued the Renminbi to boost exports, putting pressure on the Indian Rupee. Many smaller players found it extremely difficult to survive in such a market and were compelled to sell assets or close operations.

Technologically advanced products and Customer specific solutions remained our key focus in this scenario. Our initiatives of introducing new products and providing solutions to customers played a critical role in addressing a larger market. Despite the odds, we continued to grow in both the segments, though marginally.

2. OPPORTUNITIES & THREATS

Various recent initiatives taken by the Government and the Reseve Bank of India (RBI) in reviving the investment cycle are encouraging. Continued R & D focus on developing new products and solutions will enable us to grab newer opportunities.

Our streamlined manufacturing capabilities are poised to address market demand. The continuous focus on nationwide market penetration by enhancing our strong distributor network is enabling us reach out to more number of end users. Liquidity continues to remain a key concern for us, and for our dealers & distributors. With the investments picking up, this situation is expected to improve. Quite a few critical reforms presented in the Parliament are yet to be passed, which could help debottleneck the economy.

3. RISKS & CONCERNS

The recovery in the economy in FY 2015-16 was slower than expected. The turnaround in manufacturing and Capex in FY 2016-17 would be a key determining factor for market growth, in the absence of which, fierce competition for market share can continue. Also, the headwinds of Global slowdown can fuel dumping from some countries. In the scenario of global commodity cycle having bottomed out and growth in domestic investments remaining gradual, margins could continue to be under pressure. To address these concerns, building efficiencies through low cost automation and production remains a key focus of our strategy. Sales collection continues to be area of concern, putting stress on cash flow.

AWL has been able to create strategic competitive advantage by leveraging technology. Technology has emerged from being computation intensive to collaboration intensive and has helped drive efficiency & growth, build risk management system, deliver accurate & timely MIS as well as foster greater customer connect.

Technology initiatives are focused to bring about business and digital transformation, provide robust and scalable IT infrastructure, efficient service delivery, automation in processes and provide information security.

Our current technology capabilities include:

- World class ERP system and Business Intelligence (BI) system.
- Centralized IT service desk for incident and service request handling.

- Data centre facility giving maximum availability of business applications.
- Software applications for the state-of-the-art engineering division, customer relationship, web initiatives, reporting and business analytics.
- IT policies aligned with ISO / IEC 27002:2007– Part 1 Code of practices for information security Management.
- AWL Technology infrastructure supporting a network covering all the operating units and Sales offices.

It has been a continuous endeavour at AWL to leverage technologies and create a digital edge for our business growth, improve productivity and enhance customer experience. Our focus will be to use and innovate mobility solutions for improving stakeholder productivity and for enhancing customer experience.

4. INCOME STATEMENT ANALYSIS

The total operating revenues for the year ended 31st March, 2016 reported a growth of 5.23%. The Consumable business revenue for the year was Rs. 27,470 Lacs, registering a marginal growth of 1% over the previous year. The Equipment and Project Engineering business revenue for the year was Rs.13,213 Lacs, registering a growth of around 17% over the previous year. Other income of Rs.556 Lacs mainly consisted of FOREX gains, interest income and sale of investments. Expenditure to sales ratio decreased to 93% as against 96% in the previous year. Manufacturing expenses to Materials ratio has decreased to 8.56% (PY - 8.58%) on account of effective control over costs. Various initiatives taken at Plants like lean manufacturing, line balancing, etc. helped us trim down costs.

We are continuously working towards improving margins through sale of high value electrodes, focusing on Project Engineering Business and through strategic sourcing. EBITDA & before exceptional items is higher at Rs. 4,630 Lacs (PY – Rs.3,297 Lacs) on account of decrease in material cost and other expenses.

5. BALANCE SHEET ANALYSIS

The Company funded all its operating expenses and capital investment from its internal accruals. Inventory holding period decreased to 39 days in the current year as against 41 days in the previous year. Debtors are at 107 days and creditors are at 106 days. The Company had no loan outstanding as at 31st March, 2016.

6. OUTLOOK

The Indian Economy is expected to grow at a rate between 7-7.5% in FY 2016-17 as per ESI. This projection is bullish as compared to the overall global growth estimate, which has been revised downwards to 3.2% multiple times by IMF. The Indian Economy is seen fairly poised for growth given the expected rise in consumption, coupled with sustained low inflation and softening interest rates. This is expected to culminate into Industrial Production growth and revival of the investment cycle. The continued focus on Infrastructure development, 'Make in India' initiative, Localization of Defense products, Investments in Railways by Government of India will drive the related Industrial production.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

During the year, the Company, with the help of a professional Audit & Consultancy firm, has developed a formal "Internal Financial Control System" (IFCS) comprising of authority, level & power, supervision, checks & balances, planning & procedures. The system (IFCS) is reviewed and updated on an on-going basis. The system covers the following aspects of business processes and reporting:

- Financial propriety of business transactions.
- Manufacturing operations and processes.

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

The Company has, in place, a well-defined Internal Audit System. The scope of Internal Audit is made in consultation with the Statutory Auditors and approved by the Audit Committee. The audit plan is focused on the following objectives:

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

The Audit Committee consists of 3 (three) Independent Directors and 1 (one) Non-Independent Director, who reviews the Internal Audit Reports and offers necessary guidance with respect to its coverage & scope.

The Company has a sound ERP system. The strengthening of our ERP system has made our Financial and Accounting Management Systems more robust. Further, Business Intelligence (BI) has helped in analyzing and taking faster decisions. The Company's aim and endeavor has been to sustain its culture of continuous learning and leveraging talent as the fundamental enabler of its business growth.

The Company's CRM software, helps to identify our target customers, optimize sales management, improve customer relationship through personalization, identify customer needs, offer solutions and analyze distribution patterns for faster reach to the customers.

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

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

AWL believes in its people's capability to take business to new heights of success. No business is strong enough to amplify the potential of its offerings without being able to build and leverage great talent. AWL's sustained success has largely been attributed to each & every Adorian who has consistently put in best efforts in delivering the Company's business objectives. To retain and nurture this talent, AWL continues to adopt a culture of innovation, learning and contribution through various HR policies, learning & development programs, employee engagement, reward & recognition and employer branding initiatives.

An open and collaborative work environment where meritocracy and performance are rewarded is an important characteristic that marks the culture at AWL. All policies and processes are designed to align with Company's business objectives. AWL's aim and endeavor has been to sustain the culture of continuous learning and leveraging talent as the fundamental enabler of its business growth.

The Company is aimed to achieve two important objectives:

- Contributing towards improving Business and
- Contributing to employee well being

Being a labour intensive industry, training and development of human capital is of paramount importance. The well-structured in-house training programmes conducted by the experienced and competent faculty have improved the skill levels of the employees and their level of commitment. Several development interventions were conducted to train the leadership team, managers and junior employees. Channel Sales Management, Finance for Non-Finance,

Competency Based Interviewing Skills, Train the Trainer, Internal Auditor Training are a few of the interventions that took place apart from the regularly conducted on-the-job and other technical trainings.

We also provide forums for employees to voice their opinion with initiatives such as "Town Hall", "Talk to your MD" and "Skip Level Meeting".

Through our various employee friendly initiatives like Talent Management and other Best-in-Class practices, we look forward to be amongst one of the desirable Employers to work for. The employee strength as of 31st March 2016 stood at 606.

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

Aruna B. Advani
Executive Chairman
(DIN: 00029256)

Place: Mumbai
Date: 10th May, 2016

ANNEXURE VI - TO THE DIRECTORS' REPORT

FORM NO. MR-3

for the financial year ended March 31, 2016

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

SECRETARIAL AUDIT REPORT

To,
The Members,
Ador Welding Limited

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

Based on our verification of Ador Welding Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

(1) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;

(5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (Not Applicable for the financial year 2015-16);

   (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, (Not Applicable for the financial year 2015-16);

   (e) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 with effect from 01st December, 2015.

6) Other Laws applicable to the Company:

1. Factories Act, 1948 and Rules made thereunder
2. Industrial Employment (Standing Orders) Act, 1946 & Rules, 1957
3. Payment of Bonus Act, 1965 & Rules, 1965
4. Maternity Benefit Act,1961 & Rules
5. Employees Compensation Act, 1923 & Rules
6. Minimum Wages Act,1948, M.W(C) Rules, 1950
7. Child Labour (P&R) Act, 1986 & Rules
8. Air (Prevention and Control of Pollution) Act, 1981
9. Water (Prevention and Control of Pollution) Act, 1974
10. The Noise (Regulation and Control) Rules, 2000
11. The Environment (Protection) Act, 1986
12. Payment of Wages Act, 1936
13. Employees State Insurance Act, 1948
14. Employees PF & Miscellaneous Provisions Act, 1952
15. Contract Labour (Regulation & Abolition) Act, 1970
16. Legal Metrology Act, 2009
17. Payment of Gratuity Act, 1972
18. Industrial Disputes Act, 1947
19. Indian Contract Act, 1872
20. The States Shops and Establishment Act
21. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
22. Tax Laws (Direct & Indirect)

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (NSE) till 30th November, 2015.

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

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

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

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

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

For **N L Bhatia & Associates**
Company Secretaries
UINOS: 1996MH016600

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

Place: Mumbai
Date: 09th May, 2016

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 audit practices and processes, as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

(3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

(4) Wherever required we have obtained the Management representation/s about the compliance of laws, rules and regulations and happening of events, etc.

(5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

(6) The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness, with which the management has conducted the affairs of the company.

For **N L Bhatia & Associates**
Company Secretaries
UID No.: S1996MH016600

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

Place: Mumbai
Date: 09th May, 2016

ANNEXURE VII - TO THE DIRECTORS' REPORT

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

5(1)(i): The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for Financial Year (FY) 2015-16:

Sr. No.	Name of the Director	Designation	Ratio
1	Ms. A. B. Advani	Executive Chairman	38.60
2	Mr. S. M. Bhat	Managing Director	34.05
3	Mrs. N. Malkani Nagpal#	Whole – Time Director	26.56
4	Mr. R. A. Mirchandani	Director (Non-Executive)	1.35
5	Mr. A. T. Malkani	Director (Non-Executive)	1.35
6	Mr. D. A. Lalvani	Director (Non-Executive)	1.34
7	Mr. M. K. Maheshwari	Director (Independent & Non-Executive)	1.40
8	Mr. P. K. Gupta	Director (Independent & Non-Executive)	1.37
9	Mr. R. N. Sapru	Director (Independent & Non-Executive)	1.31
10	Mr. K. Digvijay Singh	Director (Independent & Non-Executive)	1.37
11	Mr. G. M. Lalwani	Director (Independent & Non-Executive)	1.22
12	Mr. S. G. Mirchandani	Director (Independent & Non-Executive)	1.28

 # Appointed as Whole-time Director on 07th May, 2015

5(1)(ii): The percentage increase in remuneration of each of the Directors, Chief Financial Officers, Chief Executive Officer, Company Secretary or Manager, if any, in FY 2015-16:

Sr. No.	Name	Designation	% variance
1	Ms. A. B. Advani	Executive Chairman	-4.21
2	Mr. S. M. Bhat	Managing Director	6.88
3	Mrs. N. Malkani Nagpal#	Whole – Time Director	2,704.73
4	Mr. R. A. Mirchandani	Director (Non-Executive)	56.70
5	Mr. A. T. Malkani	Director (Non-Executive)	49.02
6	Mr. D. A. Lalvani	Director (Non-Executive)	40.06
7	Mr. M. K. Maheshwari	Director (Independent & Non-Executive)	64.81
8	Mr. P. K. Gupta	Director (Independent & Non-Executive)	65.95
9	Mr. R. N. Sapru	Director (Independent & Non-Executive)	48.99
10	Mr. K. Digvijay Singh	Director (Independent & Non-Executive)	47.92

Sr. No.	Name	Designation	% variance
11	Mr. G. M. Lalwani £	Director (Independent & Non-Executive)	263.72
12	Mr. S. G. Mirchandani £	Director (Independent & Non-Executive)	281.42
13	Mr. V. M. Bhide	Head - Corp. Admin., IA, KM, Legal & Company Secretary	7.39
14	Mr. S. M. Hede*	Chief Financial Officer	NA
15	Mr. G. A. Patkar ^	Chief Financial Officer	NA

 # Appointed as Whole-time Director on 07th May, 2015 and hence variance is high

£ Appointed on 10th November, 2014 and hence variance is high

***Resigned on 29th May, 2015**

^ Appointed on 29th October, 2015

5(1)(iii): The percentage increase in the median remuneration of employees in FY 2015-16 over FY 2014-15: 14.18%

5(1)(iv): The number of permanent employees on the roll of Company as on 31st March, 2016: 606

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

- The Company's performance is considered in terms of Operating Revenues.
- The Company's performance went up by 5.23% in FY 2015-16 over FY 2014-15.
- The following factors were considered while recommending increase in employee remuneration:
  - a) Employee performance vis-à-vis KRAs.
  - b) Company performance.
  - c) Industry trends.

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

- Percentage variance in KMPs remuneration over last year: 3.35%
- Percentage variance in Company's performance (in turnover) over last year: 5.23%

5(1)(vii): Variations in the market capitalisation of the Company, price earnings ratio as at 31st March, 2016 & as at 31st March, 2015 and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

- The market capitalisation of the Company increased from Rs. 302.02 Crore as of 31st March, 2015 to Rs. 389.32 Crore as of 31st March, 2016.
- Over the same period, the Price Earnings (PE) ratio moved from 9.33 to 17.20 (including Exceptional Items), and from 70.96 to 15.82 (excluding Exceptional Items).
- The Company's share price as at 31st March, 2016 has increased by 1,045.20% to Rs. 286.30 over the last public offer, i.e. Rights Issue @ Rs. 25/- per share in December, 1993.

5(1)(viii): Average percentile increase already made in the salaries of the employees other than the managerial personnel in FY 2015-16 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 decrease in non-managerial cadre was from 64 percentile to 60 percentile, and in the Managerial cadre, excluding Whole-time Directors, it decreased from 68 percentile to 67 percentile.

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

Sr. No.	Name of the KMPs	Designation	% variance in KMP's remuneration	% variance in Company's Performance
1	Ms. A. B. Advani	Executive Chairman	-4.21	5.23
2	Mr. S. M. Bhat	Managing Director	6.88	5.23
3	Mrs. N. Malkani Nagpal$	Whole – Time Director	N.A.	5.23
4	Mr. V. M. Bhide	Head - Corp. Admin., IA, KM, Legal & Company Secretary	7.39	5.23
5	Mr. G. A. Patkar ^	Chief Financial Officer	N.A.	5.23
6	Mr. S. M. Hede*	Chief Financial Officer	N.A.	5.23

$ Appointed as Whole-time Director on 07th May, 2015

^ Appointed on 29th October, 2015

***Resigned on 29th May, 2015**

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

- The Managing Director's variable component in the remuneration is subject to achievement of Sales & Profit targets, as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors, within the overall Managerial remuneration approved by the shareholders.
- For Ms. A. B. Advani, Executive Chairman and Mrs. N. Malkani Nagpal, Whole-time Director, the parameters for payment of variable component in the remuneration is upto 1% of the Net Profits of the Company, if any, as calculated under Section 198 of the Companies Act, 2013, within the overall Managerial remuneration approved by the shareholders.
- For Non-Executive Directors, the parameters for payment of variable component in the remuneration is upto 1% of the Net Profits of the Company, if any, as calculated under Section 198 of the Companies Act, 2013, on pro-rata basis.

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

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

5(2): Details of the employees with annual remuneration of Rs. 60 lacs or more who are employed throughout the year or monthly remuneration of Rs. 5 lacs or more, even if employed for part of the year during FY 2015-16:

Sr. No.	Name	Age (Completed Years)	Designation	Remuneration (Gross) (Rs. in Lacs)	Qualification/s	Years of Experience (years)	Date of Commencement of Employment	Last Employment	
								Post Held	Name of the Last Employer
1	Ms. A. B. Advani	61	Executive Chairman	130.07	• Science Graduate, University of Sussex, UK • Owners Management Programme, Harvard Business School, Boston Massachusetts, USA. • Strategic Financial Planning Course, IIM, Ahmedabad	40	01.05.1999	Managing Director	J.B. Advani & Co. Pvt. Ltd.
2	Mr. S.M. Bhat	55	Managing Director	114.74	• Bachelor of Engineering (B.E.) from VJTI, Mumbai • Post Graduation in International Marketing & Finance from International Management Institute (IMI), New Delhi	31	02.06.2008	V.P. (Business Development)	Schuler (India) Pvt.Ltd.
3	Mrs. N. Malkani Nagpal	46	Whole-time Director	88.91	• BSC in Business & Economics from Lehigh University, PA, USA. • MBA (Finance) from Imperial College, UK.	23	03.10.1997	Chairman & Whole-time Director	J.B. Advani & Co. Pvt. Ltd.

Notes:

1. All the above appointments are Contractual.
2. Remuneration shown above comprises of salary, allowances, bonus, commission, perquisites and contribution of Provident Fund, Superannuation Fund, etc. wherever applicable.
3. Information regarding qualifications, experience and last employment held is based on particulars furnished to the Company by the concerned employees.
4. Ms. A. B. Advani holds 2,95,480 equity shares and Mrs. N. Malkani Nagpal holds 57,352 equity shares, whereas Mr. S. M. Bhat does not hold any shares of the Company.
5. Ms. A. B. Advani, Mr. S. M. Bhat and Mrs. N. Malkani Nagpal are not related to any other Directors or to each other or to the employees of the Company.

For and on behalf of the Board

Aruna B. Advani
Executive Chairman
(DIN: 00029256)

Place: Mumbai
Date: 10th May, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Ador Welding Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Ador Welding Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its profit and its cash flows for the year ended on that date.

Other Matter

9. The standalone financial statements of the Company for the year ended 31 March 2015 were audited by another firm of Chartered Accountants, who expressed an unmodified opinion on the financial statements on 07 May 2015.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("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.

11. As required by Section143(3) of the Act, we report that:

    a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c. the standalone financial statements dealt with by this report are in agreement with the books of account;

    d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

    e. on the basis of the written representations received from the directors as on 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section164(2) of the Act;

    f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 10 May 2016 as per Annexure B expressed an unmodified opinion;

    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, in our opinion and to the best of our information and according to the explanations given to us:

    i. as detailed in Note 31 to the standalone financial statements, the Company has disclosed the impact of pending litigations on its standalone financial position;

    ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

    iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per Sudhir N. Pillai
Partner
Membership No.:105782

Place: Mumbai
Date: 10 May 2016

ANNEXURE A 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 2016

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year, except for stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion the, Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) 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 under sub-section (1) of Section 148 of the Act in respect of Company's products / services 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) Undisputed statutory dues including 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 to the appropriate authorities, though there has been a slight delay 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) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Lacs)	Amount paid under Protest (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Additional Liability arising due to difference in assessable value, disallowance of CENVAT credit (including penalty /interest, if any)	116.32	1.00	January 1993 to October 2003, 1998-1999, 2000-2001, 2001-2002 and 2008-2009	Custom, Excise and Service Tax Appellate Tribunal
		1.92	0.96	2006-2007	Till Commissioner Level
Central Sales Tax Act and Local Sales Tax Acts of various states	Additional Liability arising due to difference in assessable value, disallowance of input tax credit (including penalty/ interest, if any)	18.07	9.21	1987-1988, 1992- 1993	High Court
		2,840.10	66.20	2003-2004,2004-2005, 2005-2006, 2006-2007, 2011-2012 and 2012-2013	Till Commissioner Level

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) In our opinion, managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, Clause 3(xii) of the Order is not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per Sudhir N. Pillai
Partner
Membership No.:105782

Place: Mumbai
Date: 10 May 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

of even date to the members of Ador Welding Limited, on the standalone financial statements for the year ended 31 March 2016

Independent Auditor's report on the Internal Financial Controls 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 standalone financial statements of Ador Welding Limited ("the Company") as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR 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) and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, 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 IFCoFR 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 IFCoFR and their operating effectiveness.Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR includes 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 over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting 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.

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per Sudhir N. Pillai
Partner
Membership No.:105782

Place: Mumbai
Date: 10 May 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

(Rs. in lacs)

	Particulars	Notes	As at 31 March 2016	As at 31 March 2015
I	**EQUITY AND LIABILITIES**			
	(1) Shareholders' funds			
	(a) Share capital	3	**1,360**	1,360
	(b) Reserves and surplus	4	**20,488**	19,041
	(2) Non-current liabilities			
	(a) Long-term borrowings	5	**-**	13
	(b) Deferred tax liabilities (net)	6	**715**	852
	(c) Long-term provisions	7	**172**	164
	(3) Current liabilities			
	(a) Trade payables	8		
	(i) Total outstanding dues of micro, small and medium enterprises		**104**	30
	(ii) Total outstanding dues of creditors other than micro, small and medium enterprises		**7,670**	4,065
	(b) Other current liabilities	9	**1,308**	1,143
	(c) Short-term provisions	10	**1,835**	1,932
	Total		**33,652**	28,600
II	**ASSETS**			
	(1) Non-current assets			
	(a) Fixed assets	11		
	(i) Tangible assets		**9,816**	9,490
	(ii) Intangible assets		**58**	104
	(iii) Capital work-in-progress		**136**	160
	(b) Non-current investments	12	**194**	194
	(c) Long- term loans and advances	13	**2,451**	2,470
	(d) Other non-current assets	14	**104**	85
	(2) Current assets			
	(a) Current investments	15	**1,021**	461
	(b) Inventories	16	**4,299**	4,304
	(c) Trade receivables	17	**11,964**	8,323
	(d) Cash and bank balances	18	**1,413**	1,983
	(e) Short-term loans and advances	19	**893**	937
	(f) Other current assets	20	**1,303**	89
	Total		**33,652**	28,600

The notes form an integral part of these financial statements

This is the balance sheet referred to in our report of even date

For and on behalf of the Board of Directors

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

A.B.Advani
Executive Chairman
DIN: 00029256

per Sudhir N. Pillai
Partner

V.M.Bhide
Head - Corporate Administration and Company Secretary

Girish Patkar
Chief Financial Officer

S.M.Bhat
Managing Director
DIN: 05168265

Place: Mumbai
Date: 10 May 2016

Place: Mumbai
Date: 10 May 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in lacs)

	Particulars	Notes	Year ended 31 March 2016	Year ended 31 March 2015
I	**Revenue**			
	Revenue from operations (gross)	21	**44,971**	42,538
	Less: Excise duty		**4,288**	3,878
	Revenue from operations (net)		**40,683**	38,660
II	**Other income**	22	**556**	565
III	**Total revenue**		**41,239**	39,225
IV	**Expenses**			
	Cost of materials consumed	23	**26,144**	25,485
	Purchase of stock-in-trade	24	**872**	431
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	**(179)**	551
	Employee benefits expense	26	**3,832**	3,655
	Finance costs	27	**86**	38
	Depreciation and amortisation expense		**1,166**	1,243
	Other expenses	28	**5,940**	5,806
	Total expenses		**37,861**	37,209
V	**Profit before exceptional items and tax**		**3,378**	2,016
VI	**Exceptional items (net) [gain / (loss)]**	43	**(195)**	2,811
VII	**Profit before tax**		**3,183**	4,827
VIII	**Tax expense**			
	Current tax		**(797)**	(1,045)
	MAT credit entitlement / (availment)		**(278)**	249
	Reversal of provision for earlier years		**20**	63
	Deferred tax charge / (credit)		**137**	(857)
IX	**Profit for the year**		**2,265**	3,237
X	**Earnings per equity share**	41		
	Basic and diluted earnings per share after exceptional items (net of tax) (Rs.10 per share)		**16.65**	23.80
	Basic and diluted earnings per share before exceptional items (net of tax) (Rs.10 per share)		**18.09**	3.13
	The notes form an integral part of these financial statements			

This is the statement of Profit & Loss referred to in our report of even date

For and on behalf of the Board of Directors

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

A.B.Advani
Executive Chairman
DIN: 00029256

per Sudhir N. Pillai
Partner

V.M.Bhide
Head - Corporate Administration and Company Secretary

Girish Patkar
Chief Financial Officer

S.M.Bhat
Managing Director
DIN: 05168265

Place: Mumbai
Date: 10 May 2016

Place: Mumbai
Date: 10 May 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in lacs)

	Particulars	Year ended 31 March 2016		Year ended 31 March 2015	
A	**Cash flow from operating activities**				
	Profit before exceptional items and tax		**3,378**		2,016
	Adjustment for non-cash transaction:				
	Depreciation and amortisation expense	**1,166**		1,243	
	Bad debts written off	**164**		6	
	Provision for doubtful debts	**73**		86	
	Loss / (Profit) on sale of fixed assets	**52**		(7)	
	Assets written off	**5**		20	
	Items considered separately:				
	Finance costs	**86**		38	
	Interest income from government securities	**(15)**		(15)	
	Dividend income	**(1)**		-	
	Surplus on sale of current investments	**(59)**		(83)	
	Interest income on fixed deposits and other advances	**(53)**		(49)	
	Rental income	**(73)**		(72)	
	Exchange gain on revaluation of foreign currency monetary item	**(12)**		(2)	
	Exceptional items:				
	Provision for bonus	**(28)**		-	
	Compensation to employees	**(167)**		-	
			1,138		1,165
	Operating profit before working capital changes		**4,516**		3,181
	Adjustments for increase / decrease in working capital:				
	(Increase) / decrease in inventories	**5**		686	
	(Increase) / decrease in trade receivables	**(3,882)**		(591)	
	(Increase) / decrease in loans & advances and other receivables	**(1,336)**		(1,611)	
	Increase / (decrease) in trade payables	**3,689**		(799)	
	Increase / (decrease) in current liabilities and provisions	**393**		(270)	
			(1,131)		(2,585)
	Cash inflow from operations		**3,385**		596
	Income tax paid		**(1,142)**		(520)
	Net cash generated by operating activities		**2,243**		76
B	**Cash flow from investing activities**				
	Acquisition of fixed assets and capital work-in-progress	**(1,503)**		(921)	
	Purchase of investments	**(3,901)**		(1,410)	
	Sale of fixed assets	**25**		333	

(Rs. in lacs)

	Particulars	Year ended 31 March 2016		Year ended 31 March 2015	
	Proceeds from sale of investments	**3,400**		2,223	
	Interest income from government securities	**15**		9	
	Dividend income	**1**		-	
	Interest income on fixed deposits and other advances	**53**		49	
	Rental income	**70**		72	
	Proceeds from fixed deposits	**1,479**		-	
	Repayment of SBLC (Stand by letter of credit)	**-**		(1,128)	
	Loan / advance to subsidiary	**-**		(30)	
	Net cash used in investing activities		**(361)**		(803)
C	**Cash flow from financing activities**				
	Finance Cost	**(86)**		(38)	
	Finance lease obligation	**(26)**		(96)	
	Unclaimed dividend	**(1)**		-	
	Dividend paid	**(680)**		(680)	
	Tax on dividend	**(138)**		(116)	
	Net cash used in financing activities		**(931)**		(930)
	Net (decrease) / increase in cash and cash equivalents (A+B+C)		**951**		(1,657)
	Cash and cash equivalents at the beginning of the period		**340**		1,997
	Cash and cash equivalents at the end of the period (refer Note 18)		**1,291**		340

Notes to the cash flow statement:

a Cash and cash equivalents at year end comprise:

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Cash on hand	**1**	5
Cheques on hand	**994**	-
Balances with banks in current accounts	**296**	335
Total	**1,291**	340

b The above cash flow statement has been prepared under the indirect method set out in accounting standard on cash flow statements (AS-3) issued by the Institute of Chartered Accountants of India.

This is the cash flow statement referred to in our report of even date

For and on behalf of the Board of Directors

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

A.B.Advani
Executive Chairman
DIN: 00029256

per Sudhir N. Pillai
Partner

V.M.Bhide
Head - Corporate Administration and Company Secretary

Girish Patkar
Chief Financial Officer

S.M.Bhat
Managing Director
DIN: 05168265

Place: Mumbai
Date: 10 May 2016

Place: Mumbai
Date: 10 May 2016

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2016

Note 1 - Background of the Company

Incorporated in 1951, Ador Welding Limited (AWL) is one of India's leading player in the field of Welding Products, Technologies and Services. The Company is also engaged in providing customized solutions for multi-disciplinary projects and contracts related to refineries, oil and gas, petrochemicals, fertilizers, steel plants, pharma, water, other chemical process industries.

Note 2 - Statements of significant accounting policies and practices

Basis of preparation of financial statements:-

The financial statements which have been prepared under historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 2013 (the "Act") and comply in all material aspects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

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

Use of estimates:-

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the reporting year. Key estimates include estimate of useful lives of fixed assets, income taxes and future obligations under employee retirement benefit plans. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates. Any revisions to accounting estimates are recognised prospectively in the current and future periods.

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 the estimated costs necessary to make the sale.

Recognition of income and expenditure:-

1. Sale of goods is recognised on transfer of significant risks and rewards of ownership to the buyer, which is generally on the dispatch of goods by the Company and are recognised net of trade discounts, sales tax and excise duty.
2. Service income is recognised on transfer of significant risks and rewards of ownership to the buyer and is accounted based on terms of contract entered into with the respective parties.
3. Benefit on account of entitlement to import duty - free materials under Duty Entitlement Passbook (DEPB) Scheme or duty drawback are accounted in the year of export as export incentives.
4. Other revenue / income and cost / expenditure are generally accounted on accrual as they are earned or incurred.

5. Sale of Services: In contract involving rendering of services revenue is recognised using the proportionate completion method in line with agreements / arrangements with concerned parties and is net of service tax.
6. Revenue from contracts: Revenue from fixed price contracts is recognised using the percentage of completion method. Percentage of completion is determined as a proportion of the cost incurred up to the reporting date of the total estimated contract costs. Proportionate completion is measured based upon the efforts incurred to date in relation to the total estimated efforts to complete the contract. The Company monitors estimates of total contract revenue and costs on a regular basis throughout the delivery period. The cumulative impact of any change in estimates of the contract value or cost is reflected in the period in which the changes become known. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss.
7. Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
8. Dividend: Dividend income is recognised when the right to receive dividend is established.

Fixed assets:-

1. Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any.
2. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
3. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the statement of profit and loss.
4. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the statement of profit and loss.
5. Depreciation is provided on a pro-rata basis on the straight-line method based on useful life as estimated by the management and aligned to Schedule II to the Companies Act, 2013 in order to reflect the actual usage of assets. Depreciation on assets acquired under finance lease is spread over the lease period or useful life, whichever is shorter.
6. Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.
7. Software and implementation costs including users license fees of the Enterprise Resource Planning (ERP) system and other application software costs are amortised over a period of three years.
8. Individual assets costing less than Rs. 5,000 are depreciated in full in the year of purchase.
9. Cost of fixed assets not ready for intended use before such date is disclosed under Capital Work-in-Progress.

Change in accounting policy:-

10. The Company had revised its policy of providing depreciation on fixed assets effective 1 April 2014. The depreciation is now provided on Straight Line Method (SLM) based on useful life as estimated by the Management and aligned to Schedule II to the Companies Act, 2013, as against Written Down

Value (WDV) method followed earlier. As a result of this change, the effect relating to the period prior to 1 April 2014, is a net credit of Rs.2,604 Lacs (excluding deferred tax) which has been shown as an 'exceptional item' in the financial result for the year ended 31 March 2015. Further, based on the transitional provision of Schedule II to the Companies Act 2013, an amount of Rs.108 Lacs (net of deferred tax) has been adjusted to retained earnings.

Foreign currency translation:-

Initial recognition:- Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

Conversion:- Monetary assets and liabilities denominated in foreign currency are converted at the rate of exchange prevailing on the date of the balance sheet.

Exchange differences:- Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

Translation of foreign operations:-

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

Forward exchange contracts:-

Forward contracts are entered into to hedge the foreign currency risk. The premium or discount on all such contracts arising at the inception of each contract is amortised as income or expense over the life of the contract. Any profit or loss arising on maturity, cancellation or renewal of forward contracts is recognised as income or as expense for the year.

The premium on option contract is recognised as an expense over the life of the contract.

Investments:-

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value. Non-current investments are carried at cost and provisions recorded to recognise any decline, other than temporary, in the carrying value of each investment.

Profit or loss on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sales price and the carrying value of the investment.

Employee benefits:-

Provident fund: Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

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

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

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

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

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognised in the statement of profit and loss in the year in which they arise.

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

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

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

Borrowing Costs:-

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

Segment Reporting:-

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

Leases:-

As a Lessee:

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

The Company leases certain tangible assets and such leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases.

Assets held under finance leases are recognised as assets of the Company at their fair value at the date of acquisition. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation under secured borrowings. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the statement of profit and loss over the term of the relevant lease, so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

As a Lessor:

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

Earnings per share:-

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

Taxes on income:-

Current tax:

Current tax is computed and provided for in accordance with the applicable provisions of the Income Tax Act, 1961.

Minimum Alternate Tax:

Minimum Alternate Tax (MAT) paid in accordance with the tax laws gives rise to future economic benefits in the form of adjustments of future income tax liability. The same is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the specified period. Accordingly, MAT credit is recognised as an asset in the Balance Sheet when it is probable that the future economic benefits associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax:

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent

that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Impairment of Assets:-

The carrying amounts of the Company's 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 or against revaluation surplus, where applicable.

After impairment, depreciation / amortisation is priovided 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.

Provisions and Contingent Liabilities:-

Provisions: Provisions are 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 its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date.

Contingent liabilities: Contingent liabilities are disclosed in respect of possible obligations or present 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. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provisions or disclosure is made.

Provision for Warranty:-

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

Research and Development:-

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

Cash and cash equivalents:-

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

Note 3 - Share capital

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Authorised:		
3,00,00,000 (Previous year 3,00,00,000) Equity Shares of Rs.10 each	**3,000**	3,000
Issued, Subscribed and Paid Up:		
1,35,98,467 (Previous year 1,35,98,467) Equity Shares of Rs.10 each, fully paid-up	**1,360**	1,360
Total	**1,360**	1,360

Note 3a - Reconciliation of share capital

Particulars	As at 31 March 2016		As at 31 March 2015	
	No.of shares	**(Rs. in lacs)**	No.of shares	(Rs. in lacs)
Equity shares:				
Shares outstanding at the beginning of the year	**1,35,98,467**	**1,360**	1,35,98,467	1,360
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 3b - Rights, preferences and restrictions attached to shares

The Company has only one class of shares referred to as equity shares having a par (face) value of Rs. 10 per share. Each shareholder is eligible for one vote per share held.

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 3c - Shares held by holding company

Particulars	As at 31 March 2016	As at 31 March 2015
	No. of shares	No. of shares
Equity shares of Rs. 10 each		
J.B.Advani & Co. Private Limited	**68,00,531**	68,00,531

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

Particulars	As at 31 March 2016		As at 31 March 2015	
	No. of shares held	**% of holding**	No. of shares held	% of holding
Equity shares of Rs. 10 each				
J.B.Advani & Co. Private Limited	**68,00,531**	**50.01**	68,00,531	50.01
Reliance Capital Trustee Co. Limited	**9,91,605**	**7.29**	9,18,884	6.76
Sundaram Mutual Fund	**8,31,535**	**6.11**	-	-
Total	**86,23,671**	**63.41**	77,19,415	56.77

Note 3e - 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 2016.

Note 4 - Reserves and Surplus

(Rs. in lacs)

Particulars	As at 31 March 2016		As at 31 March 2015	
General Reserve				
Balance at the beginning of the year	**13,547**		13,223	
Add: Transfer from statement of Profit & Loss	**227**		324	
Balance at the end of the year		**13,774**		13,547
Capital Redemption Reserve		**223**		223
Surplus as per statement of Profit & Loss				
Balance at the beginning of the year	**5,271**		3,284	
Less: Transitional adjustment [Refer Note (a) below]	**-**		(108)	
Add: Net Profit for the year	**2,265**		3,237	
Less: Transfer to General Reserve	**(227)**		(324)	
Less: Proposed Dividend [Refer Note (b) below]	**(680)**		(680)	
Less: Tax on proposed Dividend [Refer Note (b) below]	**(138)**		(138)	
Balance at the end of the year		**6,491**		5,271
Total		**20,488**		19,041

Notes:

(a) As per transitional provision as stated in paragraph 7(b) of Schedule II to the Companies Act 2013, assets having carrying value but not having remaining useful life as on 1 April 2014, after retaining residual value needs to be written off against the opening balance of retained earnings.

Net carrying value of such fixed assets as on 1 April 2014 aggregates to Rs. 108 Lacs (net of deferred tax assets aggregates to Rs. 55 Lacs) have been adjusted on account of the above.

(b) The Board has proposed dividend of Rs. 5 per share (for previous year, proposed and approved dividend amounts to Rs. 5 per equity share).

Note 5 - Long-Term Borrowings (Unsecured)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Long term maturities of finance lease obligations (Refer note 47)	-	13
Total	-	13

Note 6 - Deferred Tax Liabilities (Net)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Deferred Tax Liability on account of:		
Depreciation & Amortisation Expense	**817**	901
Capital Expenditure for Scientific Research	**84**	85
	901	986
Deferred Tax Assets on account of:		
Employee benefits	**117**	89
Voluntary Retirement Scheme	**4**	6
Provision for Doubtful Debts	**65**	39
	186	134
Net deferred Tax Liabilities	**715**	852

Note 7 - Long-Term Provisions

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Provision for Employee Benefits		
Gratuity (Refer Note 44 (II) (a))	**89**	80
Compensated Absences (Refer Note 44 (III))	**83**	84
Total	**172**	164

Note 8 - Trade Payables

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Dues to Micro, Small and Medium Enterprises (Refer note 33)	**104**	30
Dues to other than Micro, Small and Medium Enterprises	**7,670**	4,065
Total	**7,774**	4,095

Note 9 - Other Current Liabilities

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Current maturities of finance lease obligations (Refer Note 47)	**17**	30
Deposits:		
(a) Rent deposit	**36**	18
(b) From distributors	**141**	137
(c) From others	**21**	15
Employee benefits payable	**126**	78
Statutory dues	**81**	84
Unclaimed dividend	**117**	118
Advances received from distributors on behalf of customers	**34**	66
Advances received from customers	**285**	414
Due to customers (Refer Note 21)	**-**	4
Liability on account of bills discounting	**266**	27
Creditors for capital goods	**27**	-
Others	**157**	152
Total	**1,308**	1,143

Note 10 - Short-Term Provisions

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Provision for Employee Benefits		
- Compensated Absences (Refer Note 44 (III))	**136**	99
- Interest rate guarantee on exempt provident fund (Refer Note 44 (II)(b))	**-**	8
Provision for Excise Duty on finished goods stock	**377**	302
Provision for Warranties [Refer Note (a) below]	**49**	69
Provision for Proposed Dividend [Refer Note 4(b)]	**680**	680
Provision for tax on Proposed Dividend [Refer Note 4(b)]	**138**	138
Provision for Income Tax (Net of advance tax- Rs. 853 Lacs) (Previous year Rs. 744 Lacs)	**-**	301
Provision for Expenses [Refer Note (b) below]	**449**	326
Provision for Wealth Tax	**6**	9
Total	**1,835**	1,932

Notes:

(a) Provision of Rs. 49 Lacs (Previous year Rs. 69 Lacs) has been recognised for expected warranty claims on welding equipments and goods traded during the current financial year. It is expected that all these expenditures will be incurred in next financial year.

(b) Provision for expenses includes:

(Rs. in lacs)

Particulars	As at 01 April 2015	Utilised during the year	Provision for the year	Unused / reversed amount	As at 31 March 2016
PEB project expenditure	118	118	30	-	**30**
Variable incentive pay	40	40	175	-	**175**
Bonus and commission payable to directors	45	45	60	-	**60**
Electricity expenses	3	3	22	-	**22**
Freight expenses	4	4	32	-	**32**
Legal and professional fees	6	6	10	-	**10**
Other expenses	110	110	120	-	**120**
Total	326	326	449	-	**449**

Note 11- Fixed Assets

(Rs in lacs)

Particulars	Gross block - at cost					Depreciation / Amortisation					Net block	
	As at 1 April 2015	Additions	Adjustments	Deductions	As at 31 March 2016	As at 1 April 2015	For the year	Adjustments	Deductions	As at 31 March 2016	As at 31 March 2016	As at31 March 2015
Tangible assets												
Land - freehold	193	-	-	-	**193**	-	-	-	-	**-**	**193**	193
Land - leasehold [Refer Note (a) below]	47	-	-	-	**47**	1	1	-	-	**2**	**45**	46
Buildings [Refer Note (b) below]	6,420	724	-	1	**7,143**	1,614	195	-	1	**1,808**	**5,335**	4,806
Ownership premises [Refer Note (c) below]	311	-	-	-	**311**	83	5	-	-	**88**	**223**	228
Plant and equipments (including computers)	12,465	512	-	246	**12,731**	9,375	660	-	202	**9,833**	**2,898**	3,090
Electrical installations	945	62	-	3	**1,004**	564	81	-	3	**642**	**362**	381
Furniture and fixtures	727	90	-	2	**815**	489	63	-	2	**550**	**265**	238
Office equipments	185	26	-	2	**209**	129	27	-	2	**154**	**55**	56
Vehicles	279	86	-	109	**256**	155	28	-	72	**111**	**145**	124
Temporary shed	3	-	-	-	**3**	3	-	-	-	**3**	**-**	-
Leased assets - vehicles	173	-	-	73	**100**	128	27	-	73	**82**	**18**	45
Research and development assets:												
Land freehold	34	-	-	-	**34**	-	-	-	-	**-**	**34**	34
Buildings	127	-	-	-	**127**	87	1	-	-	**88**	**39**	40
Plant and equipments (including computers)	606	10	-	1	**615**	402	18	-	1	**419**	**196**	204
Furniture and fixtures	-	4	-	-	**4**	-	0	-	-	**0**	**4**	-
Air conditioners	7	-	-	-	**7**	2	1	-	-	**3**	**4**	5
Total	**22,522**	**1,514**	**-**	**437**	**23,599**	**13,032**	**1,107**	**0**	**356**	**13,783**	**9,816**	9,490
Previous year Total	22,138	910	(1)	525	**22,522**	14,745	1,188	(2,439)	462	**13,032**	**9,490**	7,393
Intangible assets												
Computer software	452	13	-	-	**465**	348	59	-	-	**407**	**58**	104
Total	**452**	**13**	**-**	**-**	**465**	**348**	**59**	**-**	**-**	**407**	**58**	104
Previous year Total	440	23	-	11	**452**	305	55	(2)	10	**348**	**104**	135

Notes:

(a) Leasehold land includes Land Rs.37.40 Lacs (net of amortisation Rs. 37.88 Lacs) acquired by the Company on a co-ownership / lease basis for which conveyance deed is yet to be executed.

(b) Net book value of assets includes, net book value of assets at the Company's Ahmednagar division aggregating Rs. 119 Lacs, which have been retired from active use. As per the estimates made by the Management, the net realisable value of such fixed assets would atleast be equal to the carrying value of the fixed assets. Hence, in the opinion of the Management, no expected loss needs to be recognised.

(c) Includes :

(i) Rs.0.01 Lac being the aggregate value of shares in Co-operative housing societies.

(ii) Rs.4.17 Lacs for tenements in an association of apartment owners.

Note 12 - Non-Current Investments (At Cost)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
A) Trade investments		
Investments in subsidiary companies		
(I) Plasma Laser Technologies Limited (Unquoted) 2,61,105 (Previous year 2,61,105) Series A Preferred shares of NIS 1 each	**927**	927
Less: Provision for diminution in the value of investments [Refer note (a) below]	**927**	927
(II) Ador Welding Academy Private Limited (Unquoted)	**-**	-
1,00,000 (Previous year 1,00,000) Equity Shares of Rs.10 each [Refer note (b) below]	**10**	10
B) Investments in government securities		
Rural Electrification Company Limited tax free secured redeemable non convertible bonds (Unquoted)	**184**	184
Total	**194**	194

Notes:

(a) Investment in Plasma Laser Technologies Limited (PLT) (Subsidiary)- The Company has an investment of Rs. 927 Lacs (Previous year Rs. 927 Lacs) in PLT. PLT has incurred losses since the date of acquisition, the accumulated losses of PLT as at 31 March 2014 exceeded its net worth. The Company has evaluated its investment for the purpose of determination of potential diminution in value and based on such evaluation and considering the underlying factors including downturn in business and decrease in related activities, has recognised a provision for diminution in the value of investment in PLT as at 31 March 2014 amounting to Rs. 927 Lacs .

(b) Ador Welding Academy Private Ltd (AWAPL) is a 100% subsidiary of the Company. AWAPL caters to informed, demanding and resource seeking customers who are at the cutting edge of metallurgy and metal fabrication technology. It forms the backbone of their quest for new generation products, welding techniques and correct welding procedures and has also made a substantial contribution to the technical upgradation of the human resource base in the welding industry.

Note 13 - Long-Term Loans and Advances

Unsecured, considered good (unless otherwise stated)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Capital Advances [Refer Note (a) below]	**126**	490
Security Deposits	**211**	165
Loan to Ador Welding Academy Private Limited [Refer Note (b) below]	**290**	290
Advance Income Tax [Refer Note (c) below] (net of provision)	**144**	111
Balances with Sales Tax Authorities	**1,403**	1,211
Export Incentive Receivable	**260**	197
Loans to Employees (Refer Note 40)	**15**	4
Prepaid Expenses	**2**	2
Total	**2,451**	2,470

Notes:

(a) Capital advance includes:-

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Land at Silvassa	**26**	26
Factory building at Chinchwad	**20**	16
Office premises at Delhi and Bangalore capitalised during the year	**-**	448
Plant and equipment	**80**	-
Total	**126**	490

(b) Disclosure as per Clause 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015

Name of the Company	Relationship	As at 31 March 2016 (Rs. in lacs)	Maximum balance outstanding during the year (Rs. in Lacs)	Investment by the Loanee in the shares of holding company (No. of shares)
Ador Welding Academy Private Limited [Refer Note 12(b), 40 and 45]	Wholly Owned subsidiary	**290***	290	Nil

* Loans and advances in the nature of loan to subsidiary have been given for the purpose of carrying business operations, out of above Rs. 290 Lacs, Rs. 260 Lacs is interest free.

(c) Advance payment against taxes is after yearwise set-off against provision for taxation of Rs. 3,491 Lacs (Previous year Rs. 2,376 Lacs).

Note 14 - Other Non-Current Assets

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Fixed Deposits for Bank Guarantees (maturity more than twelve months)	**104**	62
Others	**-**	23
Total	**104**	85

Note 15 - Current Investments (Unquoted)

(At lower of cost and fair value)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Investment in Mutual Funds		
Birla Sunlife Short Term Fund - Direct Plan - Growth	**300**	-
5,69,673.976 units of Rs. 10 each		
NAV Rs. 325.10 Lacs		
Birla Sunlife Savings Fund - Direct Plan - Growth	**180**	-
65,494.770 units of Rs. 100 each		
NAV Rs. 192.44 Lacs		
Kotak Low Duration Fund - Standard Growth - Regular Plan	**41**	-
2,340.550 units of Rs. 100 each		
NAV Rs. 42.63 Lacs		

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Reliance Medium Term Fund - Direct Growth Plan - Growth Option	**100**	-
3,26,166.371 units of Rs.10 each		
NAV Rs. 103.51 Lacs		
DSP Blackrock Liquidity Fund - Direct Plan - Growth	**-**	61
3,230.216 units of Rs. 100 each		
NAV Nil (Previous year Rs. 64.67 Lacs)		
Religare Invesco Fixed Maturity Plan - Series XVIII - Plan C - Growth	**200**	200
20,00,000 units of Rs.10 each		
NAV Rs. 255.81 Lacs (Previous year NAV Rs. 237.73 Lacs)		
Tata Short Term Bond Fund Regular Plan A - Growth	**200**	200
8,55,271.035 units of Rs. 10 each		
NAV Rs. 240.85 Lacs (Previous year NAV Rs. 223.26 Lacs)		
Total	**1,021**	461

Note:

Aggregate value of unquoted investment is Rs.1,160 Lacs (Previous year Rs. 526 Lacs)

Note 16 - Inventories

(Lower of cost and net realisable value) (as certified by the Management)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
1) Raw Materials and Components and Packing Material [in transit nil (Previous year nil)]	**1,418**	1,619
2) Work-in-progress	**590**	713
3) Finished Goods *	**1,925**	1,591
4) Stock-in-trade	**165**	122
5) Stores, Spares, Parts, Scrap etc.	**201**	259
Total	**4,299**	4,304

* includes provision of excise duty on finished goods amounting to Rs. 377 Lacs (Previous year Rs. 302 Lacs).

Note 17 - Trade Receivables

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Trade Receivables outstanding for less than six months from the date they are due for payment		
Secured, considered good [Refer note (a) below]	**321**	351
Unsecured, considered good	**10,796**	7,122
	11,117	7,473
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good [Refer note (b) below]	**847**	850
Unsecured, considered doubtful	**188**	115
Less : Provision for doubtful debts	**(188)**	(115)
	847	850
Total	**11,964**	8,323

includes amount due by Private Companies in which Director / officer is a Director*	**0**	8

Notes:

(a) Secured by letter of credit

(b) Includes an amount of Rs. 320 Lacs (Previous year Rs. 304 Lacs) on account of retention money of Project Engineering Business

* Amount below Rs. 0.49 Lac has been rounded as per the norms of the Company.

Note 18 - Cash and Bank balances

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Cash and cash equivalents		
i) Cash on hand	**1**	5
ii) Cheques on hand	**994**	-
iii) Balances with banks in current accounts	**296**	335
	1,291	340
Other bank balances		
i) Earmarked balances with banks (Dividend accounts)	**117**	118
ii) Deposits with maturity of more than three months but less than twelve months	**5**	1,525
	122	1,643
Total	**1,413**	1,983

Note 19 - Short-Term Loans and Advances

Unsecured, considered good (unless otherwise stated)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Balances with central excise, customs and port trust	**317**	309
Loans and advances to employees (Refer Note 40)	**29**	25
Minimum Alternate Tax (MAT) credit entitlement [Refer Note (a) below]	**-**	249
Sundry deposits	**-**	3
Advance to suppliers	**472**	275
Prepaid expenses	**60**	66
Others	**15**	10
Total	**893**	937

Note: (a)

(Rs. in lacs)

MAT credit entitlement (as at 1 April 2015)	249
Add: MAT credit entitlement on account of tax revision during the year	29
	278
Less: MAT credit availment during the year	(278)
As at 31 March 2016	-

Note 20 - Other Current Assets

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Forward Exchange diffrence receivables	**8**	2
Unbilled revenue on construction contracts (Refer Note 21 (b))	**1,218**	34
Interest accrued but not due on fixed deposits	**16**	18
Interest accrued but not due from subsidiary	**2**	2
Other receivables	**59**	33
Total	**1,303**	89

Note 21 - Revenue from Operations (Gross)

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Sale of goods		
Domestic	**40,149**	39,058
Export	**3,674**	2,987
Sale of services	**942**	282
Other operating revenue		
Sale of scraps and others	**206**	211
Total	**44,971**	42,538

Notes:

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

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Manufactured goods		
Electrodes	**15,207**	16,000
Wires and fluxes	**12,067**	11,170
Equipments and spares	**5,569**	6,131
Project Engineering Business	**5,580**	4,193
Service income	**942**	282
Stock-in-trade		
Welding products and accessories	**1,112**	673
Total	**40,477**	38,449

b) Disclosure pursuant to AS 7 (Revised) - "Construction contracts"

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
i) Contract revenue recognised for the year	**6,344**	4,475
ii) Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress	**4,430**	3,322
iii) Amount of customer advances outstanding for contracts in progress	**201**	306
iv) Amount of retentions due from customers for contracts in progress	**320**	304
v) Amount due from customers (Refer Note 20)	**1,218**	34
vi) Amount due to customers (Refer Note 9)	**-**	4

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

Note 22 - Other Income

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Interest received on:		
i) Government securities	**15**	15
ii) Fixed deposits with banks	**19**	24
iii) Overdue amount from customers	**26**	20
iv) Letter of credit	**1**	8
v) From subsidiary (Refer Note 40)	**2**	2
vi) Others	**5**	3
Surplus on sale of current investments	**59**	83
Rent received (Refer Note 48)	**73**	72
Duty drawback received on export sales	**69**	47
Insurance recovered (net of expense)	**41**	51
Dividend income	**1**	-
Foreign currency fluctuation gain (net)	**149**	120
Provisions / liabilities no longer required now written back	**45**	92
Miscellaneous income	**51**	28
Total	**556**	565

Note 23 - Cost of Materials consumed

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Opening stock	**1,619**	1,698
Add: Purchases during the year	**25,943**	25,406
Less: Closing stock	**(1,418)**	(1,619)
Total	**26,144**	25,485

Notes:

(a) Details of raw materials, components and packing materials consumed

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Wires and rods	**12,664**	13,496
Titanium dioxide and rutile sand	**868**	843
Manganese	**659**	593
Metal, nickel and iron powder	**495**	514
Electrical components	**1,202**	1,254
Mechanical fittings	**5,871**	4,474
Others	**4,385**	4,311
Total	**26,144**	25,485

(b) Value of imported and indigenous raw materials and components and packing materials consumed

Particulars	Year ended 31 March 2016		Year ended 31 March 2015	
	(Rs. in lacs)	%	(Rs. in lacs)	%
Imported	**4,120**	**16**	2,977	12
Indigenous	**22,024**	**84**	22,508	88
Total	**26,144**	**100**	25,485	100

Note 24 - Details of purchase of stock-in-trade

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Welding products	**266**	256
Welding accessories	**606**	175
Total	**872**	431

Note 25 - Changes in inventories of finished goods, work-in-progress and stock-in-trade

(Rs. in lacs)

Particulars	Year ended 31 March 2016		Year ended 31 March 2015	
Opening Stock:				
Finished Goods	**1,591**		1,920	
Stock-in-trade	**122**		114	
Work-in-progress	**713**	**2,426**	972	3,006
Closing Stock:				
Finished Goods	**1,925**		1,591	
Stock-in-trade	**165**		122	
Work-in-progress	**590**	**2,680**	713	2,426
Add / (less): Variation in Excise Duty on opening and closing stock of Finished Goods		**75**		(29)
Total		**(179)**		551

Notes:

(a) Details of finished goods (Rs. in lacs)

Particulars	Closing stock		Opening stock	
	As at 31 March 2016	As at 31 March 2015	As at 1 April 2015	As at 1 April 2014
Manufactured goods				
Electrodes	**858**	639	639	678
Wires and fluxes	**501**	495	495	889
Equipment	**566**	457	457	353
Total	**1,925**	1,591	1,591	1,920

(b) Details of stock-in-trade (Rs. in lacs)

Particulars	Closing stock		Opening stock	
	As at 31 March 2016	As at 31 March 2015	As at 1 April 2015	As at 1 April 2014
Welding products and accessories	**165**	122	122	114
Total	**165**	122	122	114

(c) Details of work-in-progress (Rs. in lacs)

Particulars	Closing stock		Opening stock	
	As at 31 March 2016	As at 31 March 2015	As at 1 April 2015	As at 1 April 2014
Consumables	**272**	464	464	432
Equipment	**298**	245	245	215
Project Engineering Business	**20**	4	4	325
Total	**590**	713	713	972

Note 26 - Employee Benefits Expense

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Salaries, wages and bonus	**3,344**	3,150
Contribution to provident and other funds [Refer Note 44(I)]	**145**	137
Contribution to gratuity [Refer note 44(II)(a)]	**19**	35
Staff welfare expenses	**324**	333
Total	**3,832**	3,655

Note 27 - Finance Costs

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Interest expense on:		
Bill discounting of invoices	**17**	9
Security deposit from distributor	**8**	8
Finance lease obligation	**4**	11
Others	**49**	3
Other borrowing costs	**8**	7
Total	**86**	38

Note 28 - Other Expenses

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Manufacturing and other expenses (Refer Note 29)	**2,298**	2,271
Electricity and power expenses	**25**	24
Rent (Refer Note 46)	**122**	85
Freight	**487**	438
Legal and professional fees	**333**	336
Insurance	**24**	26
Repairs and maintenance - others	**140**	108
Travelling, conveyance and vehicle expenses	**654**	723
Directors fees	**6**	6
Telephone, postage and telegram	**170**	178
Rates and taxes	**70**	61
Advertisement and sales promotion expenses	**107**	128
Commission	**20**	50
Bad debts written off (net of reversal of provision for doubtful debts Rs. Nil, Previous year Rs. Nil)	**164**	6
Provision for doubtful debts	**73**	86
Provision for differential tax liability	**-**	15
Loss on sale of fixed assets (net)	**52**	-
Assets written off / discarded	**5**	20
Printing and stationery	**58**	51
Auditors remuneration (Refer Note 30)	**27**	36
Corporate social responsibility (Refer Note 50)	**18**	47
Selling and distribution incentive	**115**	272
Bank charges	**72**	75
Miscellaneous expenses	**900**	764
Total	**5,940**	5,806

Note 29 - Manufacturing and Other Expenses

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Consumption of stores, spares, parts and scraps [Refer Note (a)]	**638**	651
Power and fuel	**776**	805
Repairs to plant & equipment	**94**	113
Repairs to building	**82**	21
Other manufacturing expenses	**708**	681
Total	**2,298**	2,271

Note:

(a) Value of imported and indigenous stores and spares parts consumed

Particulars	Year ended 31 March 2016		Year ended 31 March 2015	
	(Rs. in lacs)	%	(Rs. in lacs)	%
Imported	**91**	**14**	22	3
Indigenous	**547**	**86**	629	97
Total	**638**	**100**	651	100

Note 30 - Auditors remuneration (excluding Service Tax)

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Statutory audit fees	**13**	24
Tax audit fees	**5**	7
Certification and other matters	**8**	4
Reimbursement of out of pocket expenses	**1**	1
Total	**27**	36

Note 31 - Contingent liabilities not provided for:

(Rs in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
a) Disputed sales tax, as the matters are in appeal (advance paid Rs.75 Lacs; Previous year Rs. 31 Lacs)*	**2,858**	287
b) Disputed excise duties, as the matters are in appeal (advance paid Rs. 2 Lacs; Previous year Rs.2 Lacs)	**118**	115
c) Bonds submitted to customs authorities for import of goods under advance license scheme	**76**	96
d) Bank guarantees	**1,198**	1,365
e) On account of pending C-Forms	**1,693**	-
f) Other matters	**148**	152

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.

*Disclosed to the extent information is available.

Note 32 - Estimated amount of contracts remaining to be executed

(Rs in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
On Capital account and not provided for (net of advances)	**346**	344

Note 33 - Micro, Small and Medium Enterprises (Refer Note 8)

(Rs in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**104**	30
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**1**	0 *
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest paid under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest due and payable towards suppliers registered under the MSMED Act beyond the appointed day during the year	**-**	-
Further interest remaining due and payable for earlier years	**-**	-

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

* Amount below Rs. 0.49 Lac has been rounded as per the norms of the Company.

Note 34 - Revenue expenditure incurred during the year on Research and Development, through the natural heads of account, amounts to Rs. 371 Lacs (Previous year Rs. 307 Lacs) (including depreciation Rs. 20 Lacs; Previous year Rs. 20 Lacs) and capital expenditure thereof amounts to Rs. 14 Lacs (Previous year Rs. 46 Lacs).

Note 35 - Details of CIF value of imports (including in-transit):

(Rs in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Raw Materials and Components	**3,966**	4,242
Capital Goods	**27**	13
Spares, etc.	**25**	35
Purchase of Stock-in-trade	**188**	233

Note 36 - Details of Expenditure in Foreign Currency

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Travelling	**74**	82
Bank charges	**6**	12
Against standby letter of credit issued to Bank Hapoalim Limited / HDFC Bank Limited- Hongkong for loans taken by a subsidiary	**-**	74
Salaries, rent and other administrative expenses at Sharjah office	**213**	129
Others	**17**	47

Note 37 - Details of Earnings in Foreign Exchange

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
FOB Value of Exports (Net of Returns)	**3,674**	2,987
Service charges received	**489**	78

Note 38 - Details of Dividend remitted to Non-Resident Shareholders in Foreign Currency*

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Number of Non-Resident Shareholders	**66**	66
Number of Equity Shares held	**9,363**	9,213
Financial Year ended for which dividend is remitted	**2014-15**	2013-14
Amount of dividend remitted (Rs. in lacs)	**0.47**	0.46

* excluding dividend credited to the shareholders' non-resident external accounts with banks in India.

Note 39 - Segment Information

A) Business Segment

(Rs. in lacs)

Particulars	Consumables		Equipments and project engineering business		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	**Year ended 31 March 2016**	Year ended 31 March 2015	**Year ended 31 March 2016**	Year ended 31 March 2015
Segment Revenue						
External Revenue	**27,470**	27,354	**13,213**	11,306	**40,683**	38,660
Inter Segment Revenue	**-**	-	**-**	-	**-**	-
Total Revenue	**27,470**	27,354	**13,213**	11,306	**40,683**	38,660
Segment Result before Interest and Tax	**3,480**	2,453	**1,259**	682	**4,739**	3,135
Add / (less):						
Unallocable expenses (Net of Unallocable income)					**(1,275)**	(1,081)
Interest and Finance Charges (net)					**(86)**	(38)
Excess / (short) Provision of Taxes for earlier years					**20**	63
Exceptional Items (Net)					**(195)**	2,811
Provision for Taxes (Net of deferred tax)					**(938)**	(1,653)
Net Profit after tax					**2,265**	3,237
Other Information						
Segment Assets	**15,558**	14,741	**13,783**	8,827	**29,341**	23,568
Unallocated Assets					**4,311**	5,032
Total Assets					**33,652**	28,600
Segment Liabilities	**3,624**	2,908	**6,003**	2,827	**9,627**	5,735
Unallocated Liabilities					**2,177**	2,464
Total Liabilities					**11,804**	8,199
Capital Employed						
Segment wise Capital Employed	**11,934**	11,833	**7,780**	6,000	**19,714**	17,833
Unallocable corporate assets net of unallocable corporate liabilities					**2,134**	2,568
Capital Expenditure						
Segment Capital Expenditure	**988**	597	**474**	331	**1,462**	928
Unallocated Capital Expenditure					**65**	5
Total Capital Expenditure (Tangible and Intangible Assets)					**1,527**	933

(Rs. in lacs)

Particulars	Consumables		Equipments and project engineering business		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	**Year ended 31 March 2016**	Year ended 31 March 2015	**Year ended 31 March 2016**	Year ended 31 March 2015
Depreciation and Amortisation						
Segment Depreciation and Amortisation	**730**	771	**312**	325	**1,042**	1,096
Unallocated Depreciation and Amortisation					**124**	147
Total Depreciation and Amortisation					**1,166**	1,243
Significant Non-Cash Expenditure						
Segment Significant Non-Cash Expenditure	**5**	17	**-**	3	**5**	20
Unallocated Significant Non-Cash Expenditure					**-**	-
Total Significant Non-Cash Expenditure					**5**	20

B) Geographical Segment

(Rs. in lacs)

Particulars	India		Outside India		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	**Year ended 31 March 2016**	Year ended 31 March 2015	**Year ended 31 March 2016**	Year ended 31 March 2015
Segment Revenue	**36,520**	35,595	**4,163**	3,065	**40,683**	38,660
Carrying Amount of Segment Assets	**33,166**	28,614	**486**	(14)	**33,652**	28,600
Additions to Fixed Assets (Tangible and Intangible assets)	**1,518**	933	**9**	-	**1,527**	933

C) Other disclosures

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

Business Segment	Types of products and services
a) Consumables	Electrodes, wires, agency items related to consumables from Silvassa, Raipur and Chennai Plant.
b) Equipment and Project Engineering Business	Equipment, spares, cutting products and agency items related to equipment and cutting products and design, engineering, procurement and commissioning of flares, incinerators, furnaces, etc. from Chinchwad Plant.

4. The Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

Note 40 - Related Parties Disclosure

A. Relationships

Relationship	Name of the Person / Company
a) Holding Company	J. B. Advani & Co. Private Limited
b) Subsidiary Company and Fellow subsidiaries	Ador Welding Academy Private Limited Plasma Laser Technologies Limited (Under liquidation) Plasma Laser Technologies, North America Inc (Under Liquidation) Aluminum Hybrid Systems Limited (Under liquidation)
c) Companies in which Holding Company has significant influence and its associates	Ador Powertron Limited Ador Fontech Limited Ador Multiproducts Limited Mack Valves India Private Limited Ador Digatron Private Limited Ador Green Energy Private Limited
d) Key Management Personnel	Ms. A. B. Advani Mr. S. M. Bhat Mrs. N. Malkani Nagpal
e) Relative of Director	Mr. Ajit T. Mirchandani

B. Transactions during the year and amount outstanding at the year end

(Rs. in lacs)

Relationship / Name of the Related party	Description of the Nature of Transactions	Value of the transactions	
		31 March 2016	31 March 2015
a) Holding Company			
J B Advani & Co. Private Limited	Sale of goods	**11**	18
	Purchase of goods and services received	**933**	1,213
	Rent Received	**29**	25
	Reimbursement of expenses (incurred to other companies)	**4**	5
	Recovery of expenses (from other companies)	**13**	13
	Amount outstanding at the year end		
	Outstanding Receivable*	**0**	8
	Outstanding Payable	**110**	122
b) Subsidiary Company and Fellow Subsidiaries			
Plasma Laser Technologies Limited	Liability on account of devolvement of bank guarantee	**-**	74
Ador Welding Academy Private Limited	Sale of goods	**1**	9
	Purchase of goods	**8**	10
	Rent Received	**20**	18
	Loan given during the year	**-**	30
	Recovery of expenses	**5**	-
	Interest on loan outstanding	**2**	2
	Amount outstanding at the year end		
	Investment in Equity	**10**	10
	Other Receivables	**2**	2
	Loan	**290**	290
c) Companies in which Holding Company has Significant Influence and its Associates			
Ador Fontech Limited	Purchase of goods	**14**	10
	Recovery of Expenses (from other companies)	**3**	1
	Reimbursement of Expenses (incurred to other companies)	**-**	2
	Rent Received	**5**	8
	Sale of goods	**128**	213
	Advance to supplier	**1**	-
	Amount outstanding at the year end		
	Outstanding Receivable	**-**	15
Ador Multiproducts Limited	Purchase of goods*	**-**	0
	Recovery of Expenses (from other companies)	**-**	3
	Sale of goods	**36**	64
	Amount outstanding at the year end		
	Outstanding Receivable	**9**	14

(Rs. in lacs)

Relationship / Name of the Related party	Description of the Nature of Transactions	Value of the transactions	
		31 March 2016	31 March 2015
Ador Powertron Limited	Purchase of Fixed Assets	**3**	-
	Purchase of goods*	**1**	0
	Recovery of Expense (from other companies)	**-**	2
	Sale of goods	**-**	4
	Rent Received	**1**	1
* Amount below Rs. 0.49 Lac has been rounded as per the norms of the Company			
Ador Digatron Private Limited	Sale of goods *	**-**	0
Mack Valves India Private Limited	Sale of Fixed Assets	**-**	6
Ador Green Energy Private Limited	Commission / business support / facilitation charges	**54**	123
	Outstanding payable	**-**	63
d) Relative of Director			
Mr. Ajit T.Mirchandani	Non Compete Fees	**-**	60
e) Key Management Persons			
Ms. A. B. Advani	Remuneration	**128**	136
Mrs. N. Malkani Nagpal	Remuneration	**89**	-
Mr. S. M. Bhat	Remuneration	**113**	107
	Loan given during the year	**10**	-
	Amount outstanding at the year end		
	Loan	**8**	-
Non-Executive Directors	Commission	**35**	23

* Amount below Rs. 0.49 Lac has been rounded as per the norms of the Company.

Notes:

1. Related Party relationship is as identified by the Company and relied upon by the Auditors.
2. Company has paid Rs. Nil (Previous year Rs.74 Lacs) on devolvement of bank guarantee on the Company which was issued to the overseas subsidiary of the Company.
3. The Company has shared facilities limits offered by HDFC Bank Limited to the extent of Rs. 100 Lacs (Previous year Rs.100 Lacs) by ear marking working capital funds in favour of Ador Welding Academy Private Limited.
4. Considering the downturn of the operation, the employees of Plasma Laser Technologies Limited (PLT), had approached Israel court in financial year 2014-15 for the purpose of liquidation and considering the same, Israel court has appointed the Official Liquidator to evaluate various options including revival or liquidation.

   Hence, the Management believes that the Company has lost its control on the affairs and assets of such subsidiary, as the same is now vested with such official liquidator appointed by Israel court. Further, the Management believes that there are no claims expected on the Company on account of PLT.

Note 41 - Computation of profit for earnings per share

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Profit before exceptional items after tax (Rs. in lacs)	**2,460**	426
Profit after exceptional items after tax (Rs. in lacs)	**2,265**	3,237
Weighted average number of shares outstanding	**1,35,98,467**	1,35,98,467
Earnings per share before exceptional items after tax (basic and diluted) (Rs.)	**18.09**	3.13
Earnings per share after exceptional items after tax (Rs.)	**16.65**	23.80

Note 42 - Disclosure in respect of derivative instruments

(a) Forward contracts outstanding

Particulars	Currency	Year ended 31 March 2016		Year ended 31 March 2015	
		Amount in Foreign Currency	Rs. in lacs	Amount in Foreign Currency	Rs. in lacs
Against Exports	USD	**1,82,916**	**119**	1,23,242	76
Against Imports	EURO	**59,321**	**45**	-	-
	USD	**1,02,198**	**69**	-	-

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

Particulars	Currency	Year ended 31 March 2016		Year ended 31 March 2015	
		Foreign Currency	Rs. in Lacs	Foreign Currency	Rs. in lacs
i) Debtors	USD	**5,11,620**	**333**	1,62,230	100
	EURO	**66,694**	**49**	66,044	44
ii) Creditors	USD	**22,916**	**15**	4,72,094	300
	EURO	**13,787**	**11**	29,835	21
iii) Advance to Creditors	USD	**1,59,790**	**108**	1,13,745	72
	EURO	**1,708**	**1**	2,232	2
iv) Bank Balances	USD	**11,132**	**7**	1,68,222	104
	AED	**39,411**	**7**	78,482	13

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

Note 43 - Exceptional items

(Rs. in lacs)

Sr. No.	Particulars	Year ended 31 March 2016	Year ended 31 March 2015
1	The Company had revised its policy of providing depreciation on fixed assets effective 1 April 2014. The depreciation is now provided on Straight Line Method (SLM) based on useful life as estimated by the Management and aligned to Schedule II to the Companies Act, 2013, as against Written Down Value (WDV) method followed earlier. As a result of this change, the effect relating to the period prior to 1 April 2014, is a net credit of Rs. 2,604 Lacs (excluding deferred tax) which has been shown as an 'Exceptional item' in the financial result for the year ended 31 March 2015	-	2,604
2	Surplus on sale of property: During the Previous year, the Company had sold its 2 residential flats along with the furniture for a consideration of Rs. 290 Lacs, the WDV of the same was Rs. 9 Lacs, which resulted in exceptional income of Rs. 281 Lacs.	-	281
3	Bank guarantee amount of Rs. 74.43 Lacs (US$ 1.20 Lacs) was paid to HDFC Bank Ltd - Hongkong on behalf of Plasma Laser Technologies Ltd. during the previous year resulting in exceptional loss.	-	(74)
4	The Company has paid Rs.155 Lacs to the employees of Chennai Plant as compensation alongwith full and final settlement of their dues on account of suspension of operations, Rs. 5 Lacs towards compensation to ex-employees in settlement of court cases pertaining to Ahmednagar plant and Rs. 7 Lacs toward compensation to ex-employees in settlement of court cases pertaining to Chinchwad Plant.	**(167)**	-
5	The Company has provided bonus of Rs. 28 Lacs for the year 2014-15 due to enactment of Payment of Bonus (Amendment) Act, 2015 with retrospective effect from 1 April 2014.	**(28)**	-
	Total	**(195)**	2,811

Note 44 - Employee Benefits

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

Brief description of the plans:

The Company has various schemes for employee benefits such as provident fund, superannuation and gratuity. In case of funded schemes, the funds are administered through trustees / appropriate authorities. The Company's defined contribution plans are superannuation, 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 provident fund and gratuity. The employees of the Company are entitled to compensated absences as per the Company's policy.

I. Defined contribution plans:

(i) Provident fund
(ii) Superannuation fund
(iii) Employees state insurance fund

During the year, the Company has recognised the following amounts in the statement of profit and loss*:

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Employer's Contribution to Superannuation Fund	**32**	22
Employer's Contribution to Provident Fund**	**102**	103
Employees State Insurance Fund	**11**	12
Total	**145**	137

* included in Note 26- 'Employee benefits expense'

** includes payment made to regulatory authorities other than to Ador Welding Employees Provident Fund Trust.

II. Defined benefit plans (Disclosure based on actuarial reports):

(a) Contribution to gratuity fund (funded scheme)

(Rs. in lacs)

	Particulars	Year ended 31 March 2016	Year ended 31 March 2015
(i)	Change in present value of defined benefit obligation		
	Present value of obligation at the beginning of the year	**282**	277
	Current service cost	**27**	28
	Interest cost	**22**	25
	Actuarial gain on obligation	**(16)**	(1)
	Benefits paid	**(53)**	(47)
	Present value of obligation at the end of the year	**262**	282
(ii)	Change in plan assets		
	Fair value of plan assets at beginning of the year	**202**	232
	Expected return on plan assets	**15**	17

(Rs. in lacs)

	Particulars	Year ended 31 March 2016	Year ended 31 March 2015
	Actuarial loss*	**(1)**	(0)
	Contributions by employer	**10**	-
	Benefits paid	**(53)**	(47)
	Fair value of Plan Assets at the end of the year	**173**	202
(iii)	Actual return on plan assets	**14**	17
(iv)	Assets and liabilities recognised in the balance sheet**		
	Present value of the defined benefit obligation at the end of the year	**262**	282
	Less: Fair value of plan assets at the end of the year	**(173)**	(202)
	Net liability recognised***	**89**	80
	Recognised under provisions (Refer Note 7)	**89**	80
	Long Term Provisions	**-**	-
	Short Term Provisions	**-**	-
(v)	Expenses recognised in the statement of profit and loss		
	Current service cost	**27**	28
	Interest cost	**22**	25
	Expected return on plan assets	**(15)**	(17)
	Actuarial (gain) / loss recognised in the current year	**(15)**	(1)
	Net gratuity cost recognised in the current year	**19**	35
	Included in note 26 'Employee benefits expense'		
(vi)	Expected employer's contribution for the next year	**50**	50
(vii)	In accordance with Accounting Standard 15, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:-		
	Discount rate (per annum)	**7.80%**	7.95%
	Rate of Return on Plan Assets	**8.00%**	8.00%
	Salary Escalation Rate	**7.50%**	8.00%
	Attrition rate		
	21 years to 44 years	**18.45%**	18.87%
	45 years and above	**12.62%**	10.46%
	The estimates of future salary increases, considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as, supply and demand factors in the employment market		
(viii)	Asset information		
	The plan asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') as per the investment pattern stipulated for pension and Group Schemes fund by Insurance Regulatory and Development Authority (IRDA) Regulations.		

(ix) Other Information (Experience adjustment)

(Rs. in lacs)

Particulars	Period ended				
	31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Present Value of obligation at the close of the year	**262**	282	277	302	328
Fair Value of Plan Assets at the close of the year	**173**	202	232	235	281
Surplus / (deficit)	**(89)**	(80)	(45)	(67)	(47)
Experience adjustments on plan liabilities - gain / (loss)	**(12)**	(18)	(17)	2	22
Experience adjustments on plan assets - gain / (loss)*	**(1)**	(0)	6	(23)	(4)

* Amounts below Rs. 0.49 Lac has been rounded as per the norms of the Company.

** Amounts have been recognised based on the information for the period ended 29 February 2016 and 28 February 2015.

*** The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors

(b) Provident Fund Liability

(Rs. in lacs)

	Particulars	Year ended 31 March 2016	Year ended 31 March 2015
(i)	Changes in the Present Value of Defined Benefit Obligation		
	Present Value of obligation at the beginning of the year	**1,113**	1,083
	Current Service Cost	**37**	38
	Interest Cost	**88**	99
	Actuarial (gain) / loss	**(72)**	(82)
	Employees contribution	**69**	68
	Liabilities assumed on acquisition / (settled on divestiture)	**102**	5
	Benefits paid	**(99)**	(98)
	Present Value of obligation at the end of the year	**1,238**	1,113
(ii)	Change in Fair Value of Assets		
	Fair Value of plan assets at the beginning of the year	**1,105**	1,076
	Expected Return on Plan Assets	**87**	89
	Actuarial gain / (loss)	**(63)**	(73)
	Employer contributions during the period	**37**	38
	Employee contributions during the period	**69**	68
	Assets acquired on acquisition / (distributed on divestiture)	**102**	5
	Benefits paid	**(99)**	(98)
	Fair value of plan assets at the end of the year	**1,238**	1,105

(Rs. in lacs)

	Particulars	Year ended 31 March 2016	Year ended 31 March 2015
(iii)	Actual return on plan assets	**23**	16
(iv)	Assets and liabilities recognised in balance sheet		
	Present value of the defined benefit obligation at the end of the year	**1,238**	1,113
	Less: Fair Value of Plan Assets at the end of the year	**(1,238)**	(1,105)
	Net liability / (asset) recognised	**-**	8
	Recognised under provisions (Refer Note 10)		
	Long Term Provisions	**-**	-
	Short Term Provisions	**-**	8
(v)	**Expenses recognised in the statement of profit and loss**		
	Current Service Cost	**37**	38
	Interest Cost	**88**	99
	Expected return on plan assets	**(87)**	(89)
	Net actuarial loss / (gain) recognised in the current year	**(9)**	(9)
	Total expense*	**29**	39
	*Included in Note 26 – 'Employee benefits expense'		
(vi)	Expected employer's contribution for the next year	**38**	38
(vii)	In accordance with Accounting Standard 15, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:-		
	Discount Rate (per annum)	**7.80%**	7.95%
	Expected Rate of Return on Assets	**8.46%**	7.78%
	Discount rate for the remaining term to maturity of the investment	**7.77%**	8.05%
	Average historic yield on the investment	**8.43%**	7.88%
	Guaranteed rate of return	**8.75%**	8.75%
	The estimates of future salary increases, considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as, supply and demand factors in the employment market.		
(viii)	Asset information		
	Government of India Securities	**33%**	33%
	Corporate Bonds	**26%**	29%
	Special Deposit Schemes	**23%**	26%
	Equity Shares of Listed Companies	**0%**	0%
	Others	**19%**	13%

(ix) Other Information (experience adjustment)

(Rs. in lacs)

Particulars	Period ended				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Present value of defined benefit obligation at the end of year	**1,238**	1,113	1,083	975	842
Fair value of plan assets at the end of year	**1,238**	1,105	1,076	942	821
Surplus / (deficit)	**-**	(8)	(7)	(33)	(21)
Experience adjustments on plan liabilities - gain / (loss)	**(72)**	(89)	38	80	-
Experience adjustments on plan assets - gain / (loss)	**(63)**	(73)	50	90	-

III. Compensated Absences*

(i) An amount of Rs. 50 Lacs (Previous year Rs. 39 Lacs) has been recognised as an expense in the statement of profit and loss account and included under Note 26 "Employee benefits expense".

(ii) Balance sheet reconciliation

(Rs. in lacs)

Particulars	As at 31 March 2016		As at 31 March 2015	
	Long term	**Short term**	Long term	Short term
Liability as per actuarial valuation	**83**	**136**	84	99

* have been recognised based on the information for the period ended 29 February 2016 and 28 February 2015

Note 45 - The Company has received an offer letter from Ador Welding Academy Private Limited (AWAPL) with respect to its Rights Issue of 29 Lacs Equity Shares of Rs. 10 each at par, aggregating Rs. 290 Lacs in the ratio of 290 Equity Shares for every 1 Equity Share held as on 28 April 2016, pursuant to the board resolution passed by the Board of Directors of AWAPL in the board meeting held on 28 April 2016, primarily for its additional working capital, CAPEX and also for refund of loans, if any.

It has been further resolved by the Board of Directors in their meeting held on 10 May 2016 to subscribe to the Right Issue of 29 Lacs equity shares of AWAPL of Rs. 10 each at par, aggregating to Rs. 290 Lacs.

Note 46 - Lease arrangements - Operating Lease

The Company's significant leasing arrangements are in respect of residential flats and office premises taken on cancellable lease. The aggregate amount of operating lease rent debited to statement of profit and loss during the year is Rs. 122 Lacs (Previous year Rs. 85 Lacs).

Note 47 - Lease obligation- Finance Lease

Net carrying amount of carrying assets as at balance sheet date – Rs.17 Lacs (Previous year Rs.43 Lacs)

The minimum future lease rentals and present value of minimum lease rentals payable are as follows:

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Minimum lease rentals payable as on balance sheet date	**22**	60
Present value of minimum lease rentals payable	**20**	51

(Rs. in lacs)

Particulars	Minimum Lease Payment		Present value of Minimum Lease Payments	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Amount due within one year	**22**	37	**20**	33
Amount due from one year to five years	**-**	23	**-**	18
Amount due from five years and above	**-**	-	**-**	-
Total	**22**	60	**20**	51

Note 48 - Lease Rental

The Company has significant lease arrangement in respect of office premises given on lease. The aggregate amount of rent credited to statement of profit and loss account during the year is Rs.73 Lacs (Previous year Rs.72 Lacs)

(Rs. in lacs)

Particulars	Minimum Lease Receipt	
	As at 31 March 2016	As at 31 March 2015
Amount due within one year	**52**	30
Amount due from one year to five years	**148**	-
Amount due from five years and above	**96**	-
Total	**296**	30

Note 49 - Balances of certain debtors, advances and creditors are subject to confirmation / reconciliation, if any. In the opinion of the Management such adjustment are not likely to be material.

Note 50 - The Company has formed a Corporate Social Responsibility Committee (CSR) as required under Section 135 of the Companies Act, 2013. The Company is required to spend Rs. 46.64 Lacs as per Section 135(5). However, the Company has spent Rs.18.20 Lacs on the activities mentioned in Schedule VII to the Companies Act, 2013.

Details of CSR spend for financial year 2015-16:

Total amount spent: Rs. 18.20 Lacs

Amount unspent: Rs. 28.44 Lacs

Manner in which the amount spent during financial year 2015-16 is detailed below:-

(Rs. in lacs)

Sr. No.	CSR project or activity identified	Sector in which project is covered	Projects or programs	Amount spent: direct or through implementing agency
1	Drinking water facility and promoting education	Making available clean drinking water to the students	Funding to Vanvasi Kalyan Ashram for laying water pipe line to facilitate students affected from shortage of water supply, which was hampering their education in adivasi areas near Silvassa.	2.01
2	Promoting education and drinking water facility	Making available clean drinking water to the school students	RO water purification system and computer for the students at a Public HS School in Birgaon, Raipur, Chhattisgarh	2.95
3	Drinking water facilities	Making available clean drinking water to the differently abled	Water cooler for the handicap Centre Pune for blind	0.50
4	Welfare of senior citizens	Providing facilities at old age home	Industrial / heavy duty Laundry machine for Kinara Vrudha Ashram, Rupi Nagar, Pune	2.10
5	Vocational training	Vocational training in the field of welding	4 welding machines and spares to Zeal College of Engineering, Pune	2.43
6	Vocational training	Vocational training in the field of welding	13 welding machines to Ambuja Cement Foundation	7.81
7	Promoting education	Facilities for Education	Chairs, tables and cupboards to Shardashram Primary School, Pune	0.40
			Total	**18.20**

Note 51 - Amounts below Rs. 0.49 Lac have been rounded off as per the rounding off norms of the Company.

Note 52 - Financial statements for the previous year ended were audited by another firm of Chartered Accountants.

Note 53 - The figures for the previous year are regrouped / re-arranged, wherever necessary.

For and on behalf of the Board of Directors

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

per Sudhir N. Pillai
Partner

Place: Mumbai
Date: 10 May 2016

A.B.Advani
Executive Chairman
DIN: 00029256

V.M.Bhide
Head - Corporate Administration and Company Secretary

Girish Patkar
Chief Financial Officer

S.M.Bhat
Managing Director
DIN: 05168265

Place: Mumbai
Date: 10 May 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Ador Welding Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Ador Welding Limited, ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), (refer para 1 of the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The Holding Company's Board of Directors, and the Board of Directors of the subsidiary included in the Group, are responsible for the design, implementation and maintenance of internal control 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. Further, in terms with the provisions of the Act, the respective Board of Directors of the Holding Company and its subsidiary, are responsible for maintenance of adequate accounting records; safeguarding the assets; 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, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the auditor's report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting

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

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on the financial statements of the subsidiary, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

9. We did not audit the financial statements of one subsidiary, included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 165 lacs as at 31 March 2016, total revenues of Rs. 150 lacs and net cash flows amounting to Rs. 4 lacs for the year ended on that date. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

10. The consolidated financial statements of the Group for the year ended 31 March 2015 were audited by another firm of Chartered Accountants, who expressed an unmodified opinion on the financial statements on 07 May 2015.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by and the report of the other auditor and the financial statements.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, and based on the auditor's reports of the subsidiary company, 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 aforesaid consolidated financial statements;

b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditor of its subsidiary company, none of the directors of the Group companies, is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

f) We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company, its subsidiary company, which are companies incorporated in India, as of 31 March 2016, in conjunction with our audit of the consolidated financial statements of the group, for the year ended on that date and our report dated 10 May 2016 as per Annexure A expressed unmodified opinion.

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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) as detailed in Note 32, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group,

(ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company.

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per Sudhir N. Pillai

Place: Mumbai
Date: 10 May 2016

Partner
Membership No.:105782

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

of even date to the members of Ador Welding Limited, on the consolidated financial statements for the year ended 31 March 2016

Independent Auditor's report on the Internal Financial Controls 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 consolidated financial statements of the Ador Welding Limited ("the Holding Company") and its subsidiary, (the Holding Company and its subsidiary together referred to as "the Group"), (refer Note 1 to the attached consolidated financial statement) as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary company which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 the company's 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, and its subsidiary company, as aforesaid, 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) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR 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 IFCoFR 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 IFCoFR and their operating effectiveness.Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company and its subsidiary company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR includes 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 over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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 Holding Company and its subsidiary company, which is a company incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting 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.

Other Matter

9. We did not audit the IFCoFR insofar as it relates to one subsidiary company, which is a company incorporated in India, whose financial statements reflect total assets of Rs. 165 lacs as at 31 March 2016, total revenues of Rs. 150 lacs and net cash flows amounting to Rs. 4 lacs for the year ended on that date; has been considered in the consolidated financial statements. Our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company and its subsidiary company, which is a company incorporated in India, under Section 143(3)(i) of the Act insofar as it relates to the aforesaid subsidiary, which is a company incorporated in India, is solely based on the corresponding report of the auditor of such company. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per Sudhir N. Pillai
Partner
Membership No.:105782

Place: Mumbai
Date: 10 May 2016

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

(Rs. in lacs)

Particulars	Notes	As at 31 March 2016	As at 31 March 2015
I Equity and Liabilities			
(1) Shareholders' funds			
(a) Share capital	3	**1,360**	1,360
(b) Reserves and surplus	4	**20,312**	18,891
(2) Non-current liabilities			
(a) Long-term borrowings	5	**-**	13
(b) Deferred tax liabilities (net)	6	**722**	857
(c) Long-term provisions	7	**172**	164
(3) Current liabilities			
(a) Short-term borrowings	8	**3**	6
(b) Trade payables	9		
(i) Total outstanding dues of micro, small and medium enterprises		**104**	30
(ii) Total outstanding dues of creditors other than micro, small and medium enterprises		**7,687**	4,070
(c) Other current liabilities	10	**1,321**	1,147
(d) Short-term provisions	11	**1,835**	1,932
Total		**33,516**	28,470
II Assets			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		**9,943**	9,626
(ii) Intangible assets		**62**	110
(iii) Capital work-in-progress		**136**	160
(b) Non-current investments	13	**184**	184
(c) Long-term loans and advances	14	**2,165**	2,185
(d) Other non-current assets	15	**104**	85
(2) Current assets			
(a) Current investments	16	**1,021**	461
(b) Inventories	17	**4,299**	4,305
(c) Trade receivables	18	**11,985**	8,325
(d) Cash and bank balances	19	**1,413**	1,984
(e) Short-term loans and advances	20	**900**	955
(f) Other current assets	21	**1,304**	90
Total		**33,516**	28,470
The notes form an integral part of these financial statements			

This is the balance sheet referred to in our report of even date

For and on behalf of the Board of Directors

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

A.B.Advani
Executive Chairman
DIN: 00029256

per Sudhir N. Pillai
Partner

V.M.Bhide
Head - Corporate Administration and Company Secretary

Girish Patkar
Chief Financial Officer

S.M.Bhat
Managing Director
DIN: 05168265

Place: Mumbai
Date: 10 May 2016

Place: Mumbai
Date: 10 May 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in lacs)

	Particulars	Notes	Year ended 31 March 2016	Year ended 31 March 2015
I	**Revenue**			
	Revenue from operations (gross)	22	**45,131**	42,657
	Less: excise duty		**4,288**	3,878
	Less: service tax		**10**	7
	Revenue from operations (net)		**40,833**	38,772
II	**Other income**	23	**529**	545
	Total revenue		**41,362**	39,317
III	**Expenses**			
	Cost of materials consumed	24	**26,144**	25,485
	Purchase of stock-in-trade	25	**925**	465
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	**(178)**	550
	Employee benefits expense	27	**3,858**	3,697
	Finance costs	28	**87**	39
	Depreciation and amortisation expense		**1,179**	1,254
	Other expenses	29	**5,993**	5,864
	Total expenses		**38,008**	37,354
IV	**Profit before exceptional items and tax**		**3,354**	1,963
V	**Exceptional items (net) [gain / (loss)]**	44	**(195)**	2,817
VI	**Profit before tax**		**3,159**	4,780
VII	**Tax expense**			
	Current tax		**(797)**	(1,045)
	MAT credit entitlement / (availment)		**(278)**	249
	Reversal of provision for earlier years		**20**	63
	Deferred tax charge / (credit)		**135**	(861)
VIII	**Profit for the year**		**2,239**	3,186
IX	**Earnings per equity share**	42		
	Basic and diluted earnings per share after exceptional items (net of tax) (Rs.10 per share)		**16.46**	23.43
	Basic and diluted earnings per share before exceptional items (net of tax) (Rs.10 per share)		**17.90**	2.72
The notes form an integral part of these financial statements				

This is the statement of Profit & Loss referred to in our report of even date

For and on behalf of the Board of Directors

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

A.B.Advani
Executive Chairman
DIN: 00029256

per Sudhir N. Pillai
Partner

V.M.Bhide
Head - Corporate Administration and Company Secretary

Girish Patkar
Chief Financial Officer

S.M.Bhat
Managing Director
DIN: 05168265

Place: Mumbai
Date: 10 May 2016

Place: Mumbai
Date: 10 May 2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in lacs)

	Particulars	Year ended 31 March 2016		Year ended 31 March 2015	
A)	**Cash flow from operating activities**				
	Profit before exceptional items and tax		**3,354**		1,963
	Adjustment for non-cash transactions:				
	Depreciation and amortization expense	**1,179**		1,254	
	Bad debts written off	**164**		6	
	Provision for doubtful debts	**73**		86	
	(Profit) / loss on sale of fixed assets	**52**		(7)	
	Assets written off / discarded	**5**		20	
	Items considered separately:				
	Finance costs	**87**		39	
	Interest received on government securities	**(15)**		(15)	
	Dividend income	**(1)**		-	
	Surplus on sale of current investments	**(59)**		(83)	
	Interest received from banks and others	**(51)**		(49)	
	Rental income	**(53)**		-	
	Exchange gain on revaluation of foreign currency monetary item	**(12)**		(2)	
	Credit balances written back	**-**		-	
	Exceptional items:				
	Provision for bonus	**(28)**		-	
	Compensation to employees	**(167)**	**1,174**	-	1,249
	Operating profit before working capital changes		**4,528**	-	3,212
	Adjustments for increase / decrease in working capital:				
	(Increase) / decrease in inventories	**6**		685	
	(Increase) / decrease in trade receivables	**(3,901)**		(577)	
	(Increase) / decrease in loans & advances and other receivables	**(1,327)**		(1,612)	
	Increase / (decrease) in trade payables	**3,701**		(802)	
	Increase / (decrease) in current liabilities and provisions	**405**	**(1,116)**	(269)	(2,575)
	Cash inflow from operations		**3,412**		637
	Income tax paid		**(1,143)**		(520)
	Net cash generated by operating activities:		**2,269**		117
B)	**Cash flow from investing activities**				
	Acquisition of fixed assets and capital work-in-progress	**(1,504)**		(928)	
	Purchase of investments	**(3,901)**		(1,410)	
	Proceeds from sale of fixed assets	**25**		334	
	Proceeds from sale of investments	**3,400**		2,223	
	Interest income from government securities	**15**		9	
	Dividend income	**1**		-	
	Interest income on fixed deposits and other advances	**51**		49	
	Rental income	**50**		-	

(Rs. in lacs)

	Particulars	Year ended 31 March 2016		Year ended 31 March 2015	
	Proceeds from fixed deposits	**1,479**		-	
	Repayment of SBLC (Stand by letter of credit)	**-**		(1,128)	
	Net cash used in investing activities		**(384)**		(851)
C)	**Cash flow from financing activities**				
	Finance costs	**(87)**		(39)	
	Finance lease obligation	**(26)**		(96)	
	Unclaimed dividend	**(1)**		-	
	Repayment / Proceeds from Borrowing	**(3)**		6	
	Dividend paid	**(680)**		(680)	
	Tax on dividend	**(138)**		(116)	
	Net cash used in financing activities		**(935)**		(925)
	Net (decrease) / increase in cash and cash equivalents (A+B+C)		**950**		(1,659)
	Cash and cash equivalents at the beginning of the period		**341**		2,000
	Cash and Cash equivalents at the end of the period (refer Note 19)		**1,291**		341

Notes to the cash flow statement:

a) Cash and Cash equivalents at the year end comprise:

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Cash on hand	**1**	5
Cheques on hand	**994**	-
Balances with banks in current accounts	**296**	336
Total	**1,291**	341

b) The above cash flow statement has been prepared under the indirect method set out in accounting standard on cash flow statements (AS-3) issued by the Institute of Chartered Accountants of India.

This is the cash flow statement referred to in our report of even date

For and on behalf of the Board of Directors

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

A.B.Advani
Executive Chairman
DIN: 00029256

per Sudhir N. Pillai
Partner

V.M.Bhide
Head - Corporate Administration and Company Secretary

Girish Patkar
Chief Financial Officer

S.M.Bhat
Managing Director
DIN: 05168265

Place: Mumbai
Date: 10 May 2016

Place: Mumbai
Date: 10 May 2016

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2016

Note 1 - General Information

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

Name of Subsidiary Company	Country of Incorporation	% of holding either directly or through subsidiary as at 31 March 2016
Ador Welding Academy Private Limited	India	100% Subsidiary (w.e.f. 24 July 2012)

Note 1a -

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in Profit / Loss	
	As a % of Consolidated Net Assets	Rs. in lacs	As a % of Consolidated Profit / Loss	Rs. in lacs
Parent				
Ador Welding Limited	100.81%	21,848	101.61%	2,265
Subsidiary				
Indian				
Ador Welding Academy Private Limited	(0.81%)	(176)	(1.61%)	(26)

Note 2 - Statements of Significant Accounting Policies and Practices:-

Basis of preparation of Financial Statements:-

(i) The Financial Statements of the Subsidiary used in the consolidation are drawn upto the same reporting date as that of the Parent Company, i.e. year ended 31 March.

(ii) The Finacial Statments which have been prepared under historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 2013 ("the Act") and comply in all material aspects with the Accounting Standrads specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014 (as amended).

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

Principles of Consolidation:-

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

(i) The financial statements of the Parent Company and its subsidiary have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits.

(ii) The excess of the cost to the Parent Company of its investments in each of the subsidiary over its share of equity in the respective subsidiary, on the acquisition date, is recognised in the financial statements as goodwill and assessed for impairment at each reporting date.

Use of Estimates:-

The preparation of the financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the reporting year. Key estimates include estimate of useful lives of fixed assets, income taxes and future obligations under employee retirement benefit plans. Although these estimates are based upon Management's knowledge of current events and actions, actual results could differ from those estimates. Any revisions to accounting estimates are recognised prospectively in the current and future periods.

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 the estimated costs necessary to make the sale.

Recognition of Income and Expenditure:-

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

8. Dividend: Dividend income is recognised when the right to receive dividend is established.

Fixed Assets:-

1. Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any.
2. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
3. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the statement of Profit and Loss.
4. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets, which are carried at costs are recognised in the statement of Profit and Loss.
5. Depreciation is provided on a pro-rata basis on the Straight-Line Method based on useful life as estimated by the Management and aligned to Schedule II to the Companies Act, 2013 in order to reflect the actual usage of assets. Depreciation on assets acquired under finance lease is spread over the lease period or useful life, whichever is shorter.
6. Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a Straight Line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.
7. Software and implementation costs including users license fees of the Enterprise Resource Planning (ERP) system and other application software costs are amortised over a period of three years.
8. Indiviual assets costing less than Rs. 5,000 are depreciated in full in the year of purchase.
9. Cost of fixed assets not ready for their intended use before such date is disclosed under Capital Work-In-Progress.

Change in Accounting Policy:-

10. The Company had revised its policy of providing depreciation on fixed assets effective 1 April 2014 The depreciation is now provided on Straight Line Method (SLM), based on useful life, as estimated by the Management and aligned to Schedule II to the Companies Act, 2013, as against Written Down Value (WDV) method followed earlier. As a result of this change, the effect relating to the period prior to 1 April 2014, is a net credit of Rs. 2,610 Lacs (excluding deferred tax) which has been shown as an 'exceptional item' in the financial results for the year ended 31 March 2015. Further, based on the transitional provision of Schedule II to the Companies Act 2013, an amount of Rs.108 Lacs (net of deferred tax) has been adjusted to retained earnings.

Foreign Currency Translation:-

Initial recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

Conversion: Monetary assets and liabilities denominated in foreign currency are converted at the rate of exchange prevailing on the date of the balance sheet.

Exchange differences: Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

Translation of Foreign Operations:-

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

Forward Exchange Contracts:-

Forward contracts are entered into to hedge the foreign currency risk. The premium or discount on all such contracts arising at the inception of each contract is amortised as income or expense over the life of the contract. Any profit or loss arising on maturity, cancellation or renewal of forward contracts is recognised as income or as expense for the year.

The premium on option contract is recognised as an expense over the life of the contract.

Investments:-

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value. Non-current investments are carried at cost and provisions recorded to recognise any decline, other than temporary, in the carrying value of each investment.

Profit or loss on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sales price and the carrying value of the investment.

Employee Benefits:-

Provident Fund: Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes, as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

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

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

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

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

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognised in the Statement of Profit & Loss in the year in which they arise.

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

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

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

Borrowing Costs:-

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit & Loss in the period in which they are incurred.

Segment Reporting:-

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

Leases:-

As a Lessee:

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

The Company leases certain tangible assets and such leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases.

Assets held under finance leases are recognised as assets of the Company at their fair value at the date of acquisition. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation under secured borrowings. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the Statement of Profit and Loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

As a Lessor:

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

Earnings per share:-

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

Taxes on income:-

Current Tax:

Current tax is computed and provided for in accordance with the applicable provisions of the Income Tax Act, 1961.

Minimum Alternate Tax:

Minimum Alternate Tax (MAT), paid in accordance with the tax laws, gives rise to future economic benefits in the form of adjustments of future income tax liability. The same is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the specified period. Accordingly, MAT credit is recognised as an asset in the balance sheet when it is probable that the future economic benefits associated with it will flow to the Company and the asset can be measured reliably.

Deferred Tax:

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the financial statements carrying amounts of existing assets & liabilities and their respective tax basis. Deferred tax is measured, based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Impairment of Assets:-

The carrying amounts of the Company's 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 & Loss or against revaluation surplus, where applicable.

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.

Provisions and Contingent Liabilities:-

Provisions: Provisions are 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 its present value and are determined based on Management estimate required to settle the obligation at the balance sheet date.

Contingent Liabilities: Contingent liabilities are disclosed in respect of possible obligations or present 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. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provisions or disclosure is made.

Provision for Warranty:-

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

Research and Development:-

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

Cash and Cash Equivalents:-

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

Note 3 - Share Capital

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Authorised:		
3,00,00,000 (Previous year 3,00,00,000) Equity Shares of Rs.10 each	**3,000**	3,000
Issued, Subscribed and Paid Up:		
1,35,98,467 (Previous year 1,35,98,467) Equity Shares of Rs.10 each, fully paid-up	**1,360**	1,360
Total	**1,360**	1,360

Note 3a - Reconciliation of Share Capital

Particulars	As at 31 March 2016		As at 31 March 2015	
	No. of shares	Rs. in lacs	No. of shares	Rs. in lacs
Equity Shares:				
Shares outstanding at the beginning of the year	**1,35,98,467**	**1,360**	1,35,98,467	1,360
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 3b - Rights, preferences and restrictions attached to shares

The Company has only one class of shares referred to as Equity Shares having a par (face) value of Rs. 10 per share. Each shareholder is eligible for one vote per share held.

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 3c - Shares held by Holding Company

Particulars	As at 31 March 2016	As at 31 March 2015
	No. of shares	No. of shares
Equity Shares of Rs. 10 each		
J.B.Advani & Co. Private Limited	**68,00,531**	68,00,531

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

Particulars	As at 31 March 2016		As at 31 March 2015	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity Shares of Rs. 10 each				
J.B.Advani & Co. Private Limited	**68,00,531**	**50.01**	68,00,531	50.01
Reliance Capital Trustee Co. Limited	**9,91,605**	**7.29**	9,18,884	6.76
Sundaram Mutual Fund	**8,31,535**	**6.11**	-	-
Total	**86,23,671**	**63.41**	77,19,415	56.77

Note 3e - The Company has not issued any bonus shares or shares for consideration other than cash nor has there been any buyback of shares during the last five years immediately preceding 31 March 2016.

Note 4 - Reserves and Surplus

(Rs. in lacs)

Particulars	As at 31 March 2016		As at 31 March 2015	
General Reserve				
Balance at the beginning of the year	**13,547**		13,223	
Add: Transfer from Statement of Profit and Loss	**227**		324	
Balance at the end of the year		**13,774**		13,547
Capital Redemption Reserve		**223**		223
Surplus as per Statement of Profit and Loss				
Balance at the beginning of the year	**5,121**		2,130	
Add: Accumulated losses of PLT now excluded	**-**		1,055	
Less: Transitional adjustment [Refer Note (a) below]	**-**		(108)	
Add: Net profit for the year	**2,239**		3,186	
Less: Transfer to General Reserve	**(227)**		(324)	
Less: Proposed Dividend [Refer Note (b) below]	**(680)**		(680)	
Less: Tax on proposed Dividend [Refer Note (b) below]	**(138)**		(138)	
Balance at the end of the year		**6,315**		5,121
Total		**20,312**		18,891

Notes:

(a) As per transitional provision as stated in paragraph 7(b) of Schedule II to the Companies Act 2013, assets having carrying value but not having remaining useful life as on 1 April 2014, after retaining residual value needs to be written off against the opening balance of retained earnings.

Net carrying value of such fixed assets as on 1 April 2014 aggregates to Rs. 108 Lacs (net of deferred tax assets aggregate to Rs. 55 Lacs) have been adjusted on account of the above.

(b) The Board has proposed dividend of Rs. 5 per share (for previous year, proposed and approved dividend amounts to Rs. 5 per Equity Share).

Note 5 - Long-Term Borrowings (Unsecured)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Long term maturities of finance lease obligations (Refer Note 47)	-	13
Loan from others*	-	0
Total	-	13

* Amount below Rs. 0.49 Lac has been rounded as per the norms of the Company.

Note 6 - Deferred Tax Liabilities (Net)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Deferred Tax Liability on account of:		
Depreciation	**825**	906
Capital Expenditure for Scientific Research	**84**	85
	909	991
Deferred Tax Assets on account of:		
Employee Benefits	**117**	89
Voluntary Retirement Scheme	**4**	6
Provision for Doubtful Debts	**65**	39
Carry Forward of Losses	**1**	-
	187	134
Net Deferred Tax Liabilities	**722**	857

Note 7 - Long-Term Provisions

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Provision for Employee Benefits:		
Gratuity [Refer Note 45 (II) (a)]	**89**	80
Compensated absences [Refer Note 45 (III)]	**83**	84
Total	**172**	164

Note 8 - Short-Term Borrowings (Secured)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Working capital loans from banks [Refer Note (a) and (b) below]	**3**	6
Total	**3**	6

Notes:

(a) Working Capital facilities from Banks are secured by pari passu charge by way of hypothecation of Company's stocks, other current assets and other tangible moveable assets of the Company, both present and future and book debts in favour of Bank of Baroda and HDFC Bank Ltd. HDFC Bank Ltd. facilities are further secured by first exclusive charge on the entire plant and equipments and other moveable fixed assets of the Company and on the land and building at the Company's Silvassa unit.

(b) Guarantees given by banks to third parties amounting to Rs. 1,198 Lacs; (Previous year Rs. 1,365 Lacs) on behalf of the Company are secured against securities mentioned in (a) above.

Note 9 - Trade Payables

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Dues to Micro, Small and Medium Enterprises (Refer Note 34)	**104**	30
Dues to other than Micro, Small and Medium Enterprises	**7,687**	4,070
Total	**7,791**	4,100

Note 10 - Other Current Liabilities

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Current maturities of finance lease obligations (Refer Note 47)	**17**	30
Deposits:		
(a) Rent deposit	**36**	18
(b) From distributors	**141**	137
(c) From others	**21**	15
Employee benefits payable	**126**	78
Statutory dues	**81**	84
Unclaimed Dividend	**117**	118
Advances received from Distributors on behalf of customers	**34**	66
Advances received from customers	**287**	414
Due to customers (Refer Note 22)	**-**	4
Liability on account of bills discounting	**266**	27
Creditors for capital goods	**27**	-
Others	**168**	156
Total	**1,321**	1,147

Note 11 - Short-Term Provisions

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Provision for Employee Benefits		
- Compensated Absences [Refer Note 45 (III)]	**136**	99
- Interest rate Guarantee on exempt Provident Fund [Refer Note 45 (II)(b)]	**-**	8
Provision for Excise Duty on Finished Goods Stock	**377**	302
Provision for Warranties [Refer Note (a) below]	**49**	69
Provision for Proposed Dividend [Refer Note 4(b)]	**680**	680
Provision for Tax on Proposed Dividend [Refer Note 4(b)]	**138**	138
Provision for Income Tax (net of advance tax- Rs.853 Lacs) (Previous year Rs. 744 Lacs)	**-**	301
Provision for Expenses [Refer Note (b) below]	**449**	326
Provision for Wealth Tax	**6**	9
Total	**1,835**	1,932

Notes:

(a) A provision of Rs. 49 Lacs (Previous year Rs. 69 Lacs) has been recognised for expected warranty claims on welding equipments and goods traded during the current financial year. It is expected that all these expenditures will be incurred in the next financial year.

(b) Provision for expenses includes:

(Rs. in lacs)

Particulars	As at 1 April 2015	Utilised during the year	Provision for the year	Unused / reversed amount	As at 31 March 2016
PEB project expenditure	118	118	30	-	**30**
Variable incentive pay	40	40	175	-	**175**
Bonus and commission payable to Directors	45	45	60	-	**60**
Electricity expenses	3	3	22	-	**22**
Freight expenses	4	4	32	-	**32**
Legal and professional fees	6	6	10	-	**10**
Other expenses	110	110	120	-	**120**
Total	326	326	449	-	**449**

Note 12 - Fixed Assets

(Rs. in lacs)

Particulars	Gross block - at cost					Depreciation / Amortisation					Net block	
	As at 1 April 2015	Additions	Adjustments	Deductions	As at 31 March 2016	As at 1 April 2015	For the year	Adjustments	Deductions	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015
Tangible assets												
Land - freehold	193	-	-	-	**193**	-	-	-	-	**-**	193	193
Land - leasehold [Refer Note (a) below]	47	-	-	-	**47**	1	1	-	-	**2**	45	46
Buildings [Refer Note (b) below]	6,482	724	-	1	**7,205**	1,616	197	-	1	**1,812**	5,393	4,866
Ownership premises [Refer Note (c) below]	311	-	-	-	**311**	84	5	-	-	**89**	222	227
Plant and equipment (including computers)	12,544	513	-	246	**12,811**	9,383	665	-	202	**9,846**	2,965	3,161
Electrical installations	945	62	-	3	**1,004**	565	81	-	3	**643**	361	380
Furniture and fixtures	733	90	-	2	**821**	489	64	-	2	**551**	270	244
Office equipments	185	26	-	2	**209**	129	29	-	2	**156**	53	56
Vehicles	279	86	-	109	**256**	154	28	-	72	**110**	146	125
Temporary shed	3	-	-	-	**3**	3	-	-	-	**3**	-	-
Leased assets - vehicles	173	-	-	73	**100**	128	27	-	73	**82**	18	45
Research and development assets:												
Land-freehold	34	-	-	-	**34**	-	-	-	-	**-**	34	34
Buildings	127	-	-	-	**127**	87	1	-	-	**88**	39	40
Plant and equipment (including computers)	606	10	-	1	**615**	402	18	-	1	**419**	196	204
Furniture and fixtures	-	4	-	-	**4**	-	-	-	-	**-**	4	-
Air conditioners	7	-	-	-	**7**	2	1	-	-	**3**	4	5
Total	**22,669**	**1,515**	**-**	**437**	**23,747**	**13,043**	**1,117**	**-**	**356**	**13,804**	**9,943**	9,626
Previous year Total	22,282	915	(1)	527	**22,669**	14,754	1,196	(2,443)	464	**13,043**	9,626	
Intangible assets												
Computer software	462	13	-	-	**475**	352	62	-	0	**414**	61	110
Total	**462**	**13**	**-**	**-**	**475**	**352**	**62**	**-**	**0**	**414**	**62**	110
Previous year Total	449	25	-	12	**462**	306	58	(2)	10	**352**	**110**	

Notes:

(a) Leasehold land includes Land Rs.37.40 Lacs (net of amortisation Rs. 37.88 Lacs) acquired by the Company on a co-ownership / lease basis for which conveyance deed is yet to be executed.

(b) Net book value of assets includes, net book value of assets at the Company's Ahmednagar division aggregating Rs. 119 Lacs, which have been retired from active use. As per the estimates made by the Management, the net realisable value of such fixed assets would atleast be equal to the carrying value of the fixed assets. Hence, in the opinion of the Management, no expected loss needs to be recognised.

(c) Includes :

(i) Rs. 0.01 Lac being the aggregate value of shares in Co-operative housing societies.

(ii) Rs. 4.17 Lacs for tenements in an association of apartment owners.

Note 13 - Non-Current Investments (At Cost)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
A) Trade Investments		
Investments in subsidiary companies		
(I) Plasma Laser Technologies Limited (Unquoted)		
2,61,105 (Previous year 2,61,105) Series A Preferred shares of NIS 1.00 each	**927**	927
Less: Provision for diminution in the value of investments	**927**	927
	-	-
B) Investments in Government Securities		
Rural Electrification Company Limited tax free secured redeemable non convertible bonds (unquoted)	**184**	184
Total	**184**	184

Note 14 - Long-Term Loans and Advances
Unsecured, considered good (unless otherwise stated)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Capital advances [Refer Note (a) below]	**126**	490
Security deposits	**215**	169
Advance income tax [Refer Note (b) below] (net of provision)	**144**	111
Balances with sales tax authorities	**1,403**	1,211
Export incentive receivable	**260**	197
Loans to employees (Refer Note 41)	**15**	4
Prepaid expenses	**2**	3
Total	**2,165**	2,185

Notes:
(a) Capital advance includes:-

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Land at Silvassa	**26**	26
Factory building at Chinchwad	**20**	16
Office premises at Delhi and Bangalore capitalised during the year	**-**	448
Plant and Equipments	**80**	-
Total	**126**	490

(b) Advance payment against taxes is after yearwise set-off against provision for taxation of Rs. 3,491 Lacs (Previous year Rs. 2,376 Lacs).

Note 15 - Other Non-Current Assets

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Fixed Deposits for Bank Guarantees (maturity more than twelve months)	**104**	62
Others	**-**	23
Total	**104**	85

Note 16 - Current Investments (Unquoted) (At lower of cost and fair value)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Investment in Mutual Funds		
Birla Sunlife Short Term Fund - Direct Plan - Growth 5,69,673.976 units of Rs. 10 each **NAV Rs. 325.10 Lacs**	**300**	-
Birla Sunlife Savings Fund - Direct Plan - Growth 65,494.770 units of Rs. 100 each **NAV Rs. 192.44 Lacs**	**180**	-
Kotak Low Duration Fund - Standard Growth - Regular Plan 2,340.550 units of Rs. 100 each **NAV Rs. 42.63 Lacs**	**41**	-
Reliance Medium Term Fund - Direct Growth Plan - Growth Option 3,26,166.371 units of Rs.10 each **NAV Rs. 103.51 Lacs**	**100**	-
DSP Blackrock Liquidity Fund - Direct Plan - Growth 3,230.216 units of Rs. 100 each **NAV - Nil (Previous year Rs. 64.67 Lacs)**	**-**	61
Religare Invesco Fixed Maturity Plan - Series XVIII - Plan C - Growth 20,00,000 units of Rs.10 each **NAV Rs. 255.81 Lacs (Previous year NAV Rs. 237.73 Lacs)**	**200**	200
Tata Short Term Bond Fund Regular Plan A- Growth 8,55,271.035 units of Rs. 10 each **NAV Rs. 240.85 Lacs (Previous year NAV Rs. 223.26 Lacs)**	**200**	200
Total	**1,021**	461

Notes:

Aggregate value of unquoted investment is Rs. 1,160 Lacs (Previous year Rs. 526 Lacs)

Note 17 - Inventories

(Lower of cost and net realisable value)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
1) Raw Materials and Components and Packing Material [in transits Nil (Previous year Nil)]	**1,418**	1,619
2) Work-in-Progress	**590**	713
3) Finished Goods*	**1,925**	1,591
4) Stock-in-trade	**165**	123
5) Stores, Spares, Parts, Scrap, etc.	**201**	259
Total	**4,299**	4,305

* includes provision of excise duty on finished goods amounting to Rs. 377 Lacs (Previous year Rs. 302 Lacs).

Note 18 - Trade Receivables

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Trade Receivables outstanding for less than six months from the date they are due for payment		
Secured, considered good [Refer Note (a) below]	**321**	351
Unsecured, considered good	**10,817**	7,124
	11,138	7,475
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good [Refer Note (b) below]	**847**	850
Unsecured, considered doubtful	**188**	115
Less: Provision for doubtful debts	**(188)**	(115)
	847	850
Total	**11,985**	8,325
includes amount due by Private companies in which director / officer is a Director*	**0**	8

Notes:

(a) Secured by letter of credit

(b) Includes an amount of Rs. 320 Lacs (Previous year Rs. 304 Lacs) on account of retention money of Project engineering business

* Amount below Rs. 0.49 Lac has been rounded as per the norms of the Company.

Note 19 - Cash and Bank Balances

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Cash and Cash Equivalents		
i) Cash on hand	**1**	5
ii) Cheques on hand	**994**	-
iii) Balances with Banks in Current Accounts	**296**	336
	1,291	341
Other Bank Balances		
i) Earmarked Balances with Banks (Dividend Accounts)	**117**	118
ii) Deposits with maturity of more than three months but less than twelve months	**5**	1,525
	122	1,643
Total	**1,413**	1,984

Note 20 - Short-Term Loans and Advances

Unsecured, considered good (unless otherwise stated)

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Balances with Central Excise, Customs and Port Trust	**319**	314
Loans and Advances to employees (Refer Note 41)	**29**	25
Minimum Alternate Tax (MAT) credit entitlement [Refer Note (a) below]	**-**	249
Sundry Deposits	**-**	3
Advance to Suppliers	**472**	277
Prepaid Expenses	**60**	66
Others	**20**	21
Total	**900**	955

Note: (a)

(Rs. in lacs)

Particulars	FY 2015-16
MAT credit entitlement (as at 1 April 2015)	249
Add: MAT credit entitlement on account of tax revision during the year	29
	278
Less: MAT credit availment during the year	**(278)**
As at 31 March 2016	-

Note 21 - Other Current Assets

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Forward Exchange difference receivables	**8**	2
Unbilled revenue on construction contracts [Refer Note 22 (b)]	**1,218**	34
Interest accrued but not due on fixed deposits	**16**	18
Other Receivables	**62**	36
Total	**1,304**	90

Note 22 - Revenue from Operations (Gross)

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Sale of goods		
Domestic	**40,237**	39,121
Export	**3,674**	2,987
Sale of services	**1,014**	338
Other operating revenue		
Sale of scrap and others	**206**	211
Total	**45,131**	42,657

Notes:

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

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Manufactured goods		
Electrodes	**15,207**	16,000
Wires and fluxes	**12,067**	11,170
Equipments and spares	**5,647**	6,187
Project Engineering Business	**5,580**	4,193
Service income	**1,014**	338
Stock-in-trade		
Welding products and accessories	**1,112**	673
Total	**40,627**	38,561

b) Disclosure pursuant to AS 7 (Revised) - "Construction Contracts"

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
i) Contract revenue recognised for the year	**6,344**	4,475
ii) Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress	**4,430**	3,322
iii) Amount of customer advances outstanding for contracts in progress	**201**	306
iv) Amount of retentions due from customers for contracts in progress	**320**	304
v) Amount due from customers (Refer Note 21)	**1,218**	34
vi) Amount due to customers (Refer Note 10)	**-**	4

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

Note 23 - Other Income

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Interest received on:		
i) Government Securities	**15**	15
ii) Fixed Deposits with Banks	**19**	24
iii) Overdue amount from customers	**26**	20
iv) Letter of Credit	**1**	8
v) Others	**5**	3
Surplus on sale of Current Investments	**59**	83
Rent Received (Refer Note 48)	**53**	54
Duty Drawback received on export sales	**69**	47
Insurance recovered (Net of expense)	**41**	51
Dividend Income	**1**	-
Foreign currency fluctuation gain (Net)	**149**	120
Provisions / liabilities no longer required, now written back	**45**	92
Miscellaneous Income	**46**	28
Total	**529**	545

Note 24 - Cost of Materials Consumed

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Opening stock	**1,619**	1,698
Add: Purchases during the year	**25,943**	25,406
Less: Closing stock	**(1,418)**	(1,619)
Total	**26,144**	25,485

Notes:

(a) Details of raw materials and components and packing materials consumed

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Wires and rods	**12,664**	13,496
Titanium dioxide and rutile sand	**868**	843
Manganese	**659**	593
Metal, nickel and Iron powder	**495**	514
Electrical components	**1,202**	1,254
Mechanical fittings	**5,871**	4,474
Others	**4,385**	4,311
Total	**26,144**	25,485

(b) Value of imported and indigenous raw materials and components and packing materials consumed

Particulars	Year ended 31 March 2016		Year ended 31 March 2015	
	Rs. in lacs	**%**	Rs. in lacs	%
Imported	**4,120**	**16**	2,977	12
Indigenous	**22,024**	**84**	22,508	88
Total	**26,144**	**100**	25,485	100

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

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Welding products	**319**	290
Welding accessories	**606**	175
Total	**925**	465

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

(Rs. in lacs)

Particulars	Year ended 31 March 2016		Year ended 31 March 2015	
Opening stock:				
Finished goods	**1,591**		1,920	
Stock-in-trade	**123**		114	
Work-in-progress	**713**	**2,427**	972	3,006
Closing stock:				
Finished goods	**1,925**		1,591	
Stock-in-trade	**165**		123	
Work-in-progress	**590**	**2,680**	713	2,427
Add / (less): Variation in excise duty on opening and closing stock of finished goods		**75**		(29)
Total		**(178)**		550

Notes:

(a) Details of Finished Goods (Rs. in lacs)

Particulars	Closing stock		Opening stock	
	As at 31 March 2016	As at 31 March 2015	As at 1 April 2015	As at 1 April 2014
Manufactured goods				
Electrodes	**858**	639	639	678
Wires and fluxes	**501**	495	495	889
Equipment	**566**	457	457	353
Total	**1,925**	1,591	1,591	1,920

(b) Details of Stock-in-trade (Rs. in lacs)

Particulars	Closing stock		Opening stock	
	As at 31 March 2016	As at 31 March 2015	As at 1 April 2015	As at 1 April 2014
Welding products and accessories	**165**	123	123	114
Total	**165**	123	123	114

(c) Details of Work-in-Progress (Rs. in lacs)

Particulars	Closing stock		Opening stock	
	As at 31 March 2016	As at 31 March 2015	As at 1 April 2015	As at 1 April 2014
Consumables	**272**	464	464	432
Equipment	**298**	245	245	215
Project Engineering Business	**20**	4	4	325
Total	**590**	713	713	972

Note 27 - Employee Benefits Expense

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Salaries, wages and bonus	**3,370**	3,192
Contribution to provident and other funds (Refer Note 45(I))	**145**	137
Contribution to gratuity [Refer Note 45(II) (a)]	**19**	35
Staff welfare expenses	**324**	333
Total	**3,858**	3,697

Note 28 - Finance costs

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Interest expense on:		
Bill discounting of invoice	**17**	9
Security deposit from distributor	**8**	8
Finance lease obligation	**4**	11
Others	**50**	4
Other borrowing costs	**8**	7
Total	**87**	39

Note 29 - Other Expenses

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Manufacturing and other expenses (Refer Note 30)	**2,298**	2,271
Electricity and power expenses	**28**	27
Rent (Refer Note 46)	**134**	100
Freight	**487**	438
Legal and professional fees	**347**	346
Insurance	**24**	26
Repairs and maintenance - others	**143**	110
Travelling, conveyance and vehicle expenses	**657**	727
Directors fees	**6**	6
Telephone, postage and telegram	**170**	178
Rates and taxes	**70**	61
Advertisement and sales promotion expenses	**107**	127
Commission	**20**	50
Bad debts written off (net of reversal of provision for doubtful debts Rs. Nil, previous year Rs. Nil)	**164**	6
Provision for doubtful debts	**73**	86
Provision for differential tax liability	**-**	15

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Loss on sale of fixed assets (Net)	**52**	-
Assets written off / discarded	**5**	20
Printing and stationery	**58**	52
Auditors remuneration (Refer Note 31)	**27**	36
Corporate social responsibility	**18**	47
Selling and distribution incentive	**115**	272
Bank charges	**72**	75
Miscellaneous expenses	**918**	788
Total	**5,993**	5,864

Note 30 - Manufacturing and Other Expenses

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Consumption of stores, spares, parts and scrap (Refer Note (a))	**638**	651
Power and fuel	**776**	805
Repairs to Plant & Equipment	**94**	113
Repairs to building	**82**	21
Other manufacturing expenses	**708**	681
Total	**2,298**	2,271

Note:

(a) Value of imported and indigenous stores and spare parts consumed

Particulars	Year ended 31 March 2016		Year ended 31 March 2015	
	Rs. in lacs	**%**	Rs. in lacs	%
Imported	**91**	**14**	22	3
Indigenous	**547**	**86**	629	97
Total	**638**	**100**	651	100

Note 31 - Auditors Remuneration

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Statutory audit fees	**13**	24
Tax audit fees	**5**	7
Certification and other matters	**8**	4
Reimbursement of out of pocket expenses	**1**	1
Total	**27**	36

Note 32 - Contingent Liabilities not provided for :

(Rs in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
a) Disputed sales tax as the matters are in appeal (advance paid Rs. 75 Lacs; previous year Rs. 31 Lacs)*	**2,858**	287
b) Disputed excise duties, as the matters are in appeal (advance paid Rs. 2 Lacs; previous year Rs. 2 Lacs)	**118**	115
c) Bonds submitted to customs authorities for import of goods under advance license scheme.	**76**	96
d) Bank Guarantees	**1,198**	1,365
e) On account of Pending 'C' Forms	**1,693**	-
f) Other matters	**148**	152

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.

* Disclosed to the extent information is available.

Note 33 - Estimated amount of contracts remaining to be executed

(Rs in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
On Capital account and not provided for (net of advances)	**346**	344

Note 34 - Micro, Small and Medium Enterprises (Refer Note 9)

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**104**	30
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**1**	0*
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest paid under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest due and payable towards suppliers registered under the MSMED Act beyond the appointed day during the year	**-**	-

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Further interest remaining due and payable for earlier years The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.	-	-

* Amount below Rs. 0.49 Lac has been rounded as per the norms of the Company.

Note 35 - Revenue expenditure incurred during the year on research and development, through the natural heads of account, amounts to Rs.371 Lacs (Previous year Rs. 307 Lacs) (including depreciation Rs. 20 Lacs; Previous year Rs. 20 Lacs) and capital expenditure thereof amounts to Rs.14 Lacs (Previous year Rs. 46 Lacs).

Note 36 - Details of CIF value of imports (including in-transit):

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Raw materials and components	**3,966**	4,242
Capital goods	**27**	13
Spares, etc.	**25**	35
Purchase of stock-in-trade	**188**	233

Note 37 - Details of Expenditure in Foreign Currency:

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Travelling	**74**	82
Bank charges	**6**	12
Against standby letter of credit issued to Bank Hapoalim Ltd. / HDFC Bank Ltd- Hongkong for loans taken by a subsidiary	**-**	74
Salaries, rent and other administrative expenses at Sharjah office	**213**	129
Others	**17**	47

Note 38 - Details of Earnings in Foreign Exchange :

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
FOB value of exports (Net of returns)	**3,674**	2,987
Service charges received	**489**	78

Note 39 - Details of Dividend Remitted to Non-Resident Shareholders in Foreign Currency*:

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Number of Non-Resident Shareholders	**66**	66
Number of Equity Shares held	**9,363**	9,213
Financial year ended for which Dividend is remitted	**2014-15**	2013-14
Amount of Dividend remitted (Rs. in lacs)	**0.47**	0.46

* excluding dividend credited to the shareholders' non-resident external accounts with banks in India.

Note 40 - Segment Information

A) Business Segment

(Rs in lacs)

Particulars	Consumables		Equipments and project engineering business		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015
Segment Revenue						
External revenue	**27,470**	27,354	**13,363**	11,418	**40,833**	38,772
Inter segment revenue	**-**	-	**-**	-	**-**	-
Total revenue	**27,470**	27,354	**13,363**	11,418	**40,833**	38,772
Segment result before interest and tax	**3,480**	2,453	**1,266**	642	**4,746**	3,095
Add / (less):						
Unallocable expenses (net of unallocable income)					**(1,305)**	(1,093)
Interest and finance charges (Net)					**(87)**	(39)
Excess / (short) provision of taxes for earlier years.					**20**	63
Exceptional items (Net)					**(195)**	2,817
Provision for taxes (Net of Deferred Tax)					**(940)**	(1,657)
Net Profit after tax					**2,239**	3,186
Other Information						
Segment Assets	**15,558**	14,741	**13,829**	8,980	**29,387**	23,721
Unallocated assets					**4,129**	4,749
Total assets					**33,516**	28,470
Segment Liabilities	**3,624**	2,907	**6,212**	3,130	**9,836**	6,037
Unallocated liabilities					**2,008**	2,182
Total liabilities					**11,844**	8,219

(Rs in lacs)

Particulars	Consumables		Equipments and project engineering business		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	**Year ended 31 March 2016**	Year ended 31 March 2015	**Year ended 31 March 2016**	Year ended 31 March 2015
Capital Employed						
Segment wise capital employed	**11,934**	11,834	**7,617**	5,850	**19,551**	17,684
Unallocable corporate assets net of unallocable corporate liabilities					**2,121**	2,567
Capital Expenditure						
Segment capital expenditure	**988**	597	**474**	331	**1,462**	928
Unallocated capital expenditure					**66**	12
Total capital expenditure (Tangible and intangible assets)					**1,528**	940
Depreciation and Amortisation						
Segment depreciation and amortisation	**730**	771	**312**	325	**1,042**	1,096
Unallocated depreciation and amortisation					**137**	158
Total depreciation and amortisation					**1,179**	1,254
Significant non cash expenditure						
Segment significant non cash expenditure	**5**	17	**-**	3	**5**	20
Unallocated significant non cash expenditure					**-**	-
Total significant non cash expenditure					**5**	20

B) Geographical segment

(Rs in lacs)

Particulars	India		Outside India		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	**Year ended 31 March 2016**	Year ended 31 March 2015	**Year ended 31 March 2016**	Year ended 31 March 2015
Segment revenue	**36,670**	35,707	**4,163**	3,065	**40,833**	38,772
Carrying amount of segment assets	**33,030**	28,484	**486**	(14)	**33,516**	28,470
Additions to fixed assets (Tangible and intangible assets)	**1,519**	940	**9**	-	**1,528**	940

C) Other Disclosures

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

Business Segment	Types of products and services
a) Consumables	Electrodes, wires, agency items related to consumables from Silvassa, Raipur and Chennai plant.
b) Equipment and Project Engineering Business	Equipment, spares, cutting products and agency items related to equipment and cutting products and design, engineering, procurement and commissioning of flares, incinerators, furnaces, etc. from Chinchwad plant and sale of products and services in relation to Ador Welding Academy Private Limited.

4. The Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

Note 41 - Related parties disclosure:

A. Relationships:

Relationship	Name of the Persons / Company
a) Holding Company	J. B. Advani & Co. Private. Ltd
b) Companies in which holding company has significant influence and its associates	Ador Powertron Limited Ador Fontech Limited Ador Multiproducts Limited Mack Valves India Private Limited Ador Digatron Private Limited Ador Green Energy Private Limited
c) Key Management Personnel	Ms. A. B. Advani Mr. S. M. Bhat Mrs. N. Malkani Nagpal
d) Relative of Director	Mr. Ajit T. Mirchandani

B. Transactions during the year and amount outstanding at the year end

(Rs in lacs)

Relationship / Name of the Related Party	Description of the nature of the transactions	Value of the transactions	
		Year ended 31 March 2016	Year ended 31 March 2015
a) Holding Company			
J B Advani & Co. Private Limited	Sale of goods	**11**	18
	Purchase of goods and services received	**937**	1,218
	Rent received	**29**	25
	Rent paid	**16**	14
	Reimbursement of expenses (incurred to other companies).	**4**	5
	Recovery of expenses (from other companies).	**13**	13
	Amount outstanding at the year end		
	Outstanding receivable *	**0**	8
	Outstanding payable	**110**	122
	Advance / Deposit	**-**	4
b) Companies in which Holding Company has significant influence and its associates			
Ador Fontech Limited	Purchase of goods	**23**	23
	Recovery of expenses (from other companies)	**6**	1
	Reimbursement of expenses (incurred to other companies).	**-**	2
	Rent received	**5**	8
	Sale of goods	**128**	213
	Advance to supplier	**1**	-
	Amount outstanding at the year end		
	Outstanding receivable	**-**	15
Ador Multiproducts Limited	Purchase of goods*	**-**	0
	Recovery of expenses (from other companies)	**-**	3
	Sale of goods	**36**	64
	Amount outstanding at the year end		
	Outstanding receivable	**9**	14
Ador Powertron Limited	Purchase of fixed assets	**3**	-
	Purchase of goods*	**1**	0
	Recovery of expense (from other companies)	**1**	2
	Sale of goods	**-**	4
	Rent received	**1**	1
Ador Digatron Private Limited	Sale of goods*	**-**	0

(Rs in lacs)

Relationship / Name of the Related Party	Description of the nature of the transactions	Value of the transactions	
		Year ended 31 March 2016	Year ended 31 March 2015
Mack Valves India Private Limited	Sale of fixed assets	-	6
	Sale of goods	-	2
Ador Green Energy Private Limited	Commission / business support / facilitation charges	**54**	123
	Outstanding payable	-	63
c) Relative of Director			
Mr. Ajit T. Mirchandani	Non compete fees	-	60
d) Key Management Persons			
Ms A. B. Advani	Remuneration	**128**	136
Mrs. N. Malkani Nagpal	Remuneration	**89**	-
Mr. S. M. Bhat	Remuneration	**113**	107
	Loan given during the year	**10**	-
	Amount outstanding at the year end		
	Loan	**8**	-
Non-Executive Directors	Commission	**35**	23

* Amount below Rs. 0.49 Lac has been rounded as per the norms of the Company.

Notes:

1. Related Party relationship is as identified by the Company and relied upon by the Auditors.
2. The Company has shared facilities limits offered by HDFC Bank to the extent of Rs. 100 Lacs (Previous year Rs.100 Lacs) by earmarking working capital funds in favour of Ador Welding Academy Private Limited.

Note 42 - Computation of Profit for Earnings Per Share:

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Profit before exceptional items after tax (Rs. in lacs)	**2,434**	369
Profit after exceptional items after tax (Rs. in lacs)	**2,239**	3,186
Weighted average number of shares outstanding	**1,35,98,467**	1,35,98,467
Earnings per share before exceptional items after tax (basic and diluted) (Rs.)	**17.90**	2.72
Earnings per share after exceptional items after tax (Rs.)	**16.46**	23.43

Note 43 - Disclosure in respect of derivative instruments:

(a) Forward contracts outstanding

Particulars	Currency	Year ended 31 March 2016	Year ended 31 March 2016	Year ended 31 March 2015	
		Amount in foreign currency	**Rs. in lacs**	Amount in foreign currency	Rs. in lacs
Against exports	USD	**1,82,916**	**119**	1,23,242	76
Against imports	EURO	**59,321**	**45**	-	-
	USD	**1,02,198**	**69**	-	-

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

Particulars	Currency	Year ended 31 March 2016	Year ended 31 March 2016	Year ended 31 March 2015	
		Amount in foreign currency	**Rs. in lacs**	Amount in foreign currency	Rs. in lacs
i) Debtors	USD	**5,11,620**	**333**	1,62,230	100
	EURO	**66,694**	**49**	66,044	44
ii) Creditors	USD	**22,916**	**15**	472,094	300
	EURO	**13,787**	**11**	29,835	21
iii) Advance to creditors	USD	**1,59,790**	**108**	1,13,745	72
	EURO	**1,708**	**1**	2,232	2
iv) Bank balances	USD	**11,132**	**7**	1,68,222	104
	AED	**39,411**	**7**	78,482	13

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

Note 44 - Exceptional items :

(Rs in lacs)

Sr. No.	Particulars	Year ended 31 March 2016	Year ended 31 March 2015
1.	The Company had revised its policy of providing depreciation on fixed assets effective 1 April 2014. The depreciation is now provided on Straight Line Method (SLM) based on useful life as estimated by the management and aligned to Schedule II to the Companies Act, 2013, as against Written Down Value (WDV) method followed earlier. As a result of this change, the effect relating to the period prior to 1 April 2014, is a net credit of Rs.2,610 Lacs (excluding deferred tax) which has been shown as an 'Exceptional item' in the financial result for the year ended 31 March 2015.	-	2,610
2	Surplus on sale of property: During the previous year, the Company had sold its 2 residential flats alongwith the furniture for a consideration of Rs. 290 Lacs, the WDV of the same was Rs. 9 Lacs, which resulted in exceptional income of Rs. 281 Lacs.	-	281
3	Bank guarantee amount of Rs. 74.43 Lacs (US$ 1.20 Lacs) was paid to HDFC Bank Ltd-Hongkong on behalf of Plasma Laser Technologies during the previous year resulting in exceptional loss.	-	(74)
4	The Company has paid Rs.155 Lacs to the employees of Chennai Plant as compensation alongwith full and final settlement of their dues on account of suspension of operations, Rs. 5 Lacs towards compensation to ex-employees in settlement of court cases pertaining to Ahmednagar plant and Rs. 7 Lacs toward compensation to ex-employees in settlement of court cases pertaining to Chinchwad Plant.	**(167)**	-
5	The Company has provided Bonus of Rs. 28 Lacs for the year 2014-15 due to enactment of Payment of Bonus (Amendment) Act, 2015 with retrospective effect from 1 April 2014.	**(28)**	-
	Total	**(195)**	2,817

Note 45 - Employee Benefits:

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

Brief description of the plans:

The Company has various schemes for employee benefits such as provident fund, superannuation and gratuity. In case of funded schemes, the funds are administered through trustees/ appropriate authorities. The Company's defined contribution plans are superannuation, 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 provident fund and gratuity. The employees of the Company are entitled to compensated absences as per the Company's policy.

I. Defined contribution plans:

(i) Provident fund

(ii) Superannuation fund

(iii) Employees state insurance fund

During the year, the Company has recognised the following amounts in the statement of profit and loss*:

(Rs. in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Employer's contribution to superannuation fund	**32**	22
Employer's contribution to provident fund**	**102**	103
Employees state insurance fund	**11**	12
Total	**145**	137

* included in Note 26- 'Employee benefit expense'

** includes payment made to regulatory authorities other than to Ador Welding Employees Provident Fund Trust.

II. Defined benefit plans (Disclosure based on actuarial reports):

a. Contribution to gratuity fund (funded scheme)

(Rs. in lacs)

	Particulars	Year ended 31 March 2016	Year ended 31 March 2015
(i)	Change in present value of defined benefit obligation		
	Present value of obligation at the beginning of the year	**282**	277
	Current service cost	**27**	28
	Interest cost	**22**	25
	Actuarial gain on obligation	**(16)**	(1)
	Benefits paid	**(53)**	(47)
	Present value of obligation at the end of the year	**262**	282
(ii)	Change in plan assets		
	Fair value of plan assets at beginning of the year	**202**	232
	Expected return on plan assets	**15**	17
	Actuarial loss*	**(1)**	(0)

(Rs. in lacs)

	Particulars	Year ended 31 March 2016	Year ended 31 March 2015
	Contributions by employer	**10**	-
	Benefits paid	**(53)**	(47)
	Fair value of plan assets at end of the year	**173**	202
(iii)	Actual return on plan assets	**14**	17
(iv)	Assets and liabilities recognised in the balance sheet **		
	Present value of the defined benefit obligation at the end of the year	**262**	282
	Less: Fair value of plan assets at the end of the year	**(173)**	(202)
	Net liability recognised ***	**89**	80
	Recognised under provisions (Refer Note 7)	**-**	-
	Long term provisions	**89**	80
	Short term provisions	**-**	-
(v)	Expenses recognised in the statement of profit and loss:		
	Current service cost	**27**	28
	Interest cost	**22**	25
	Expected return on plan assets	**(15)**	(17)
	Actuarial (gain)/loss recognised in the current year	**(15)**	(1)
	Net gratuity cost recognised in the current year	**19**	35
	Included in note 27 'Employee benefits expense'		
(vi)	Expected employer's contribution for the next year	**50**	50
(vii)	In accordance with Accounting Standard 15, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:-		
	Discount Rate (per annum)	**7.80%**	7.95%
	Rate of return on plan assets	**8.00%**	8.00%
	Salary escalation rate	**7.50%**	8.00%
	Attrition rate		
	21 years to 44 years	**18.45%**	18.87%
	45 years and above	**12.62%**	10.46%
	The estimates of future salary increases, considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as, supply and demand factors in the employment market		
viii)	Asset information:		
	The plan asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') as per the investment pattern stipulated for pension and Group Schemes fund by Insurance Regulatory and Development Authority (IRDA) Regulations.		

(ix) Other Information (Experience adjustment)

(Rs. in lacs)

Particulars	Period ended				
	31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Present value of obligation at the close of the year	**262**	282	277	302	328
Fair value of plan assets at the close of the year	**173**	202	232	235	281
Surplus / (deficit)	**(89)**	(80)	(45)	(67)	(47)
Experience adjustments on plan liabilities - gain / (loss)	**(12)**	(18)	(17)	2	22
Experience adjustments on plan assets - gain / (loss)*	**(1)**	(0)	6	(23)	(4)

* Amounts below Rs. 0.49 Lac has been rounded as per the norms of the company

** Amounts have been recognised based on the information for the period ended 29 February 2016 and 28 February 2015.

***The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors

(b) Provident Fund Liability

(Rs. in lacs)

	Particulars	Year ended 31 March 2016	Year ended 31 March 2015
(i)	Changes in the present value of defined benefit obligation		
	Present value of obligation at the beginning of the year	**1,113**	1,083
	Current service cost	**37**	38
	Interest cost	**88**	99
	Actuarial (gain)/loss	**(72)**	(82)
	Employees contribution	**69**	68
	Liabilities assumed on acquisition / (settled on divestiture)	**102**	5
	Benefits paid	**(99)**	(98)
	Present value of obligation at the end of the year	**1,238**	1,113
(ii)	Change in fair value of assets		
	Fair value of plan assets at the beginning of the year	**1,105**	1,076
	Expected return on plan assets	**87**	89
	Actuarial gain / (loss)	**(63)**	(73)
	Employer's contributions during the period	**37**	38
	Employee's contributions during the period	**69**	68

(Rs. in lacs)

	Particulars	Year ended 31 March 2016	Year ended 31 March 2015
	Assets acquired on acquisition / (distributed on divestiture)	**102**	5
	Benefits paid	**(99)**	(98)
	Fair value of plan assets at the end of the year	**1,238**	1,105
(iii)	Actual return on plan assets	**23**	16
(iv)	Asset and liabilities recognised in balance sheet		
	Present value of the defined benefit obligation at the end of the year	**1,238**	1,113
	Less: Fair value of plan assets at the end of the year	**(1,238)**	(1,105)
	Net liability / (asset) recognised	**-**	8
	Recognised under provisions (Refer Note 11)	**-**	-
	Long term provisions	**-**	-
	Short term provisions	**-**	8
(v)	**Expenses recognised in the statement of profit and loss:**		
	Current service cost	**37**	38
	Interest cost	**88**	99
	Expected return on plan assets	**(87)**	(89)
	Net actuarial loss / (gain) recognised in the current year	**(9)**	(9)
	Total expense*	**29**	39
	*Included in Note 27 – 'Employee benefits expense'		
(vi)	Expected employer's contribution for the next year	**38**	38
(vii)	In accordance with Accounting Standard 15, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:-		
	Discount rate (per annum)	**7.80%**	7.95%
	Expected rate of return on assets	**8.46%**	7.78%
	Discount rate for the remaining term to maturity of the investment	**7.77%**	8.05%
	Average historic yield on the investment	**8.43%**	7.88%
	Guaranteed rate of return	**8.75%**	8.75%
	The estimates of future salary increases, considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as, supply and demand factors in the employment market.		
(viii)	Asset information:		
	Government of India securities	**33%**	33%
	Corporate bonds	**26%**	29%
	Special deposit schemes	**23%**	26%
	Equity shares of listed companies	**0%**	0%
	Others	**19%**	13%

(ix) Other information (Experience adjustment)

(Rs. in lacs)

Particulars	Period ended				
	31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Present value of defined benefit obligation at the end of year	**1,238**	1,113	1,083	975	842
Fair value of plan assets at the end of year	**1,238**	1,105	1,076	942	821
Surplus/(deficit)	**-**	(8)	(7)	(33)	(21)
Experience adjustments on plan liabilities - gain/ (loss)	**(72)**	(89)	38	80	-
Experience adjustments on plan assets - gain/ (loss)	**(63)**	(73)	50	90	-

III. Compensated Absences *

(i) An amount of Rs. 50 lacs (Previous year Rs. 39 lacs) has been recognised as an expense in the statement of profit and loss account and included under note 27 "Employee benefits expense"

(ii) Balance sheet reconciliation

Particulars	As at 31 March 2016		As at 31 March 2015	
	Long term	**Short term**	Long term	Short term
Liability as per actuarial valuation	**83**	**136**	84	99

* have been recognised based on the information for the period ended 29 February 2016 and 28 February 2015

Note 46 - Lease Arrangements - Operating Lease

The Company's significant leasing arrangements are in respect of residential flats and office premises taken on cancellable lease. The aggregate amount of operating lease rent debited to statement of profit and loss during the year is Rs.134 lacs (Previous year Rs.100 lacs).

Note 47 - Lease Obligation- Finance Lease

Net carrying amount of carrying assets as at balance sheet date – Rs.17 lacs (Previous year Rs.43 lacs)

The minimum future lease rentals and present value of minimum lease rentals payable are as follows:

(Rs. in lacs)

Particulars	As at 31 March 2016	As at 31 March 2015
Minimum lease rentals payable as on balance sheet date	**22**	60
Present value of minimum lease rentals payable	**20**	51

(Rs. in lacs)

Particulars	Minimum Lease Payment		Present value of Minimum Lease Payments	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Amount due within one year	**22**	37	**20**	33
Amount due from one year to five years	**-**	23	**-**	18
Amount due from five years and above	**-**	-	**-**	-
Total	**22**	60	**20**	51

Note 48 - Lease Rental

The Company has significant lease arrangement in respect of office premises given on lease. The aggregate amount of rent credited to Statement of Profit & Loss account during the year is Rs. 53 Lacs (previous year Rs. 54 Lacs)

(Rs. in lacs)

Particulars	Minimum Lease Receipt	
	As at 31 March 2016	As at 31 March 2015
Amount due within one year	**52**	30
Amount due from one year to five years	**148**	-
Amount due from five years and above	**96**	-
Total	**296**	30

Note 49 - Balances of certain debtors, advances and creditors are subject to confirmation / reconciliation, if any. In the opinion of the management such adjustment are not likely to be material.

Note 50 - Amounts below Rs.0.49 lac have been rounded off as per rounding off norms of the Company.

Note 51 - Financial statements for the previous year ended were audited by another firm of Chartered Accountants.

Note 52 - The figures for the previous year are regrouped/ re-arranged wherever necessary.

For and on behalf of the Board of Directors

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

per Sudhir N. Pillai
Partner

Place: Mumbai
Date: 10 May 2016

A.B.Advani
Executive Chairman
DIN: 00029256

V.M.Bhide
Head - Corporate Administration and Company Secretary

Girish Patkar
Chief Financial Officer

S.M.Bhat
Managing Director
DIN: 05168265

Place: Mumbai
Date: 10 May 2016

Information on Subsidiary Companies
(under Section 129(3) of the Companies Act, 2013)

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint ventures

Part "A" : Subsidiaries

(Rs. in lacs)

Particulars	Indian Subsidiary	Foreign Subsidiaries		
	Ador Welding Academy Pvt. Ltd.	Plasma Laser Technologies Ltd.*	Plasma Laser Technologies, NA, Inc.	Aluminium Hybrid Systems Ltd.
Share Capital	10	-	-	-
Reserves & Surplus	(177)	-	-	-
Total Assets	165	-	-	-
Total Liabilities	332	-	-	-
Investments	-	-	-	-
Turnover	158	-	-	-
Profit/(Loss) before taxation	(24)	-	-	-
Provision for Taxation	(2)	-	-	-
Profit/(Loss) after taxation	(26)	-	-	-
Proposed Dividend	-	-	-	-
% of Shareholding	100%	67.55%	100%	94.73%

*** under liquidation**

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Not Applicable

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

Place: Mumbai
Date: 10 May, 2016

V.M.Bhide
Head – Corp.Admn., Legal & Company Secretary

G. A. Patkar
Chief Financial Officer

S.M.Bhat
Managing Director
DIN: 05168265

ADOR WELDING ACADEMY

A-108, H Block, MIDC, Pimpri, Pune 411 018
Maharashtra, INDIA, Telefax : +91 20 4070 6300

Ador Welding Academy (AWA), in the financial year 2015-16 has kept its growth consistent. In its expansion program AWA has added 2 new training centers.

a) Roorkee, Uttarakhand

b) Gandhinagar, Gujarat

Now AWA has total 8 centers across India, with the addition of 2 above.

AWA has successfully trained a batch of 20 fresh welders for M/s. GE India's Chakan plant. These candidates have started working on GE's shop floor as welders.

AWA is now National Skills Development Corporation (NSDC) Partner.

AWA has been awarded this partnership by NSDC to promote welding as career for large population of unemployed youth.

AWA, in keeping with its objective of creating livelihood by promoting welding as career option, has started training 23 women as welders. This project is in collaboration with Mahindra & Mahindra's (M & M) Prakruti Project. AWA is committed to promote gender diversity on shop floor.

AWA has been continuously adding new clients into its foray and marching towards adding value to manufacturing industry by providing human resource trained on welding Skill and Knowledge.

Mahindra Women Batch, along with M & M and Ador Top Management

WELDERS TO THE NATION SINCE 1951

ADOR WELDING LIMITED

(Formerly Advani-Oerlikon Ltd.)

www.adorwelding.com

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

Our Market Reach

Domestic Sales Offices

AHMEDABAD
804-805, Sakar IV, Opp. Town Hall,
Near Ellisbridge, Ashram Road,
Ahmedabad 380 006, Gujarat, India.
Tel : +91 79 2657 9928, 6661 2788
Fax : +91 79 6661 2788

BENGALURU
N-406, 4th Floor,
Manipal Center, North Block,
Rear Wing, Dickenson Road,
Bengaluru 560 042, Karnataka, India.
Tel : +91 80 2558 5125
Fax : +91 80 2532 1477

CHENNAI
No. 26, 2nd Floor, Fagun Chambers,
Ethiraj Salai, Egmore,
Chennai 600 008, Tamil Nadu, India.
Tel : +91 44 2827 0105

COIMBATORE
Ramkrishna Bagh, 1289, Trichy Road,
Coimbatore 641 018,
Tamil Nadu, India.
Tel : +91 422 439 3013
Fax : +91 422 230 3869

DELHI
C-116, Naraina Industrial Area,
Phase 1, New Delhi 110 028, India.
Tel : +91 11 4330 4333
Fax : +91 11 2579 5529

HYDERABAD
9-1-93/1, Lane Adjacent to Sangeet Cinema,
Sarojini Devi Road,
Secunderabad 500 003, Telangana, India.
Tel : +91 40 2771 2090, 6649 2090
Fax : +91 40 2771 5570

INDORE
402, Apollo Trade Center,
Ambedkar Square, Geeta Bhavan.
Chouraha, A.B. Road, Indore 452 001,
Madhya Pradesh, India.
Tel : +91 731 2494 220, 4066 840
Fax : +91 731 4066 840

JAIPUR
309, Aishwarya Tower,
Near Hotel Hawa Mahal,
Ajmer Road, Jaipur 302 001,
Rajasthan, India.
Tel : +91 141 2220 833
Fax : +91 141 2220 834

KOLKATA
P-6 C.I.T. Road, Scheme - 55,
Moulali, Kolkata 700 014,
West Bengal, India.
Tel : +91 33 4008 4862 / 63
Fax : +91 33 4008 4864

MUMBAI
Ador House,
6, K. Dubash Marg, Fort,
Mumbai 400 001-16, Maharashtra, India.
Tel : +91 22 6623 9300, 2284 2525
Fax : +91 22 2287 3083

PUNE
Survey No. 147/2B, Akrudi,
Near Khandoba Mandir, Chinchwad,
Pune 411 019, Maharashtra, India.
Tel : +91 20 4070 6000
Fax : +91 20 4070 6001

RAIPUR
Industrial Area, Bilaspur Road, Birgaon,
Raipur 493 221, Chhattisgarh, India.
Tel : +91 771 6452 201
Fax : +91 771 6542 201

Overseas Sales Office

SHARJAH
Sharjah Airport International,
Free Zone (SAIF Zone): Q3 216,
P.O. Box No: 120025, Sharjah, U.A.E.
Tel : 00971 6557 8601
Fax : 00971 6657 8602
Email : exports@adorians.com

ador WELDING

it's an adsvita creation | info@adsvita.com

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

Form A (for Audit Report with Unmodified Opinion) along with the Financial Results for the financial year ended 31st March 2016 as per Regulation 33 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

Sr. No.	Particulars	Details
1.	Name of the company	**ADOR WELDING LIMITED**
2.	Audited financial statements for the year ended	31st March, 2016 (Standalone and Consolidated)
3.	Type of Audit observation	Unmodified
4.	Frequency of observation	Not applicable
5.	Signed by: **a)** For **Ador Welding Limited** S. M. Bhat **Managing Director** **b)** For **Ador Welding Limited** G. A. Patkar **Chief Financial Officer** **c)** For **Ador Welding Limited** M. K. Maheshwari **Audit Committee Chairman** **d)** Auditor of the Company For **Walker Chandiok & Co LLP,** Firm Regn. No. 001076N/N500013 **Chartered Accountants** Sudhir N. Pillai **Partner** **Membership No. 105782**	

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS