



## ADOR WELDING ACADEMY PVT. LTD.

Regd. Office : A-108, 'H' Block, MIDC, Near Morwadi, Court, Pimpri, Pune - 411 018 (India)  
Tel/ Fax : +91-20-4070 6300 CIN : U74900PN2012PTC144148  
● awa@adorwac.in ● www.adorweldingacademy.com

### DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **Fifth Annual Report** of the Company and the Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2017.

#### 1. FINANCIAL HIGHLIGHTS

The highlights of the performance of the Company for the financial ended 31<sup>st</sup> March, 2017 is summarised below:

(Rs. in Lakhs)			
Sr. No.	Key Financial Indicators	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
1.1	Sales, Services & other Income	103.00	158.13
1.2	Profit / (Loss) before Interest & Depreciation	(11.00)	(7.12)
1.3	Profit / (Loss) before Tax	(27)	(23.65)
1.4	Provision for Tax (Net of deferred tax)	-	(2.12)
1.5	Profit / (Loss) for the year after Tax	(26.93)	(25.77)
1.6	Capital Expenditure	0.00	1.17
1.7	Capital Work in Progress	0.00	0.00

#### 2. DIVIDEND

The Board of Directors has not recommended any dividend as the Company has not made any profits in FY 2016-17.

#### 3. OPERATIONS

The business plan for growth in turnover for the year did not materialise primarily due to the big shortfall in COE Partner projects (against projections of Rs. 122.00 lakhs we could bill only Rs. 41.00 lakhs; Last year Rs. 79.00 lakhs was billed). Most of the institutes abandoned their plans for setting up COE centres (CV Raman Institute, Ahmednagar Auto & Engg Association, Cummins ITI, etc). In the segment of Skilling & education the achievement was only Rs. 60.00 lakhs against the plan of Rs. 88.00 lakhs (Last year Rs. 68.00 lakhs). Generally, the flow of enquires was tardy due to training budget cuts; the expected contracts with majors like BARTI and M&M did not materialise due to their decision to discontinue with further batches in Pune. We lost a few orders based on lower prices offered by competitors. However, the redeeming feature is that some of the corporate (e.g. GE) have reverted to us and discussing

training of their next batches with us, as they are dissatisfied with the quality of training they experienced with the other party. Most of our skill training revenues were accounted for by new business. We believe that the awareness about our institute is spreading & should enhance our customer base for future.

For the year FY 2017-18, we hope to receive larger number of enquiries from corporate. With the addition of the Resistance welding module we hope to receive good response from the Auto sector in Pimpri / Chinchwad / Chakan cluster as well as the ITI students. We are also in discussions with some skilling institutes of a variety of technical skills, to organise programs at our premises; the partnership models are under discussion. We will continue to work on cost control; variable costs have been optimised to achieve better levels of operational economics, resulting in the bottom-line for the Q4 to be the best in any quarter so far! For sustainability, we need to explore working models that will reduce fixed costs. The focus, of course, will remain on building capability & capacity to increase revenues from existing business segments as well as creating new ones.

#### 4. EXTRACT OF ANNUAL RETURN

The information required under Section 92(3) & Section 192(3)(a) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 with respect to extract of Annual Return is appended hereto as **Annexure – I** and forms part of this Report.

#### 5. NUMBER OF MEETINGS OF THE BOARD

During FY 2016-17, the Board of Directors met five times, as detailed below:

Date of Meeting	Place of Meeting	Number of Directors Present
28.04.2016	Mumbai	4
24.05.2016	Pune	3
18.07.2016	Pune	3
18.10.2016	Pune	4
24.01.2017	Pune	3

#### 6. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the Annual Accounts, all the applicable Accounting Standards have been followed.
- ii. The Directors have selected proper accounting policies & applied them consistently and made judgments & estimates that are reasonable and prudent, so as to give a true & fair view of the state of affairs of the Company, as at the end of the Financial year and of the losses of the Company for the said period.

- iii. The Directors have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 and for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities.
- iv. Annual Accounts have been prepared on a going concern basis.
- v. Proper systems are in place to ensure compliance with the provisions of all applicable laws and such systems are adequate & operating effectively.

#### **7. LOANS & GUARANTEES U/S 186 OF THE COMPANIES ACT, 2013**

The Company had taken a loan totaling to Rs. 290.00 Lakhs from M/s. Ador Welding Ltd. during FY 2014-15 for its working capital requirement. In FY 2016-17, the Company repaid / settled all the said loans & advances availed / taken from its Holding Company. Further, the Company has also taken credit facilities of Rs. 100.00 Lakhs from M/s. HDFC Bank Ltd. to meet the working capital requirements of the Company, which are guaranteed by M/s. Ador Welding Ltd.

#### **8. PARTICULARS OF CONTRACTS & ARRANGEMENTS U/S 188**

All Related Party Transactions were executed in the ordinary course of business and negotiated on arms length basis with pricing compatible to market quotes and transactions of similar nature with other parties. Details of transactions with related parties are depicted as part of notes to accounts.

None of the transactions with any of the Related Parties was in conflict with the interest of the Company.

#### **9. FOREIGN EXCHANGE**

There was no Foreign Exchange Earnings and outgo during the financial year under review.

#### **10. FIXED DEPOSITS**

The Company has not accepted any deposits from its Directors and / or their relatives during the year under review.

#### **11. INSURANCE**

The properties / assets of the Company are adequately insured.

#### **12. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE**

As per Section 134 of the Companies Act, 2013 read with the Rules framed thereunder, requirements of disclosure with regard to the conservation of energy are not applicable to the Company.



The Company gives consultancy & training in welding field and does not have any conventional manufacturing activities. Hence, details of conservation of energy are not required to be furnished. However, the Company is taking sufficient steps for the purpose of energy conservation and ensuring safety.

The Company has not incurred any expenses on Research & Development during the year under review.

### 13. DIRECTORS

1. Mr. Raman Kumar, Chairman of the Company, tendered his resignation effective from 10<sup>th</sup> May, 2017 from the Directorship of the Company in the Board Meeting held on 10<sup>th</sup> April, 2017.

The Board took note of the same and expressed its gratitude towards Mr. Raman Kumar for the valuable services rendered by him during his tenure. The Board also appreciated his contributions towards the progress of the Company from its inception. The Board also applauded his support, vision, guidance and leadership skills which benefited the Company to grow in a sustainable manner.

All necessary resolutions were passed at the said Board Meeting and relevant Forms pertaining to resignation of Mr. Raman Kumar are being filed with MCA (ROC) within stipulated time to effect his resignation.

2. Mr. Satish M. Bhat (DIN: 05168265) joined the Board of Directors as an "Additional Director" with effect from 09<sup>th</sup> May, 2017. The Company has received Notice in writing from a Member proposing his candidature to the Office of Director of the Company. In the interest of the Company's continued prosperity and well-being, the Board recommends his appointment as the Director (Chairman) at the forthcoming 5<sup>th</sup> Annual General Meeting.

The Board of Directors, pursuant to section 151 of the Companies Act, 2013 & Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, has received Form MBP-1 and Consent to act as a Director in Form DIR-2, from Mr. Satish M. Bhat.

Necessary Resolution for the appointment of Satish M. Bhat has been included in the Notice convening the ensuing AGM and details of the proposal for appointment are mentioned in the explanatory statement to the Notice.

### 14. AUDITOR'S REPORT

There are no qualifications contained in the Auditor's Report & therefore no explanation is required.



Necessary Resolution for the appointment of Satish M. Bhat has been included in the Notice convening the ensuing AGM and details of the proposal for appointment are mentioned in the explanatory statement to the Notice.

#### 14. AUDITOR'S REPORT

There are no qualifications contained in the Auditor's Report & therefore no explanation is required.

#### 15. AUDITORS

M/s. Phadke & Associates, Chartered Accountants, Pune, the Statutory Auditors of the Company hold office until the conclusion of the ensuing AGM and are eligible for re-appointment.

The Company has received letter from M/s. Phadke & Associates, Chartered Accountants, stating that their appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013, and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

#### 16. PARTICULARS OF EMPLOYEES

The Company's employees are technically trained professionals, instructors, application engineers and consultants. They possess numerous qualities such as organizational skills, work ethics, high adaptability and reliability. All these attributes lead in excelling the organization to greater level. Most of the employees are on contractual basis whereas a few are deputed from its Holding Company, Ador Welding Ltd (AWL) whose salary and related costs are reimbursed to AWL.

#### 17. ACKNOWLEDGEMENT

We thank our shareholders, bankers, regulatory bodies and other business constituents for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our organizational growth was possible due to their hard work, solidarity, co-operation and support. We also gratefully acknowledge the continued support and cooperation of our Holding Company, M/s. Ador Welding Ltd. including all its executives, officers and staff which has resulted in tremendous success over the entire year.

For and on behalf of the Board



Place: Mumbai  
Date: 09<sup>th</sup> May, 2017

S. M. Bhat  
Director  
(DIN: 05168265)

**ANNEXURE TO THE DIRECTOR'S REPORT****Form No. MGT-9****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

1.	CIN	U74900PN2012PTC144148
2.	Registration Date	24 <sup>th</sup> July, 2012
3.	Name of the Company	<b>ADOR WELDING ACADEMY PRIVATE LIMITED</b>
4.	Category / Sub-Category of the Company	Private Company
5.	Address of the Registered office and contact details	A-108, H Block, MIDC, Pimpri, Pune - 411018, Maharashtra, India Telefax : +91 20 4070 6300
6.	Whether listed company : Yes / No	No
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Welding Training Services	80221	63.3%
2.	Welding Training EPC Projects ( Turn key)		36.7%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1.	Ador Welding Limited	L70100MH1951PLC008647	Holding Company	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian	0	0	0	0	0	0	0	0	0
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	1,00,000	1,00,000	100	0	30,00,000	30,00,000	100	96.67
e) Banks / FI	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)(1)</b>	<b>0</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>100</b>	<b>0</b>	<b>30,00,000</b>	<b>30,00,000</b>	<b>100</b>	<b>96.67</b>
(2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding g of Promoter (A) = (A)(1)+(A)(2)</b>	<b>0</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>100</b>	<b>0</b>	<b>30,00,000</b>	<b>30,00,000</b>	<b>100</b>	<b>96.67</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0

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c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
Category of Shareholders (contd.)	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2. Non Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
OCB	0	0	0	0	0	0	0	0	0
NRI	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Public Share-holding (B)=(B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>100</b>	<b>0</b>	<b>30,00,000</b>	<b>30,00,000</b>	<b>100</b>	<b>96.67</b>

(ii) **Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Cumulative Shareholding at the end of 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	% change in shareholding during the year
1.	Ador Welding Limited	99,700	99.70	0	2,999,700	99.70	0	96.67
2.	Mr. Raman Kumar*	100	0.10	0	100	0.10	0	0
3.	Ms. A. B. Advani*	100	0.10	0	100	0.10	0	0
4.	D. A. Lalvani*	100	0.10	0	100	0.10	0	0

\* The Shareholding is in capacity of a Nominee of Ador Welding Limited, and not in an individual capacity.

(iii) **Change in Promoter's Shareholding**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	1,00,000	100.00	30,00,000	100.00
2.	Date wise increase / decrease in promoters shareholding during the year, specifying the reason for increase / decrease	0	0.00	Subscribed to right issue	0.00
3.	At the end of the year	1,00,000	100.00	30,00,000	100.00

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
1.	Ador Welding Limited	99,700	99.70	99,700	99.70

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2.	Mr. Raman Kumar*	100	0.10	100	0.10
3.	Ms. A. B. Advani*	100	0.10	100	0.10
4.	D. A. Lalvani*	100	0.10	100	0.10

\* The Shareholding is in capacity of a Nominee of Ador Welding Limited, and not in an individual capacity.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholder Name (For Each of the Directors and KMP)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of shares	% of total Shares of the Company
1.	Mr. Raman Kumar*	100	0.10	100	0.10
2.	Ms. A. B. Advani*	100	0.10	100	0.10
3.	Mr. D. A. Lalvani*	100	0.10	100	0.10

\* The Shareholding is in capacity of a Nominee of Ador Welding Limited, and not in an individual capacity.

V. INDEBTEDNESS

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

Particulars	(Rs. in Lacs)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2.73	289.76	0.00	292.49
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>2.73</b>	<b>289.76</b>	<b>0.00</b>	<b>292.49</b>
Change in Indebtedness during the financial year				
• Addition	14.58	0.00	0.00	14.58
• Reduction	0.00	0.00	0.00	0.00
Net Change	<b>14.58</b>	<b>(289.76)</b>	<b>0.00</b>	<b>(275.18)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	17.31	0.00	0.00	17.31
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>17.31</b>	<b>0.00</b>	<b>0.00</b>	<b>17.31</b>

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## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NA (the Company does not have any MD / WTD / Manager)	
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify		
5.	Others, please specify		
<b>Total (A)</b>			<b>0</b>
Ceiling as per the Act			NA

### B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA (the Company does not have any CEO / CS / CFO)			
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
<b>Total</b>					<b>0</b>

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**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

**Place:** Mumbai  
**Date:** 09<sup>th</sup> May, 2017

**For and on behalf of the Board**

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ADOR WELDING ACADEMY PRIVATE LIMITED**

**REPORT ON THE FINANCIAL STATEMENTS**

1. We have audited the accompanying financial statements of ADOR WELDING ACADEMY PRIVATE LIMITED ("The Company") which comprise the Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss and 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 Financial Statements**

2. The Company's Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these 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 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our 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 audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India 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 financial statements are free from material misstatement.

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





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

### **Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements together with the notes thereon 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:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;
- (ii) in the case of the Profit and Loss Account of the loss for the year; and
- (iii) in the case of the Cash Flow Statement, of cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Matters**

7. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books.
- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement 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<sup>st</sup> March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017, from being appointed as a director in terms of section 164(2) of the Act.





# PHADKE & ASSOCIATES

CHARTERED ACCOUNTANTS  
526, NARAYAN PETH, 207, PUNIT APTS  
PUNE 411 030. INDIA.  
TELE : 020 2444 8328,9923449450  
E-MAIL: [paca.pune@gmail.com](mailto:paca.pune@gmail.com)

f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 30 to the financial statements.

**MILIND N PHADKE**  
Partner (MRN: 106033)

Pune,  
16<sup>th</sup> April, 2017

For and on behalf of  
**PHADKE & ASSOCIATES**  
Chartered Accountants  
(ICAI FRN: 121251W)





**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

**Referred to in paragraph 7 of the Auditors' Report of even date to the Members of ADOR WELDING ACADEMY PRIVATE LIMITED on the financial statements for the year ended on 31st March, 2017**

A statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 dated 29<sup>th</sup> March 2016, issued by the Central Government and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further report that:

- I a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. All the assets have been physically verified by the management during the year and there is a regular program of verification 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 immovable properties are held in the name of the company.
- II a. In our opinion and according to the information and explanations given to us, the Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company is maintaining proper records of the inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- III The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- IV The company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- V The company has not accepted any deposits from the public.
- VI The Central Government has not prescribed maintenance of cost records by the Company for any of its products.
- VII a. The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, customs duty, excise duty, and cess were in arrears, as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they become payable. There are no disputed dues in respect of customs duty, income tax, wealth tax and service tax as at 31<sup>st</sup> March 2017.





**PHADKE & ASSOCIATES**

CHARTERED ACCOUNTANTS

526, NARAYAN PETH, 207, PUNIT APTS

PUNE 411 030. INDIA.

TELE : 020 2444 8328,9923449450

E-MAIL: [paca.pune@gmail.com](mailto:paca.pune@gmail.com)

- VIII The company has not defaulted in repayment of loans or borrowing to any financial institution, bank, Government or dues to debenture holders.
- IX No moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- X According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
- XI No managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- XII The company is not a Nidhi Company as per the meaning in The Companies Act, 2013.
- XIII All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- XIV The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- XV The company has not entered into any non-cash transactions with directors or persons connected with him.
- XVI The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- XVII In our opinion, the accumulated losses of the Company are more than fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by our audit.
- XVIII In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.

Pune,  
10<sup>th</sup> April, 2017

  
**MILIND N PHADKE**  
Partner (MRN: 106033)

For and on behalf of  
**PHADKE & ASSOCIATES**  
Chartered Accountants  
(ICAI FRN: 121251W)





**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ADOR WELDING ACADEMY PRIVATE LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of ADOR WELDING ACADEMY PRIVATE LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management 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 its 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 Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

Pune,  
10<sup>th</sup> April, 2017

**MILIND N PHADKE**  
Partner (MRN: 106033)

For and on behalf of  
**PHADKE & ASSOCIATES**  
Chartered Accountants  
(ICAI FRN: 121251W)



ADOR WELDING ACADEMY PRIVATE LIMITED

Balance Sheet as at 31st March, 2017

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016 (Rupees)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	30,000,000	1,000,000
(b) Reserves and Surplus	2	(20,047,001)	(17,693,010)
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	-	28,976,416
(b) Deferred Tax Liability ( Net )	4	360,669	724,943
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	5	1,731,322	272,983
(b) Trade payables	6	2,696,371	1,732,820
(c) Other current liabilities	7	629,879	1,450,224
(d) Short-term provisions	8	Nil	Nil
<b>Total</b>		<b>15,371,240</b>	<b>16,464,378</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	9	11,756,314	12,706,879
(ii) Intangible assets		62,782	421,844
(iii) Capital work-in-progress		-	-
(b) Non-current investments	10	Nil	Nil
(c) Long term loans and advances	11	410,000	440,000
(d) Other non-current assets	12	Nil	Nil
<b>(2) Current assets</b>			
(a) Current investments	13	Nil	Nil
(b) Inventories	14	Nil	-
(c) Trade receivables	15	2,757,285	2,104,269
(d) Cash and Bank balances	16	75,362	46,621
(e) Short-term loans and advances	17	305,182	708,477
(f) Other current assets	18	4,314	36,289
<b>Total</b>		<b>15,371,240</b>	<b>16,464,378</b>

The Notes form an integral part of these financial statements

This balance Sheet is prepared in accordance with the Revised Schedule III as per notification issued by the Ministry of Corporate Affairs to be notified in the Official Gazette Of India, Extraordinary, Part II, Section 3, Sub-section (i)

As per our attached report of even date  
For PHADKE & ASSOCIATES  
Chartered Accountants  
Firm Registration No: 121251W

*M. Phadke*  
MILIND N PHADKE  
Partner  
Membership No. 106033

Mumbai,  
10th April, 2017



On behalf of the Board of Directors

*Deep Lalvani*  
Deep Lalvani  
Director

*Raman Kumar*  
Raman Kumar  
Chairman  
*A.B. Advani*  
A.B. Advani  
Director

Mumbai,  
10th April, 2017


ADOR WELDING ACADEMY PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31st March, 2017

Particulars	Note No.	As on	As on
		31st March,2017	31st March,2016
		(Rupees)	(Rupees)
I. Revenue from operations	<u>19</u>	11,166,004	16,819,024
Less : Service tax		900,962	1,018,935
Revenue from operations(net)		10,265,042	15,800,089
II. Other Income	<u>20</u>	45,716	12,921
<b>III. Total Revenue (I +II)</b>		<b>10,310,758</b>	<b>15,813,010</b>
<u>IV. Expenses:</u>			
Cost of materials consumed	<u>21</u>	Nil	Nil
Purchase of Stock-in-Trade	<u>21 A</u>	2,765,644	6,068,075
Changes in inventories of finished goods, work-in-progress and stock-in-trade	<u>22</u>	-	78,245
Employee benefit expense	<u>23</u>	2,279,375	2,604,316
Financial costs	<u>24</u>	312,490	345,467
Depreciation and amortization expense		1,309,627	1,329,774
Other expenses	<u>25</u>	6,361,888	7,763,486
<b>Total Expenses</b>		<b>13,029,023</b>	<b>18,189,362</b>
V. Profit/(Loss) before exceptional and extraordinary items and tax		(2,718,265)	(2,376,352)
VI. Exceptional Items		-	(11,429)
VII. Profit/(Loss) before extraordinary items and tax (V - VI)		(2,718,265)	(2,364,923)
VIII. Extraordinary Items		-	-
IX. Profit/(Loss) before tax (VII - VIII)		(2,718,265)	(2,364,923)
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax credit		364,274	(212,364)
(3) Excess/(short) provision of taxes		-	-
XI. Profit/(Loss) for the year after tax (IX -X)		(2,353,991)	(2,577,288)
XII. Earning per equity share: Basic and Diluted		-	-

The Notes form an integral part of these financial statements

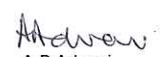
As per our attached report of even date  
For PHADKE & ASSOCIATES  
Chartered Accountants  
Firm Registration No: 121251W

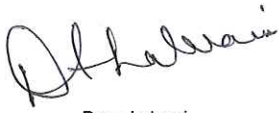
  
MILIND N. PHADKE  
Partner  
Membership No. 106033

Mumbai,  
10th April, 2017

On behalf of the Board of Directors

  
Raman Kumar  
Chairman

  
A.B. Advani  
Director

  
Deep Lalvani  
Director

Mumbai,  
10th April, 2017



ADOR WELDING ACADEMY PRIVATE LIMITED


CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2017 (Rupees)		FOR THE YEAR ENDED 31ST MARCH, 2016 (Rupees)	
<b>A) Cash Flow arising from Operating Activities</b>				
Net Profit/(Loss) Before Tax		(2,718,265)		(2,376,352)
Add/(Less) :				
a) Depreciation and amortisation	1,309,627		1,329,774	
b) Interest and Finance Charges	312,490		345,467	
d) (Profit)/ Loss on Sale of Fixed Assets	-		-	
		1,622,116		1,675,241
Operating Profit before Working Capital Changes		(1,096,149)		(701,112)
Adjustment for :				
a)( Increase)/Decrease in Trade and Other Receivables	(653,016)		(1,878,810)	
b)( Increase)/Decrease in Other Current Assets	31,975		89,524	
b)( Increase)/Decrease in Loans and advances	433,294		1,093,077	
		(187,747)		(696,209)
		(1,283,896)		(1,397,321)
(Decrease)/Increase in Trade Payables	963,551		1,217,584	
(Decrease)/Increase in Short term borrowings	1,458,339		(333,367)	
(Decrease)/Increase in other current liabilities	(820,346)	1,601,544	955,624	1,839,841
Cash Inflow From Operations		317,648		442,520
Add / (Less) :				
Direct Tax paid				
Cash Inflow in course of Operating Activities		317,648		442,520



PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2017 (Rupees)		FOR THE YEAR ENDED 31ST MARCH, 2016 (Rupees)	
<b>B) Cash Flow arising from Investing Activities</b>				
Outflow:				
a) Acquisition of Fixed Assets		-		116,859
Inflow:				
a) Sale of Fixed Assets	-	-	-	-
<b>Net Cash (Outflow) in course of Investing Activities</b>		-		(116,859)
<b>C) Cash Flow arising from Financing Activities</b>				
Inflow-				
a) Issue of Share Capital	29,000,000			
b) Long term borrowings	(28,976,416)	23,584	-	-
Outflow:				
a) Interest and Finance Charges	312,490		345,467	
b) Repayment of long term borrowings			-	
		312,490		345,467
<b>Net Cash (Outflow) in course of Financing Activities</b>		(288,906)		(345,467)
<b>Net Increase / (Decrease) in Cash/Cash Equivalents (A+B+C)</b>		28,742		(19,805.9)
<b>Add :</b>				
Balance at the beginning of the year		46,621		66,427
<b>Cash/Cash Equivalents at the close of the year</b>		75,362		46,621

As per our attached report of even date  
For PHADKE & ASSOCIATES  
Chartered Accountants  
Firm Registration No: 121251W

  
MILIND N PHADKE  
Partner  
Membership No : 106033

Mumbai,  
10th April, 2017

On behalf of the Board of Directors

  
Raman Kumar  
Chairman  
  
Deep Lalvani  
Director  
  
A.B. Advani  
Director

Mumbai,  
10th April, 2017



ADOR WELDING ACADEMY PRIVATE LIMITED  
Notes to the financial statements

Share Capital	As at 31st March,2017		As at 31st March,2016	
		(Rupees)		(Rupees)
<b>Authorised :</b> 30,00,000 Equity Shares of Rs.10/- each		30,000,000		30,000,000
<b>Issued, Subscribed and fully Paid Up:</b> 30,00,000 Equity Shares of Rs.10/- each, fully paid-up		30,000,000		1,000,000
<b>Total</b>		30,000,000		1,000,000

Particulars	As at 31st March,2017		As at 31st March,2016	
	No.of shares	(Rupees)	No.of shares	(Rupees)
<b>Equity shares:</b>				
Shares outstanding at the beginning of the year	100,000	1,000,000	100,000	1,000,000
Shares issued during the year	2,900,000	29,000,000	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>3,000,000</b>	<b>30,000,000</b>	<b>100,000</b>	<b>1,000,000</b>

**Note 1b - Rights, preferences and restrictions attached to shares**

The Company has only one class of shares referred to as equity shares having a par (face) value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all the preferential amounts, in proportion to their shareholding.

Particulars	As at 31st March,2017		As at 31st March,2016	
	No of shares		No of shares	
<b>Equity Shares</b> Ador Welding Limited ( including shares held by nominees)	3,000,000		100,000	

Particulars	As at 31st March,2017		As at 31st March,2016	
	No of shares	% of holding	No of shares	% of holding
<b>Note 11d -Details of shares held by shareholders holding more than 5% of aggregate shares in the Company</b>				
<b>Equity Shares</b> Ador Welding Limited ( including shares held by nominees)	held 3,000,000	3,000	held 100,000	100
<b>Total</b>	3,000,000	3,000	100,000	100





ADOR WELDING ACADEMY PRIVATE LIMITED  
 Note 2 -Reserves and Surplus

Particulars	As at 31st March,2017.	As at 31st March,2016
	(Rupees)	(Rupees)
<u>General Reserve</u>		
Capital Redemption Reserve Account	-	-
<u>Surplus as per Profit and Loss Account</u>		
Balance at the beginning of the year	(17,693,009)	(15,115,722)
Add/(less) : Net Profit/(loss) for the year	(2,353,991)	(2,577,287)
Balance at the end of the year	(20,047,001)	(17,693,009)
<b>Total</b>	<b>(20,047,001)</b>	<b>(17,693,009)</b>



ADOR WELDING ACADEMY PRIVATE LIMITED  
Note 3 -Long-Term Borrowings (Unsecured)

Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
Ador Welding Ltd.	-	28,976,416
<b>Total</b>	-	<b>28,976,416</b>



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 4 - Deferred Tax Liability (Net)

Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
Deferred Tax Liability on account of Depreciation	(743,771.95)	(822,829.19)
	(743,771.95)	(822,829.19)
Deferred Tax Assets on account carry forward of business loss	383,102.50	97,886.02
	383,102.50	97,886.02
<b>Net Deferred Tax Assets (Net)</b>	<b>(360,669.45)</b>	<b>(724,943.18)</b>



ADOR WELDING ACADEMY PRIVATE LIMITED  
Note 5 - Short Term Borrowings (Secured)

Particulars	As at 31st March,2017 (Rupees)	As at 31st March,2016 (Rupees)
Overdraft from HDFC Bank (Overdraft from HDFC Bank Ltd is secured by hypothecation of stock in trade and accounts receivable and plant and machinery, both present and future and and Debit authority letter from Ador Welding Ltd. (Parent Company) and earmarking the CC limit of the parent company)	1,731,322	272,983
<b>Total</b>	<b>1,731,322</b>	<b>272,983</b>



ADOR WELDING ACADEMY PRIVATE LIMITED  
Note 6 - Trade Payables

Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
Dues to Micro, Small and Medium Enterprises	-	-
Others	2,696,371	1,732,820
<b>Total</b>	<b>2,696,371</b>	<b>1,732,820</b>



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 7 - Other Current Liabilities

Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
Other current liabilities	91,030	199,787
Sundry Dues payable	532,523	1,010,093
Advance against Sales and Services	6,326	240,344
<b>Total</b>	<b>629,879</b>	<b>1,450,224</b>



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 8 - Short-Term Provisions

Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
<b>Total</b>	<b>Nil</b>	<b>Nil</b>



**ADOR WELDING ACADEMY PRIVATE LIMITED**

Note 9 - Fixed Assets

(A) Assets	GROSS BLOCK AT COST / BOOK VALUE				DEPRECIATION				NET BLOCK	
	As At 01.04.2016	Additions/ Adjustments	Deductions/ Adjustments	As At 31.03.2017	As At: 01.04.2016	For The Year	Deductions/ Adjustments	Upto 31.03.2017	As At 31.03.2017	As At 01.04.2016
<b>Tangible Assets</b>										
Building	6,163,328	-	-	6,163,328	451,727	192,980	-	644,707	5,518,622	5,711,601
Plant and Machinery	6,109,184	-	-	6,109,184	890,450	390,172	-	1,280,622	4,828,562	5,218,734
Office Equipment	702,275	-	-	702,275	271,813	55,714	-	327,527	374,748	430,462
Electrical Installation	1,054,910	-	-	1,054,910	188,848	235,703	-	424,551	630,359	866,062
Furniture and Fixtures	570,064	-	-	570,064	122,589	52,723	-	175,311	394,753	447,476
Computers	185,404	-	-	185,404	152,860	23,273	-	176,134	9,270	32,544
<b>Total (A)</b>	<b>14,785,165</b>	<b>-</b>	<b>-</b>	<b>14,785,165</b>	<b>2,078,287</b>	<b>950,565</b>	<b>-</b>	<b>3,028,851</b>	<b>11,756,314</b>	<b>12,706,879</b>
<b>Intangible Assets</b>										
Computer Software	51,300	-	-	51,300	28,442	20,293	-	48,735	2,565	22,858
E learning Module	1,051,250	-	-	1,051,250	652,264	338,769	-	991,033	60,217	398,986
<b>Total (B)</b>	<b>1,102,550</b>	<b>-</b>	<b>-</b>	<b>1,102,550</b>	<b>680,706</b>	<b>359,062</b>	<b>-</b>	<b>1,039,768</b>	<b>62,782</b>	<b>421,844</b>
<b>TOTAL</b>	<b>15,887,715</b>	<b>-</b>	<b>-</b>	<b>15,887,715</b>	<b>2,758,993</b>	<b>1,309,627</b>	<b>-</b>	<b>4,068,620</b>	<b>11,819,096</b>	<b>13,128,723</b>
(B) Capital Work-in-Progress										
<b>GRAND TOTAL</b>										
Previous Year's TOTAL	15,770,856	116,859	-	15,887,715	1,440,648	1,329,774	11,429	2,758,993	13,128,723	14,330,208
Particulars	2015-16	2014-15								
Depreciation for the year	1,309,627	1,329,774								
Add: Amortisation	-	-								
Depreciation and amortization	1,309,627	1,329,774								





As per Income Tax

Block	Opening WDV	Addition > 6 m	Addition	Deletion	Total	Dep rate	Depreciated	CI WDV
Building	4,742,681	-	-	-	4,742,681	10	474,268	4,268,413
Plant and Machinery	5,117,825	-	-	-	5,117,825	15	767,674	4,350,151
Furniture and Fixtures	437,535	-	-	-	437,535	10	43,754	393,781
Computers	144,945	-	-	-	144,945	60	86,967	57,978
<b>Total</b>	<b>10,442,987</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,442,987</b>		<b>1,372,663</b>	<b>9,070,324</b>

426,841

-  
-  
-  
-



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 10 - Non-Current investments(At Cost)(Unquoted)

Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
<b>Total</b>	<b>Nil</b>	<b>Nil</b>



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 11 - Long-Term Loans And Advances

Unsecured, considered good (unless otherwise stated)

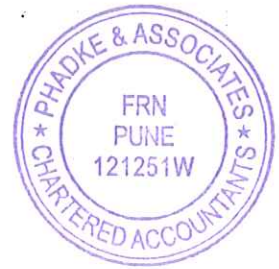
Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
Sundry Deposits	410,000	440,000
<b>Total</b>	<b>410,000</b>	<b>440,000</b>



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 12 - Other Non Current Assets

Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
Total	Nil	Nil

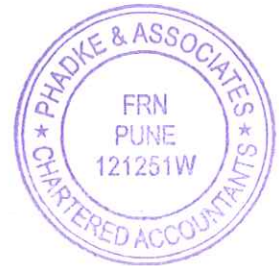


ADOR WELDING ACADEMY PRIVATE LIMITED

Note 13 - Current Investments (Quoted)

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

Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
Total	Nil	Nil

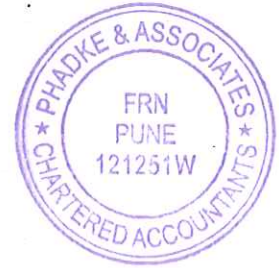


ADOR WELDING ACADEMY PRIVATE LIMITED

Note 14 - Inventories :

(At Cost or Net Realisable Value whichever is lower)

Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
Stock in Trade	-	-
As taken, valued and certified by the management		
<b>Total</b>	<b>Nil</b>	<b>-</b>



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 15 - Trade Receivables:-

(Unsecured, considered good)

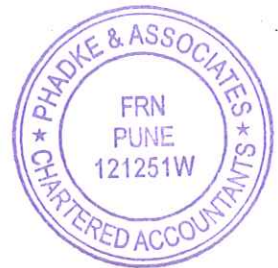
Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
a) Outstanding for less than six months from the date they are due for payment *	-	-
b) Others (Unsecured, considered good)	2,757,285	2,104,269
c) Others (Unsecured, considered doubtful)	-	-
Less : Provision for doubtful debts	-	-
<b>Total</b>	<b>2,757,285</b>	<b>2,104,269</b>



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 16 - Cash And Bank Balances

Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
<b>Cash and Cash Equivalents:</b>		
i) Cash on hand	3,398	1,806
ii) Balances with Banks		
In Current Accounts	71,964	44,815
<b>Total</b>	<b>75,362</b>	<b>46,621</b>





ADOR WELDING ACADEMY PRIVATE LIMITED  
Note 17 - Short-Term Loans And Advances(Unsecured)  
Unsecured,considered good unless otherwise stated

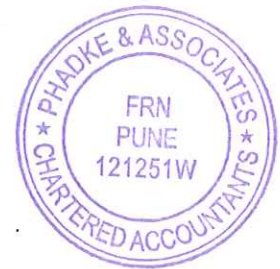
Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
Balances with Central Excise, Customs and Port Trust	-	249,463
<u>Other Loans and Advances :-</u>		
Advance to suppliers	-	-
Advance to employees	-	-
Advance payment of Income Tax (Net of provisions)	305,182	459,014
<b>Total</b>	<b>305,182</b>	<b>708,477</b>



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 18 - Other Current Assets

Particulars	As at 31st March,2017	As at 31st March,2016
	(Rupees)	(Rupees)
Prepaid expenses	4,314	36,289
VAT 13.5% Final Recovery	0	
Taxes paid in Advance	0	
<b>Total</b>	<b>4,314</b>	<b>36,289</b>

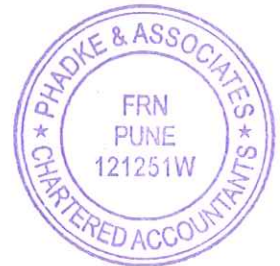


ADOR WELDING ACADEMY PRIVATE LIMITED  
Note 19 - Revenue From Operations

Particulars	For the year ended 31st March,2017	For the year ended 31st March,2016
	(Rupees)	(Rupees)
Sale of Product	3,769,597	8,634,511
Sale of services - Training charges	6,495,445	7,165,578
<b>Total</b>	<b>10,265,042</b>	<b>15,800,089</b>

Details of sale of products(net of excise duty):

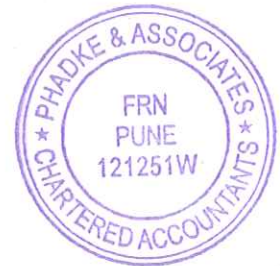
Particulars	For the year ended 31st March,2017	For the year ended 31st March,2016
Sale of welding machines & booth	3,769,597	8,634,511
<b>Total</b>	<b>3,769,597</b>	<b>8,634,511</b>



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 20 - Other Income

Particulars	For the year ended	For the year ended
	31st March,2017	31st March,2016
	(Rupees)	(Rupees)
Sundry Receipts	2,000.00	250.00
Freight Received	-	12,671.00
Interest on IT Refund	20616	-
Other Income	23099.75	
<b>Total</b>	<b>45,716</b>	<b>12,921</b>



ADOR WELDING ACADEMY PRIVATE LIMITED  
 Note 21 - Cost of Materials Consumed

Particulars	For the year ended 31st March,2017	For the year ended 31st March,2016
	(Rupees)	(Rupees)
Opening Stock	-	-
Add: Purchases during the year	-	-
Less: Closing Stock	-	-
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

Details of Raw Materials and Components consumed

Particulars	For the year ended 31st March,2017	For the year ended 31st March,2016
	(Rupees)	(Rupees)
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

Value of Imported and Indigenous Raw Materials and Components consumed

Particulars	For the year ended 31st March,2017	For the year ended 31st March,2016
	(Rupees)	(Rupees)
Imported	-	-
Indigenous	-	-
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

Note 21A - Details of Purchase of Stock in trade

Particulars	For the year ended 31st March,2017	For the year ended 31st March,2016
	(Rupees)	(Rupees)
Welding Machines & booth	2,765,644	6,068,075
<b>Total</b>	<b>2,765,644</b>	<b>6,068,075</b>



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 22 - Changes in inventories of Finished Goods, Work in progress and Stock in trade

Amount in Rs.

Particulars	For the year ended 31st March,2017		For the year ended 31st March,2016	
	Opening Stock	Nil		
Finished Goods	-		78,245	
Stock in trade	Nil			
Work in Progress				
Total		-		78245
Closing Stock	Nil		Nil	
Finished Goods	-		-	
Stock in trade	Nil		Nil	
Work in Progress		-		-
Add/(Less) Variation in Excise Duty on opening and closing stock of finished goods		-		-
Total		-		78,245

Details of Finished Goods

Amount in Rs.

Particulars	Closing Stock		Opening Stock	
	31.03.17	31.03.16	01.04.16	01.04.15
	-	-	-	-
Total	Nil	Nil	Nil	Nil

Details of Stock in Trade

Amount in Rs.

Particulars	Closing Stock		Opening Stock	
	31.03.17	31.03.16	01.04.16	01.04.15
	-	-	-	78,245
Total	Nil	-	-	Nil

Details of Work in Progress

Amount in Rs.

Particulars	Closing Stock		Opening Stock	
	31.03.17	31.03.16	01.04.16	01.04.15
	-	-	-	-
Total	Nil	Nil	Nil	Nil



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 23 - Employee Benefits

Particulars	For te year ended 31st March,2017	For te year ended 31st March,2016
	(Rupees)	(Rupees)
Salaries and other related benefits	2,279,375	2,604,316
<b>Total</b>	<b>2,279,375</b>	<b>2,604,316</b>



ADOR WELDING ACADEMY PRIVATE LIMITED

Note 24 - Finance Costs

Particulars	For the year ended 31st March,2017	For the year ended 31st March,2016
	(Rupees)	(Rupees)
Interest paid	312,490	345,467
<b>Total</b>	<b>312,490</b>	<b>345,467</b>





ADOR WELDING ACADEMY PRIVATE LIMITED

Note 25 - Other Expenses

Particulars	For the year ended	For the year ended
	31st March,2017	31st March,2016
	(Rupees)	(Rupees)
<u>Training expenses</u>		
Training material and related Expenses	324,088	596,202
Freight	14,350	-
Rent rates and taxes	2,875,000	3,171,000
Electricity and Power expenses	333,390	323,970
Repairs and Maintenance	92,197	253,239
Travelling, conveyance and vehicle expenses	130,259	263,229
Communication expenses	146,805	130,700
Bank Charges	1,311	2,259
Printing and stationery	6,455	28,376
Audit Fees - Refer Note 27	40,000	34,500
Professional charges	848,523	1,407,386
Housekeeping expenses	413,802	456,524
Canteen Expenses	537,752	449,226
Security Expenses	527,259	520,055
Office and Other Expenses	70,699	122,819
Interest on Statutory dues	-	4,002
<b>Total</b>	<b>6,361,888</b>	<b>7,763,486</b>

Note 26 - Manufacturing and Other Expenses

<b>Total</b>	<b>Nil</b>	<b>Nil</b>
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Note 27 - Payments to Auditors

Company Audit Fees	20,000	11,500
Tax Audit fees	20,000	23,000
<b>Total</b>	<b>40,000</b>	<b>34,500</b>

Value of Imported and Indigenous Stores and Spare parts consumed

Particulars	For the year ended 31st March,2016		For the year ended 31st March,2015	
	Rs.	%	Rs.	%
Imported	-	-	-	-
Indigenous	-	-	-	-
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>



NOTE 28 : SEGMENT INFORMATION:  
A) BUSINESS SEGMENT

Particulars	Training Charges		Equipments & Project		(Rupees) Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	<b>Segment Revenue</b>					
External Revenue	6,495,445	7,165,578	3,769,597	8,634,511	10,265,042	15,800,089
Inter Segment Revenue	6,495,445	7,165,578	3,769,597	8,634,511	10,265,042	15,800,089
<b>Total Revenue</b>						
	202,042	(411,201)	(1,973,529)	(817,115)	(1,771,487)	(1,228,316)
<b>Segment Result before Interest and tax</b>						
Add/(Less) :					(582,504)	(1,148,036)
Unallocable expenses (Net of unallocable income)						
Interest and Finance charges (net)						
Excess/ (Short) Provision of Taxes In respect of earlier years (net)						
Prior Period Adjustments						
Prior Period Adjustments-Unallocable						
Provision for taxes (Net of Deferred Tax)	202,042	(411,201)	(1,973,529)	(817,115)	(2,353,991)	(2,376,352)
<b>Net Profit / (Loss)</b>						
<b>Other Information</b>						
<b>Segment Assets</b>	9,298,600	3,229,372	4,504,209	1,377,679	13,802,809	4,607,051
Unallocated Assets					1,568,432	497,514
<b>Total Assets</b>	9,298,600	3,229,372	4,504,209	1,377,679	15,371,241	5,104,564
<b>Segment Liabilities</b>	1,804,805	962,483	1,222,140	1,512,530	3,026,946	2,475,013
Unallocated Liabilities					12,344,295	15,868,635
<b>Total Liabilities</b>	1,804,805	962,483	1,222,140	1,512,530	15,371,240	18,343,648
<b>Capital Expenditure</b>						
Segment Capital Expenditure	-	-	-	-	-	116,859
Unallocated Capital Expenditure						116,859
<b>Total Capital Expenditure(Tangible and Intangible Assets)</b>						
<b>Depreciation and Amortisation</b>						
Segment Depreciation and Amortisation	-	-	-	-	-	-
Unallocated Depreciation and Amortisation					1,309,627	1,329,774
<b>Total Depreciation and Amortisation</b>					1,309,627	1,329,774
<b>Significant Non Cash Expenditure</b>						
Segment Significant Non Cash Expenditure					-	-
Unallocated Significant Non Cash Expenditure					-	-
<b>Total Significant Non Cash Expenditure</b>					-	-



**ADOR WELDING ACADEMY PRIVATE LIMITED**

**Note 29 : Related Parties Disclosure**

**A. Relationships:**

Relationship Name of the Person / Company

a) Holding Company Ador Welding Limited

b) Investor having significant influence and its associates

c) Other related parties where significant influence exist

J B Advani & Co Pvt Ltd.  
Ador Powertron Limited  
Ador Fontech Limited  
AWL (Silvassa)  
Mack Valves India Pvt. LTd.

d) Key Management Personnel Ms. A. B. Advani  
Mr. Raman Kumar  
Mr. Deep Lalvani

c) Relatives of Key Management Personnel where transactions have taken place No Transactions have taken place during the year.

Note: Related Party relationship is as identified by the Company and relied upon by the Auditors.

**B. Transactions:**

Particulars	Holding Company	Investors having significant influence and its Associates	Other related parties where significant influence exists	(Rupees)
				Key Management Personnel
<b>Sales and Services</b>				
Goods, Materials and Services	250,614 (804,460)		512,191 (38,019)	
<b>Purchases</b>				
Goods and Agency Items	736,275 (44,963)		898,902 (1,275,363)	
<b>Other Expenses</b>				
Salary	55,394		-	
Rent	1,440,000 (2,485,805)		1,614,092 (2,028,427)	
Finance Cost	118,342 (178,009)		- -	
Capital Expenditure	- (28,602.00)		- -	
Loan Balance	- (28,976,416)		- -	
<b>Trade payables</b>				
for goods	628,831		898,902.00	
for expenses	5,312			

- Figures in bracket represent previous year

**Note 1**

Finance cost includes Rs. 76,005 for 2015-16 which was accounted for in the year 2016-17

Note 30 : Significant accounting policies and practices adopted by the company are disclosed in the statement annexed to these financial statements as Annexure I

Note 31 : Particulars of dues to Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006: No amounts are due to SMEs. Interest thereon debited to Profit & loss account and due is Rs. Nil

Note 32 : Previous year's figures are regrouped wherever necessary.



## ADOR WELDING ACADEMY PRIVATE LIMITED

ANNEXURE - I ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Statement of Significant Accounting Policies and Practices:-

### I) Basis of preparation of financial statements :

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

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

### II) Use of Estimates

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

### III) Recognition of Income and Expenditure

1. Sale of goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods by the Company.
2. Other Revenue / Income and Cost / Expenditure are generally accounted on accrual as they are earned or incurred.



IV) Fixed Assets

1. Fixed Assets are accounted by the Company on the basis of historical costs. Gains or Losses arising on disposal are recognised in the statement of Profit and Loss Account of the relevant financial year.

2. Method of Depreciation / Amortisation:

a) During the quarter ended 30th September, 2014, the Company has revised its policy of providing depreciation on fixed assets effective 1st April, 2014. The depreciation is now provided on Straight Line Method (SLM) based on useful life given in the Schedule II to the Companies Act, 2013.

b) Depreciation on additions / deletions is charged on pro-rata basis, upto the month of purchase / including the month of sale.

V) Taxation

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to reassure realization.

VI) Consumables and stores spares

Consumables, stores and spares are charged off to profit and loss account.

VII) Employee Benefits:-

Employee benefits such as Provident Fund, ESI, Gratuity are not extended to the employees as the provisions of the respective Acts are not applicable to the Company as on balance sheet date.



# BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

## I Registration Details

Registration No.: U74900PN2012PTC144148  
 Balance Sheet Date : 31-03-2017

State Code : 11

## II Capital Raised during the year (Amount in Rupees Thousands)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

## III Position of Mobilisation and Deployment of Funds (Amount in Rupees Thousands)

<b>Total Liabilities</b>	10,314	<b>Total Assets</b>	10,314
<i>Sources of Funds</i>			
Paid - up Capital	30,000	Reserves & Surplus	(20,047)
Secured Loans	-	Unsecured Loans	-
Deferred Tax Liability (net)	361		
<i>Applications of Funds</i>			
Net Fixed Assets	11,819	Investments	-
Net Current Assets	(1,505)	Misc. Expenditure	-
Accumulated Losses	0		
Deferred Tax Asset (net)	0		

## IV Performance of the Company (Amount in Rupees Thousands)

Turnover	10311	Total Expenditure	13029
Profit/(Loss) Before Tax	-2718	Profit/(Loss) After Tax	-2354
Earning Per Share including extra ordinary items In Rs.	Nil	Dividend Rate %	Nil
Earning Per Share excluding extra ordinary items In Rs.	Nil		

## V Generic Names of Three Principle Products / Services of the Company (as per monetary terms)

1) Item Code No.:  
 PRODUCTION DESCRIPTION:  
 Welding machines and welding booth

2) Item Code No.:  
 PRODUCTION DESCRIPTION:

3) Item Code No.: 85151900  
 PRODUCTION DESCRIPTION: Welding and Cutting equipment and accessories of manufacture falling under ITC - broad description OTHER



On behalf of the Board of Directors

*Raman Kumar*  
 Raman Kumar  
 Chairman

*Deep Lalvani*  
 Deep Lalvani  
 Director

*A.B. Advani*  
 A.B. Advani  
 Director

Place: Mumbai  
 10th April, 2017

**Note 30 : DISCLSOURE ON SPECIFIED BANK NOTES (SBNs)**

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016

				(Rupees)
Sr. No	Particulars	SBNs*	Other denomination notes	Total
1	Closing cash in hand as on November 8, 2016	-	123	123
2	(+) Permitted receipts	-	17,826	17,826
3	(-) Permitted payments	-	17,778	17,778
4	(-) Amount deposited in Banks	-	-	-
5	Closing cash in hand as on December 30, 2016	-	171	171

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November,

