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Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Ador Welding Limited

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of **Ador Welding Limited** ('the Company') for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and
 - (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2020.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



Ador Welding Limited

Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Emphasis of Matter

4. We draw attention to Note 6 of the Statement which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of the impact on the standalone financial results of the Company as at the balance sheet date. The impact of these uncertainties on the Company's operations is significantly dependent on future developments.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

5. This Statement has been prepared on the basis of the standalone annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
9. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Walker Chandiok & Co LLP

Ador Welding Limited

Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

12. The Statement includes the financial results for the quarter ended 31 March 2020, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013



Khushroo B. Panthaky
Partner
Membership No:042423

UDIN No:20042423AAAADG5903

Place: Mumbai
Date: 23 June 2020



ADOR WELDING LIMITED

Regd. Office: Ador House, 6, K.Dubash Marg, Fort, Mumbai - 400 001-16 CIN : L70100MH1951PLC008647

Statement of Standalone Financial Results for Quarter and Year ended 31 March 2020

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
		(Refer note 3)	(Unaudited)	(Refer note 3)	(Audited)	
1	Income					
	Revenue from operations	13,978	12,772	15,001	52,574	51,215
	Other income	167	259	192	1,016	1,042
	Total income	14,145	13,031	15,193	53,590	52,257
2	Expenses					
	Cost of raw materials and components consumed	9,890	7,849	10,386	36,026	35,083
	Purchases of stock-in-trade	194	145	548	653	979
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(144)	623	176	(58)	167
	Employee benefits expense	945	1,168	1,101	4,251	4,110
	Finance costs	216	223	284	861	905
	Depreciation and amortisation expense	285	268	254	1,068	960
	Other expenses	2,043	1,794	1,423	7,463	6,575
	Total expenses	13,429	12,070	14,172	50,264	48,779
3	Profit before tax (1-2)	716	961	1,021	3,326	3,478
4	Income tax expense/(credit)					
	Current tax	84	290	157	909	1,018
	Deferred tax	(46)	(23)	121	(410)	75
	Total tax expenses (net)	38	267	278	499	1,093
5	Net Profit for the period/year (3-4)	678	694	743	2,827	2,385
6	Other comprehensive income/(loss) for the period/year (net of tax)					
	Items not to be reclassified subsequently to profit or loss					
	- (Loss) / gain on fair value of defined benefit plans as per actuarial valuation	10	-	(4)	(197)	6
	- Income tax effect on above	(2)	-	1	50	(2)
7	Total comprehensive income for the period/year (after tax)	686	694	740	2,680	2,389
8	Paid-up equity share capital (Face value of Rs. 10 per share)	1,360	1,360	1,360	1,360	1,360
9	Other equity (excluding revaluation reserve Rs. Nil)	-	-	-	25,528	24,980
10	Earnings per share (EPS) (net of tax) (in Rs.)					
	Basic and diluted EPS (not annualised)	4.99	5.10	5.46	20.79	17.54

Statement of Standalone Segment Information for Quarter and Year ended 31 March 2020

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
		(Refer note 3)	(Unaudited)	(Refer note 3)	(Audited)	
	Segmentwise revenue, results, assets, liabilities and capital employed					
1	Segment revenue					
	Consumables	10,683	9,373	11,231	40,502	38,598
	Equipments and project engineering	3,389	3,415	3,779	12,214	12,651
	Less: Inter segment revenue	(94)	(16)	(9)	(142)	(34)
	Total revenue from operations	13,978	12,772	15,001	52,574	51,215
2	Segment results					
	Consumables	1,405	1,619	2,157	6,444	6,317
	Equipments and project engineering	(183)	(171)	(740)	(1,437)	(1,010)
	Total	1,222	1,448	1,417	5,007	5,307
	Less:					
	Finance costs (unallocable)	(116)	(101)	(102)	(410)	(420)
	Other unallocable expenses net of unallocable income	(390)	(386)	(294)	(1,271)	(1,409)
	Total profit before tax	716	961	1,021	3,326	3,478
3	Segment assets					
	Consumables	22,115	20,157	19,750	22,115	19,750
	Equipments and project engineering	19,641	19,016	20,745	19,641	20,745
	Unallocable corporate assets	2,925	3,524	2,596	2,925	2,596
	Total segment assets	44,681	42,697	43,091	44,681	43,091
4	Segment liabilities					
	Consumables	5,035	3,818	4,330	5,035	4,330
	Equipments and project engineering	5,336	7,060	8,749	5,336	8,749
	Unallocable corporate liabilities	7,422	4,551	3,672	7,422	3,672
	Total segment liabilities	17,793	15,429	16,751	17,793	16,751
5	Capital employed					
	Consumables	17,080	16,339	15,420	17,080	15,420
	Equipments and project engineering	14,305	11,956	11,996	14,305	11,996
	Unallocable corporate assets net of unallocable corporate liabilities	(4,497)	(1,027)	(1,076)	(4,497)	(1,076)
	Total capital employed	26,888	27,268	26,340	26,888	26,340



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**ADOR WELDING LIMITED**

Regd. Office: Ador House, 6, K.Dubash Marg, Fort, Mumbai - 400 001-16 CIN : L70100MH1951PLC008647

Audited Standalone Statement of Assets and Liabilities as at 31 March 2020

(Rs. in lakhs)

Particulars	Standalone	
	As at 31 March 2020	As at 31 March 2019
	(Audited)	
ASSETS		
Non-current assets		
(a) Property, plant and equipment	11,556	10,461
(b) Capital work-in-progress	28	102
(c) Investment property	810	887
(d) Intangible assets	87	120
(e) Intangible assets under development	5	5
(f) Financial assets		
(i) Investment in subsidiary	353	353
(ii) Loans	183	160
(iii) Other financial assets	687	531
(g) Non-current tax assets, net	41	332
(h) Other non-current assets	2,072	2,149
Total non-current assets	15,822	15,100
Current assets		
(a) Inventories	6,221	5,159
(b) Financial assets		
(i) Investments	282	341
(ii) Trade receivables	12,977	8,451
(iii) Cash and cash equivalents	502	2,667
(iv) Other bank balances	138	133
(v) Loans	157	159
(vi) Other financial assets	6,199	8,188
(c) Current tax assets, net	439	-
(d) Other current assets	1,944	2,893
Total current assets	28,859	27,991
Total Assets	44,681	43,091
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1,360	1,360
(b) Other equity	25,528	24,980
Total of equity	26,888	26,340
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Other financial liabilities	145	23
(b) Provisions	531	278
(c) Deferred tax liabilities, net	423	883
(d) Other non-current liabilities	7	7
Total non-current liabilities	1,106	1,191
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	8,191	6,499
(ii) Trade payables		
Total outstanding dues to micro and small enterprises	316	60
Total outstanding dues to creditors other than micro and small enterprises	5,766	6,625
(iii) Other financial liabilities	1,734	1,265
(b) Other current liabilities	356	753
(c) Provisions	324	358
Total current liabilities	16,687	15,560
Total Equity and Liabilities	44,681	43,091



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ADOR WELDING LIMITED

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Audited Standalone Statement of Cash Flow for Year ended 31 March 2020

Particulars	(Rs. in lakhs)	
	Standalone	
	Year ended 31 March 2020	Year ended 31 March 2019
	(Audited)	
Cash flow from operating activities		
Profit before tax	3,326	3,478
Adjustment for:		
Fair value adjustments relating to		
Financial assets at fair value through profit and loss	59	(18)
Financial assets at amortised cost	(1)	(6)
Financial liabilities at amortised cost	-	0
Interest expense on lease liability	11	-
Depreciation and amortisation expense	1,068	960
Bad debts written off	36	29
Provision for doubtful debts	541	193
Provision for doubtful deposit	35	12
Provision for unbilled revenue	52	-
Assets and Inventory written off / discarded	-	19
Items considered separately:		
Finance costs	850	905
Loss on sale of property, plant and equipment	10	9
Surplus on sale of investments	(2)	-
Interest income	(98)	(161)
Rental income	(110)	(72)
Exchange gain on revaluation of foreign currency monetary item	(88)	(124)
Operating profit before working capital changes	5,689	5,224
Adjustments for changes in working capital:		
Inventories	(1,062)	253
Trade receivables	(5,084)	522
Loans and Other receivables	3,128	1,618
Trade Payables	(614)	(861)
Liabilities and Provisions	299	558
Cash generated from operating activities	2,356	7,314
Income tax paid	(1,057)	(1,013)
Net cash generated from operating activities (A)	1,299	6,301
Cash flow from investing activities		
Acquisition of property, plant and equipment (including capital work-in- progress, and capital advances)	(2,200)	(1,918)
Purchase of investments	(1,600)	(79)
Proceeds from sale of property, plant and equipment	10	21
Proceeds from sale of investments	1,602	-
Interest income	98	164
Rental received	105	83
Investment in fixed deposits	(156)	(183)
Net cash used in investing activities (B)	(2,141)	(1,912)
Cash flow from financing activities		
Finance costs	(859)	(893)
Repayment of lease liability	(24)	-
Proceeds from current borrowings	54,284	29,400
Repayment of current borrowings	(52,592)	(31,021)
Dividend paid	(1,768)	(680)
Dividend distribution tax	(364)	(140)
Net cash used in financing activities (C)	(1,323)	(3,334)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(2,165)	1,055
Cash and cash equivalents at the beginning of the year	2,667	1,612
Cash and cash equivalents at the end of the year	502	2,667
Components of cash and cash equivalents:		
Cash on hand	5	5
Cheques on hand	-	2,061
Balances with banks in current accounts	497	601
Total cash and cash equivalents	502	2,667



Notes to the standalone financial results:

- 1 The above financial results have been reviewed by the Audit Committee and then approved by the Board of Directors at their respective meetings held on 23 June 2020.
- 2 The financial results have been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 The figures for the quarter ended 31 March 2020 and 31 March 2019 are the balancing figures between the audited financial statements for the years ended as on that date and the year to date figures upto the end of third quarter of the respective financial years on which auditors had performed a limited review.
- 4 The Company has adopted Ind AS 116 'Leases' with the date of initial application being 1 April 2019. Ind AS 116 replaces Ind AS 17 'Leases' and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach. Right of use assets at 1 April 2019 for leases previously classified as operating leases were recognized and measured at an amount equal to lease liability (adjusted for any related prepayments/accruals). As a result, the comparative information has not been restated. The Company has discounted lease payments using the incremental borrowing rate as at 1 April 2019 for measuring lease liability. Accordingly, on transition to Ind AS 116, the Company recognized right-of-use assets and lease liabilities amounting to Rs. 130 lakhs and Rs. 129 lakhs respectively. During the year ended 31 March 2020, the Company has recognized interest expense on lease amounting to Rs. 11 lakhs and depreciation on right-of-use assets amounting to Rs. 20 lakhs.
- 5 Pursuant to the announcement made by the Finance Ministry of the Government of India on 20 September 2019, the Company, basis their current assessment, has opted corporate tax rate as per section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2019-20 onwards. Accordingly, the Company has recognised Provision for Income Tax for the year ended 31 March 2020 and remeasured the Deferred Tax Liability on the basis of revised lower tax rate. The impact of the same has been recognised in the period ended 31 March 2020.
- 6 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of investments, inventories and receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The management believes that the business will rebound as soon as lockdowns are fully lifted and does not foresee any incremental risk towards recoverability of its assets, however, Management believes that at this point it is difficult to assess the future since partial lockdown continuous to be effective in many parts of the country.
- 7 Previous period's / year's figures have been regrouped or reclassified wherever necessary.

For ADOR WELDING LIMITED



S.M. Bhat

S.M. BHAT

MANAGING DIRECTOR

DIN : 05168265

Mumbai
23 June 2020



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16th floor, Tower II,
Indiabulls Finance Centre,
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Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Ador Welding Limited

Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') of **Ador Welding Limited** ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), for the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. 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 other auditors on separate audited financial statements of the subsidiary, as referred to in paragraph 13 below, the Statement:
 - (i) includes the annual financial results of the subsidiary Company Ador Welding Academy Private Limited;
 - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - (iii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group, for the year ended 31 March 2020.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Statement section of our report*. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and that obtained by the other auditors in terms of their reports referred to in paragraph 13 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.



Ador Welding Limited

Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Emphasis of Matter

4. We draw attention to Note 8 of the Statement which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of the impact on the consolidated financial results of the Group as at the balance sheet date. The impact of these uncertainties on the Group's operations is significantly dependent on future developments.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

5. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss after tax and other comprehensive income, and other financial information of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors/ management of the companies included in the Group, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group, 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 results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
6. In preparing the Statement, the respective Board of Directors of the companies included in the Group, are responsible for assessing the ability of the Group, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors/ management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the Group, are responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.



Walker ChandioK & Co LLP

Ador Welding Limited

Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

9. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial results/ financial information/ financial statements of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entity included in the Statement, which has been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Holding Company, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.



Walker ChandioK & Co LLP

Ador Welding Limited

Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

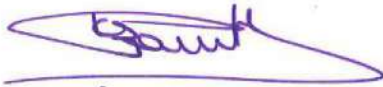
Other Matter

13. We did not audit the annual financial statements of one subsidiary included in the Statement, whose financial information reflects total assets of ₹ 217.87 lakhs as at 31 March 2020 , total revenues of ₹ 102.35 lakhs, total net profit after tax of ₹ 49.43 lakhs, total comprehensive income/(loss) of ₹ Nil, and cash flows (net) of ₹ 2.87 lakhs for the year ended on that date, as considered in the Statement. These annual financial statements have been audited by other auditors whose audit report have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the audit report of such other auditors, and the procedures performed by us, as stated above.

Our opinion is not modified in respect of these matters with respect to our reliance on the work done by and the reports of the other auditors.

14. The Statement includes the consolidated financial results for the quarter ended 31 March 2020, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **Walker ChandioK & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013



Khushroo B. Panthaky
Partner
Membership No:042423

UDIN No:20042423AAAADH4235

Place: Mumbai
Date: 23 June 2020



ADOR WELDING LIMITED

Regd. Office: Ador House, 6, K.Dubash Marg, Fort, Mumbai - 400 001-16 CIN : L70100MH1951PLC008647

Statement of Consolidated Financial Results for Quarter and Year ended 31 March 2020

(Rs. in lakhs)						
Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
		(Refer note 3)	(Unaudited)	(Refer note 3)	(Audited)	
1	Income					
	Revenue from operations	13,990	12,791	15,022	32,654	31,328
	Other income	164	259	190	1,011	1,035
	Total income	14,154	13,050	15,212	33,665	52,363
2	Expenses					
	Cost of raw materials and components consumed	9,890	7,849	10,386	36,026	35,083
	Purchases of stock-in-trade	200	142	543	653	972
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(144)	623	176	(58)	167
	Employee benefits expense	949	1,171	1,103	4,264	4,120
	Finance costs	216	223	284	861	905
	Depreciation and amortisation expense	286	270	255	1,075	968
	Other expenses	2,031	1,802	1,428	7,472	6,596
	Total expenses	13,428	12,080	14,175	50,293	48,811
3	Profit before tax (1-2)	726	970	1,037	3,372	3,552
4	Income tax expense/(credit)					
	Current tax	95	290	162	915	1,023
	Deferred tax	(57)	(22)	121	(420)	75
	Total tax expenses (net)	38	268	283	495	1,098
5	Net Profit for the period/year (3-4)	688	702	754	2,877	2,454
6	Other comprehensive income/(loss) for the period/year (net of tax)					
	Items not to be reclassified subsequently to profit or loss					
	- (Loss) / gain on fair value of defined benefit plans as per actuarial valuation	10	-	(0)	(197)	6
	- Income tax effect on above	(2)	-	1	50	(2)
7	Total comprehensive income for the period/year (after tax)	696	702	751	2,730	2,458
8	Paid-up equity share capital (Face value of Rs. 10 per share)	1,360	1,360	1,360	1,360	1,360
9	Other equity (excluding revaluation reserve Rs. Nil)	-	-	-	25,378	24,780
10	Earnings per share (EPS) (net of tax) (in Rs.)					
	Basic and diluted EPS (not annualised)	5.06	5.16	5.54	21.15	18.04

Statement of Consolidated Segment Information for Quarter and Year ended 31 March 2020

(Rs. in lakhs)						
Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
		(Refer note 3)	(Unaudited)	(Refer note 3)	(Audited)	
Segmentwise revenue, results, assets, liabilities and capital employed						
1	Segment revenue					
	Consumables	10,683	9,373	11,231	40,502	38,598
	Equipments and project engineering	3,401	3,434	3,800	12,294	12,764
	Less: Inter segment revenue	(94)	(16)	(9)	(142)	(34)
	Total revenue from operations	13,990	12,791	15,022	52,654	51,328
2	Segment results					
	Consumables	1,405	1,619	2,157	6,144	6,317
	Equipments and project engineering	(173)	(162)	(714)	(1,391)	(928)
	Total	1,232	1,457	1,443	5,053	5,389
	Less:					
	Finance costs (unallocable)	(116)	(101)	(102)	(410)	(420)
	Other unallocable expenses net of unallocable income	(390)	(386)	(304)	(1,271)	(1,417)
	Total profit before tax	726	970	1,037	3,372	3,552
3	Segment assets					
	Consumables	22,115	20,157	19,750	22,115	19,750
	Equipments and project engineering	19,856	19,219	20,840	19,856	20,840
	Unallocable corporate assets	2,572	3,169	2,319	2,572	2,319
	Total segment assets	44,543	42,545	42,909	44,543	42,909
4	Segment liabilities					
	Consumables	5,035	3,818	4,330	5,035	4,330
	Equipments and project engineering	5,348	7,068	8,761	5,348	8,761
	Unallocable corporate liabilities	7,422	4,551	3,678	7,422	3,678
	Total segment liabilities	17,805	15,437	16,769	17,805	16,769
5	Capital employed					
	Consumables	17,080	16,339	15,420	17,080	15,420
	Equipments and project engineering	14,508	12,151	12,079	14,508	12,079
	Unallocable corporate assets net of unallocable corporate liabilities	(4,850)	(1,382)	(1,359)	(4,850)	(1,359)
	Total capital employed	26,738	27,108	26,140	26,738	26,140



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ADOR WELDING LIMITED

Regd. Office: Ador House, 6, K.Dubash Marg, Fort, Mumbai - 400 001-16 CIN : L70100MH1951PLC008647

Audited Consolidated Statement of Assets and Liabilities as at 31 March 2020

Particulars	(Rs. in lakhs)	
	Consolidated	
	As at 31 March 2020	As at 31 March 2019
	(Audited)	
ASSETS		
Non-current assets		
(a) Property, plant and equipment	11,718	10,634
(b) Capital work-in-progress	28	102
(c) Investment property	741	816
(d) Intangible assets	88	121
(e) Intangible assets under development	5	5
(f) Financial assets		
(i) Loans	184	161
(ii) Other financial assets	687	531
(g) Non-current tax assets, net	52	345
(h) Other non-current assets	2,072	2,149
Total non-current assets	15,575	14,864
Current assets		
(a) Inventories	6,221	5,159
(b) Financial assets		
(i) Investments	375	371
(ii) Trade receivables	12,978	8,460
(iii) Cash and cash equivalents	518	2,681
(iv) Other bank balances	138	133
(v) Loans	157	160
(vi) Other financial assets	6,198	8,188
(c) Current tax assets, net	439	-
(d) Other current assets	1,944	2,893
Total current assets	28,968	28,045
Total Assets	44,543	42,909
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1,360	1,360
(b) Other equity	25,378	24,780
Total of equity	26,738	26,140
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Other financial liabilities	145	23
(b) Provisions	531	278
(c) Deferred tax liabilities, net	428	886
(d) Other non-current liabilities	7	7
Total non-current liabilities	1,111	1,194
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	8,191	6,499
(ii) Trade payables		
Total outstanding dues to micro and small enterprises	316	60
Total outstanding dues to creditors other than micro and small enterprises	5,766	6,629
(iii) Other financial liabilities	1,733	1,269
(b) Other current liabilities	360	755
(c) Provisions	328	363
Total current liabilities	16,694	15,575
Total Equity and Liabilities	44,543	42,909



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ADOR WELDING LIMITED

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Audited Consolidated Statement of Cash Flow for Year ended 31 March 2020

(Rs. in lakhs)

Particulars	Consolidated	
	Year ended 31 March 2020	Year ended 31 March 2019
	(Audited)	
Cash flow from operating activities		
Profit before tax	3,372	3,552
Adjustment for:		
Fair value adjustments relating to		
Financial assets at fair value through profit and loss	58	(18)
Financial assets at amortised cost	(1)	(6)
Financial liabilities at amortised cost	-	-
Interest expense on lease liability	11	-
Depreciation and amortisation expense	1,075	968
Bad debts written off	36	29
Provision for doubtful debts	541	193
Provision for doubtful deposits	35	12
Provision for unbilled revenue	52	-
Assets and Inventory written off / discarded	-	19
Items considered separately:		
Finance costs	850	905
Loss on sale of property, plant & equipment	10	9
Surplus on sale of investments	(2)	-
Interest income	(99)	(161)
Rental income	(103)	(64)
Exchange gain on revaluation of foreign currency monetary item	(88)	(123)
Operating profit before working capital changes	5,747	5,315
Adjustments for changes in working capital:		
Inventories	(1,062)	253
Trade receivables	(5,076)	514
Loans and Other receivables	3,130	1,609
Trade payables	(618)	(872)
Liabilities and Provisions	307	557
Cash generated from operating activities	2,428	7,376
Income tax paid	(1,062)	(1,017)
Net cash generated from operating activities (A)	1,366	6,359
Cash flow from investing activities		
Acquisition of property, plant and equipment (including capital work-in-progress, and capital advances)	(2,198)	(1,915)
Purchase of investments	(1,661)	(110)
Proceeds from sale of property, plant and equipment	10	21
Proceeds from sale of investments	1,602	-
Interest income	99	164
Rental received	98	75
Investment in fixed deposits	(156)	(183)
Net cash used in investing activities (B)	(2,206)	(1,948)
Cash flow from financing activities		
Finance costs	(859)	(893)
Repayment of lease liability	(24)	-
Proceeds from current borrowings	54,284	29,400
Repayment of current borrowings	(52,592)	(31,033)
Dividend paid	(1,768)	(680)
Dividend distribution tax	(364)	(140)
Net cash used in financing activities (C)	(1,323)	(3,346)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,163)	1,065
Cash and cash equivalents at the beginning of the year	2,681	1,616
Cash and cash equivalents at the end of the year	518	2,681
Components of cash and cash equivalents:		
Cash on hand	5	5
Cheques on hand	-	2,061
Balances with banks in current accounts	513	615
Total cash and cash equivalents	518	2,681



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Notes to the consolidated financial results:

1. The above consolidated financial results have been reviewed by the Audit Committee and then approved by the Board of Directors at their respective meetings held on 23 June 2020.
2. The financial results have been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3. The figures for the quarter ended 31 March 2020 and 31 March 2019 are the balancing figures between the audited financial statements for the years ended as on that date and the year to date figures upto the end of third quarter of the respective financial years on which auditors had performed a limited review.
4. The consolidated financial results of the Company and its subsidiary (the 'Group') have been prepared as per Ind AS 110 Consolidated Financial Statements.
5. The Standalone and Consolidated Financial Results are available on Company's website i.e. www.adorwelding.com and also on the website of the Stock Exchanges, where shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com.
6. The Group has adopted Ind AS 116 'Leases' with the date of initial application being 1 April 2019. Ind AS 116 replaces Ind AS 17 'Leases' and related interpretation and guidance. The Group has applied Ind AS 116 using the modified retrospective approach. Right of use assets at 1 April 2019 for leases previously classified as operating leases were recognized and measured at an amount equal to lease liability (adjusted for any related prepayments/accruals). As a result, the comparative information has not been restated. The Group has discounted lease payments using the incremental borrowing rate as at 1 April 2019 for measuring lease liability. Accordingly, on transition to Ind AS 116, the Group recognized right-of-use assets and lease liabilities amounting to Rs. 130 lakhs and Rs. 129 lakhs respectively. During the year ended 31 March 2020, the Group has recognized interest expense on lease amounting to Rs. 11 lakhs and depreciation on right-of-use assets amounting to Rs. 20 lakhs.
7. Pursuant to the announcement made by the Finance Ministry of the Government of India on 20 September 2019, the Group, basis their current assessment, has opted corporate tax rate as per section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2019-20 onwards. Accordingly, the Group has recognised Provision for Income Tax for the year ended 31 March 2020 and remeasured the Deferred Tax Liability on the basis of revised lower tax rate. The impact of the same has been recognised in the period ended 31 March 2020.
8. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of investments, inventories and receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Group. The management believes that the business will rebound as soon as lockdowns are fully lifted and does not foresee any incremental risk towards recoverability of its assets, however, Management believes that at this point it is difficult to assess the future since partial lockdown continuous to be effective in many parts of the country.
9. Previous period's / year's figures have been regrouped or reclassified wherever necessary.

For ADOR WELDING LIMITED



S.M. BHAT

S.M. BHAT
MANAGING DIRECTOR
DIN : 05168265

Mumbai
23 June 2020



ADOR WELDING LIMITED



REGD. & CORPORATE OFFICE
Ador House, 6, K. Dubash Marg, Fort,
Mumbai - 400 001-16 India. G.P.O. Box No. 1546
Phone : (022) 2284 2525 / 6623 9300
Fax : (022) 2287 3083 Email: cmo@adorians.com
Website : www.adorwelding.com
Corporate Identity No: L70100MH1951PLC008647

AWL/SEC/SE/2020-21

23rd June, 2020

BSE LTD.
Phiroze Jeejeebhoy Towers,
01st Floor, Dalal Street,
Fort,
Mumbai - 400 023.

NATIONAL STOCK EXCHANGE OF INDIA LTD.
Exchange Plaza, C - 1, Block G,
Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Company Scrip Code: 517041

Company Scrip Code: ADORWELD

Dear Sirs,

Sub: Declaration pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI Circulars No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016 we hereby declare that M/s Walker Chandiok & Co. LLP, Statutory Auditors of our Company have issued Audit Report with unmodified opinion on the Audited Financial Results of the Company (Standalone & Consolidated) for the year ended 31st March, 2020.

Kindly take the same on record and acknowledge its receipt.

Thanking you,

Yours Sincerely,

For ADOR WELDING LIMITED


GIRISH A. PATKAR

CHIEF FINANCIAL OFFICER

