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**Walker Chandiook & Co LLP**

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**Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date 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**

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of **Ador Welding Limited** ('the Company') for the quarter ended **31 December 2023** and the year to date results for the period 01 April 2023 to 31 December 2023, 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').
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Ador Welding Limited**  
**Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date**  
**Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and**  
**Disclosure Requirements) Regulations, 2015 (as amended)**

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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
  
5. The comparative financial information presented in the accompanying financial results includes the financial information of erstwhile wholly owned subsidiary, Ador Welding Academy Private Limited ('the transferor company') which has been merged with the Company as explained in Note 4 to the accompanying financial results. Such financial information of the transferor company for the quarter ended and nine months ended 31 December 2022, has been reviewed by the auditor of the transferor company, M/s Phadke & Associates, who had issued unmodified conclusions vide their review report dated 10 January 2023, which have been furnished to us by the management and have been relied upon by us for the aforementioned purpose.

Our conclusion is not modified in respect of the matter referred above.

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



**Khushroo B. Panthaky**  
Partner  
Membership No. 042423

**UDIN: 24042423BKCMKZ1994**

**Place:** Mumbai  
**Date:** 01 February 2024



**ADOR WELDING LIMITED**

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

**Statement of Unaudited Financial Results for the Quarter and Nine months ended on 31 December 2023**

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2023	30 September 2023	31 December 2022 (Restated) <sup>^</sup>	31 December 2023	31 December 2022 (Restated) <sup>^</sup>	31 March 2023
		(Unaudited)					(Audited)
<b>1</b>	<b>Income</b>						
	Revenue from operations	22,154	22,596	19,853	63,713	54,128	77,676
	Other income	285	311	184	898	543	667
	<b>Total income</b>	<b>22,439</b>	<b>22,907</b>	<b>20,037</b>	<b>64,611</b>	<b>54,671</b>	<b>78,343</b>
<b>2</b>	<b>Expenses</b>						
	Cost of raw materials and components consumed	15,464	12,647	13,827	40,839	36,654	51,065
	Purchases of stock-in-trade	633	556	685	2,641	2,059	2,643
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,328)	1,786	(1,290)	(732)	(2,030)	(1,396)
	Employee benefits expense	1,871	1,787	1,419	5,359	4,189	5,685
	Finance costs	109	89	76	269	167	236
	Depreciation and amortisation expense	335	334	291	1,003	856	1,161
	Other expenses	3,431	3,090	2,809	9,186	7,712	10,958
	<b>Total expenses</b>	<b>20,515</b>	<b>20,289</b>	<b>17,817</b>	<b>58,565</b>	<b>49,607</b>	<b>70,352</b>
<b>3</b>	<b>Profit before exceptional items and tax (1-2)</b>	<b>1,924</b>	<b>2,618</b>	<b>2,220</b>	<b>6,046</b>	<b>5,064</b>	<b>7,991</b>
<b>4</b>	Exceptional items (net) (Loss) (Refer note 3)	-	-	(21)	-	(146)	(80)
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>1,924</b>	<b>2,618</b>	<b>2,199</b>	<b>6,046</b>	<b>4,918</b>	<b>7,911</b>
<b>6</b>	<b>Income tax expenses / (credit)</b>						
	Current tax	508	669	606	1,545	1,349	2,174
	Deferred tax (credit)/charge	(8)	(9)	(43)	(5)	(106)	(173)
	Tax pertains to earlier years	54	-	-	54	-	(19)
	<b>Total tax expenses (net)</b>	<b>554</b>	<b>660</b>	<b>563</b>	<b>1,594</b>	<b>1,243</b>	<b>1,982</b>
<b>7</b>	<b>Net Profit for the period / year (5-6)</b>	<b>1,370</b>	<b>1,958</b>	<b>1,636</b>	<b>4,452</b>	<b>3,675</b>	<b>5,929</b>
<b>8</b>	<b>Other comprehensive income/(loss) for the year / period (net of tax)</b>						
	Items not to be reclassified subsequently to profit or (loss)						
	- Gain/(loss) on fair value of defined benefit plans as per actuarial valuation	-	(91)	-	(91)	(78)	(91)
	- Income tax effect on above	-	23	-	23	20	23
<b>9</b>	<b>Total comprehensive income for the year / period (after tax)</b>	<b>1,370</b>	<b>1,890</b>	<b>1,636</b>	<b>4,384</b>	<b>3,617</b>	<b>5,861</b>
<b>10</b>	<b>Paid-up equity share capital (Face value of Rs. 10 per share)</b>	<b>1,360</b>	<b>1,360</b>	<b>1,360</b>	<b>1,360</b>	<b>1,360</b>	<b>1,360</b>
<b>11</b>	<b>Other equity (excluding revaluation reserve Rs. Nil)</b>						<b>30,991</b>
<b>12</b>	<b>Earnings per share (EPS) (net of tax) (in Rs.)</b>						
	Basic and diluted EPS (not annualised) except for year end	<b>10.07</b>	<b>14.40</b>	<b>12.03</b>	<b>32.74</b>	<b>27.02</b>	<b>43.60</b>

(See accompanying notes to the financials results)

<sup>^</sup>Restated pursuant to Merger of subsidiary company (Refer note 4)





ADOR WELDING LIMITED

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

Statement of Unaudited Segment Information for the Quarter and Nine months ended on 31 December 2023

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2023	30 September 2023	31 December 2022 (Restated)^	31 December 2023	31 December 2022 (Restated)^	31 March 2023
		(Unaudited)					(Audited)
	<b>Segmentwise revenue, results, assets, liabilities and capital employed</b>						
<b>1</b>	<b>Segment revenue</b>						
	Consumables	16,692	17,687	15,808	48,871	42,753	61,490
	Equipment and automation	4,922	4,396	2,823	12,945	7,942	11,535
	Flares & Process Equipment Division	854	536	1,243	2,266	3,484	4,779
	Less: Inter segment revenue	(314)	(23)	(21)	(369)	(51)	(128)
	<b>Total revenue from operations</b>	<b>22,154</b>	<b>22,596</b>	<b>19,853</b>	<b>63,713</b>	<b>54,128</b>	<b>77,676</b>
<b>2</b>	<b>Segment results</b>						
	Consumables	2,557	2,938	2,405	7,511	5,883	8,876
	Equipment and automation	242	304	243	688	482	772
	Flares & Process Equipment Division	(257)	(219)	163	(608)	359	486
	<b>Total</b>	<b>2,542</b>	<b>3,023</b>	<b>2,811</b>	<b>7,591</b>	<b>6,724</b>	<b>10,134</b>
	Less:						
	Finance costs (unallocable)	(83)	(74)	(56)	(213)	(121)	(182)
	Other unallocable expenses net of unallocable income	(535)	(331)	(535)	(1,332)	(1,539)	(1,961)
	<b>Profit before exceptional items and tax</b>	<b>1,924</b>	<b>2,618</b>	<b>2,220</b>	<b>6,046</b>	<b>5,064</b>	<b>7,991</b>
	<b>Exceptional items (net) Gain / (Loss)</b>						
	Consumables	-	-	(21)	-	(146)	(146)
	Equipment and automation	-	-	-	-	-	-
	Flares & Process Equipment Division	-	-	-	-	-	-
	Other unallocable expenses net of unallocable income	-	-	-	-	-	66
	<b>Total Exceptional items (net) Gain / (Loss) (Refer note 3)</b>	<b>-</b>	<b>-</b>	<b>(21)</b>	<b>-</b>	<b>(146)</b>	<b>(80)</b>
	<b>Total Profit before tax</b>	<b>1,924</b>	<b>2,618</b>	<b>2,199</b>	<b>6,046</b>	<b>4,918</b>	<b>7,911</b>
<b>3</b>	<b>Segment assets</b>						
	Consumables	27,451	25,996	25,412	27,451	25,412	25,184
	Equipment and automation	11,736	11,181	9,304	11,736	9,304	9,925
	Flares & Process Equipment Division	5,524	4,745	3,612	5,524	3,612	4,435
	Assets classified as held for sale (unallocable)	25	25	-	25	-	80
	Unallocable corporate assets	6,042	5,913	4,963	6,042	4,963	5,544
	<b>Total segment assets</b>	<b>50,778</b>	<b>47,860</b>	<b>43,291</b>	<b>50,778</b>	<b>43,291</b>	<b>45,168</b>
<b>4</b>	<b>Segment liabilities</b>						
	Consumables	7,152	6,138	6,549	7,152	6,549	5,375
	Equipment and automation	3,122	2,635	2,233	3,122	2,233	2,677
	Flares & Process Equipment Division	2,067	2,121	1,985	2,067	1,985	2,016
	Unallocable corporate liabilities	4,080	3,981	2,402	4,080	2,402	2,749
	<b>Total segment liabilities</b>	<b>16,421</b>	<b>14,875</b>	<b>13,169</b>	<b>16,421</b>	<b>13,169</b>	<b>12,817</b>
<b>5</b>	<b>Capital employed</b>						
	Consumables	20,299	19,858	18,863	20,299	18,863	19,809
	Equipment and automation	8,614	8,546	7,071	8,614	7,071	7,248
	Flares & Process Equipment Division	3,457	2,624	1,627	3,457	1,627	2,419
	Unallocable corporate assets net of unallocable corporate liabilities	1,987	1,957	2,561	1,987	2,561	2,875
	<b>Total capital employed</b>	<b>34,357</b>	<b>32,985</b>	<b>30,122</b>	<b>34,357</b>	<b>30,122</b>	<b>32,351</b>

(See accompanying notes to the financials results)

^Restated pursuant to Merger of subsidiary company (Refer note 4)



**Notes to the financial results:**

- The above unaudited financial results have been reviewed by the Audit Committee and then approved by the Board of Directors at their respective meetings held on 01 February 2024.
- The above unaudited 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	Exceptional items	Quarter ended			Nine months ended		Year ended
		31 December 2023	30 September 2023	31 December 2022 (Restated) <sup>a</sup>	31 December 2023	31 December 2022 (Restated) <sup>a</sup>	31 March 2023
		(Rs. in lakhs)					
	Impairment in the value of the wire manufacturing facility [Refer note a below]	-	-	(21)	-	(146)	(146)
	Profit on sale of Flat [Refer note b below]	-	-	-	-	-	66
	<b>Total</b>	-	-	(21)	-	(146)	(80)

**Notes:**

- During the previous year, the Company had provided Rs. 146 lakhs towards impairment in the carrying value of one of the manufacturing facility of wires (For the quarter ended 30 June 2022 - Rs. 125 lakhs and quarter ended 31 December 2022 - Rs. 21 lakhs). The same had been shown under exceptional items.
  - During the previous year, the Company had sold part of its property situated at Kochi and the profit of Rs. 66 lakhs on sale had been recognised as an exceptional item.
- Merger of subsidiary company (Ador Welding Academy Private Limited/AWAPL)**

The Scheme of Amalgamation ("The Scheme")/ merger of AWAPL with the Company had approved by the National Company Law Tribunal (NCLT), Mumbai Bench under Section 230 to Section 232 of Chapter XV of the Companies Act, 2013 on 03 February 2023 and the Scheme has become effective from appointed date i.e., 1 April 2021. The merger has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103, 'Business Combinations' and comparatives have been restated for merger from the beginning of the preceding year i.e. 1 April 2021. Accordingly, the previous quarter numbers are restated as follows :-

**Table 1 Restatements – Statement of profit and loss**

Particulars	(Rs. in lakhs)			
	Quarter ended		Nine months ended	
	31 December 2022	31 December 2022	31 December 2022	31 December 2022
	Reported	Restated	Reported	Restated
(1) Total income	20,035	20,037	54,668	54,671
(2) Total expenses	17,815	17,817	49,599	49,607
<b>(3) Profit before exceptional items and tax (1-2)</b>	<b>2,220</b>	<b>2,220</b>	<b>5,069</b>	<b>5,064</b>
(4) Exceptional items (net) (Loss)	(21)	(21)	(146)	(146)
<b>(5) Profit before tax (3-4)</b>	<b>2,199</b>	<b>2,199</b>	<b>4,923</b>	<b>4,918</b>
(6) Income tax expenses / (credit)				
Current tax	606	606	1,349	1,349
Deferred tax	(43)	(43)	(106)	(106)
<b>Total tax expenses (net)</b>	<b>563</b>	<b>563</b>	<b>1,243</b>	<b>1,243</b>
<b>(7) Net Profit for the period (5-6)</b>	<b>1,636</b>	<b>1,636</b>	<b>3,680</b>	<b>3,675</b>

- With respect to the application for proposed Scheme of amalgamation (Merger by Absorption) of Ador Fontech Limited ("Transferor Company" or "ADFL") with Ador Welding Limited ("Transferee Company" or "AWL" or "Company"), the meetings of the equity shareholders of AWL and ADFL, as directed by NCLT, were held on 10 August 2023 and 30 October, 2023 respectively and the Shareholders of both the Companies approved the Scheme of Amalgamation by requisite majority. Both the Companies have thereafter completed the necessary statutory formalities and the next hearing of the amalgamation petition is scheduled to be held on 13 February 2024.
- The Company had filed an application with the Bureau of Indian Standards (BIS) Authorities, for compounding of an alleged Offence under Section 33 of BIS Act, 2016 on 05 May 2023. The Company received an order dated 15 September 2023 allowing the Compounding application, subject to payment of compounding amount of Rs. 36.43 Crore, under the BIS Act 2016 and BIS Rules, 2018. As the Compounding amount was unfair, arbitrary, and unreasonable, the Company filed a Writ Petition in the Hon'ble Bombay High Court, since the filing of the appeal with DG was not an efficacious remedy, challenging the said compounding order, and got a stay. As the proceedings have not yet started, the pleadings are yet to begin, hence no provision has been made towards compounding amount in the books, as of 31 December 2023, since the final / exact / appropriate amount of compounding is yet to be determined.
- Previous periods' / year's figures have been regrouped or reclassified, wherever necessary.

For ADOR WELDING LIMITED



*(Handwritten Signature)*

A. T. MALKANI  
MANAGING DIRECTOR  
DIN : 01585637

Mumbai  
01 February 2024