

AWL/SEC/SE/2024-24/65

02nd August, 2024

BSE LTD.

Phiroze Jeejeebhoy Towers,
1st Floor, Dalal Street,
Fort, Mumbai – 400 023
Company Scrip Code: 517041

NATIONAL STOCK EXCHANGE OF INDIA LTD.

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

Dear Sir/Madam,

Sub: Outcome of the Board Meeting

This is to inform you that the meeting of the Board of Directors of our Company was held today i.e. on Friday, 02nd August, 2024, which commenced at 04:00 PM and concluded at ~~6:20~~ 6:20 PM. In the said meeting, the Unaudited Financial Results of our Company for the first quarter ended 30th June, 2024 were approved, amongst other things.

Attached / enclosed please find herewith the following:

- Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of Unaudited Financial Results for the quarter ended 30th June, 2024 along with Segment wise Revenue, Results & Capital Employed for the quarter ended 30th June, 2024 and as of 30th June, 2024 respectively.
- Copy of the Limited Review Report received from the Statutory Auditors, M/s. Walker Chandiok & Co. LLP, Chartered Accountants, in respect of the said Unaudited Financial Results.


The aforesaid results shall be uploaded onto the website of the Company at www.adorwelding.com & extract of the same shall be published in the Newspapers as well.

We hereby request you to make a note of it and acknowledge its receipt.

Thanking you,

Yours Sincerely,

For **ADOR WELDING LIMITED**


SURYA KANT SETHIA
CHIEF FINANCIAL OFFICER



ADOR WELDING LIMITED

Regd. & Corporate Office: Ador House, 6, K. Dubash Marg, Fort, Mumbai - 400 001 – 16, Maharashtra, India.

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Independent Auditor's Review Report on Unaudited Quarterly 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 **30 June 2024**, 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 of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

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.

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

KHUSHROO Digitally signed by
B PANTHAKY KHUSHROO B PANTHAKY
Date: 2024.08.02 18:04:06
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Khushroo B. Panthaky
Partner
Membership No:042423

UDIN:24042423BKCMVW7974

Place: Mumbai
Date: 02 August 2024



ADOR WELDING LIMITED

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Statement of unaudited Financial Results for the Quarter ended 30 June 2024

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Year ended
		30 June 2024	31 March 2024	30 June 2023	31 March 2024
		(Unaudited)	(Refer note 5)	(Unaudited)	(Audited)
1	Income				
	Revenue from operations	22,976	24,670	18,963	88,383
	Other income	409	409	302	1,307
	Total income	23,385	25,079	19,265	89,690
2	Expenses				
	Cost of raw materials and components consumed	17,957	13,896	12,728	54,735
	Purchases of stock-in-trade	524	355	1,452	2,996
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,318)	2,225	(1,190)	1,493
	Employee benefits expense	2,021	1,904	1,701	7,263
	Finance costs	122	133	71	402
	Depreciation and amortisation expense	377	339	334	1,342
	Other expenses	3,667	3,718	2,665	12,904
	Total expenses	21,350	22,570	17,761	81,135
3	Profit before exceptional items and tax (1-2)	2,035	2,509	1,504	8,555
4	Exceptional items (net) Gain/(Loss)	-	-	-	-
5	Profit before tax (3-4)	2,035	2,509	1,504	8,555
6	Income tax expenses / (credit)				
	Current tax	562	592	368	2,137
	Deferred tax charge/(credit)	(41)	48	12	43
	Tax expense/(credit) pertaining to earlier years	-	2	-	56
	Total tax expenses (net)	521	642	380	2,236
7	Net Profit for the year / period (5-6)	1,514	1,867	1,124	6,319
8	Other comprehensive income/ (loss) for the year / period (net of tax)				
	Items not to be reclassified subsequently to profit or (loss)				
	- Gain/(loss) on fair value of defined benefit plans as per actuarial valuation	-	21	-	(70)
	- Income tax effect on above	-	(5)	-	18
9	Total comprehensive income for the year / period (after tax)	1,514	1,883	1,124	6,267
10	Paid-up equity share capital (Face value of Rs. 10 per share)	1,360	1,360	1,360	1,360
11	Other equity (excluding revaluation reserve Rs. Nil)				34,878
12	Earnings per share (EPS) (net of tax) (in Rs.)				
	Basic and diluted EPS (not annualised) except for year end	11.13	13.73	8.26	46.46

(See accompanying notes to the financials results)





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 ended 30 June 2024

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Year ended
		30 June 2024	31 March 2024	30 June 2023	31 March 2024
		(Unaudited)	(Refer note 5)	(Unaudited)	(Audited)
	Segmentwise revenue, results, assets, liabilities and capital employed				
1	Segment revenue				
	Products	20,751	23,582	18,119	85,398
	Services	2,248	1,206	876	3,472
	Less: Inter segment revenue	(23)	(118)	(32)	(487)
	Total revenue from operations	22,976	24,670	18,963	88,383
2	Segment results				
	Products	2,965	3,271	2,158	11,470
	Services	(457)	(216)	(132)	(824)
	Total	2,508	3,055	2,026	10,646
	Less:				
	Finance costs (unallocable)	(92)	(111)	(56)	(324)
	Other unallocable expenses net of unallocable income	(381)	(435)	(466)	(1,767)
	Profit before exceptional items and tax	2,035	2,509	1,504	8,555
	Exceptional items (net) Gain/(Loss)	-	-	-	-
	Total Exceptional items (net) Gain/(Loss)	-	-	-	-
	Total Profit before tax	2,035	2,509	1,504	8,555
3	Segment assets				
	Products	41,080	38,880	37,352	38,880
	Services	6,996	6,838	4,211	6,838
	Assets classified as held for sale (unallocable)	25	25	25	25
	Unallocable corporate assets	6,581	6,318	5,396	6,318
	Total segment assets	54,682	52,061	46,984	52,061
4	Segment liabilities				
	Products	13,544	8,339	8,601	8,339
	Services	2,674	2,409	1,867	2,409
	Unallocable corporate liabilities	3,228	5,075	3,043	5,075
	Total segment liabilities	19,446	15,823	13,511	15,823
5	Capital employed				
	Products	27,536	30,541	28,751	30,541
	Services	4,322	4,429	2,344	4,429
	Unallocable corporate assets net of unallocable corporate liabilities	3,378	1,268	2,378	1,268
	Total capital employed	35,236	36,238	33,473	36,238

(See accompanying notes to the financials results)



Notes to the financial results:

- 1 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 02 August 2024.
- 2 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 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 final hearing took place on 25 June 2024. The Company is awaiting final order from NCLT.
- 4 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 June 2023 allowing the Compounding application, subject to payment of compounding amount of Rs. 3,643 lakhs, 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 Director General (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 30 June 2024, since the final / exact / appropriate amount of compounding is yet to be determined.
- 5 The figures for the quarter ended 31 March 2024 are the balancing figures between the audited financial statements for the year ended 31 March 2024 and the year to date figures upto the end of third quarter of the same financial year on which auditors had performed a limited review.
- 6 As a result of the Chief operating decision maker's review mechanism, the Company has reorganized its segment reporting from the quarter ended June 30, 2024 as below:
 - Segment "Products" is combination of erstwhile segment "Consumables" and "Equipment and Automation".
 - Segment "Services" is just renaming of erstwhile segment "Flares & Process Equipment Division".In conjunction with the above changes, prior year/periods amounts have been restated to align with the above changes.
- 7 Subsequent to the restatement of financials in FY 2020-21 (related to earlier financial years), the Company had sought to avail the tax benefits of the expenses recorded for the Financial year 2018-19. An application was made to the Central Board of Direct Taxes (CBDT), under section 119(2)(b) of the Income Tax Act, 1961, for the condonation of delay in filing a revised return of income for the Financial year 2018-19 (Assessment year 2019-20), as the original period for filing the revised return had lapsed. However, the CBDT, vide its order dated 28th May 2024, declined to condone the delay in filing the revised return of income for the said financial year.

The Company is evaluating the order passed by the CBDT and it believes, there are merits/sufficient grounds to file a writ petition before the High Court challenging the CBDT's decision. Accordingly, no provision has been created in the books of account regarding this matter, and it is treated as a contingent liability.
- 8 Previous periods' / year's figures have been regrouped or reclassified, wherever necessary.



(Handwritten signature)

For ADOR WELDING LIMITED

A. T. MALKANI
MANAGING DIRECTOR
DIN : 01585637

Mumbai
Date : 02 August 2024