



Ador Welding Limited

(CIN: L70100MH1951PLC008647)

Registered Office: Ador House, 6, K. Dubash Marg, Fort, Mumbai – 400001-16, Maharashtra, India

Tel No: +91 22 6623 9300 **Email:** investorservices@adorians.com **Website:** <https://www.adorwelding.com/>

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF ADOR WELDING LIMITED,
AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, DIVISION BENCH,
MUMBAI ('NCLT' OR 'TRIBUNAL')**

Day	Thursday
Date	10 th August, 2023
Time	11:00 a.m.(IST)
Mode of Meeting	As per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench, the meeting shall be conducted through Video conferencing (VC) or Other Audio-Visual Means ("OAVM")
Cut-off date for e-voting	Wednesday, 02 nd August, 2023

REMOTE E-VOTING

EVEN	124411
Cut-off date for e-voting	Wednesday, 02 nd August, 2023
Commencing on	Monday, 07 th August, 2023 at 11:00 a.m. (IST)
Ending on	Wednesday, 09 th August, 2023 at 05:00 p.m. (IST)

Volume 1 – Notice and Explanatory Statement

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The Notice of the Meeting, Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules (page nos. 2 to 37) and Annexure A to Annexure G (page nos. 38 to 148) constitute a single and complete set of documents and should be read together, as they form an integral part of this document.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH
FORM NO. CAA. 2
[PURSUANT TO SECTION 230 (3) AND RULE 6 AND 7]]
CA(CAA)/47/MB/2023
IN THE MATTER OF SECTION 230 TO 232 OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF SCHEME OF AMALGAMATION (MERGER BY ABSORPTION)
OF
ADOR FONTECH LIMITED
(TRANSFEROR COMPANY)
WITH
ADOR WELDING LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS**

Ador Welding Limited, a Public Limited Listed Company incorporated }
Under the provisions of Indian Companies Act VII of 1913, }
having its registered office at Ador House, 6, K. Dubash Marg, Fort, }
Mumbai – 400001 - 16, Maharashtra, India }
CIN: L70100MH1951PLC008647 }

... Applicant Company/

Transferee Company

NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF ADOR WELDING LIMITED

To,

The Equity Shareholders of Ador Welding Limited

1. **NOTICE** is hereby given that, in accordance with the Order dated 18th May 2023, (the 'Order') in the above mentioned Company Application, passed by Hon'ble National Company Law Tribunal, Mumbai Bench, a meeting of the Equity Shareholders of the Applicant Company, will be held "through video conferencing ("VC") or Other Audio-Visual Means ("OAVM")" for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation (Merger by Absorption) of Ador Fontech Limited with Ador Welding Limited and their respective Shareholders ('Scheme' or 'the Scheme') on Thursday, 10th August, 2023 at 11:00 a.m. (IST).

2. Pursuant to the said Order and as directed therein, the Meeting of the Equity Shareholders of the Company ("Meeting") will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in compliance with the applicable provisions of the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations") to consider, and if thought fit, to pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority, as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November, 2021, as amended:

"RESOLVED THAT pursuant to the provisions of Sections 230 and 232 of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) and circulars issued thereof, for the time being in force) and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble jurisdictional National Company Law Tribunal ("Tribunal") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to mean and include one or more Committee(s) constituted / to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Amalgamation (Merger by Absorption) of Ador Fontech Limited with Ador Welding Limited and their respective shareholders ("Scheme"), be and is hereby approved;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the amalgamation embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason, whatsoever, and to accept such modifications, amendments, limitations and / or conditions, if any, which may be required and / or imposed by the Tribunal, while sanctioning the arrangement embodied in the Scheme or by any authorities under the law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and / or making such adjustments in the books of accounts, as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

3. **TAKE FURTHER NOTICE** that the Equity Shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes (a) through e-voting system available at the Meeting, to be held virtually ("e-Voting at the Meeting"); or (b) by remote electronic voting ("remote e-Voting"), during the period, as stated below:

REMOTE E-VOTING PERIOD	
Commencement of voting	Monday, 07 th August, 2023 at 11:00 a.m. (IST)
End of voting	Wednesday, 09 th August, 2023 at 05:00 p.m. (IST)

4. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e., Wednesday, 02nd August, 2023, only shall be entitled to exercise his/her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an Equity Shareholder as on the cut-off date, should treat the Notice for information purpose only.

5. A copy of the said Scheme, statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules along with all annexures to such statement are appended. A copy of this Notice and the accompanying documents are also placed on the website of the Company and can be accessed at <https://www.adorwelding.com/>, the website of M/s. National Securities Depository Limited ("NSDL") viz. www.evoting.nsdl.com, being the agency appointed by the Company to provide the e-voting and other facilities for convening of the Meeting and the website of the Stock Exchanges i.e., BSE Limited ("BSE") viz. www.bseindia.com and the National Stock Exchange of India Limited ("NSE") viz. <https://www.nseindia.com/>
6. The Tribunal has appointed Mr. Aditya T. Malkani, Managing Director to be the Chairperson for the Meeting and Mr. Gopal Malpani, Advocate, Bombay High Court, to be the Scrutinizer.
7. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Dated: this the 04th day July, 2023

Place: Mumbai

Sd/-

Aditya T. Malkani

Chairperson appointed by the Tribunal for the Meeting

Ador Welding Limited

CIN: L70100MH1951PLC008647

Registered Office: Ador House, 6, K. Dubash Marg, Mumbai – 400001-16,

Website: <https://www.adorwelding.com/>

E-mail: investorservices@adorians.com

Tel.: +91 22 6623 9300

Notes for Meeting of Equity Shareholders of the Company:

1. General instructions for accessing and participating in the Meeting through VC/OAVM Facility and voting through electronic means including remote e-voting

- a. Pursuant to the Order passed by NCLT, Meeting of the Equity Shareholders of the Company will be held through VC/OAVM
- b. Since the meeting is being held pursuant to the Order passed by NCLT and MCA Circulars through VC/OAVM, physical attendance of the Equity Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Equity Shareholders will not be available for the Meeting. However, in pursuance of Section 113 of the Act, authorized representatives of institutional / corporate shareholders may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC / OAVM facility and e-voting during the Meeting, provided that such shareholder sends a scanned copy (PDF / JPG Format) of its Board or Governing Body resolution / authorization etc., authorizing its representative to attend this Meeting through VC / OAVM, on its behalf, to vote through e-voting during the Meeting & / or to vote through remote e-voting, on its behalf. The scanned copy of the abovementioned documents (resolution / authorization) should be in the name format 'AWL'. The said resolution/authorization shall be sent to the scrutinizer by email through his registered email id addressed to gopal@malpani.net and to the Company at investorservices@adorians.com, before the VC/OAVM Meeting or before the remote e-voting, as the case may be. The corporate shareholders can also upload documents in NSDL e-voting system, for verification by scrutinizer.
- c. The proceedings of this Meeting would be deemed to have been conducted at the registered office of the Company located at Ador House, 6, K. Dubash Marg, Fort, Mumbai – 400001 – 16, Maharashtra, India.
- d. The quorum of the Meeting of the Equity Shareholders of the Company shall be as prescribed under section 103 of the Companies Act, 2013. The Equity Shareholders attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- e. The aforesaid particulars are being sent through electronic mode to those Equity Shareholders whose e-mail IDs are registered with the Company's Registrar & Share Transfer Agent (RTA) i.e. Link Intime India Private Limited / Depositories / the Company. The aforesaid particulars are being sent to all the Equity Shareholders, whose names appear in the register of members/list of beneficial owners as on Friday, 30th June, 2023.
- f. M/s. National Securities Depository Limited ("NSDL"), e-voting agency, will provide the facility for voting by the Equity Shareholders through remote e-voting, for participation in the Meeting through VC/OAVM and e-voting during the Meeting.
- g. All the documents referred to in the accompanying explanatory statement shall be available for inspection through electronic mode during the proceedings of the Meeting. Equity Shareholders seeking / requesting to inspect copies of the said documents may send an email at investorservices@adorians.com. Further, all the documents referred to in the accompanying explanatory statement shall also be open for inspection by the Equity Shareholders at the registered office of the Company, during working hours on all working days up to 1 (One) day prior to the date of the Meeting.
- h. The Notice convening the Meeting will be published through advertisement in 'Business Standard' in English having nation-wide circulation, and 'Mumbai Lakshadeep' in Marathi, having circulation in Maharashtra.

- i. The Scheme shall be considered approved by the Equity Shareholders of the Company if the resolution mentioned in the Notice has been approved by majority of persons representing three-fourth in value of the Equity Shareholders voting at the Meeting through VC/OAVM or by remote e-voting, in terms of the provisions of Sections 230 to 232 of the Act.

In addition to the above, the Scheme shall be acted upon only if the votes cast by the public shareholders of the Company in favour of the resolution mentioned in the Notice are more than the number of votes cast by the public shareholders of the Company against it.

- j. Since the Meeting will be held through VC/OAVM in accordance with the Order passed by NCLT, the route map, proxy form and attendance slip are not attached to this Notice.
- k. A person whose name is recorded in the Register of Members (RoM) maintained by the Company / Registrar and Transfer Agent (RTA) or in the Register of Beneficial Owners maintained by the depositories as on the Cut-Off Date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the Meeting and to attend the Meeting. A person who is not an equity shareholder as on the Cut-Off Date should treat the Notice for information purpose only.
- l. The voting rights of the Equity Shareholders shall be in proportion to their shareholding of the paid-up equity share capital of Ador Welding Limited as on the close of business hours as on Cut-Off Date, i.e., Wednesday, 02nd August, 2023.
- m. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of the names as per the Register of Members (RoM) of the Company will be entitled to vote at the Meeting.
- n. It is clarified that casting of votes by remote e-voting (prior to the Meeting) does not disentitle Members from attending the Meeting. However, after exercising right to vote through remote e-voting prior to the Meeting, a Member shall not vote again at the Meeting. In case the shareholders cast their vote via both the modes i.e. remote e-voting prior to the Meeting as well as e-voting during the Meeting, then voting done through remote e-voting before the Meeting shall prevail. Once the vote on a resolution is cast by the Shareholder, whether partially or otherwise. The Shareholder shall not be allowed to change it subsequently.
- o. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. The Equity Shareholders holding shares in electronic form are requested to submit their PAN to their Depository Participants, and those holding shares in physical form are requested to submit their PAN to the Company's RTA.
- p. All grievances connected with the facility for voting by electronic means may be addressed to evoting@nsdl.co.in or call on toll free no.: 1800 1020 990 or 1800 22 44 30.

2. Procedure for joining the Meeting through VC / OAVM

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps", which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained

with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts, in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com, either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login", which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login", which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code, as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site, wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code, mentioned below, for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div data-bbox="662 1674 837 1719">  App Store </div> <div data-bbox="877 1674 1077 1719">  Google Play </div> </div> <div style="display: flex; justify-content: center; gap: 40px; margin-top: 10px;"> <div data-bbox="699 1736 826 1864">  </div> <div data-bbox="914 1736 1042 1864">  </div> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users, who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page, without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e., NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email, as recorded in the demat Account. After successful authentication, user will be provided links for the respective e-voting service provider (ESP) i.e., NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login", which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares in Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members, who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members, who hold shares in demat account with CDSL.	16 Digit Beneficiary ID ForexampleifyourBeneficiaryIDis12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 124411 then user ID is 124411001***

5. Password details for shareholders, other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password', which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process, for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.
 10. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Friday, 30th June, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990** and **1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode, who acquires shares of the Company and become Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Wednesday, 02nd August, 2023, may follow steps mentioned in the Notice of the EOGM under “Access to NSDL e-Voting system”.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN”, in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote, during the remote e-Voting period and cast your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting, as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm”, when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.

6. You can also take the printout of the votes cast by you, by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies), who are authorized to vote, to the Scrutinizer by e-mail to gopal@malpani.net with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in.

Process for those shareholders, whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investorservices@adorians.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investorservices@adorians.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step **1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholders / members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account, in order to access e-Voting facility.
5. Information and instructions for e-voting facility at the Meeting
 - a) Facility to cast vote through e-voting at the Meeting will be made available on the video conference screen during the Meeting.

- b) Those Equity Shareholders, who will be present in the Meeting through VC/OAVM facility and have not cast their vote on the resolution through remote e-voting and otherwise are not barred from doing so, shall be eligible to vote through e-voting facility during the Meeting.

Other Information

- a) Pursuant to Tribunal Order, Mr. Gopal Malpani, Membership No.: MH-4208-2005, Advocate Bombay High Court, shall act as Scrutinizer to scrutinize the process of remote e-voting and e-voting at the Meeting in a fair and transparent manner.
- b) The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairperson of the Meeting. The results of the Meeting shall be announced by the Chairperson within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company i.e. <https://www.adorwelding.com/> and on the website of NSDL at www.evoting.nsdl.com. The Company shall also submit the results to the Stock Exchanges and the same be placed on the website at www.bseindia.com and <https://www.nseindia.com/>.
- c) Subject to receipt of requisite majority of votes in favour of the Scheme i.e., majority in number representing three-fourth in value (as per Sections 230 to 232 of the Act) and the votes cast by the public shareholders of the Company in favour are more than the number of votes cast by the public shareholders of the Company against it (as per SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November, 2021), the Resolution shall be deemed to have been passed on the date of the Meeting i.e. Thursday, 10th August, 2023.
- d) Equity Shareholders are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting, manner of casting vote, through remote e-Voting or e-Voting at the Meeting.**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH
FORM NO. CAA. 2
[PURSUANT TO SECTION 230 (3) AND RULE 6 AND 7]]
CA(CAA)/47/MB/2023
IN THE MATTER OF SECTION 230 TO 232 OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF SCHEME OF AMALGAMATION (MERGER BY ABSORPTION)
OF
ADOR FONTECH LIMITED
(TRANSFEROR COMPANY)
WITH
ADOR WELDING LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS**

Ador Welding Limited, a Public Limited Listed Company incorporated }
}

Under the provisions of Indian Companies Act VII of 1913 }
}

having its registered office at Ador House, 6, K. Dubash Marg, Fort, }
}

Mumbai – 400001 – 16, Maharashtra, India }
}

CIN: L70100MH1951PLC008647 }
}

... Applicant Company/

Transferee Company

STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013 READ WITH SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF ADOR WELDING LIMITED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

1. Pursuant to the Order dated 18th May 2023, passed by Hon'ble National Company Law Tribunal, Mumbai Bench in the Company Application CA(CAA)/47/MB/2023, a meeting of the Equity Shareholders of the Applicant Company is scheduled to be held on Thursday, 10th August, 2023 at 11:00 a.m. to obtain their approval to the Scheme of Amalgamation (Merger by Absorption) of Ador Fontech Limited with Ador Welding Limited and their respective Shareholders ('Scheme' or 'the Scheme').
2. The Hon'ble National Company Law Tribunal, Mumbai Bench, by an Order dated 18th May, 2023 was pleased to issue directions for convening of the meeting of the Equity Shareholders of the Applicant Company through "Video Conferencing ("VC") or "Other Audio-Visual Means" ("OAVM")" on Thursday, 10th August, 2023 at 11:00 a.m. to be presided over by Mr. Aditya T. Malkani as the Chairperson of the Meeting. The said Order will be available for inspection at the Registered Office of the Applicant Company at Ador House, 6, K. Dubash Marg, Fort, Mumbai–400001 – 16, Maharashtra, India, on any working day of the Company, up to the date of meeting, after receipt from the Tribunal.

3. In addition to the meeting of the Equity Shareholders of the Applicant Company convened on the directions of the National Company Law Tribunal, to seek the approval of the said Shareholders pursuant to Section 230 read with Section 232 of the Companies Act, 2013 further read with other relevant provisions of the Companies Act, 2013, approval of the Equity Shareholders of the Applicant Company is also sought by way of remote e-voting, as required under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circulars and the Companies Act, 2013.
4. The Board of Directors of the Transferee Company in their meeting held on 31st May, 2022 has approved the Scheme of Amalgamation, while the Board of Directors of the Transferor Company in their meeting held on 31st May, 2022 has approved the Scheme of Amalgamation, under which the entire undertaking of the Transferor Company will get amalgamated with the Transferee Company. A copy of the Scheme, setting out the terms and conditions of the amalgamation, as approved by the Board of Directors of Ador Fontech Limited (Transferor Company) and Ador Welding Limited (Transferee Company) is enclosed herewith as **Annexure A**. The proposed scheme is envisaged to be effective from the Appointed Date, but shall be made operative from the Effective Date (as defined in the Scheme).

5. Particulars of the Companies

5.1. Ador Welding Limited

5.1.1. Ador Welding Limited, the Transferee Company, is a public limited Company incorporated under the provisions of the Indian Companies Act VII of 1913, on 22nd October, 1951 in the State of Maharashtra. The Corporate Identity Number of the Transferee Company is L70100MH1951PLC008647, and the PAN is AAACA9076B. The e-mail address of the Company is investorservices@adorians.com. The Applicant Company is engaged in the business of manufacturing & selling of various welding products such as welding consumables, welding and cutting equipment, CNC machines, welding automation products as well as welding accessories. The Applicant Company is also engaged in the business of Flares & Process Equipment (FDED) and is a publicly listed company whose share are listed on BSE Limited and the National Stock Exchange of India Limited. The registered office of the Transferee Company is at Ador House, 6, K., Dubash Marg, Fort, Mumbai – 400001 – 16, Maharashtra, India. During the last five years, there has been no change in the name and registered office of the Transferee Company.

5.1.2. The main objects of the Applicant/Transferee Company are as follows:

- (a) To carry on the business of manufacture of arc welding electrodes and allied appliances.
- (aa) To carry on the business of manufacture of electrode making machinery and its components, rectifiers, power transformers, fluxes, electronic equipment, device and apparatus, solders fillers, and joining metals.
- (ab) To carry on business of refitting, repairs and fabrication of ships, barges and vessels of all description with all the necessary or convenient equipment, tackle, rigging, gears, fittings and engines.
- (ac) To carry on business of sale and distribution of the products manufactured or fabricated by the Company and otherwise deal therein.
- (ad) To carry on any other business (whether manufacturing or otherwise), which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the property or rights of the Company.
- (ae) To manufacture, produce, sell, distribute, import, export and otherwise deal, In India and abroad, any machinery required for the production or processing of Ferro Alloys, Metallic Powders, Metals and Chemicals.

- (af) To manufacture, produce, sell, distribute, import, export and otherwise deal, in India and abroad, any machinery capable of making Textiles, Plastics and Garments.
- (ag) To manufacture, produce, sell, distribute, import, export and otherwise deal, in India and abroad, in various Ferro Alloys, Metallic Powders, Metals, Chemicals, Textiles and Plastic materials.
- (ah) To transact and carry on all kinds of agency business in relation to the objects of the Company.
- (ai) To promote any other company for any purpose, which may be directly or indirectly calculated to benefit the company
- (aj) To enter into a partnership or arrangement in the nature of a partnership with any person or persons or corporation engaged or interested or about to become engaged or Interested in the carrying or conduct of any business or enterprise, which this Company is authorised to carry on or conduct, or from which this company would or might derive any benefit whether directly or indirectly.

Any such produce and to sell, dispose of and deal in such produce, either In its prepared, manufactured or raw state and either by wholesale or retail and to grow, cultivate and develop trees, forests and other natural resources.

- (at) To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bills of credit, bonds, debentures, debenture-stock, contracts, mortgages, charges, obligations, Instruments, and securities of any Company firm or undertaking or of any authority supreme, municipal, local or otherwise or of any persons, whomsoever, whether incorporated or not incorporated, and generally to guarantee or become sureties for the performance of any contracts, payments or obligations and to carry on and transact every kind of guarantee business & indemnity business and every kind of counter-guarantee & counter indemnity business.
- (au) To acquire by purchase or otherwise and undertake all or any part of the business, goodwill, assets property rights or undertaking and liabilities of any other company, firm or person carrying on any business, which the Company is authorised to carry on or possessed of property suitable for the purpose of the Company and to pay for the same either in cash or by fully or partly paid up shares in the Company or by debentures of this Company secured on its property both present and future including its uncalled capital or by any of such means combined and as part or whole of the consideration therefore to undertake all or any of the liabilities of such Company, firm or persons.
- (av) To amalgamate with any other Company, firm or undertaking having objects or powers whether primary or ancillary altogether or In parts similar to those of this Company and to give or accept by way of consideration for such amalgamation any payment of cash or any agreement for periodical payments of cash, negotiable Instruments, secured or unsecured, shares wholly or partly paid up or with liability for the full nominal value thereof, stocks, bonds, obligations, debentures, debentures-stock, scrips or securities or any property moveable or immovable of any persons, company or corporation and whether of the Company or corporation with which such amalgamation is effected or not.

5.1.3. The authorised, issued, subscribed and paid-up capital of the Applicant Company / Transferee Company as on 31st March 2023 is as follows:

Particulars	Amount in INR
Authorised Share Capital:	
3,00,00,000 Equity Shares of INR 10/- each	30,00,00,000/-
Total	30,00,00,000/-
Issued, Subscribed and Paid Up:	
1,35,98,467 Equity Shares of INR 10/- each	13,59,84,670/-
Total	13,59,84,670/-

There has been no change in the issued, subscribed and paid-up share capital of the Transferee Company, from 31st March 2023 till date except for its authorised share capital. The authorised share capital stands as under, pursuant to the order of amalgamation of Ador Welding Academy Pvt. Ltd. with AWL.

Authorised Share Capital:	
3,30,00,000 Equity Shares of INR 10/- each	33,00,00,000/-
Total	33,00,00,000/-

5.1.4. The details of the directors and Promoters of the Applicant Company / Transferee Company along with their addresses are as follows:

Sr. No.	Name	Designation	Address
Promoter & Promoter Group			
1	Mrs. Gulshan Gulu Malkani	Promoter	292, Tahnee Heights, 66 Nepean Sea Road Nr. Pelit Hall Mumbai Malabar Hill Mumbai 400006
2	Mrs. Pravena Krishna Mathur	Promoter	825, Sadhu Vaswani Nagar, Reveille, Aundh, Pune 411007
3	Dr. Deep Ashda Lalvani	Promoter	Flat No. 41, 4 th floor, Seagull, 13 Carmichael Road, M L Dhanukar Marg, Mumbai - 400026
4	Ms. Reshma Ashda Lalvani	Promoter	Flat No. 41, 4 th floor, Seagull, 13 Carmichael Road, M L Dhanukar Marg, Mumbai - 400026
5	Mr. Ravin A. Mirchandani	Promoter	432, Sind Housing Society, Aundh, Pune – 411007
6	Mrs. Shirin Aditya Malkani	Promoter Group	26 A Sans Souci B. G. Kher Marg Mumbai Malabar Hill Mumbai 400006
7	Mrs. Vimla Ashda Lalvani	Promoter Group	Flat No. 41, 4 th floor, Seagull, 13 Carmichael Road, M L Dhanukar Marg, Mumbai - 400026
8	(Late) Mr. Ajit T. Mirchandani	Promoter Group	--
9	Mrs. Rajbir Tarachand Malkani	Promoter	26 A Sans Souci B. G. Kher Marg Mumbai Malabar Hill Mumbai 400006
10	Ms. Michelle Gulu Malkani	Promoter	292, Tahnee Heights, 66 Nepean Sea Road Nr. Pelit Hall Mumbai Malabar Hill Mumbai 400006

Sr. No.	Name	Designation	Address
11	Mr. Aditya Tarachand Malkani	Promoter	26 A Sans Souci B. G. Kher Marg Mumbai Malabar Hill Mumbai 400006
12	Mrs. Ninotchka Malkani Nagpal	Promoter	292, Tahnee Heights, 66 Nepean Sea Road Nr. Petit Hall Mumbai Malabar Hill Mumbai 400006
13	Ms. Aruna Bhagwan Advani	Promoter	C/7, 7 th Floor, Rashmi CHS II, Byramji Gamadia Dahanukar Marg, Cumballa hill Mumbai 400026
14	M/s. J B Advani and Company Pvt Ltd	Promoter Group	Ador House, 4 th Floor, Plot-6, Kakushroo Dubash Marg, Kala Ghoda, Fort Mumbai 400001
15	Ms. Priya Darshini Lambert	Promoter Group	62 Rue Molière, 94200 Ivry Sur Seine, France
Directors			
16	Mrs. Ninotchka Malkani Nagpal	Executive Chairman	292, Tahnee Heights, 66 Nepean Sea Road Nr. Petit Hall Mumbai Malabar Hill Mumbai 400006
17	Mr. Aditya Tarachand Malkani	Managing Director	26 A Sans Souci B. G. Kher Marg Mumbai Malabar Hill Mumbai 400006
18	Dr. Deep Ashda Lalvani	Non-Executive Director	Flat No. 41, 4 th floor, Seagull, 13 Carmichael Road, M L Dhanukar Marg, Mumbai - 400026
19	Mr. Ravin Ajit Mirchandani	Non – Executive Director	432, Sind Housing Society, Aundh, Pune – 411007
20	Ms. Tanya Halina Advani	Non – Executive Director	C / 7, Rashmi CHS Society, 11, Byaramjee Gamadia Road, Off Carmichael Road, Cumbala Hill, Mumabi 400026
21	Mr. Piyush Kumar Gupta	Non-Executive & Independent Director	DLF Phase -1, H-5/5, Sikanderpur, Ghosi (68), Gurgaon DLF Qe, Haryana - 122002
22	Mr. Rakesh Narain Sapru	Non-Executive & Independent Director	Flat No. 1, ground Floor, 43 Anand Lok, Siri Fort Road, Andrewsganj, Defence Colony South Delhi – 110049
23	Mr. Kunwar Digvijay Singh	Non-Executive & Independent Director	12 Greenfields, 134 Maharshi Karve Road, Opp. Oval Maidan, Churchgate, Mumbai 400020
24	Mr. Gaurav Mohan Lalwani	Non-Executive & Independent Director	21 – C, Land Breeze, 52, Pali Hill, Bandra (W), Mumbai – 400050
25	Mrs. Nita Dempo Mirchandani	Non-Executive & Independent Director	162, Tahnee Heights, 16 th Floor, A Block, 66 Neapean Sea Road, Near Petit Hall Complex, Malabar Hill, Mumbai – 400006
26	Mr. Navroze Shiamak Marshall	Non-Executive & Independent Director	71, EI – CID, 13 Ridge Road, Near Hanging Garden, Malabar Hill, Mumbai – 400006

5.2. Ador Fontech Limited

5.2.1. Ador Fontech Limited, the Transferor Company, is a Public Limited Listed Company, incorporated under the Companies Act, 1956 on 22nd August 1974 in the State of Karnataka. The Corporate Identity Number of the Transferor Company is L31909KA1974PLC020010, and the PAN is AABCA1724H. The e-mail address of the Company investorservice@adorfon.com. The Transferor Company is engaged in the business of 'Life enhancement of Industrial Components', which, inter-alia, includes providing products, services and solutions for reclamation, repairs and maintenance. The Transferor Company is a publicly listed company, whose shares are listed on BSE Limited. The registered office of the Transferor Company is at Belview, 7 Haudin Road, Bengaluru - 560042, Karnataka, India. During the last five years, there has been no change in the name and registered office of the Transferor Company.

5.2.2. The main objects of the Transferor Company are as follows:

1. To trade, sell, distribute, import, export and otherwise deal in India and abroad in Semiconductor Devices, light, power, electronic equipment, electro mechanical devices and electronics and electronic apparatus.
2. To carry on the business of trading, exporting and importing of all kinds of apparatus, appliances, plants and materials and supplies employed by the manufacturers of Semi-conductor devices, electrical and electronic equipment and to deal in the same.

5.2.3. The authorised, issued, subscribed and paid up capital of the Transferor Company as on 31st March, 2023 is as follows:

Particulars	Amount in INR
Authorised Share Capital:	
5,00,00,000 Equity Shares of INR 2/- each	10,00,00,000
Total	10,00,00,000
Issued:	
3,50,00,000 Equity Shares of INR 2/- each	7,00,00,000
Total	7,00,00,000

There has been no change in the authorized, issued, subscribed and paid up share capital of the Transferor Company, from 31st March, 2023 till date.

5.2.4. The details of the Directors and Promoters of the Transferor Company along with their addresses are as follows:

S. No.	Name	Designation	Address
Promoter & Promoter Group			
1	Mr. Aditya Tarachand Malkani	Promoter Group	26 A Sans Souci B. G. Kher Marg Mumbai Malabar Hill Mumbai 400006
2	(Late) Mr. Ajit T Mirchandani	Promoter Group	--
3	Ms. Aruna Bhagwan Advani	Promoter Group	C/7, 7 th Floor, Rashmi CHS II, Byramji Gamadia Dahanukar Marg, Cumballa hill Mumbai 400026
4	Dr. Deep Ashda Lalvani	Promoter Group	Flat No. 41, 4 th floor, Seagull, 13 Carmichael Road, M L Dhanukar Marg, Mumbai - 400026
5	Mrs. Michelle Gulu Malkani	Promoter Group	292, Tahnee Heights, 66 Nepean Sea Road Nr. Pelit Hall Mumbai Malabar Hill Mumbai 400006

S. No.	Name	Designation	Address
6	Mrs. Ninotchka Malkani Nagpal	Promoter Group	292, Tahnee Heights, 66 Nepean Sea Road Nr. Pelit Hall Mumbai Malabar Hill Mumbai 400006
7	Mr. Rajbir Tarachand Malkani	Promoter Group	26 A Sans Souci B. G. Kher Marg Mumbai Malabar Hill Mumbai 400006
8	Mr. Ravin A Mirchandani	Promoter Group	432, Sind Housing Society, Aundh, Pune – 411007
9	Mrs. Reshma Ashda Lalvani	Promoter Group	Flat No. 41, 4 th floor, Seagull, 13 Carmichael Road, M L Dhanukar Marg, Mumbai - 400026
10	Mrs. Shirin Aditya Malkani	Promoter Group	26 A Sans Souci B. G. Kher Marg Mumbai Malabar Hill Mumbai 400006
11	Mrs. Tania Ajit Mirchandani	Promoter Group	432/328, 4 th Road, Sindh Co-Operative Housing Society, Aundh Pune 411 007
12	Mrs. Vimla Ashda Lalvani	Promoter Group	Flat No. 41, 4 th floor, Seagull, 13 Carmichael Road, M L Dhanukar Marg, Mumbai - 400026
13	Ms. Tanya Halina Advani	Promoter Group	C / 7, Rashmi CHS Society, 11, Byaramjee Gamadia Road, Off Carmichael Road, Cumbala Hill, Mumabi 400026
14	Mrs. Gulshan Gulu Malkani	Promoter Group	292, Tahnee Heights, 66 Nepean Sea Road Nr. Pelit Hall Mumbai Malabar Hill Mumbai 400006
15	J B Advani and Company Limited	Promoter	Ador House, 4 th Floor, Plot-6, Kakushroo Dubash Marg, Kala Ghoda, Fort Mumbai 400001
Directors			
16	Mrs. Ninotchka Malkani Nagpal	Non- Executive Director	292, Tahnee Heights, 66 Nepean Sea Road Nr. Pelit Hall Mumbai Malabar Hill Mumbai 400006
17	Mr. Aditya Tarachand Malkani	Non-Executive Director & Chairman	26 A Sans Souci B. G. Kher Marg Mumbai Malabar Hill Mumbai 400006
18	Mr. Navroze Shiamak Marshall	Independent Director	71, EI – CID, 13 Ridge Road, Near Hanging Garden, Malabar Hill, Mumbai – 400006
19	Mr. Santosh Janakiram Iyer	Independent Director	A -11, The Paradise Apartments Co-Operative Housing Society Limited 44/44A, Nepean Sea Road, Mumbai 400 026
20	Mr. Harish Pethandas Ledwani	Managing Director & CEO	B-302 Adarsh Residency, 8 th Block, 47 th Cross, Near Sangam Circle, Jayanagar, Bengaluru 560 070
21	Mr. Rafique Abdul Malik	Independent Director	B-1703, Vivarea, Sane Guruji Marg Jacob Circle, Mahalaxmi Mumbai 400 011

6. Relationship subsisting between the Companies who are parties to the Scheme of Amalgamation

Both the Companies have common Promoter and Promoter Group.

7. Rationale and Benefits of the Scheme of Amalgamation

The Transferor Company and the Transferee Company are engaged in similar lines of business and complement each other. With an intent to expand the business and achieve larger product portfolio, economies of scale, efficiency, optimization of logistics and distribution network and other related economies by consolidating the business operations, the Board of Directors of the Transferor Company and the Transferee Company proposed to consolidate the business of the Transferor Company with the Transferee Company. The proposed amalgamation of the Transferor Company with the Transferee Company would, inter alia, have the following benefits:

1. Enable the consolidation of the Welding business of the Transferor Company with the Transferee Company to create one of the largest welding and cutting product manufacturer and refurbishment player in the industry.
2. Creation of a combined entity, hosting all products under the Transferee Company, thereby resulting in diversified portfolio of products, economies of scale, operational rationalization, efficiency of management, broader and deeper market presence and maximizing value for the shareholders.
3. Greater synergies between businesses and optimum use of manufacturing facilities, marketing strength, R & D facilities, optimized production, streamlining of supply chains, enhancing customer delight, brand strengthening and certifications resulting in productivity gains, thereby maximizing value for the shareholders.
4. Enable greater access to different market segments in conduct of its business and addition of new products in the portfolio would improve the competitive position of the combined entity.
5. Optimum use of infrastructure and organizational efficiency by pooling of financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of Transferor Company and Transferee Company thereby significantly contributing to the future growth and maximizing shareholder value.
6. Better financial leverage, resulting in greater efficiency in cash and debt management and unfettered access to cash flow generated by the combined business, which can be deployed more efficiently, to realize higher profits for the combined entity.
7. Improved organizational capability and leadership, arising from the pooling of human capital, who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
8. Cost savings because of standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.
9. Reduction in regulatory and legal compliances and avoidance of multiple records keeping.
10. Strengthening ability to face increasing competitive, regulatory, environmental and global risks; thereby resulting in sustainable and profitable long term growth for the combined entity.

8. The salient features of the Scheme are as follows:

PART – I

DEFINITIONS, SHARE CAPITAL AND DATE OF OPERATION OF SCHEME

1. Definitions

- 1.3 "Appointed Date" means 01st April 2022, or such other date, as may be fixed or approved by Hon'ble National Company Law Tribunal or such other competent authority/Appropriate Authority;
- 1.6 "Effective Date" means the last of the dates, on which the authenticated copies or certified copies of the Order of NCLTs under Sections 230 to 232 of the Act sanctioning the Scheme is filed with Registrar of Companies by the Transferor Company and the Transferee Company. References in this Scheme to the date of "coming into effect of the Scheme" or "upon the Scheme becoming effective", or "effectiveness of the Scheme" and other similar expressions shall mean the Effective Date;
- 1.13 "Scheme" or "the Scheme" or "this Scheme" or "Scheme of Merger by Absorption" or "Scheme of Amalgamation" means this Scheme of Amalgamation, in its present form, submitted to the NCLT or with any modification(s) made under Clause 20 of this Scheme or with such other modifications/amendments as the NCLT may direct;

PART – II

Amalgamation of Transferor Company with the Transferee Company

5. Transfer and Vesting of Undertaking

- 5.1. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all properties, assets, liabilities and Undertaking(s) of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Section 230 to 232 of the Act and all other applicable provisions, if any, of the Act and also in accordance with section 2(1B) of the IT Act, without any further deed or act, subject to existing charges or *lis pendens*, if any thereon, in favour of banks/financial institutions.
- 5.2. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all immovable properties of the Transferor Company, whether freehold or leasehold, and any documents of title, rights, agreements to sell/ agreements of sale and easements in relation thereto, shall stand vested in the Transferee Company, without any act or deed done by the Transferee Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation / substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the NCLT and in accordance with the terms hereof. The Transferor Company shall take all steps, as may be necessary, to ensure that lawful, peaceful, and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company.
- 5.3. Notwithstanding anything contained in this Scheme, with respect to the immovable properties in the nature of land and buildings situated in India, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty, registration fees or other similar taxes or fees, if the Transferee Company so decides, the Transferor Company and Transferee Company, whether before or after the Effective Date,

may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty, registration fees or other similar taxes or fees (if required under applicable law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.

- 5.4. *All lease and license agreements, if any, entered into by the Transferor Company with landlords, owners and lessors in connection with the use of the assets of the Undertaking, together with security deposit, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions, subject to applicable law, without any further act, instruments, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent amounts as provided for in such agreement and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreement by the Transferor Company.*
- 5.5. *Without prejudice to the generality of the foregoing, with effect from the Appointed Date, it is expressly provided that in respect of such of the assets of the Transferor Company that are movable in nature and / or are otherwise capable of transfer by manual or constructive delivery and / or endorsement and delivery or novation, the same shall be deemed to have been so transferred by Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of section 230 to 232 of the Act, without any further act, instrument, deed, matter or thing.*
- 5.6. *In respect of movables other than those dealt with in Clause 5.5 above including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, property development rights, investments (including overseas investments), earnest money and deposits with any Government, quasi Government, local or other authority or body or with any Company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).*
- 5.7. *Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all liabilities relating to and comprised in the Undertaking of Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing.*
- 5.8. *The transfer and vesting as aforesaid shall be subject to subsisting charges, if any, in respect of any assets of Transferor Company.*

PROVIDED always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed by the Transferor Company and Transferee Company shall not be obliged to create any further or additional security in relation to subsisting charges, if any, thereof after the date of approval of this Scheme by the NCLT or otherwise.

- 5.9. *Upon the Scheme becoming effective, all staff, workmen and employees as detailed under Clause 1.20(xii) above in relation to the Transferor Company shall become the staff, workmen and employees of the Transferee Company, without any further act or deed to be done by the Transferor Company or the Transferee Company.*
- 5.10. *Upon approval of the Scheme by the Tribunal, the Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.*
- 5.11. *Pursuant to this Scheme becoming effective, the Transferee Company shall be entitled to secure the record of the change in the legal ownership upon the vesting of the assets of the Transferor Company in accordance with the provisions of Sections 230 to 232 of the Act. The Transferor Company and the Transferee Company shall be jointly and severally authorized to execute any writings and / or carry out any formalities or compliance in this regard.*
- 5.12. *All taxes, duties, cess payable by the Transferor Company including all or any refunds / credit / claims pertaining to the period prior to the Appointed Date shall be treated as the liability or refunds / credit / claims, as the case may be, of the Transferee Company.*
- 5.13. *All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, patents, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of the Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.*
- 5.14. *All the Insurance policies registered in the name of the Transferor Company which are active as on the date of approval of the Scheme by the Tribunal and which can be transferred/assigned shall, pursuant to the provisions of Section 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of the Transferee Company and accordingly, the insurance Companies shall record the name of the Transferee Company in all the insurance policies registered in the name of the Transferor Company so as to ensure that all the rights and privileges under all such policies available to the Transferor Company and / or to any other person/director/employee of such Transferor Company, whether in the capacity of the Policy Holder or Owner or Insured or the Beneficiary, as the case may be, be available to the benefit of the Transferee Company and / or to any other person/director/employee of Transferee Company, as the case may be, on the same terms and conditions as they were applicable to the Transferor Company concerned and upon such transfer/assignment, all such policies shall be effective in favour of the Transferee Company as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. However, for the insurance policies which do not permit such*

transfer/assignment, the Transferee Company may make fresh application(s) to the concerned authority/ insurance Company(ies) on such terms and conditions as may be prescribed. It is hereby clarified that all the costs and / or expenses and / or premiums in relation to the transfer/assignment/of the insurance policies in the name of Transferor Company shall be borne by the Transferee Company and the Transferor Company shall have no further obligations in this regard.

- 5.15. All the brands and trademarks (including logo and right to use the trademarks) of the Transferor Company including registered and unregistered trademarks, along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights, trademarks, and all such other industrial and intellectual property rights of whatsoever nature shall stand transferred to and vest in and deemed to be transferred to and vested in the Transferee Company. The Transferee Company shall take such actions as may be necessary and permissible to get the same transferred and / or registered in the name of the Transferee Company.*
- 5.16. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all existing and future incentives, un-availed credits and expenditures, exemptions and deductions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT credit under the IT Act), excise (including Modvat / Cenvat), customs, VAT, sales tax, service tax, GST including the IGST input tax credit, CGST input tax credit and SGST input tax credit for the registrations of the Transferor Company in all the states, to which the Transferor Company are entitled to shall be available to and vest in the Transferee Company and deemed to be available to and vested in the Transferee Company.*
- 5.17. The Transferee Company shall file relevant intimations, for the record of the statutory authorities signifying the transfer of the assets / properties including but not limited to permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions, and other authorizations of the Transferor Company.*
- 5.18. It is hereby clarified that all assets and liabilities appearing in the books of account of the Transferor Company as on the Appointed Date which are set forth in the closing balance sheet of the Transferor Company as of the opening of business hours on the Appointed Date shall be transferred to Transferee Company.*
- 5.19. The Transferee Company shall, under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company, to implement and carry out all formalities and compliances, if required, referred to above.*

8. CONDUCT OF BUSINESS UNTIL AND AFTER EFFECTIVE DATE

- 8.1. With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall carry on and be deemed to have carried on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its entire business for and on account of and in trust for the Transferee Company;*
 - i. All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred by the Transferor Company shall for all purposes be treated and deemed to be the profits or income or expenditure or losses (as the case may be) of the Transferee Company; and*
 - ii. The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company.*

- iii. *The Transferee Company shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, without the prior consent of the Transferee Company.*
- 8.2. *The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.*
- 8.3. *For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified as follows:*
 - 8.3.1. *With effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, till the time any regulatory registrations of the Transferor Company are closed / suspended and regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations.*
 - 8.3.2. *With effect from the Effective Date, the Transferee Company shall be entitled to use all packed / labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, brochures, other publicity material, etc. lying unused with the Transferor Company or their vendors, suppliers or third party or in their supply chain or distribution channel and which the Transferor Company is entitled to use under any statutes/ regulations, till such time as all of such stock exhaust without making any amendment on those goods or materials.*
 - 8.3.3. *With a view to avoid any disruption of business, to ensure continuity of operations and exports and to maintain the same quality of products, with effect from the Effective Date and till such time all critical licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company are transferred, recorded, effected and / or perfected, in the record of the relevant governmental / regulatory authorities in all applicable jurisdictions in favour of Transferee Company, the Transferee Company shall carry on and be deemed to have been carrying on all the business and activities of Transferor Company in the name and style of the Transferor Company and under the relevant licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company. Further, during such period, Transferee Company can procure or use or manufacture, all material and product including packed / labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, brochures, other publicity material, etc. in the name and form/format of the Transferor Company.*

9. STAFF, WORKMEN AND EMPLOYEES

- 9.1 *Upon the coming into effect of this Scheme, all staff, workmen and employees, who are on the payrolls of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Transferor Company who are on its payrolls shall become employees of the Transferee Company with effect from the Effective Date, on such terms and conditions as are no less favorable than those on which they are currently engaged by the Transferor Company, without any interruption of service*

as a result of this scheme. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, upon this Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.

9.2 The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme (including without limitation any employees stock option plan) or benefits created by the Transferor Company for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the Transferee Company for such purpose. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Transferee Company to the existing funds maintained by the Transferor Company.

9.3 The Transferee Company undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Transferor Company, the past services of such employees with the Transferor Company shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Transferor Company will transfer/handover to the Transferee Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its staff, workmen and employees and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

9.4 The Transferee Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Transferor Company with any of its employees prior to Appointed Date and from Appointed Date till the Effective Date.

12. CONSIDERATION

12.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company in the Transferee Company pursuant to Part II of this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, Instrument or deed, Issue and allot equity shares ("New Shares"), on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members, as member of the Transferor Company, as on the Record Date, as follows:

"5 (Five) equity shares of AWL having a face value of INR 10/- each fully paid-up shall be issued for every 46 (Forty-six) equity shares held in ADFL having a face value of INR 2/- each fully paid-up"

12.2 The equity shares to be issued and allotted pursuant to amalgamation of the Transferor Company with the Transferee Company, under this Scheme, shall be subject to the provisions of the Memorandum of Association and Articles of Association of Transferee Company and shall rank *pari passu* in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect

to dividend, bonus, rights shares, voting rights, and other corporate benefits attached to the shares of the Transferee Company.

- 12.3 *The issue and allotment of the shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the members of the Transferee Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of shares of the Transferee Company.*
- 12.4 *The New Shares to be issued by the Transferee Company shall be issued in dematerialized form to those members of the Transferor Company, as on the Record Date, who hold shares of the Transferor Company in dematerialized form, into the account in which shares of the Transferor Company are held or such other account, as is intimated in writing by the members of the Transferor Company and/or its registrar, provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. All those members, as on the Record Date, who hold shares of the Transferor Company in physical form shall also receive the New Shares to be issued by the Transferee Company, in dematerialized form, provided the details of their account with the depository participant are intimated in writing to the Transferor Company and/ or its registrar, provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. If no such intimation is received from any member who holds shares of the Transferor Company in physical form 7 (seven) days before the Record Date, or if the details furnished by any member do not permit electronic credit of the shares of the Transferee Company, then the Transferee Company shall deal with the relevant equity shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding shares in dematerialized form to a trustee nominated by the Board of the Transferee Company ("Trustee of Transferee Company") who shall hold these equity shares in trust for the benefit of such shareholder. The equity shares of the Transferee Company held by the Trustee of the Transferee Company for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trustee of the Transferee Company, along with such other documents as may be required by the Trustee of the Transferee Company. The respective shareholders shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of equity shares from the Trustee of the Transferee Company.*
- 12.5 *For the purpose of allotment of the shares, pursuant to this Scheme, in case any shareholder holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Transferee Company in that behalf) in dematerialized form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders, to whom they belong, for the specific purpose of selling such shares in the market at such price or prices within 90 days from the date of allotment of shares and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements.*

- 12.6 *On approval of this Scheme by members of the Transferee Company pursuant to Sections 230-232 of the Act and / or relevant provisions of the Act, if applicable, it shall be deemed that the said members have also accorded their consent under Sections 13, 42, 61 and 62 of the Act and/ or any other applicable provisions of the Act and rules and regulations framed thereunder, as may be applicable for the aforesaid issuance of shares of the Transferee Company, and no further resolution or actions shall be required to be undertaken by the Transferee Company under Sections 13, 42, 61 or 62 of the Act or any other applicable provisions of the Act and rules and regulations framed thereunder.*
- 12.7 *In the event of there being any pending share transfers, whether lodged, or outstanding of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or event subsequent to the Record Date, to effectuate such a transfer, as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company, after the effectiveness of this Scheme.*
- 12.8 *The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company, which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance.*
- 12.9 *The shares to be issued by the Transferee Company, In lieu of the shares of the Transferor Company held in the respective unclaimed suspense account of the Transferor Company shall be issued to a new unclaimed suspense account created for shareholders of the Transferor Company.*
- 12.10 *In the event, any or both the Parties restructure their share capital by way of share split/consolidation /issue of bonus shares during the pendency of the Scheme, the share exchange ratio, stated in Clause 12.1 above, shall be adjusted accordingly, to consider the effect of any such corporate actions undertaken by such Party.*
- 12.11 *If necessary, the Transferee Company shall, before allotment of the equity shares in term of the Scheme, increase, reclassify, and/ or restructure its authorized share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.*
- 12.12 *The Transferee Company shall apply for listing of New Shares allotted by Transferee Company on the Stock Exchange in terms of and in compliance of SEBI Circular and other relevant provisions, as may be applicable. The New Shares allotted by the Transferee Company, pursuant to the Scheme, shall remain frozen in the depository system till listing/trading permission is given by the Stock Exchange.*
- 12.13 *The Transferee Company shall enter into such arrangements and give such confirmations and / or undertakings, as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchange and SEBI Circular.*

15. DISSOLUTION OF THE TRANSFEROR COMPANY WITHOUT WINDING UP

Subject to an order being made by the under Section 230 to 232 of the Act, the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provision of the Act and the Rules made hereunder.

16. COMBINATION OF AUTHORISED SHARE CAPITAL

- 16.1 Upon the Scheme becoming effective, the Authorised Share Capital of the Transferor Company shall stand transferred, re-organised, credited and merged with that of the Transferee Company without payment of additional fees and stamp duty as the said fees and stamp duty have already been paid by the Transferor Company and the Authorised Share Capital of the Transferee Company will be increased to that effect by just filing requisite forms and no separate procedure shall be followed under the Act. Consequently, the Memorandum of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and other applicable provisions of the Act.
- 16.2 Accordingly, the words and figures in Clause 5 of the Memorandum of Association of the Transferee Company shall stand modified and be substituted to read as follows:
- "The authorized share capital of the company is Rs 40,00,00,000/- (Forty Crores only) divided into 4,00,00,000 (Four Crores only) equity shares of Rs.10 (Rupees Ten) each with power to the Company to increase or reduce the capital of the Company and to divide the share capital for the time being into several classes and to attach thereto respectively, such preferential, deferred, qualified or special rights, privileges or conditions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Companies Act, 2013, or any statutory modification or re-enactment thereof for the time being in force or as provided by the Articles of Association of the Company"*
- 16.3 The approval of this Scheme under Sections 230 to 232 of the Companies Act, 2013 shall be deemed to have the approval under Section 13, 61 and other applicable provisions of the Companies Act, 2013, and any other approvals required in this regard. It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their approval also to the alteration to the Memorandum of Association of the Transferee Company, as may be required under the Act.

PART – III

GENERAL CLAUSES, TERMS AND CONDITIONS

21. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

- 21.1 The Scheme is conditional upon and subject to:
- i. Approval of Appropriate Authorities and receipt of 'No Objection letter' from Stock Exchanges, where such approval or consent is necessary;
 - ii. the approval of the Scheme by the requisite majority of the respective creditors and such class of persons of the Transferor Company and Transferee Company, as required in terms of the applicable provisions of the relevant Act as well as any requirements that may be stipulated by the Appropriate Authority in this respect;

- iii. *the approval of the shareholders of Transferor Company and Transferee Company, through e-voting & / or other mode, as may be required under any applicable law and SEBI Circular. The scheme is conditional upon Scheme being approved by the public shareholders through e-voting in terms of Para 10(a) of Part 1 of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November, 2021 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.*
 - iv. *sanction of the Appropriate Authority, being obtained under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act, if so required on behalf of the Transferor Company and the Transferee Company;*
 - v. *the necessary certified copies of the order under Sections 230 to 232 of the Act, and other applicable provisions of the Act are duly filed with the Registrar of Companies; and*
 - vi. *all other sanctions and approval, as may be required by law in respect of this Scheme, being obtained.*
9. *The Salient features, as set out above, being only the salient features of the Scheme of Amalgamation as are statutorily required to be included in this explanatory statement, the members are requested to read the entire text of the Scheme of Amalgamation (annexed herewith) to get fully acquainted with the provisions thereof and the rationale and objectives of the proposed Scheme of Amalgamation.*

10. EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

1. *The Directors of the Applicant Company / Ador Welding Limited and Transferor Company / Ador Fontech Limited, may be deemed to be concerned and/or interested in the Scheme to the extent of their shares that may be held by them, if any, or by the Companies, firms, institutions, trusts of which they are directors, partners, members or trustee in the Applicant Company and Transferor Company. None of the directors, Key Managerial Personnel ('KMPs') or relatives of the directors and KMPs of the Applicant Company and Transferor Company, have any material, financial or other interest, in the Scheme, except as shareholders to the extent of their respective shareholding appearing in the Register of Directors' shareholding and Register of Members maintained by the Applicant Company and Transferor Company, respectively. The Directors holding the shares in the Applicant Company do not have any other interest in the Scheme otherwise than that as shareholders in general. Further, none of the managers, key managerial personnel, and relatives of the Directors of Applicant Company is concerned or interested, financially or otherwise in the proposed Scheme. Save as aforesaid, none of the Directors of the Applicant Company have any material interest in the proposed Scheme.*
2. *The details of the present Directors & Key Managerial Personnel of the Transferee Company and their shareholding either individually or jointly as a first holder or as a nominee in the Applicant Company and Transferor Company, as on 31st March 2023, is as under:*

Name of the Director & Key Managerial Personnel	Position	Equity Share held in	
		Ador Fontech Limited	Ador Welding Limited
Mrs. Ninotchka Malkani Nagpal	Executive Chairman	7,60,700	1,99,952
Mr. Aditya Tarachand Malkani	Managing Director	15,86,452	1,23,198
Dr. Deep Ashda Lalvani	Non - Executive Director	39,774	4,419
Mr. Ravin Ajit Mirchandani	Non – Executive Director	11,910	8,002
Ms. Tanya Halina Advani	Non – Executive Director	1,800	NIL

Name of the Director & Key Managerial Personnel	Position	Equity Share held in	
		Ador Fontech Limited	Ador Welding Limited
Mr. Piyush Kumar Gupta	Non-Executive & Independent Director	NIL	NIL
Mr. Rakesh Narain Sapru	Non-Executive & Independent Director	NIL	NIL
Mr. Kunwar Digvijay Singh	Non-Executive & Independent Director	NIL	NIL
Mr. Gaurav Mohan Lalwani	Non-Executive & Independent Director	NIL	10
Mrs. Nita Dempo Mirchandani	Non-Executive & Independent Director	NIL	NIL
Mr. Navroze Shiamak Marshall	Non-Executive & Independent Director	1,16,198	37,800
Mr. Vinayak M. Bhide	Company Secretary	NIL	150
Mr. Surya Kant Sethia	Chief Financial Officer	NIL	NIL

3. *The details of the present Directors, Key Managerial Personnel of Transferor Company and their shareholding either individually or jointly as a first holder or as a nominee in the Applicant Company and Transferor Company, as on 31st March 2023, is as under:*

Name of the Director & Key Managerial Personnel	Position	Equity Share held in	
		Ador Fontech Limited	Ador Welding Limited
Mrs. Ninotchka Malkani Nagpal	Non- Executive Director	7,60,700	1,99,952
Mr. Aditya Tarachand Malkani	Non-Executive Director & Chairman	15,86,452	1,23,198
Mr. Navroze Shiamak Marshall	Independent Director	1,16,198	37,800
Mr. Santosh Janakiram Iyer	Independent Director	NIL	NIL
Mr. Harish Pethandas Ledwani	Managing Director & CEO	1,29,948	993
Mr. Rafique Abdul Malik	Independent Director	NIL	NIL
Ms. Geetha D	Company Secretary & Chief Financial Officer	5,000	NIL

4. PRE AND POST AMALGAMATION CAPITAL STRUCTURE

- 4.1. *The Pre-Amalgamation capital structure of the Applicant Company, and Transferor Company has already been provided under Para 5 of this Statement.*
- 4.2. *The Post Amalgamation capital structure of the Applicant Company, and the Transferor Company is as follows:*
- 4.2.1. *Name of the Company: Ador Welding Limited*

Particulars	Amount in INR
Authorised Share Capital:	
4,00,00,000 Equity Shares of INR 10/- each	40,00,00,000/-
Total	40,00,00,000/-
Issued, Subscribed and Paid Up:	
1,74,02,815 Equity Shares of INR 10/- each	17,40,28,150/-
Total	17,40,28,150/-

4.2.2. Name of the Company: Ador Fontech Limited

Upon the proposed Scheme becoming effective, the entire share capital of the Transferor Company shall stand cancelled.

5. PRE- AND POST-AMALGAMATION SHAREHOLDING PATTERN

5.1. The expected pre and post Scheme shareholding pattern of the Transferee Company is as follows:

Sr. No.	Category	Pre Scheme of Amalgamation (as on 31 st March, 2022)		Post Scheme of Amalgamation (as on 01 st April, 2022)	
		No. of Shares	%	No. of Shares	%
(A)	Promoter & Promoter Group	77,37,712	56.90	92,29,993	53.04
1a	Individuals	8,88,131	6.53	13,78,967	7.92
1b	Bodies Corporate	68,00,531	50.01	78,01,976	44.83
	Sub-total (A)(1)	76,88,662	56.54	91,80,943	52.75
2	Foreign	49,050	0.36	49,050	0.28
	Sub-total (A)(2)	49,050	0.36	49,050	0.28
	Total A = (A)(1) + (A)(2)	77,37,712	56.90	92,29,993	53.04
(B)	Public Shareholding	-	-	81,72,822	46.96
(1)	Institutions	9,44,086	6.94	9,53,599	5.48
(a)	Mutual Funds	9,12,941	6.71	9,12,941	5.25
(b)	Foreign Portfolio Investors	30,563	0.22	40,076	0.23
(c)	Financial Institutions / Banks	582	0.00	582	0.00
	Sub-total (B)(1)	9,44,086	6.94	9,53,599	5.48
(2)	Central Government/ State Government(s)/ President of India	-	-	-	-
(3)	Non-Institutions			66,86,527	38.41
(a)	Individuals	35,69,075	26.25	57,41,078	32.99
	Individual share capital upto Rs. 2 Lacs	25,08,343	18.45	42,38,489	24.36
	Individual share capital in excess of Rs. 2 Lacs	10,60,732	7.80	15,02,589	8.63
(b)	Any Other (specify)	13,47,594	9.91	14,78,145	8.48

Sr. No.	Category	Pre Scheme of Amalgamation (as on 31 st March, 2022)		Post Scheme of Amalgamation (as on 01 st April, 2022)	
		No. of Shares	%	No. of Shares	%
I	Bodies Corporate	3,57,699	2.63	4,22,810	2.43
II	Clearing Members	15,389	0.11	21,065	0.12
III	Foreign Nationals	1,182	0.01	1,182	0.00
IV	HUF	5,32,696	3.92	5,32,696	3.06
V	Investor Education and Protection Fund	2,39,374	1.76	2,99,126	1.72
VI	Non-Resident Indian (NRI)	2,00,254	1.47	2,00,254	1.15
VII	Trusts	1,000	0.01	1,000	0.00
VIII	Trustee for Ador Fontech Limited	-	-	12	0.00
	Sub-total (B)(3)	49,16,669	36.16	72,19,223	41.48
	Total B=B1+B2+B3	58,60,755	43.10		
(C)	Non-Promoter Non-Public	-	-	-	-
	Total C	-	-	-	-
	Total Shareholding (A+B+C)	1,35,98,467	100	17,402,815	100

5.2. The expected pre and post Scheme shareholding pattern of the Transferor Company is as follows:

Sl. No.	Category	Pre Scheme of Amalgamation (as on 31 st March, 2022)		Post Scheme of Amalgamation (as on 01 st April, 2022)	
		No. of Shares	%	No. of Shares	%
(A)	Promoter & Promoter Group	1,37,29,064	39.23	-	-
1a	Individuals	45,15,763	12.90	-	-
1b	Bodies Corporate	92,13,301	26.32	-	-
	Sub-total (A)(1)	1,37,29,064	39.23	-	-
2	Foreign	0	0	-	-
	Sub-total (A)(2)	0	0	-	-
	Total A = (A)(1) + (A)(2)	1,37,29,064	39.23	-	-
(B)	Public Shareholding	2,12,70,936	60.77	-	-
(1)	Institutions			-	-
(a)	Foreign Portfolio Investors	87,525	0.25	-	-
	Sub-total (B)(1)	87,525	0.25	-	-
(2)	Central Government/ State Government(s)/ President of India	-	-	-	-

Sl. No.	Category	Pre Scheme of Amalgamation (as on 31 st March, 2022)		Post Scheme of Amalgamation (as on 01 st April, 2022)	
		No. of Shares	%	No. of Shares	%
(3)	Non-Institutions	21,183,412	60.52	-	-
(a)	Individuals	19,982,437	57.09	-	-
	Individual share capital upto Rs. 2 Lacs	1,59,17,345	45.48	-	-
	Individual share capital in excess of Rs. 2 Lacs	40,65,092	11.61	-	-
(b)	Any Other (specify)	12,00,974	3.43	-	-
I	Investor Education and Protection Fund	5,49,722	1.57	-	-
II	Clearing Members	52,226	0.15	-	-
III	Bodies Corporate	5,99,026	1.71	-	-
	Sub-total (B)(3)	2,11,83,411	60.52	-	-
	Total B=B1 + B2 + B3	2,12,70,936	60.77	-	-
(C)	Non-Promoter Non-Public	-	-	-	-
	Total C	-	-	-	-
	Total Shareholding (A+B+C)	3,50,00,000	100	-	-

6. Valuation, Fairness Opinion and Approvals

- 6.1. Mr. Niranjana Kumar, an independent Chartered Account firm, based on their Valuation Report dated 31st May 2022, recommended to the Board of Directors of Ador Fontech Limited and Ador Welding Limited the share exchange ratio, in which equity shares of the Applicant Company should be issued to the shareholders of the Transferor Company. A copy of the Valuation Report Issued by the Valuer is enclosed herewith as **Annexure B**.
- 6.2. Fairness Opinion dated 31st May 2022, on the Valuation Report of Mr. Niranjana Kumar, was obtained from Systematix Corporate Services Limited for Applicant Company; a SEBI registered Category I Merchant Banker, as prescribed by SEBI. The copy of Fairness Opinion issued by Systematix Corporate Services Limited is enclosed herewith as **Annexure C1**.
- 6.3. Fairness Opinion dated 31st May 2022 on the Valuation Report of Mr. Niranjana Kumar was obtained from Fedex Securities Private Limited for Transferor Company; a SEBI registered Category I Merchant Banker as prescribed by SEBI. The copy of Fairness Opinion issued by Fedex Securities Private Limited is enclosed herewith as **Annexure C2**.
- 6.4. The Auditor of the Applicant Company and the Transferor Company, have confirmed that the accounting treatment in the said Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.
- 6.5. The proposed Scheme was placed before the Audit Committee of the Applicant Company at its meeting held on 31st May, 2022. The Audit committee recommended and approved the proposed Scheme after considering the Valuation Report of Mr. Niranjana Kumar and the Fairness Opinion of Systematix Corporate Services Limited, a SEBI registered Merchant Banker.

- 6.6. The Board of Directors of the Applicant Company have at its Board Meeting held on 31st May, 2022 unanimously, approved the Scheme based on the recommendation of the Audit Committee, Valuation Report of the Valuer recommending the Share Exchange Ratio, in which the equity shares of the Applicant Company should be issued to the shareholders of Transferor Company and the Fairness Opinion of Fedex Securities Private Limited, a SEBI registered Merchant Banker.
- 6.7. The copies of the said Valuation Report of the Valuer, Fairness Opinion and other documents submitted to the Stock Exchange are also displayed on the website of the Applicant Company at “<https://www.adorwelding.com/>”, the website of BSE Limited and the National Stock Exchange of India Limited, the designated stock exchanges where the shares of the Applicant Company are listed, in terms of the Securities and Exchange Board of India circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.
7. At the Board Meeting held on 31st May 2022 all the Directors of the Applicant Company, approved the Scheme.
8. Pursuant to the Securities and Exchange Board (“SEBI”) circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 (the “SEBI Circular”) read with Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR Regulations’) the Applicant Company had applied to BSE Limited and the National Stock Exchange of India Limited (NSE) for seeking their No objection to the proposed Scheme of Amalgamation. Further, BSE Limited, the Designated Stock Exchange forwarded the said application along with Draft Scheme to SEBI for its approval & / or comments. BSE Limited and the National Stock Exchange of India Limited (NSE) gave its Observation letter on 26th September, 2022 and 27th September, 2022, respectively, conveying “No Objection” for the scheme, which is enclosed herewith as **Annexure D**.
9. The Scheme of Amalgamation, along with related documents, were hosted on the websites of the Applicant Company, BSE Limited & the National Stock Exchange of India Limited (NSE) and were open for complaints / comments from 03rd August 2022 to 24th August 2022 on National Stock Exchange of India Limited and from 19th July 2022 to 9th August 2022 for a period of 21 days. During the above period, the Transferee Company has received complaints / comments and accordingly the complaints report was filed with BSE Limited and the National Stock Exchange of India Limited on 16th August 2022 and 25th August 2022, respectively. A copy of the said Complaints Report filed with BSE Limited and the National Stock Exchange of India Limited (NSE) is enclosed as **Annexure E**.
10. A copy of the Audited Financial Results of the Transferee Company as on 31st March, 2023 together with the Audited Financial Results of the Transferor Company as on 31st March, 2023 are enclosed herewith as **Annexure F1 and F2**.
11. The Applicant Company will make / file a petition under Section 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 to Hon’ble National Company Law Tribunal, Mumbai Bench, for sanctioning of the Scheme.
12. Under Section 230 of the Companies Act, 2013, the proposed Scheme will have to be approved by a majority in number representing three-fourths in value of the Equity Shareholders present and voting.
13. The scheme is conditional upon scheme being approved by the public shareholders through e-voting in terms of Para 10(a) of Part I of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and the Scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
14. The rights and interests of the members and the creditors of the Applicant Company and Transferor Company will not be prejudicially affected by this Scheme of Amalgamation.

15. No investigation proceedings are pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 against the Applicant Company.
16. No ongoing adjudication & recovery proceedings, prosecution and no other enforcement action is pending against the Company, its promoters and directors.
17. A copy of the Scheme has been filed by the Applicant Company with the Registrar of Companies (ROC), Maharashtra, Mumbai, on 03rd July, 2023 in eform GNL-1.
18. No winding up petition is pending against the Applicant Company.
19. In compliance with the provisions of Section 232(2) of the Companies Act, 2013, the Board of Directors of the Applicant Company and Transferor Company, vide a resolution dated 31st May 2022, have adopted a Report, inter-alia, explaining the effect of the Scheme on each class of shareholders (promoter and non-promoter shareholders) and key managerial personnel. A copy of the said Report adopted by the Board of Directors of the Applicant Company and the Transferor Company is enclosed to this Explanatory Statement as **Annexure G1 & G2 respectively**.
20. The shareholders of the Transferor Company will be issued shares in accordance with the Share Exchange Ratio provided in the Valuation Report. The Scheme is not expected to have any adverse effect on the Key Managerial Personnel's, Directors, Secured or Unsecured Creditors, Non-Promoter Members, and Employees of the Applicant Company, wherever relevant, as no sacrifice or waiver is at all called from them nor their rights are sought to be modified in any manner.
21. The amount due to the Unsecured Creditors of the Applicant (Transferee) Company, as on 30th June, 2023 is approximately Rs. 75.86 Crore while the amount due to Unsecured Creditors of the Transferor Company, as on 30th June, 2023 is approximately Rs. 18.71 Crore.
22. In addition to the documents appended hereto, the electronic copy of following documents will be available for inspection in the investors section of the website of the Transferee Company and Transferor Company at <https://www.adorwelding.com/> and www.adorfon.com respectively.
 - a) Certified copy of the Order of the Hon'ble National Company Law Tribunal, Mumbai Bench dated 18th May 2023 passed in Company Application No. C.A.(CAA)/47/MB/2023 directing and convening of the meeting of Equity Shareholders of the Applicant Company.
 - b) Scheme of Amalgamation.
 - c) Annual Reports of Ador Fontech Limited and Ador Welding Limited for the last three financial years ending 31st March 2020, 31st March 2021 and 31st March 2022.
 - d) Copies of audited financial results of Ador Welding Limited for the year ended 31st March 2023.
 - e) Copy of the Observation Letter from BSE Limited and National Stock Exchange of India Limited dated 26th September 2022 and 27th September 2022, respectively.
 - f) Copy of the Valuation Report providing for the Share Exchange Ratio dated 31st May 2022 issued by Mr. Niranjana Kumar.
 - g) Copy of the Fairness opinion by Merchant Banker, Fedex Securities Private Limited dated 31st May 2022. w.r.t. Transferor Company and M/s. Systematix Corporate Services Limited dated 31st May 2022 w.r.t. Transferee Company.

- h) Copy of the Audit Committee Report dated 31st May 2022.
- i) Copies of the Resolutions passed by the respective Board of Directors of Ador Fontech Limited and Ador Welding Limited dated 31st May 2022.
- j) Copy of the Statutory Auditor's certificate dated 10th June 2022 issued by M/s. Walker Chandiook & Co LLP, Mumbai of Ador Welding Limited confirming that the accounting treatment provided in the Scheme is in compliance with Section 133 of the Companies Act, 2013.

23. This statement may be treated as an Explanatory Statement under Section 230 of the Companies Act, 2013 read with Sections 102 and 110 of the Companies Act, 2013. A copy of the Scheme and Explanatory statement may also be obtained free of cost from the registered office of the Applicant Company.

Dated: this the 04th day July, 2023

Place: Mumbai

Sd/-

Aditya T. Malkani

Chairperson appointed by the Tribunal for the Meeting

Ador Welding Limited

CIN: L70100MH1951PLC008647

Registered Office: Ador House, 6, K. Dubash Marg, Mumbai – 400001-16,

Website: <https://www.adorwelding.com/>

E-mail: investorservices@adorians.com

Tel.: +91 22 6623 9300

Annexure A

SCHEME OF AMALGAMATION (MERGER BY ABSORPTION)

OF

**ADOR FONTECH LIMITED
("TRANSFEROR COMPANY" OR "ADFL")**

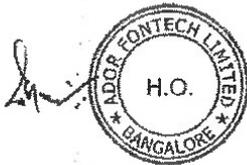
WITH

**ADOR WELDING LIMITED
("TRANSFEREE COMPANY" OR "AWL")**

AND

THEIR RESPECTIVE SHAREHOLDERS

(Under the provisions of Section 230 to 232 of the Companies Act, 2013)



For ADOR FONTECH LIMITED

[Handwritten Signature]
Company Secretary



For ADOR WELDING LIMITED

[Handwritten Signature]
Company Secretary

I) PREAMBLE AND BACKGROUND

1. This Scheme of Amalgamation (hereinafter referred to as “**the Scheme**” or “**this Scheme**”) is presented pursuant to the provisions of Section 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) and the rules made thereunder (to the extent applicable) for the amalgamation of Ador Fontech Limited with Ador Welding Limited. This Scheme (as defined hereinafter) also provides for various other matters consequential to, or otherwise integrally connected with the above, as more specifically stated hereinafter.

2. The brief background of various entities are as follows:

A) Ador Fontech Limited, (“**Transferor Company**” or “**ADFL**”) is a Listed Public Limited Company, incorporated under the provisions of the Companies Act, 1956, under CIN L31909KA1974PLC020010 and having its registered office at Belview, 7 Haudin Road, Bengaluru-560042, Karnataka, India. The Transferor Company was incorporated on 22nd August 1974 as a Private Limited Company under the name and style of Cosmics Electronics & Ancillaries Private Limited. Subsequently changed its name to Cosmics General Engineering Private Limited and a fresh incorporation certificate was issued consequently upon the change of name issued by the Registrar of Companies, Mumbai on 07th December 1979. Subsequently, the name of the Transferor Company was changed to Cosmics Fontech Limited and a fresh incorporation certificate was issued consequently upon the change of name by the Registrar of Companies, Mumbai on 21st October, 1988. Subsequently, the name of the Transferor Company was changed to ‘Ador Fontech Limited’ and a fresh incorporation certificate was issued consequently upon the change of name by the Registrar of Companies, Bangalore on 11th



For ADOR FONTECH LIMITED

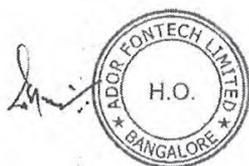

Company Secretary



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September, 1996. The equity shares of Transferor Company are listed on BSE Limited. JB Advani & Company Private Limited and Promoters together hold 39.23% in the Transferor Company. The Transferor Company is engaged in the business of 'Life enhancement of Industrial Components' which inter-alia includes providing products, services and solutions for reclamation, repairs and maintenance.

B) Ador Welding Limited, ("**Transferee Company**" or "**AWL**") is a Listed Public Limited Company incorporated under the provisions of the Indian Companies Act VII of 1913, under CIN L70100MH1951PLC008647 and having its registered office at Ador House, 6. K, Dubash Marg, Fort, Mumbai- 400001-16, Maharashtra, India. The Transferee Company was incorporated on 22nd October 1951 as a Private Limited Company under the name and style of J.B. Advani-Oerlikon Electrodes Private Limited. Subsequently it changed its name to 'Advani-Oerlikon Private Limited' and a fresh incorporation certificate was issued consequently upon the change of name by the Registrar of Companies, Mumbai on 27th November 1968. Thereafter, the name was changed to Advani - Oerlikon Limited and then to 'Ador Welding Limited' and a fresh certificate of incorporation was issued on 09th September 2003, by the Registrar of Companies, Maharashtra, Mumbai. The equity shares of Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited ("NSE Limited"). JB Advani & Company Private Limited and Promoters together hold 56.90% in the Transferee Company. The Transferee Company is engaged in the business of manufacturing & selling of various products such as welding and cutting equipment, CNC machines, welding automation products as well as welding accessories. The Transferee Company is also engaged in the business of Flares & Process Equipment.



For ADOR FONTECH LIMITED

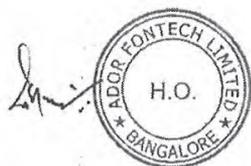
Prema K
Company Secretary



II) RATIONALE AND PURPOSE OF THE SCHEME

The Transferor Company and the Transferee Company are engaged in similar lines of business and complement each other. With an intent to expand the business and achieve larger product portfolio, economies of scale, efficiency, optimization of logistics and distribution network and other related economies by consolidating the business operations, the Board of Directors of the Transferor Company and the Transferee Company proposed to consolidate the business of the Transferor Company with the Transferee Company. The proposed amalgamation of the Transferor Company with the Transferee Company would, *inter alia*, have the following benefits:

1. Enable the consolidation of the Welding business of the Transferor Company with the Transferee Company to create one of the largest welding and cutting product manufacturer and refurbishment player in the industry.
2. Creation of a combined entity, hosting all products under the Transferee Company, thereby resulting in diversified portfolio of products, economies of scale, operational rationalization, efficiency of management, broader and deeper market presence and maximizing value for the shareholders.
3. Greater synergies between businesses and optimum use of manufacturing facilities, marketing strength, R & D facilities, optimized production, streamlining of supply chains, enhancing customer delight, brand strengthening and certifications resulting in productivity gains, thereby maximizing value for the shareholders.
4. Enable greater access to different market segments in conduct of its business and addition of new products in the portfolio would improve the competitive position of the combined entity.
5. Optimum use of infrastructure and organizational efficiency by pooling of financial, managerial, and technical resources, personnel, capabilities, skills, expertise and technologies of the Transferor Company and the Transferee Company, thereby significantly contributing to the future growth and



For ADOR FONTECH LIMITED


Company Secretary

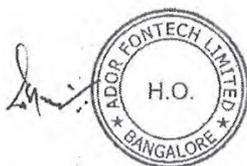


maximizing shareholder value.

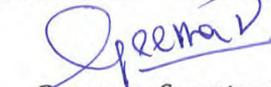
6. Better financial leverage, resulting in greater efficiency in cash and debt management and access to cash flow generated by the combined business, which can be deployed more efficiently to realize higher profits/margins for the combined entity.
7. Improved organizational capability and leadership, arising from the pooling of human capital, who have the diverse skills, talent and vast experience, to compete successfully in an increasingly competitive industry.
8. Cost savings because of standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.
9. Reduction in regulatory and legal compliances and avoidance of multiple records keeping.
10. Strengthening ability to face increasing competitive, regulatory, environmental and global risks, thereby resulting in sustainable and profitable long-term growth for the combined entity.

In view of the aforesaid, it is proposed to amalgamate the entire undertaking and business of the Transferor Company with the Transferee Company. Accordingly, this Scheme of Amalgamation is formulated for the transfer and vesting of the entire undertaking and business of the Transferor Company within and into the Transferee Company, pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act.

- III) Further, under the Scheme, there is no arrangement proposed to be entered into with the creditors, either secured and / or unsecured creditors of the Transferor Company and / or the Transferee Company. No compromise is offered under this Scheme to any of the creditors of the Transferor Company and / or the Transferee Company. The liability towards the creditors of the Transferor Company and / or



For ADOR FONTECH LIMITED


Company Secretary



the Transferee Company, under the Scheme, is neither being reduced nor being extinguished, but shall be assumed and discharged by the Transferee Company in its ordinary course of business.

IV) PARTS OF THE SCHEME

The Scheme is divided into following parts:

- Part I – Deals with the definitions of the terms used in this Scheme, details of share capital of the Companies, and Date of Operation of this Scheme
- Part II– Deals with the amalgamation of the Transferor Company with the Transferee Company.
- Part III– Deals with general clauses, terms and conditions, applicable to the Scheme.

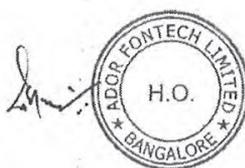
PART – I

Definitions, Share Capital and Date of Operation of the Scheme

1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- 1.1. **“Act” or “the Act”** means the Companies Act, 2013 and shall include any statutory modifications, re-enactment, or amendments thereof for the time being in force, and the rules and regulations made thereunder;
- 1.2. **“Applicable Law(s)”** means any statute, notification, bye laws, rules, regulations, guidelines, circulars or common law, policy, code, directives, ordinance, schemes, notices, orders, or instructions enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof, for the time being in force;

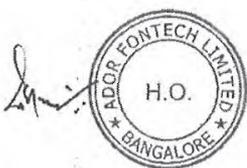


For ADOR FONTECH LIMITED

Company Secretary



- 1.3. **"Appointed Date"** means 01st April 2022, or such other date, as may be fixed or approved by Hon'ble National Company Law Tribunal or such other competent authority / Appropriate Authority;
- 1.4. **"Appropriate Authority"** means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization, to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, or any stock exchange of India or of any other country including the Registrar of Companies, Regional Director, Official Liquidator, Securities and Exchange Board of India, National Company Law Tribunal and such other sectoral regulators or authorities, as may be applicable;
- 1.5. **"Board of Directors"** or **"Board"** shall mean the Board of Directors of the Transferor Company or the Transferee Company, as the case may be or any committee thereof duly constituted, or any other person duly authorized by the Board for the purpose of this Scheme;
- 1.6. **"Effective Date"** means the last of the dates on which the authenticated copies or certified copies of the Order of NCLTs under Sections 230 to 232 of the Act sanctioning the Scheme is filed with Registrar of Companies by the Transferor Company and the Transferee Company. References in this Scheme to the date of "coming into effect of the Scheme" or "upon the Scheme becoming effective", or "effectiveness of the Scheme" and other similar expressions shall mean the Effective Date;

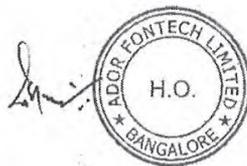


For ADOR FONTECH LIMITED


Company Secretary



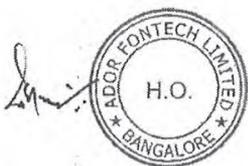
- 1.7. **“IT Act”** means the Income-tax Act, 1961, of India, including any statutory modifications, re-enactments, or amendments thereof for the time being in force;
- 1.8. **“NCLT” or “the Tribunal”** means the National Company Law Tribunal, Bench at Bengaluru and Mumbai in relation to the Transferor Company and the Transferee Company, respectively.
- 1.9. **“New Shares”** shall mean the shares of the Transferee Company, to be issued to the shareholders of the Transferor Company, in accordance with Clause 12.1.
- 1.10. **“Parties” / “Companies”** shall mean collectively the Transferor Company and the Transferee Company and **“Party” / “Company”** shall mean each of them, individually;
- 1.11. **“Record Date”** means such date, as may be mutually fixed by the Board of Directors of the Transferor Company and the Transferee Company for the purpose of reckoning names of Equity Shareholders of the Transferor Company, who shall be entitled to receive shares of the Transferee Company, upon coming into effect of this Scheme;
- 1.12. **“Registrar of Companies”** means the Registrar of Companies in Mumbai and Bengaluru;
- 1.13. **“Scheme” or “the Scheme” or “this Scheme” or “Scheme of Merger by Absorption” or “Scheme of Amalgamation”** means this Scheme of Amalgamation, in its present form, submitted to the NCLT or with any modification(s) made under Clause 20 of this Scheme or with such other modifications/amendments as the NCLT may direct;
- 1.14. **“SEBI”** means the Securities Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.



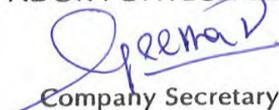
For ADOR FONTECH LIMITED
Prema D
Company Secretary



- 1.15. **"SEBI Circulars"** mean the circulars issued by Securities and Exchange Board of India in relation to the amalgamations and arrangements carried out under the Act and shall *inter-alia* refer to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 or SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November 2021, SEBI Circular dated 3rd January, 2022 and 1st February, 2022, as amended from time to time.
- 1.16. **"Stock Exchange"** means the stock exchange, where the equity shares of the Transferor Company and the Transferee Company are listed and admitted to trading, viz, BSE Limited for Transferor Company and Transferee Company and NSE Limited for Transferee Company;
- 1.17. **"Tax Laws"** mean IT Act, Customs Act, 1962, Central Excise Act, 1944, Value Added Tax Act, applicable to any state in which the Transferor Company and / or the Transferee Company operate, Central Sales Tax Act, 1956, any other State Sales Tax / Value Added Tax laws, or Service Tax, Goods and Service Tax or other applicable laws/ regulations dealing with taxes/ duties/ levies/cess.
- 1.18. **"Transferee Company"** or **"AWL"** means Ador Welding Limited having CIN L70100MH1951PLC008647 and registered office at Ador House, 6. K, Dubash Marg, Fort, Mumbai- 400001-16, Maharashtra, India.
- 1.19. **"Transferor Company"** or **"ADFL"** means Ador Fontech Limited having CIN L31909KA1974PLC020010 and registered office at Belview, 7 Haudin Road, Bengaluru – 560042, Karnataka, India.
- 1.20. **"Undertaking"** means and includes all the assets, properties, liabilities and the undertaking(s) and entire business(s) of the Transferor Company, of whatsoever nature and kind and wherever situated, on a going concern basis, which shall include, without limitation the following:

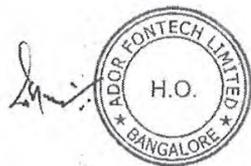


For ADOR FONTECH LIMITED


Company Secretary



- i. all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature, whether or not appearing in the books of accounts) of the Transferor Company, including, without limitation, sheds, godowns, warehouses, offices, plant and machineries, equipment, interests, capital work-in progress, rolling stocks, installations, appliances, tools, accessories, freeholds, leasehold or any other title, interests or right in such immovable assets, buildings and structures, offices, residential and other premises, furniture, fixtures, office equipment, computers and all stocks;
- ii. all current assets including inventories, sundry debtors, receivables, cash and bank accounts (including bank balances), fixed deposits, loans and advances, actionable claims, bills of exchanges and debit notes of the Transferor Company;
- iii. all investments (including shares, scrips, stocks, bonds, debentures, debenture stock, units of mutual funds, overseas investments and other securities), including dividends declared or interest accrued thereon of the Transferor Company;
- iv. all rights or benefits, benefits of any deposit, receivables, claims against any vendor or advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, hire purchase contracts, lending contracts, rights and benefits under any agreement, benefits of any security arrangements or under any guarantee, reversions, powers, tenancies in relation to the office and / or residential properties for the employees or other persons, vehicles, guest houses, godowns, share of any joint assets and other facilities;
- v. all rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other



For ADOR FONTECH LIMITED

Prema
Company Secretary



interests held in trusts, registrations, contracts, engagements, arrangement of all kinds, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Transferor Company or in connection with or relating to the said Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favor of or held for the benefit of or enjoyed by the Transferor Company;

- vi. all permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, accumulated tax losses, unabsorbed depreciation, minimum alternate tax credits, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto including licenses, powers and facilities of every kind, nature and description, whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
- vii. all licenses (including but not limited to licenses granted by any government, statutory or regulatory bodies for the purpose of carrying on the business or in connection therewith), approvals, authorizations, permissions including municipal permissions, consents, registrations including import registrations, certifications, no objection certificates, quotas including import quotas, rights, permits including import permits, exemptions, subsidies, tax deferrals, credits (including Cenvat Credits, sales tax credits, Good and Service Tax credits and income tax credits), privileges, advantages and all other rights and facilities of every kind, nature and description, whatsoever, of the Transferor Company;
- viii. all agreements, contracts, arrangements, understandings, engagements, deeds and instruments including lease / license agreements, tenancy rights, equipment purchase agreements, master service agreements, loan license agreements, third party manufacturing agreements and other agreements with the customers, purchase and other agreements / contracts with the

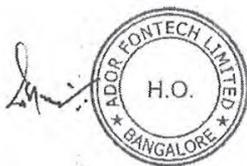


For ADOR FONTECH LIMITED

Prema D
Company Secretary



- supplier / manufacturer of goods / service providers and all rights, title, interests, claims and benefits there under of the Transferor Company;
- ix. all application monies, advance monies, earnest monies and / or security deposits paid or deemed to have been paid and payments against other entitlements of the Transferor Company;
- x. all debts, borrowings, obligations, duties and liabilities, both present and future, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any kind, nature or description, whether fixed, contingent or absolute, asserted or un-asserted, matured or un-matured, liquidated or un-liquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability) pertaining to the Transferor Company;
- xi. all intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, goodwill, domain names, including applications for trademarks, trade names, service marks, copyrights, patents, designs and domain names, used by or held for use by the Transferor Company, whether or not recorded in the books of accounts of the Transferor Company, and other intellectual rights of any nature, whatsoever (including applications for registrations of the same and the right to use such intellectual property rights), books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of the Transferor Company, whether used or held for use by it; and



For ADOR FONTECH LIMITED

[Handwritten Signature]
Company Secretary



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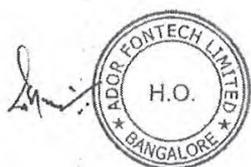
xii. any and all permanent employees, who are on the payroll of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the Transferor Company, at its respective offices, or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company.

2. In this Scheme, unless the context otherwise requires:

- a) Words denoting the singular shall include the plural and vice versa;
- b) Headings and bold typefaces are only for convenience and shall be ignored for the purpose of interpretation;
- c) Reference to the word “include” or “including” shall be construed without limitation;
- d) A reference to a clause, section or part is, unless indicated to the contrary, a reference to a clause, section or part of this Scheme;
- e) Unless otherwise defined, the reference to the word “days” shall mean calendar days;
- f) Reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- g) Word(s) and expression(s) elsewhere defined in the Scheme shall have the meaning(s) respectively ascribed to them; and
- h) All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other Applicable Laws.

3. **DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or in terms of this Scheme shall take effect from the Appointed Date but shall be operative from the Effective Date.



For ADOR FONTECH LIMITED

Prema D
Company Secretary



4. SHARE CAPITAL OF PARTIES

4.1. The share capital of Transferor Company as on 31st March 2022, is as follows:

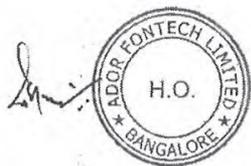
Particulars	Amount (INR)
Authorized Capital	
5,00,00,000 Equity Shares of Rs. 2 each	10,00,00,000
Total	10,00,00,000
Issued, Subscribed & Paid-up Capital	
3,50,00,000 Equity Shares of Rs. 2 each	7,00,00,000
Total	7,00,00,000

Subsequent to 31st March 2022 and up to the date of approval of the Scheme by the Board of Directors of Transferor Company, there has been no change in the authorized, issued, subscribed and paid-up equity share capital of the Transferor Company. The equity shares of the Transferor Company are listed on BSE Limited.

4.2. The share capital of Transferee Company, as on 31st March 2022 is as follows:

Particulars	Amount (INR)
Authorized Capital	
3,00,00,000 Equity Shares of Rs. 10 each	30,00,00,000
Total	30,00,00,000
Issued, Subscribed and Paid-up Capital	
1,35,98,467 Equity Shares of Rs. 10 each	13,59,84,670
Total	13,59,84,670

Subsequent to 31st March 2022 and up to the date of approval of the Scheme by the Board of Directors of the Transferee Company, there has been no change in the authorized, issued, subscribed and paid-up equity share capital of the Transferee Company. The equity shares of the Transferee Company are listed on BSE Limited and on NSE Limited.



For ADOR FONTECH LIMITED

[Signature]
Company Secretary

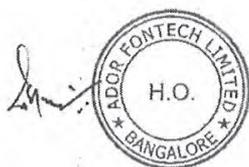


PART – II

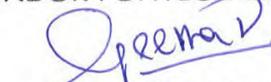
Amalgamation of Transferor Company with the Transferee Company

5. **Transfer and Vesting of Undertaking**

- 5.1. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all properties, assets, liabilities and Undertaking(s) of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, under the provisions of Section 230 to 232 of the Act and all other applicable provisions, if any, of the Act and also in accordance with section 2(1B) of the IT Act, without any further deed or act, subject to existing charges or *lis pendens*, if any thereon, in favour of banks/financial institutions.
- 5.2. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all immovable properties of the Transferor Company, whether freehold or leasehold, and any documents of title, rights, agreements to sell / agreements of sale and easements in relation thereto, shall stand vested in the Transferee Company, without any act or deed done by the Transferee Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation / substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the NCLT and in accordance with the terms hereof. The Transferor Company shall take all steps, as may be necessary, to ensure that lawful, peaceful, and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company.
- 5.3. Notwithstanding anything contained in this Scheme, with respect to the immovable properties in the nature of land and buildings situated in India, whether owned or leased, for the purpose of, inter alia, payment of stamp duty, registration



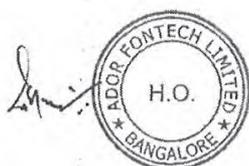
For ADOR FONTECH LIMITED


Company Secretary



fees or other similar taxes or fees, if the Transferee Company so decides, the Transferor Company and Transferee Company, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty, registration fees or other similar taxes or fees (if required under applicable law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.

- 5.4. All lease and license agreements, if any, entered into by the Transferor Company with landlords, owners, and lessors in connection with the use of the assets of the Undertaking, together with security deposit, shall stand automatically transferred in favor of the Transferee Company on the same terms and conditions, subject to applicable law, without any further act, instruments, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent amounts, as provided for in such agreement and shall comply with the other terms, conditions, and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreement by the Transferor Company.
- 5.5. Without prejudice to the generality of the foregoing, with effect from the Appointed Date, it is expressly provided that in respect of such of the assets of the Transferor Company that are movable in nature and / or are otherwise capable of transfer by manual or constructive delivery and / or endorsement and delivery or novation, the same shall be deemed to have been so transferred by Transferor Company and shall become the property of the Transferee Company, in pursuance of the provisions of section 230 to 232 of the Act, without any further act, instrument, deed, matter or thing.
- 5.6. In respect of movables, other than those dealt with in Clause 5.5 above, including sundry debts, receivables, bills, credits, loans and advances, if any, whether



For ADOR FONTECH LIMITED


Company Secretary

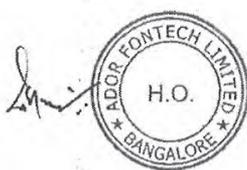


recoverable in cash or in kind or for value to be received, bank balances, property development rights, investments, earnest money and deposits with any Government, quasi Government, local or other authority or body or with any Company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company, without any notice or other intimation to the debtors (although the Transferee Company may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).

- 5.7. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all liabilities relating to and comprised in the Undertaking of Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description, whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing.
- 5.8. The transfer and vesting, as aforesaid, shall be subject to subsisting charges, if any, in respect of any assets of the Transferor Company.

PROVIDED always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed by the Transferor Company and the Transferee Company shall not be obliged to create any further or additional security in relation to subsisting charges, if any, thereof after the date of approval of this Scheme by the NCLT or otherwise.

- 5.9. Upon the Scheme becoming effective, all staff, workmen and employees, as



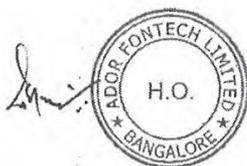
For ADOR FONTECH LIMITED

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detailed under Clause 1.20(xii) above in relation to the Transferor Company, shall become the staff, workmen and employees of the Transferee Company, without any further act or deed to be done by the Transferor Company or the Transferee Company.

- 5.10. Upon approval of the Scheme by the Tribunal, the Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorized to execute any such writings, on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above, on part of the Transferor Company.
- 5.11. Pursuant to this Scheme becoming effective, the Transferee Company shall be entitled to secure the record of the change in the legal ownership upon the vesting of the assets of the Transferor Company in accordance with the provisions of Sections 230 to 232 of the Act. The Transferor Company and the Transferee Company shall be jointly and severally authorized to execute any writings and / or carry out any formalities or compliance in this regard.
- 5.12. All taxes, duties, cess payable by the Transferor Company including all or any refunds / credit / claims pertaining to the period prior to the Appointed Date shall be treated as the liability or refunds / credit / claims, as the case may be, of the Transferee Company.
- 5.13. All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, patents, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable



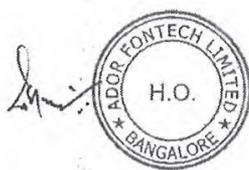
For ADOR FONTECH LIMITED


Company Secretary



provisions of the Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company, so as to become, as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

- 5.14. All the Insurance policies registered in the name of the Transferor Company, which are active as on the date of approval of the Scheme by the Tribunal and which can be transferred/assigned shall, pursuant to the provisions of Section 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of the Transferee Company and accordingly, the insurance companies shall record the name of the Transferee Company in all the insurance policies registered in the name of the Transferor Company, so as to ensure that all the rights and privileges under all such policies available to the Transferor Company and / or to any other person/director/employee of such Transferor Company, whether in the capacity of the Policy Holder or Owner or Insured or the Beneficiary, as the case may be, be available to the benefit of the Transferee Company and / or to any other person/director/employee of the Transferee Company, as the case may be, on the same terms and conditions, as they were applicable to the Transferor Company concerned and upon such transfer/assignment, all such policies shall be effective in favour of the Transferee Company, as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. However, for the insurance policies, which do not permit such transfer/assignment, the Transferee Company may make fresh application(s) to the concerned authority/insurance Company(ies) on such terms and conditions, as may be prescribed. It is hereby clarified that all the costs and / or expenses and / or premiums, in relation to the transfer/assignment/of the



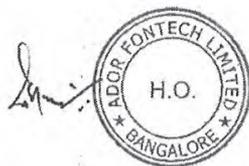
For ADOR FONTECH LIMITED

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insurance policies in the name of Transferor Company shall be borne by the Transferee Company and the Transferor Company shall have no further obligations in this regard.

- 5.15. All the brands and trademarks (including logo and right to use the trademarks) of the Transferor Company, including registered and unregistered trademarks, along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights, trademarks, and all such other industrial and intellectual property rights of whatsoever nature, shall stand transferred to and vest in and deemed to be transferred to and vested in the Transferee Company. The Transferee Company shall take such actions, as may be necessary and permissible to get the same transferred and / or registered in the name of the Transferee Company.
- 5.16. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all existing and future incentives, un-availed credits and expenditures, exemptions and deductions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT credit under the IT Act), excise (including Modvat / Cenvat), customs, VAT, sales tax, service tax, GST including the IGST input tax credit, CGST input tax credit and SGST input tax credit for the registrations of the Transferor Company in all the states, to which the Transferor Company is entitled to, shall be available to and vest in the Transferee Company and deemed to be available to and vested in the Transferee Company.
- 5.17. The Transferee Company shall file relevant intimations, for the record of the statutory authorities signifying the transfer of the assets / properties including but not limited to permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions, and other authorizations of the Transferor Company.
- 5.18. It is hereby clarified that all assets and liabilities appearing in the books of account of the Transferor Company, as on the Appointed Date, which are set forth in the closing balance sheet of the Transferor Company, as of the opening of business



For ADOR FONTECH LIMITED

Prema D
Company Secretary



hours on the Appointed Date, shall be transferred to the Transferee Company.

- 5.19. The Transferee Company shall, under the provisions of the Scheme be deemed to be authorized to execute any such writings, on behalf of the Transferor Company, to implement and carry out all formalities and compliances, if required, referred to above.

6. LEGAL, TAXATION AND OTHER PROCEEDINGS

- 6.1. Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or Tribunal or Court authorities, as the case be) by or against the Transferor Company, pending on the Effective Date, shall be continued and / or enforced by or against the Transferee Company, as effectually and in the same manner and to the same extent, as if the same had been instituted by or against the Transferee Company.
- 6.2. If any suit, appeal or other proceeding, of whatever nature, by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent, as it would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.
- 6.3. In case of any litigation, suits, recovery proceedings, which are to be initiated or may be intimated against the Transferor Company, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.



For ADOR FONTECH LIMITED
Prema D
Company Secretary

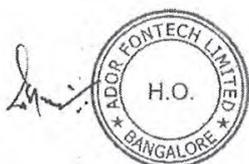


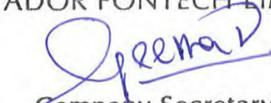
7. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 7.1. Upon coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements, escrow arrangements and other instruments, of whatsoever nature, in relation to the Transferor Company, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.
- 7.2. The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings, confirmations or novations or tripartite arrangements with any party to any contract or arrangements to which the Transferor Company is a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions.
- 7.3. On the Scheme becoming effective, such contracts / escrow arrangements / deeds / any other arrangements shall stand transferred to or deemed to be transferred to the Transferee Company, without any further act or instrument or deed and further it shall not be necessary to obtain the consent of any third party or other person, who is party to any such contract / escrow arrangements / deeds / any other arrangements.

8. CONDUCT OF BUSINESS UNTIL AND AFTER EFFECTIVE DATE

- 8.1. With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall carry on and be deemed to have carried on its business and activities and shall be deemed to have held and stood possessed of and shall



For ADOR FONTECH LIMITED

Company Secretary



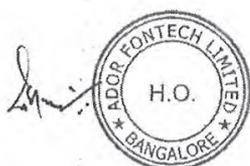
hold and stand possessed of its entire business for and on account of and in trust for the Transferee Company;

- i. All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred by the Transferor Company shall, for all purposes, be treated and deemed to be the profits or income or expenditure or losses (as the case may be) of the Transferee Company; and
- ii. The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, without the prior consent of the Transferee Company.
- iii. The Transferee Company shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, without the prior consent of the Transferee Company.

8.2. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned, as are necessary under any law for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Company.

8.3. For the avoidance of any doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified as follows:

8.3.1. With effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment, which are in the name of the



For ADOR FONTECH LIMITED

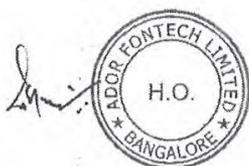

Company Secretary



Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, till the time any regulatory registrations of the Transferor Company are closed / suspended and regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations.

8.3.2. With effect from the Effective Date, the Transferee Company shall be entitled to use all packed / labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, brochures, other publicity material, etc. lying unused with the Transferor Company or their vendors, suppliers or third party or in their supply chain or distribution channel and which the Transferor Company is entitled to use under any statutes/ regulations, till such time as all of such stock is exhausted, without making any amendment on those goods or materials.

8.3.3. With a view to avoid any disruption of business, to ensure continuity of operations and exports and to maintain the same quality of products, with effect from the Effective Date and till such time all critical licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company are transferred, recorded, effected and / or perfected, in the record of the relevant governmental / regulatory authorities in all applicable jurisdictions in favour of Transferee Company, the Transferee Company shall carry on and be deemed to have been carrying on all the business and activities of the Transferor Company in the name and style of the Transferor Company and under the relevant licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of the Transferor Company. Further, during such period, the Transferee Company can procure or use or manufacture, all material and product including packed / labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, brochures, other publicity material, etc. in the name and form/format of



For ADOR FONTECH LIMITED


Company Secretary

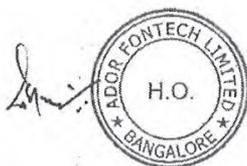


the Transferor Company.

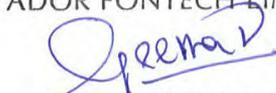
9. STAFF, WORKMEN AND EMPLOYEES

9.1. Upon the coming into effect of this Scheme, all staff, workmen and employees, who are on the payroll of the Transferor Company shall become the staff, workmen and employees of the Transferee Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Transferor Company shall become employees/personnel on contract basis, contract labourers and inters/trainees, as the case may be of the Transferee Company with effect from the Effective Date, on such terms and conditions as are not less favorable than those on which they are currently engaged by the Transferor Company, without any interruption of service, as a result of this Scheme. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, upon this Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes, whatsoever, including with regard to the obligation to make contributions to relevant authorities, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company, for such purpose, shall be treated as having been continuous.

9.2. The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme (including without limitation any employees stock option plan) or benefits created by the Transferor Company for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the



For ADOR FONTECH LIMITED


Company Secretary

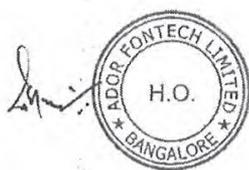


Transferee Company for such purpose. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Transferee Company to the existing funds maintained by the Transferor Company.

- 9.3. The Transferee Company undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Transferor Company, the past services of such employees with the Transferor Company shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Transferor Company will transfer/handover to the Transferee Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its staff, workmen and employees and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities, relating to benefits transferred pursuant to this sub-clause.
- 9.4. The Transferee Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Transferor Company with any of its employees prior to Appointed Date and from Appointed Date till the Effective Date.

10. **SAVING OF CONCLUDED TRANSACTIONS**

The transfer and vesting of the Undertaking under Clause 5 above, and the continuation of proceedings by or against the Transferee Company in Clause 6 above shall not affect any transactions or proceedings already concluded or liabilities incurred, or any liabilities discharged by the Transferor Company, on or after the Appointed Date till the Effective Date, to the end and intent that the



For ADOR FONTECH LIMITED


Company Secretary



Transferee Company shall accept and adopt all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

11. INTER-SE TRANSACTIONS

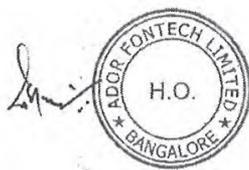
11.1. Without prejudice to the aforesaid Clauses, with effect from the Appointed date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument, or deed.

11.2. Further, it is clarified that the above clause has no impact, whatsoever, on any taxes in the form of income-tax, goods and service tax, service tax, works contract tax, value added tax etc. paid on account of such transactions. The taxes paid shall be deemed to have been paid by or on behalf of the Transferee Company and on its own account and therefore, the Transferee Company will be eligible to claim the credit / refund of the same and is also entitled to revise returns, as may be necessary, to give effect to the same.

12. CONSIDERATION

12.1. Upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company in the Transferee Company pursuant to Part II of this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot equity shares ("New Shares"), on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members, as member of the Transferor Company, as on the Record Date, as follows:

"5 (Five) equity shares of AWL having a face value of INR 10/- each fully paid-up shall be issued for every 46 (Forty-six) equity shares held in ADFL having a face



For ADOR FONTECH LIMITED

[Handwritten Signature]
Company Secretary



value of INR 2/- each fully paid-up”

- 12.2. The equity shares to be issued and allotted pursuant to amalgamation of the Transferor Company with the Transferee Company, under this Scheme, shall be subject to the provisions of the Memorandum of Association and Articles of Association of Transferee Company and shall rank pari passu in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the shares of the Transferee Company.
- 12.3. The issue and allotment of the shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, as may be applicable, were duly complied with. It is clarified that the approval of the members of the Transferee Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of shares of the Transferee Company.
- 12.4. The New Shares to be issued by the Transferee Company shall be issued in dematerialized form to those members of the Transferor Company, as on the Record Date, who hold shares of the Transferor Company in dematerialized form, into the account in which shares of the Transferor Company are held or such other account, as is intimated in writing by the members of the Transferor Company and/or its registrar, provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. All those members, as on the Record Date, who hold shares of the Transferor Company in physical form shall also receive the New Shares to be issued by the Transferee Company, in dematerialized form, provided the details of their account with the depository participant are intimated in writing to the Transferor Company and/or its registrar, provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. If no



For ADOR FONTECH LIMITED

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Company Secretary

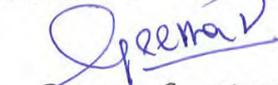


such intimation is received from any member who holds shares of the Transferor Company in physical form 7 (seven) days before the Record Date, or if the details furnished by any member do not permit electronic credit of the shares of the Transferee Company, then the Transferee Company shall deal with the relevant equity shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding shares in dematerialized form to a trustee nominated by the Board of the Transferee Company (“Trustee of Transferee Company”) who shall hold these equity shares in trust for the benefit of such shareholder. The equity shares of the Transferee Company held by the Trustee of the Transferee Company for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trustee of the Transferee Company, along with such other documents as may be required by the Trustee of the Transferee Company. The respective shareholders shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of equity shares from the Trustee of the Transferee Company.

- 12.5. For the purpose of allotment of the shares, pursuant to this Scheme, in case any shareholder holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders, to whom they belong, for the specific purpose of selling such shares in the market at such price or prices within 90 days from the date of allotment of shares and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from



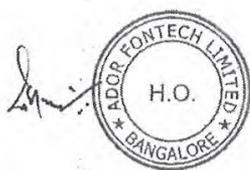
For ADOR FONTECH LIMITED


Company Secretary

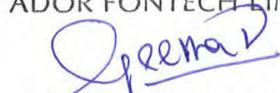


such net proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements.

- 12.6. On approval of this Scheme by members of the Transferee Company pursuant to Sections 230-232 of the Act and / or relevant provisions of the Act, if applicable, it shall be deemed that the said members have also accorded their consent under Sections 13, 42, 61 and 62 of the Act and / or any other applicable provisions of the Act and rules and regulations framed thereunder, as may be applicable for the aforesaid issuance of shares of the Transferee Company, and no further resolution or actions shall be required to be undertaken by the Transferee Company under Sections 13, 42, 61 or 62 of the Act or any other applicable provisions of the Act and rules and regulations framed thereunder.
- 12.7. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer, as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company, after the effectiveness of this Scheme.
- 12.8. The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company, which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance.
- 12.9. The shares to be issued by the Transferee Company, in lieu of the shares of the Transferor Company held in the respective unclaimed suspense account of the Transferor Company shall be issued to a new unclaimed suspense account created for shareholders of the Transferor Company.
- 12.10. In the event, any or both the Parties restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme,



For ADOR FONTECH LIMITED


Company Secretary



the share exchange ratio, stated in Clause 12.1 above, shall be adjusted accordingly, to consider the effect of any such corporate actions undertaken by such Party.

12.11. If necessary, the Transferee Company shall, before allotment of the equity shares in term of the Scheme, increase, reclassify, and / or restructure its authorized share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.

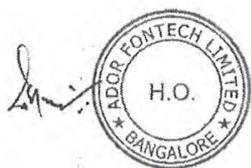
12.12. The Transferee Company shall apply for listing of New Shares allotted by Transferee Company on the Stock Exchange in terms of and in compliance of SEBI Circular and other relevant provisions, as may be applicable. The New Shares allotted by the Transferee Company, pursuant to the Scheme, shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchange.

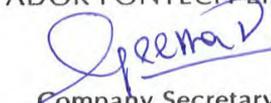
12.13. The Transferee Company shall enter into such arrangements and give such confirmations and / or undertakings, as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchange and SEBI Circular.

13. ACCOUNTING TREATMENT

Upon the Scheme becoming effective and with effect from the Appointed Date, the amalgamation of the Transferor Company, with the Transferee Company shall be accounted for in accordance with "Pooling of Interest Method" in accordance with the principles laid down in Appendix C (i.e. Business Combinations under Common Control) of the Indian Accounting Standard (Ind AS) 103-"Business Combination" notified under Section 133 of the Act read with the applicable rules issued thereunder and as amended from time to time such that:

13.1. The Transferee Company shall record all the assets and liabilities of the Transferor Company vested in it pursuant to this Scheme, at the respective book values as



For ADOR FONTECH LIMITED

Company Secretary

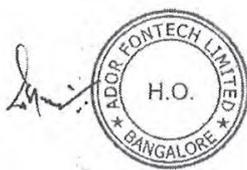


appearing in the books of the Transferor Company.

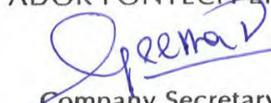
- 13.2. The identity of the reserves of the Transferor Company shall be preserved and shall appear in the financial statements of the Transferee Company in the same form and at the same values as they appear in the financial statements of the Transferor Company.
- 13.3. Pursuant to the amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any, shall stand cancelled.
- 13.4. The nominal value of New Shares issued by the Transferee Company pursuant to clause 12.1 above shall be credited to the share capital account of the Transferee Company.
- 13.5. The surplus/deficit, if any arising after taking the effect of clause 13.1, 13.2 and 13.4 after giving the effect of the adjustments referred to in clause 13.3, shall be transferred to capital reserve in the financial statements of the Transferee Company.
- 13.6. In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies and impact of difference, if any, will be adjusted against retained earnings of the Transferee Company.
- 13.7. The financial information in the financial statements of the Transferee Company in respect of prior periods would be restated as if the aforesaid business combination had occurred from the beginning of the earliest period presented in the financial statements, irrespective of the actual date of the combination.

14. **COMPLIANCE WITH TAX LAWS**

- 14.1. This Scheme has been drawn up to comply with the conditions relating to “Amalgamation”, as specified under Section 2(1B) of the IT Act and other relevant provisions of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date



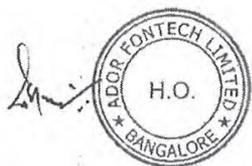
For ADOR FONTECH LIMITED


Company Secretary



including resulting from a retrospective amendment of law or for any other reason, whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act and other relevant provisions of the IT Act.

- 14.2. On or after the Effective Date, the Transferee Company is expressly permitted to revise, its financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including for the purpose of re-computing minimum alternative tax, and claiming other tax benefits), Service Tax law, VAT law, Goods and Service Tax law and other tax laws, and to claim refunds and / or credits for taxes paid (including tax on book profits, MAT credit and foreign tax credit) and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme as per relevant applicable laws.
- 14.3. All tax assessment, reassessment and recomputation proceedings / appeals (including application and proceedings in relation to advance ruling) of whatsoever nature by or against the Transferor Company pending and / or arising at on the Appointed Date and relating to the Transferor Company shall be continued and / or enforced until the Effective Date, by the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued and enforced by or against the Transferor Company.
- 14.4. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 14.5. Any tax liabilities including but not limited to liabilities under the IT Act, Tax Treaties, Customs Act 1962, Service Tax laws, VAT laws, Goods and Service Tax laws or other applicable laws / regulations dealing with taxes / duties / levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provisions in the accounts made as on the date immediately preceding the Appointed Date, shall be transferred to the Transferee Company.



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



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- 14.6. Any refund including but not limited to refund under the IT Act, foreign tax laws, Customs Act 1962, Service Tax laws, VAT laws, Goods and Service Tax laws or other applicable laws / regulations dealing with taxes / duties / levies allocable or related to the business of the Transferor Company, due to the Transferor Company, consequent to the assessment made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 14.7. All taxes including income-tax, minimum alternate tax, foreign taxes, custom duty, service tax, goods and service tax, etc. paid or payable by the Transferor Company in respect of their operations and / or on the profits of the business before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income-tax, minimum alternate tax, custom duty, service tax, goods and service tax, etc.), whether by way of deduction of tax at source, advance tax or otherwise, howsoever, by the Transferor Company in respect of their profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by the Transferor Company / Transferee Company on payables to the Transferee Company / Transferor Company, on account of inter-se transactions, which have been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any goods and service tax paid by the Transferor Company / Transferee Company to the Transferee Company / Transferor Company, on account of inter-se transactions, which have been deemed not to be accrued, shall be deemed to have been paid by or on behalf of the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 14.8. All deductions, otherwise admissible to the Transferor Company including payment admissible on actual payment or on deduction of appropriate taxes or on



For ADOR FONTECH LIMITED

A handwritten signature in blue ink, appearing to read "Sreenidhi", is written over the text "Company Secretary".

Company Secretary

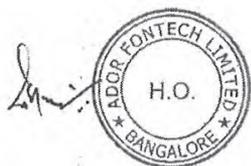


payment or tax deducted at source (such as u/s 40, 40A, 43B, etc. of the Income Tax Act, 1961), shall be available for deduction to the Transferee Company, as it would have been available to the Transferor Company.

- 14.9. After the Appointed Date, obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company including but not limited to obligation under the IT Act, customs law, goods and service tax law or other applicable laws / regulations dealing with taxes / duties / levies, shall be made or deemed to have been made and duly complied with by the Transferee Company. Without prejudice to the generality of the above, all benefits, incentives, losses, credit for tax including on book profits, accumulated losses, credits (including, without limitation income tax, excise duty, service tax, applicable state value added tax, Cenvat Credit, goods and service tax credit, etc.) to which the Transferor Company is entitled to, in terms of applicable laws, shall be available to and vest in the Transferee Company on and after the Appointed Date, even if such credits have not been availed off in the books as on the date of transfer. Also, the Transferee Company will be entitled to avail Cenvat Credit / Goods and Service Tax Credit after the Appointed Date in respect of all duties / taxes where the documents are in the name of the Transferor Company. Further, licenses issued to the Transferor Company by any regulatory authorities, if any, and all benefits and tax credits, if any, associated with it shall stand transferred to the Transferee Company, upon the Scheme becoming effective.

15. **DISSOLUTION OF THE TRANSFEROR COMPANY WITHOUT WINDING UP**

Subject to an order being made by / under Section 230 to 232 of the Act, the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective, in accordance with the provision of the Act and the Rules made hereunder.



For ADOR FONTECH LIMITED

Company Secretary



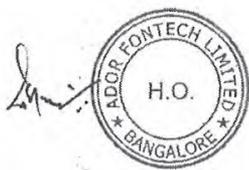
16. **COMBINATION OF AUTHORISED SHARE CAPITAL**

16.1. Upon the Scheme becoming effective, the Authorised Share Capital of the Transferor Company shall stand transferred, re-organised, credited and merged with that of the Transferee Company with payment of additional fees and stamp duty, if any, after setoff of the fees and stamp duty already paid by the Transferor Company and the Authorised Share Capital of the Transferee Company will be increased to that effect, by just filing requisite forms and no separate procedure shall be followed under the Act. Consequently, the Memorandum of Association of the Transferee Company, shall, without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and other applicable provisions of the Act.

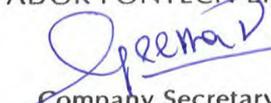
16.2. Accordingly, the words and figures in Clause 5 of the Memorandum of Association of the Transferee Company shall stand modified and be substituted to read as follows:

“The authorized share capital of the company is Rs.40,00,00,000/- (Forty Crores only) divided into 4,00,00,000 (Four Crores only) equity shares of Rs.10 (Rupees Ten) each with power to the Company to increase or reduce the capital of the Company and to divide the share capital for the time being into several classes and to attach thereto, respectively, such preferential, deterred, qualified or special rights, privileges or conditions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Companies Act, 2013, or any statutory modification or re-enactment thereof for the time being in force or as provided by the Articles of Association of the Company”

16.3. The approval of this Scheme under Sections 230 to 232 of the Companies Act, 2013 shall be deemed to have the approval under Section 13, 61 and other applicable provisions of the Companies Act, 2013, and any other approvals required in this regard. It is clarified that the approval of the members of the Transferee Company



For ADOR FONTECH LIMITED


Company Secretary



to the Scheme shall be deemed to be their approval also to the alteration to the Memorandum of Association of the Transferee Company, as may be required under the Act.

PART - III

GENERAL CLAUSES, TERMS AND CONDITIONS

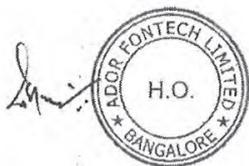
17. DIVIDENDS

17.1. The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends to their respective shareholders in respect of the accounting period commencing from and after Appointed Date and up to the Effective Date. The dividend, if any, shall be declared by the Transferor Company only with the prior written consent of the Board of Directors of the Transferee Company.

17.2. It is clarified that the provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholders of the Transferor Company and / or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company, subject to such approval of the shareholders, as may be required.

18. VALIDITY OF RESOLUTIONS

Upon the coming into effect of the Scheme, the resolutions passed by the Board of Directors and / or shareholders of the Transferor Company, as are considered necessary by the Board of Directors of the Transferee Company and which are valid and subsisting shall continue to be valid and subsisting and be considered as the resolutions of the Transferee Company and if any such resolutions have monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of



For ADOR FONTECH LIMITED

Prema D
Company Secretary



Directors of the Transferee Company, shall be added to the limits, if any, under like resolutions passed by the Board of Directors and / or the shareholders of the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

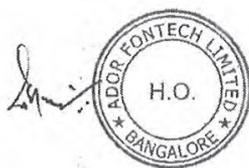
19. **APPLICATIONS TO THE NCLT**

The Transferor Company shall make applications to the NCLT, Bengaluru Bench and the Transferee Company shall make applications to the NCLT, Mumbai Bench, since the registered office of Transferor Company is situated in Bengaluru and Transferee Company is situated in Mumbai, for sanctioning this Scheme under Sections 230-232 of the Act, for orders thereof, for carrying this Scheme into effect.

20. **MODIFICATIONS/AMENDMENTS TO THE SCHEME**

20.1. Subject to approval of NCLT, the Parties through their respective Board of Directors including any Committee of Directors or other persons, duly authorised by the Board of Directors in this regard, may make, or assent to, any alteration or modification to this Scheme or to any conditions or limitations or orders, which the NCLT or any other Competent Authority may deem fit to direct, approve or impose and may give such directions, as they may consider necessary, to settle any doubt, question or difficulty, arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this Scheme into effect. The shareholders approving the Scheme, shall be deemed to have given their consent to the proposed modification to the Scheme, without any further recourse to them.

20.2. If any part or provision of this Scheme is found to be unworkable for any reason,



For ADOR FONTECH LIMITED

Company Secretary

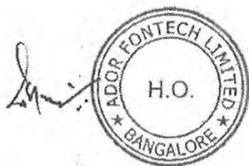


whatsoever, the same shall not, subject to the decision of the Board of Directors of the Transferor Company and the Transferee Company, affect the validity of implementation of the other parts and / or provisions of the Scheme. If any part or provision of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company, that such part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part or provision, as the case may be, shall cause this Scheme to become materially adverse to the Transferor Company and / or to the Transferee Company, in which case the Transferor Company and / or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and / or the Transferee Company, the benefits and obligations of the Scheme, including but not limited to such part or provision.

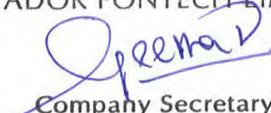
21. SCHEME CONDITIONAL ON APPROVALS /SANCTIONS

21.1. The Scheme is conditional upon and subject to:

- i. Approval of Appropriate Authorities and receipt of 'No Objection letter' from Stock Exchanges, where such approval or consent is necessary;
- ii. the approval of the Scheme by the requisite majority of the respective creditors and such class of persons of the Transferor Company and Transferee Company, as required in terms of the applicable provisions of the relevant Act as well as any requirements that may be stipulated by the Appropriate Authority in this respect;
- iii. the approval of the shareholders of Transferor Company and Transferee Company, through e-voting and / or other mode, as may be required under any applicable law and the SEBI Circular. The scheme is conditional upon Scheme being approved by the public shareholders through e-voting in terms of Para 10(a) of Part I of SEBI Master Circular No.



For ADOR FONTECH LIMITED


Company Secretary



SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November 2021 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

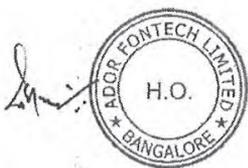
- iv. sanction of the Appropriate Authority, being obtained under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act, if so required on behalf of the Transferor Company and the Transferee Company;
- v. the necessary certified copies of the order under Sections 230 to 232 of the Act, and other applicable provisions of the Act are duly filed with the Registrar of Companies; and
- vi. all other sanctions and approvals, as may be required by law in respect of this Scheme, being obtained.

22. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Transferor Company, the Transferee Company, Governmental Authorities and all concerned parties, without any further act, deed, matter or thing.

23. COSTS

All costs, charges, levies and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of the Transferor Company and Transferee Company, respectively in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be borne and paid for by the Transferor Company and Transferee Company respectively, unless otherwise determined by the Boards of Directors of the Transferor Company and the Transferee Company.



For ADOR FONTECH LIMITED

[Signature]
Company Secretary



24. **SEVERABILITY**

24.1. If any part of this Scheme is found to be unworkable for any reason, whatsoever, the same shall not, subject to the decision of the Transferor Company and / or the Transferee Company, affect the validity or implementation of the other parts and / or provisions of this Scheme.

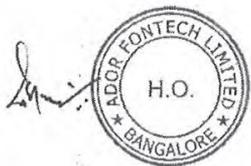
24.2. In the event of any inconsistency between any of the terms and conditions of any earlier arrangement amongst the Transferor Company and the Transferee Company and their respective shareholders, and the terms and conditions of this Scheme, the latter shall prevail.

25. **PROPERTY IN TRUST**

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Undertaking of the Transferor Company are transferred, vested, recorded, effected and / or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favor of the Transferee Company, such Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement, as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time, as may be mutually agreed by the relevant Parties, the Transferor Company will continue to hold the property and / or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Transferee Company.

26. **REMOVAL OF DIFFICULTIES**

The Transferor Company and the Transferee Company through mutual consent and acting through their respective Boards, jointly and as mutually agreed in writing, may



For ADOR FONTECH LIMITED

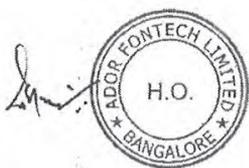

Company Secretary



give such directions (acting jointly) and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions, arising under this Scheme, whether by reason of any orders of NCLT or of any directive or orders of any Appropriate Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and / or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner, whatsoever, connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those, to the extent permissible under Applicable Law; and do all such acts, deeds and things, as may be necessary, desirable or expedient for carrying the Scheme into effect.

27. EFFECT OF NON-RECEIPT OF APPROVALS

- 27.1. In the event if / of, any of the said sanctions and approvals referred to in Clause 21 not being obtained and / or the Scheme not being sanctioned by the NCLT or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto, as is contemplated hereunder or as to any rights and / or liabilities, which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out, as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Upon the termination of this Scheme, as set out in above clause, no rights and liabilities shall accrue to or be incurred by respective Parties or their shareholders or creditors or employees or any other persons. In such case, each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.
- 27.2. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect, if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity, post the amalgamation.



For ADOR FONTECH LIMITED

Company Secretary

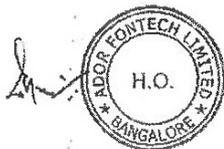


give such directions (acting jointly) and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions, arising under this Scheme, whether by reason of any orders of NCLT or of any directive or orders of any Appropriate Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and / or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner, whatsoever, connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those, to the extent permissible under Applicable Law; and do all such acts, deeds and things, as may be necessary, desirable or expedient for carrying the Scheme into effect.

27. EFFECT OF NON-RECEIPT OF APPROVALS

27.1. In the event if / of, any of the said sanctions and approvals referred to in Clause 21 not being obtained and / or the Scheme not being sanctioned by the NCLT or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto, as is contemplated hereunder or as to any rights and / or liabilities, which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out, as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Upon the termination of this Scheme, as set out in above clause, no rights and liabilities shall accrue to or be incurred by respective Parties or their shareholders or creditors or employees or any other persons. In such case, each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.

27.2. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect, if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity, post the amalgamation.



For ADOR FONTECH LIMITED

[Handwritten Signature]
Company Secretary



For ADOR WELDING LIMITED

[Handwritten Signature]
Company Secretary

Annexure B

Niranjan Kumar

Registered Valuer - Securities or Financial Assets

Strictly Private and Confidential

Date: 31 May 2022

The Board of Directors

Ador Welding Limited,
Ador House, 6, K, Dubash Marg,
Fort, Mumbai – 400001

The Board of Directors

Ador Fontech Limited,
Belview 7 Haudin Road,
Bengaluru – 560042

Subject: Recommendation of fair share exchange ratio for the proposed amalgamation of Ador Fontech Limited ('ADFL') with Ador Welding Limited ('AWL')

Dear Sir(s)/ Madam,

We refer to the engagement letter dated 23 May 2022 whereby the Board of Directors of Ador Fontech Limited ('ADFL' or 'Transferor Company') and Ador Welding Limited ('AWL' or 'Transferee Company'), appointed Niranjan Kumar, Registered Valuer - Securities or Financial Assets ('NK', or 'us' or 'we' or the 'Valuer') to undertake valuation exercise and recommend a fair share exchange ratio for the proposed amalgamation ('Proposed Amalgamation') of ADFL with AWL.

Hereinafter, the Management including the Board of Directors of AWL and ADFL shall together be referred to as 'the Management'; the Transferor Company and Transferee Company shall together be referred to as 'Companies'.

Please find enclosed the report (comprising 14 pages including annexures) detailing our recommendation of fair share exchange ratio for the Proposed Amalgamation, methodologies employed, and the assumptions used in our analysis.

This report sets out our scope of work, background, source of information, procedures performed by us, and our recommendation of the fair share exchange ratio.

BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

Ador Welding Limited

AWL, founded in 1951 with its head office at Mumbai, Maharashtra, is a subsidiary of J. B. Advani Co. Private Limited ('JB Advani'). AWL is engaged in the business of manufacturing & selling of various products such as welding and cutting equipment, CNC machines, welding automation products as well as welding accessories. It is also engaged in the business of Flares & Process Equipment. Its consumables products and services include electrodes, wires, agency items related to consumables. Equity shares of AWL is listed on BSE Limited and National Stock Exchange of India Limited (NSE).

AWL has a wholly owned subsidiary viz. Ador Welding Academy Private Limited ('AWAPL'). We understand from the Management of AWL that AWL and AWAPL has filed a scheme of amalgamation (merger by absorption) to merge AWAPL into AWL with an appointed date of 1 April 2021. However, the scheme is pending for National Company Law Tribunal (NCLT) approval.

Ador Fontech Limited

ADFL, founded in 1974 with its head office in Bangalore, Karnataka. ADFL is engaged in the business of 'Life Enhancement of Industrial Components' which includes products, services and solutions for reclamation, repairs and maintenance. It provides its services to mining industries, power plants, railways, road transport workshops, sugar mills, cement plants, fertilizer and chemical plants, defense workshops, shipping industries, oil drilling, refining and transportation sectors. Equity shares of ADFL is listed only on BSE Limited.

We understand that the Management of the Companies are contemplating a scheme of amalgamation (merger by absorption), wherein they intend to amalgamate ADFL with AWL; in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules"), as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued therein, in each case, as amended from time to time, in a manner provided in the draft scheme of amalgamation (merger by absorption) ('the Scheme'). Further, as consideration for the Proposed Amalgamation under Part II of the Scheme, equity shares of the Transferee Company would be issued to the equity shareholders of Transferor Company respectively;

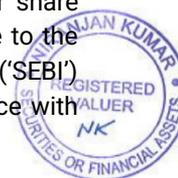
The equity shares to be issued for the aforesaid Proposed Amalgamation will be based on the fair share exchange ratio as determined by the Board of Directors on the basis of the fair share exchange ratio report prepared by us.

In connection with the above-mentioned Proposed Amalgamation, the Management has appointed Niranjn Kumar, Registered Valuer – Securities or Financials Assets ('NK') to submit a report recommending a fair share exchange ratio for the Proposed Amalgamation.

We would like to emphasize that certain terms of the Proposed Amalgamation are stated in our report, however the detailed terms of the Proposed Amalgamation shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the Proposed Amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme.

We understand that the appointed date for the Proposed Amalgamation shall be 1 April 2022 as defined in the Scheme, or such other date as the competent authority may direct or approve. We have carried out our Valuation to determine the fair share exchange ratio for the Proposed Amalgamation as at the date of report ('Valuation Date').

The scope of our services is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of the Companies and then arrive at the fair share exchange ratio using internationally accepted valuation methodologies as may be applicable to the Companies including requirement prescribed by the Securities Exchange Board of India ('SEBI') Regulations as may be applicable to listed companies and report on the same in accordance with



generally accepted professional standards including ICAI Valuation Standards, 2018 notified by the Institute of Chartered Accountants of India (ICAI).

The Management have informed us that:

- a) There would not be any capital variation in the Companies till the Proposed Amalgamation becomes effective without approval of the shareholders and other relevant authorities;
- b) There are no unusual/ abnormal events in the Companies other than those represented to us by the Management till the report date materially impacting their operating / financial performance.
- c) There would be no significant variation between the Scheme and the final scheme approved and submitted with the relevant authorities.

This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality and in conjunction with the relevant documents referred to therein.

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SHAREHOLDING PATTERN OF COMPANIES:

Ador Welding Limited

The share capital of AWL as at the Valuation Date comprises of 13,598,467 equity shares with a face value of INR 10/- each. Equity shareholding pattern of AWL as at the Valuation Date is set out below:

Name of shareholder	Number of shares	Percentage (%)
Promoter & Promoter Group		
Individuals	937,181	6.9%
JB Advani	6,800,531	50.0%
Public	5,860,755	43.1%
Total no. of equity shares outstanding	13,598,467	100.0%

Ador Fontech Limited

The share capital of ADFL as at the Valuation Date comprises of 3,50,00,000 equity shares with a face value of INR 2/- each. Equity shareholding pattern of ADFL as at Valuation Date is set out below:

Name of shareholder	Number of shares	Percentage (%)
Promoter & Promoter Group		
Individuals	4,515,763	12.9%
JB Advani	9,213,301	26.3%
Public	21,270,936	60.8%
Total no. of equity shares outstanding	35,000,000	100.0%

SOURCES OF INFORMATION

In connection with this exercise, we have used the following information received from the Management and/or obtained from the public domain:

A. Companies' specific information:

Information provided by the Management which includes:

- Audited consolidated financial statements of the Companies for the financial year ('FY') ended 31 March 2021 ('FY21') and 31 March 2022 ('FY22');
- Draft scheme of amalgamation (merger by absorption) of ADFL with AWL pursuant to which Proposed Amalgamation is undertaken;
- Shareholding pattern of the Companies as at the Valuation Date; and
- Discussions and correspondences with the Management to inter-alia understand the historical performance, key value drivers, and competitive scenario affecting the Companies;
- Other information and documents considered relevant for the purpose of this engagement.



B. Industry and economy information:

- Information available in public domain and databases such as Capital IQ and other subscribed databases.
- Such other information and relevant data, representations, information and explanations provided by the Management as considered relevant for the purpose of this engagement.

Besides the above listing, there may be other information provided by the Management which may not have been perused by us in detail, if not considered relevant for our defined scope.

We have also considered/ obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the Management.

The Management of the Companies have been provided with the opportunity to review the draft report (excluding the recommended fair share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided in our report.

PROCEDURE ADOPTED

Procedures adopted for our analysis included such substantive steps as we considered necessary under the circumstances, including, but not necessarily limited to the following:

- Discussion with the Management to:
 - Understand the business and fundamental factors that affect the business of the Companies including their earning generating capability.
 - Enquire about the historical financial performance and current state of affairs.
- Analyzed the economic and competitive environments in which the Companies operate;
- Considered the draft scheme of amalgamation (merger by absorption) of ADFL with AWL;
- Such other analyses, reviews and inquiries, as we considered necessary;
- Selection of appropriate internationally accepted valuation methodology/ (ies) after deliberations and consideration to the sector in which the Companies operates and analysis of size of business operations, the stage of the Companies in its lifecycle, financial performance, etc.; and
- Arrived at valuations of the Companies using the method/(s) considered appropriate;
- Arrived at the fair share exchange ratio for the Proposed Amalgamation of ADFL with AWL.

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SCOPE, LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us.

The recommendation contained herein is as at the Valuation Date and is not intended to represent value at any time other than the date of the report.

This report, its contents and the results herein are specific and subject to:

- the purpose of the valuation agreed as per the terms of the engagement;
- the date of the report;
- market price reflecting the fair value of the underlying equity shares of AWL & ADFL; and
- data detailed in the section - Sources of Information

We have been informed by the Management that the business activities of the Companies have been carried out in the normal and ordinary course between the latest financials and the report date and that no material changes have occurred in their respective operations and financial position between the latest available financials and the Valuation Date.

An analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular. It is based on information made available to us as of the date of this report, events occurring after that date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into account the relevant factors. There will always be several factors e.g., Management capability, present and prospective yield on comparable securities, market sentiment etc., which are not evident on the face of the financial statements, but which will strongly influence the equity value/ the worth of the security.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Management (or its representatives) till the date of this report and other sources, and the said conclusion shall be considered to be in the nature of non-binding advice (our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

The determination of fair value for arriving at fair share exchange ratio is not a precise science and the conclusions arrived at in many cases, will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single fair value. While we have provided our recommendation of the fair share exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the fair share exchange ratio at which the Proposed Amalgamation shall take place will be with the Board of Directors of the Companies, who should take into account other factors such as their own assessment of the Proposed Amalgamation and input of other advisors.



In the course of our analysis, we were provided with both written and verbal information, including market, technical, financial and operating data including information as detailed in the section - Sources of Information by the Management.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification of,

- i) the accuracy of information that was publicly available which formed a substantial basis for the report; and
- ii) the accuracy of information made available to us by the Management.

We have not carried out a due diligence or audit or review of the Companies for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided.

We are not legal or regulatory advisors with respect to legal and regulatory matters for the Proposed Amalgamation. We do not express any form of assurance that the financial information or other information as prepared and provided by the Management is accurate. Also, with respect to explanations and information sought from the advisors, we have been given to understand by the Management that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

Our conclusions are based on these assumptions and information given by/ on behalf of the Management. The Management have indicated to us that they have understood any omissions, inaccuracies or misstatements may materially affect our recommendation. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Management. However, nothing has come to our attention to indicate that the information provided was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply, and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

The report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration on to matters of a legal nature, including issues of legal title and compliance with local laws and litigation and other contingent liabilities that are not represented to us by the Management.

This report does not look into the business/ commercial reasons behind the Proposed Amalgamation nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the Proposed Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of fair share exchange ratio only.



Certain terms of the Proposed Amalgamation are stated in our report, however the detailed terms of the Proposed Amalgamation shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the Proposed Amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.

The fee for the Engagement is not contingent upon the results reported.

We owe responsibility only to the Board of Directors of ADFL and AWL, who have appointed us, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion. In no circumstance, shall the liability of NK exceed the amount as agreed in our Engagement Letter.

This Valuation report is subject to the laws of India.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the fair share exchange ratio for the Proposed Amalgamation and relevant filing with regulatory authorities in this regard, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of the Companies shall trade following announcements of the Proposed Amalgamation and we express no opinion or recommendation as to how shareholders of the Companies should vote at any shareholders' meetings. Our report and the opinion/ valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

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VALUATION APPROACH & METHODOLOGY

Basis and Premise of Valuation:

Valuation of the equity shares of the Companies as on the Valuation Date is carried out in accordance with ICAI Valuation Standards ('ICAI VS'), considering 'relative value' base and 'going concern' premise. Valuation base means the indication of the type of value being used in an engagement. Any change in the Valuation base, or the Valuation premise could have a significant impact on the Valuation outcome of the Companies.

Basis of Valuation

It means the indication of the type of value being used in an engagement. Fair Value as per ICAI VS is defined as under:

'Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.'

Premise of Value:

Premise of Value refers to the conditions and circumstances how an asset is deployed. Valuation of the Companies is carried out on a Going Concern Value premise which is defined under ICAI VS as under:

'Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, the necessary licenses, systems, and procedures in place, etc.'

It is pertinent to note that the valuation of any business/company or its assets is inherently imprecise and is subject to various uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions considering inter-alia general business and economic conditions, many of which are beyond the control of the company. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the business, and other factors which generally influence the valuation of the company, its business and assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purpose, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Commonly accepted approach/ methods for determining the value of the equity shares of a company/ business, include:

- Market Approach
 - a. Market Price method
 - b. Comparable Companies Market Multiple method
- Income Approach – Discounted Cash Flow method



- Asset Approach – Net Asset Value Method

For the Proposed Amalgamation, we have considered the following commonly used and accepted methods for determining the value of the equity shares of the Companies for the purpose of recommending the fair share exchange ratio, to the extent relevant and applicable:

Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the shares as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further, in the case of an amalgamation, where there is a question of evaluating the shares of one company against those of another, the volume of transaction and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

In the present case, equity shares of AWL are listed on NSE as well as BSE while equity shares of ADFL are listed on BSE only. Equity shares of AWL and ADFL are widely held, regularly and frequently traded with reasonable volumes on NSE and BSE respectively. We have therefore used the market price approach to value the equity shares of ADFL and AWL. We have considered higher of 10 trading days' or 90 trading days' volume weighted average price prior to report date to arrive at the market price of the respective Companies.

Comparable Companies Multiple (CCM) Method

Under this method, the value of the shares / business of a company is estimated by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business (based on past and / or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.



Based on our analysis and discussion with the Management, we understand that there are no listed companies that can be considered as a company comparable to the Companies having regard to the size, business profile and financial performance, we have therefore not used CCM Method to value the equity shares of respective Companies.

Comparable Transaction Multiple (CTM) Method

Under Comparable Transaction Method, the value of shares/ business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

Based on our market analysis and discussion with the Management, we understand that there are no recent comparable transactions, data of which is available in public domain, involving companies of similar nature and having a similar operating/ financial metrics as that of ADFL and AWL, we have therefore not used CTM method to value the equity shares of these Companies.

Income Approach - Discounted Cash Flow ('DCF')

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount.

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the perpetuity value at an appropriate discount factor. The terminal value represents the total value of the available cash flow for all periods subsequent to the horizon period. The terminal value of the business at the end of the horizon period is estimated, discounted to its present value equivalent, and added to the present value of the available cash flow to estimate the value of the business.

Such DCF analysis involves determining the following:

- Estimating future free cash flows: Free cash flows are the cash flows expected to be generated by the company/ asset that are available to the providers of the company's capital - both debt and equity.
- Appropriate discount rate to be applied to cash flows i.e., the cost of capital: This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.



Under the DCF method the projected free cash flows to the firm for the horizon period are discounted at the weighted average cost of capital. Terminal value of the business at the end of the horizon period is estimated based on an appropriate perpetual growth rate considering inter-alia long-term inflation and other business-related factors. The sum of the discounted value of such free cash flows for the horizon period and terminal value is the enterprise value. Adjustments for debt and debt-like items, cash and cash equivalents, post balance sheet events and contingent liability (if any) adjusted for probability of devolvement is considered to determine the equity value.

AWL and ADFL both are listed companies and since the information related to future financial projections of the Company are price sensitive in nature, we therefore have not used DCF method to determine the value of the equity shares of AWL and ADFL.

Asset Approach

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. A net asset methodology is most applicable for businesses where the value lies in its underlying assets and not in the ongoing operations of the business.

Valuation of AWL and ADFL is carried out on a 'going concern' premise. The historical net asset value of the business may not be representative of their earning potential. Further, self-generated key intangibles such as technology, customer relationship, brand/ trademark, distribution network may not be reflected in their historical net asset value. The Companies are profitable and is expected to continue to generate profits. Since NAV does not value the profit generating ability of the Companies, Asset Approach has not been adopted for the valuation of the Companies.

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RECOMMENDATION OF FAIR SHARE EXCHANGE RATIO FOR THE PROPOSED AMALGAMATION

The fair share exchange ratio has been arrived at on the basis of a relative (and not absolute) equity value of the Transferor company and Transferee company for the proposed scheme of amalgamation (merger by absorption) based on the various methodologies mentioned herein earlier. Suitable rounding off have been carried out wherever necessary to arrive at the recommended fair share exchange ratio.

Refer Annexure 1 for value per share under different methods prescribed and the fair share exchange ratio.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above including scope, limitations and assumptions described in this report and the engagement letter, we recommend the fair share exchange ratio as follows:

To the equity shareholders of ADFL:

5 (Five) equity shares of AWL having a face value of INR 10/- each fully paid-up shall be issued for every 46 (Forty-six) equity shares held in ADFL having a face value of INR 2/- each fully paid-up.

Respectfully submitted,



Niranjana Kumar
Registered Valuer- Securities or Financial Assets
IBBI Registration Number: IBBI/RV/06/2018/10137
ICAIRVO/06/RV-P000021/2018-19
UDIN: 22121635AJYENI5231

Date: 31 May 2022
Place: Pune

Annexure 1 – Summary of fair share exchange ratio

Amalgamation of ADFL (Transferor Company) with AWL (Transferee Company)

Approach/Method of Valuation	AWL			ADFL		
	Value per Share (INR)	Weights	Product	Value per Share (INR)	Weights	Product
Market Approach - Market Price Method	677.8	100.0%	677.8	73.7	100.0%	73.7
Income Approach - Discounted Cash Flow Method	NA	0.0%	NA	NA	0.0%	NA
Asset Approach - Net Asset Value Method	NA	0.0%	NA	NA	0.0%	NA
Total		100.0%	677.8		100.0%	73.7
Relative value per equity share (INR)			677.8	73.7		
Recommended Fair Share Exchange Ratio (Rounded off)						9.20

NA: Not Adopted

Notes:

1) Market Approach – Market Price Method

The equity shares of AWL and ADFL are listed on any stock exchange, we have therefore considered market price method to determine the fair value of equity shares of AWL and ADFL.

2) Income Approach – Discounted Cash Flow Method

AWL and ADFL both are listed companies and since the information related to future financial projections of the Company are price sensitive in nature, we were not provided with the financial projections of these Companies by the Management. We have therefore not used DCF method to determine the fair value of the equity shares of AWL and ADFL.

3) Asset Approach – NAV Method

AWL and ADFL, presently operate as a going concern and would continue to do so for the foreseeable future and NAV Method does not value the future profit generating ability of the business, we have therefore not used this method to value the equity shares of AWL and ADFL.



Annexure C1



May 31, 2022

The Board of Directors

Ador Welding Limited

Ador House, 6,
K. Dubash Marg, Fort,
Mumbai 400001

Dear Members of the Board,

Sub: Fairness opinion on the Fair Equity Share Exchange Ratio Report issued on proposed Scheme of Amalgamation (Merger By Absorption) of Ador Fontech Limited ("Transferor Company" or "ADFL") with Ador Welding Limited ("Transferee Company" or "AWL") and their respective shareholders under section 230 to 232 (hereinafter referred to as the "Scheme") in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021 ("Master Circular").

Ref.: Our Engagement Letter dated May 26, 2022.

We understand that the Board of Directors of Ador Welding Limited has appointed Niranjan Kumar, Registered Valuer - Securities or Financial Assets as the "**Registered Valuer**" to value and determine Fair Equity Share Exchange Ratio in connection with the proposed Scheme of Amalgamation (Merger By Absorption) (hereinafter referred to as the "**Scheme**") of Ador Fontech Limited ("**Transferor Company**" or "**ADFL**") and Ador Welding Limited ("**Transferee Company**" or "**AWL**") and their respective shareholders pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, the Scheme provides for the Transferor Company. The Transferee Company are engaged in similar lines of business and complement each other and with an intent to expand the business and achieve larger product portfolio, economies of scale, efficiency, optimization of logistics and distribution network and other related economies by consolidating the business operations, the Board of Directors of the Transferor Company and the Transferee Company proposing to consolidate the business of the Transferor Company with the Transferee Company.

Systematix Corporate Services Limited ("**Systematix**"), a SEBI registered Category I Merchant Banker having permanent Registration Number INM000004224 and also empanelled as independent valuer at BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"), has been appointed by the Board of Directors of AWL to provide "Fairness Opinion" pursuant to Regulations 11, 37 and 94 of the Listing Regulations and the Master Circular.

Our opinion is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the opinion is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

Systematix Corporate Services Limited

Registered Office: 206 - 207, Bansi Trade Centre, 581/5, M. G. Road, Indore - 452 001. Tel: +91-0731-4068253
Corporate Office : The Capital, A-Wing, No. 603 - 606, 6th Floor, Bandra Kurla Complex, Bandra (East), Mumbai -400051.
Tel: +91-22-6619 8000 / 4035 8000 Fax: +91-22-6619 8029 /40358029
CIN: L91990MP1985PLC002969 Website: www.systematixgroup.in Email: secretarial@systematixgroup.in

SEBI Merchant Banking Registration No. : INM000004224



I. SOURCES OF INFORMATION

The sources of information, which have been furnished to us by Companies, are as follows:

- Discussion (including oral), draft and final Valuation Report dated May 31, 2022 issued by Niranjana Kumar, Registered Valuer Securities or Financial Assets (Registration No. IBBI/RV/06/2018/10137);
- Audited consolidated financial statements of the Companies for the financial year ('FY') ended 31 March 2021 ('FY21') and 31 March 2022 ('FY22')
- Shareholding pattern of the Companies as at the Valuation Date
- Information provided by leading database sources, market research reports and other publicly available published data.
- Discussions with the representatives of the Company regarding the past, current and future business and other aspects of the Company in relation to the Valuation.
- Draft Scheme of Amalgamation (Merger By Absorption)
- Share Price details of the Transferor Company from BSE and the Transferee Company from NSE and BSE website.

In addition to the above, we have also obtained other necessary explanations and information, which we believed were relevant to the present exercise, from the management of AWL and ADFL.

II. SCOPE, LIMITATIONS, ASSUMPTIONS, EXCLUSIONS AND DISCLAIMERS

Our Opinion and analysis are limited to the extent of review of the documents as provided to us and described above.

We have relied upon the accuracy and completeness of all information and documents provided to us, without carrying out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not reviewed any financial forecasts relating to the Transferor and the Transferee companies since the same were not provided to us by the board of directors of the Transferor and the Transferee companies considering price sensitive nature. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Companies. We do not express any opinion as to the value of any asset of Companies involved in the Scheme, whether at current prices or in the future.

We do not express any opinion as to the price at which shares of the AWL and ADFL may trade at any time, including after the date of this opinion. In rendering our opinion, we have assumed, that the Scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on Companies and their respective shareholders.

We do not express any opinion as to any tax or other consequences that might arise from the Scheme, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the Companies have obtained such advice as it deemed necessary from qualified professionals.

We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. Our opinion is specific to the Scheme as contemplated in the Scheme provided to us and is not valid for any other purpose.

We may currently or in the future provide, investment banking services to AWL and ADFL and/or its subsidiaries or their respective affiliates that are unrelated to the proposed Scheme, for which may receive customary fees. In addition, in the ordinary course of their respective businesses, affiliates of Systematix may actively trade in the securities of the AWL and ADFL on behalf of their customers and, accordingly, may at any time hold a position in such securities. Our engagement and the opinion expressed herein are for the use of the Board of Directors of AWL and ADFL in connection with the consideration of the Scheme and for none other. Neither Systematix, nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the information and documents provided to us, based on which the opinion has been issued. All such parties and entities expressly disclaim any and all liability for or based on or relating to any such information contained therein.

Our opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme or any matter related thereto.

This report may be submitted to the Stock Exchange, SEBI, the National Company Law Tribunal (NCLT) and such other statutory and regulatory authorities from whom approval is required under applicable law. The report may also be disclosed on the website of AWL and ADFL and made available to the respective shareholders and creditors in connection with the approval process for the Scheme.

The fee for this engagement is not contingent upon the results of this report.

III. BACKGROUND OF THE COMPANIES

Ador Welding Limited ("Transferee Company" or "AWL")

AWL is a Public Limited Company incorporated under the provisions of the Indian Companies Act VII of 1913, under CIN L70100MH1951PLC008647 and having its registered office at Ador House, 6. K, Dubash Marg, Fort, Mumbai- 400 001, Maharashtra, India. The Transferee Company was incorporated on October 22, 1951 as a Private Limited Company under the name and style of J.B. Advani-Oerlikon Electrodes Private Limited. Subsequently it changed its name to 'Advani-Oerlikon Private Limited' and a fresh incorporation certificate was issued consequent upon the change of name issued by the Registrar of companies, Mumbai on November 27, 1968. Thereafter, the name was changed Advani -Oerlikon Limited and then to 'Ador Welding Limited' and a fresh certificate of incorporation was issued on September 09 2003, by the Registrar of Companies, Maharashtra, Mumbai. The equity shares of Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited. JB Advani & Company Private Limited ("JB Advani") and Promoters together hold 56.90% in the Transferee Company.

The Transferee Company is engaged in the business of manufacturing & selling of various products such as welding and cutting equipment, CNC machines, welding automation products as well as welding accessories. The Transferee Company is also engaged in the business of Flares & Process Equipment.

Name of Shareholder	No. of Shares	Percentage (%)
Promoter & Promoter Group		
Individuals	937,181	6.9%
JB Advani	6,800,531	50.0%
Public		
Others	5,860,755	43.1%
Total no. of equity shares outstanding	13,598,467	100.0%

Ador Fontech Limited (“Transferor Company” or “ADFL”)

Ador Fontech Limited is a Public Limited Company, incorporated under the provisions of the Companies Act, 1956, under CIN L31909KA1974PLC020010 and having its registered office at Belview, 7 Haudin Road, Bengaluru-560042, Karnataka, India. The Transferor Company was incorporated on August 22, 1974 as a Private Limited Company under the name and style of Cosmics Electronics & Ancillaries Private Limited. Subsequently changed its name to Cosmics General Engineering Private Limited and a fresh incorporation certificate was issued consequent upon the change of name issued by the Registrar of Companies, Mumbai on December 07, 1979. Subsequently changed its name to Cosmics Fontech Limited and a fresh incorporation certificate was issued consequent upon the change of name issued by the Registrar of Companies, Mumbai on October 21, 1988. Subsequently it changed its name to ‘Ador Fontech Limited’ and a fresh incorporation certificate was issued, consequent upon the change of name, by the Registrar of Companies, Bangalore on September 11, 1996. The equity shares of Transferor Company are listed on BSE Limited. JB Advani & Company Private Limited (“JB Advani”) and Promoters together hold 39.23% in the Transferor Company.

The Transferor Company is engaged in the business of manufacturing and providing industries a comprehensive range of Low Heat Input Welding Alloys, Flux Cored Welding Wires, Thermal Coating Alloy Powders, and the associated equipment, used with the relevant reclamation and surfacing processes.

Name of Shareholder	No. of Shares	Percentage (%)
Promoter & Promoter Group		
Individuals	4,515,763	12.9%
JB Advani	9,213,301	26.3%
Public		
Others	21,270,936	60.8%
Total no. of equity shares outstanding	35,000,000	100.0%

IV. RECOMMENATION OF THE REGISTERED VALUER

As stated above, we have reviewed copy of the Valuation Report dated May 31, 2022 issued by the Registered Valuer proposing the following Fair Equity Share Exchange Ratio for equity shares to be issued by the AWL to the Equity Shareholders of the ADFL:

“5 (five) equity shares of AWL of INR 10/- fully paid up for every 46 (Forty-Six) equity shares of ADFL of INR 2/- each fully paid up”

V. OUR COMMENT ON PROPOSED FAIR EQUITY SHARE EXCHANGE RATIOS

Our fairness opinion has been prepared based on the reports provided by the Registered Valuer and our exercise of the various qualitative factors relevant to Companies, having regard to information base, Management representations, key underlying assumptions and limitations.

On consideration of all the relevant factors and circumstances, we believe that the Fair Equity Share Exchange Ratio determined by the Registered Valuer is fair for the shareholders of AWL and ADFL including from a financial standpoint.

Thanking you.

For Systematix Corporate Services Limited
(SEBI Registration No. INM000004224)



Amit Kumar
Director, Investment Banking

Annexure C2

**FEDEX
SECURITIES
PVT LTD**

(Formerly Known as Fedex Securities Limited)
MERCHANT BANKING DIVISION



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Strictly Private & Confidential

SEBI Registration No.: **INM000010163**

To,
The Board of Directors,
Ador Fontech Limited
Belview, 7 Haudin Road,
Bengaluru-560042, Karnataka.

Sub: Fairness Opinion on the Fair Share Exchange Ratio for the proposed Scheme of Amalgamation of Ador Fontech Limited with Ador Welding Limited

Dear Members of the Board:

With reference to our engagement letter dated May 26, 2022 wherein Ador Fontech Limited has requested Fedex Securities Private Limited (Fedex) to provide fairness opinion on the Fair Share Exchange Ratio for the purpose of the proposed amalgamation of Ador Fontech Limited with Ador Welding Limited and their respective Shareholders.

Engagement Background, Purpose and Use of this Report

We understand that the managements of Ador Fontech Limited (“ADFL” or “Transferor Company” or “the Company”) and Ador Welding Limited (“AWL” or “Transferee Company”) (ADFL and AWL are hereinafter together referred to as the “Companies”) are proposing amalgamation of the Transferor Company with the Transferee Company pursuant to a Scheme of Amalgamation (Merger by Absorption) of ADFL with AWL and their respective Shareholders under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, as may be applicable (“Scheme”).

Mr. Niranjan Kumar, Registered Valuer, Securities or Financial Assets having Registration No. IBBI/RV/06/2018/10137 (“Registered Valuer” or the “Valuer”) is appointed by the Companies to prepare a report (“Valuation Report” / “Fair Share Exchange Report”) and recommend the Fair Share Exchange Ratio. As per the Valuation Report dated 31 May 2022, the Valuer has recommended the Fair Share Exchange Ratio as follows:

<p><i>To the equity shareholders of ADFL with respect to amalgamation with AWL.</i></p>	<p><i>5 (Five) equity shares in AWL having a face value of INR 10/- (Rupees Ten) each fully paid-up shall be issued for every 46 (Forty-six) equity shares held in ADFL having a face value of INR 2/- (Rupees Two) each fully paid-up as on the Record date.</i></p>
---	---

In connection with the aforesaid, you requested our Fairness Opinion (the "Opinion") as of the date hereof, as to the fairness of the Fair Share Exchange Ratio to the Equity Shareholders of the Company. The scope of this Opinion includes commenting on the fairness of the Fair Share Exchange Ratio recommended by the Valuer and not on the fairness or the economic rationale of the Scheme per se or the historical financial statements relied upon for the same by the Valuer.

This Opinion is addressed to the Board of Directors of the Company. Further, this Opinion is subject to the scope, limitations, assumptions, exclusions and disclaimers detailed herein. This Opinion has been issued as per the requirements of Securities & Exchange Board of India ("SEBI") master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 consolidating the SEBI circulars in relation to the Scheme of Arrangement by Listed Entities and amendment via SEBI Circular number SEBI/HO/CFD/DIL2/CIR/P/2022/11 dated February 01, 2022 (together referred to as "**SEBI Circulars**") read with applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") as amended from time to time. As such the Opinion is to be read in totality, not in parts and in conjunction with the relevant documents referred to herein. This Opinion has been issued only for the purpose of facilitating the Scheme in terms of the abovementioned SEBI Circulars and should not be used for any other purpose.



Company Background

Ador Fontech Limited

ADFL is a Public Limited Company, incorporated under the provisions of the Companies Act, 1956, under CIN L31909KA1974PLC020010 and having its registered office at Belview, 7 Haudin Road, Bengaluru-560042, Karnataka, India. The equity shares of ADFL is listed on BSE Limited (BSE).

Ador Fontech Limited is engaged in the business of “Life Enhancement of Industrial Components“ which includes products, services and solutions for reclamation, repairs and maintenance.

Ador Welding Limited

AWL is a Public Limited Company incorporated under the provisions of the Indian Companies Act VII of 1913, under CIN L70100MH1951PLC008647 and having its registered office at Ador House, 6. K, Dubash Marg, Fort, Mumbai- 400001-16, Maharashtra, India. The equity shares of AWL are listed on BSE and National Stock Exchange of India Limited (NSE).

AWL is engaged in the business of manufacturing and selling of various products such- as welding and cutting equipment, CNC machines, welding automation products as well as welding accessories. AWL is also engaged in the business of Flares & Process Equipment.

Brief Background of the Proposed Scheme

The Scheme provides for amalgamation of ADFL with AWL. Upon the effective date of the Scheme, pursuant to the amalgamation of ADFL with AWL as contemplated in the Scheme, AWL will issue 5 fully paid up equity shares of INR 10/- each to the equity shareholders (as on the Record Date) of ADFL for every 46 fully paid up equity shares of INR 2/- each held in ADFL.

Source of Information

In arriving at the Opinion set forth below, we have relied upon the accuracy and completeness of all information and documents provided to us by the Company and/or their other advisors, including:

1. Valuation Report dated May 31, 2022 issued by the Valuer (a draft was shared with us before issuance of the final Valuation Report);
2. Draft Scheme of Amalgamation (Merger by Absorption) of ADFL with AWL and their respective shareholders (“Scheme”);
3. Memorandum & Articles of Association of ADFL and AWL;
4. The shareholding pattern of ADFL and AWL as on date;
5. Audited consolidated financial statements of ADFL and AWL for financial year ended 31 March 2021 and 31 March 2022;
6. Market Data/Trading Data of ADFL and AWL from NSE and BSE;



7. Necessary explanations, information and representations provided by the management of the Company and/or its advisors.

Distribution of this Fairness Opinion

The Fairness Opinion is addressed to the Board of Directors of the Company (in its capacity as such) solely for the purpose of providing them with an independent opinion on the fairness of the Fair Share Exchange Ratio as determined by the Valuer and for the purpose of submission to the Stock Exchanges, National Company Law Tribunal along with the petition for the Draft Scheme and such other regulatory authorities under Listing Regulations, SEBI Circular and /or Companies Act, 2013. The Fairness Opinion shall not be disclosed or referred to publicly or to any third party, other than as required by Indian law (in which case you would provide us a prior written intimation) without our prior written consent. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then we will not be liable for any consequences thereof. Neither this Opinion nor its contents may be referred to quoted to/by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. The receipt of this Opinion by any person is not to be taken as constituting the giving of investment opinion by us to any such person, not to constitute such person our client.

In no circumstances however, will Fedex or its directors, officers, employees and controlling persons of Fedex accept any responsibility or liability including any pecuniary or financial liability to any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

Conclusion

Based on our examination of the Valuation Report, such other information / undertakings / representations provided to us by the Company and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned herein Annexure-1 and to the best of our knowledge and belief, we are of the opinion that the Fair Share Exchange Ratio is fair for the shareholders of ADFL.

Yours truly,

For **Fedex Securities Private Limited**

(Formerly known as Fedex Securites Limited)

Authorised Signatory

Date: May 31, 2022

Limitation of Scope and Review

Our Opinion and analysis are limited to the extent of review of documents as provided to us by the Company including the Valuation Report and the Draft Scheme. The Company has been provided with the opportunity to review the draft Opinion as part of our standard practice to make sure that factual inaccuracy / omissions are avoided in our final opinion.

We have assumed and relied upon, without independent verification, the accuracy and completeness of all financial and other information and data that was publicly available or provided to or otherwise made available to us or discussed with us by the Company, and upon the understanding that the management of ADFL and its advisors are not aware of any relevant information relating to ADFL that has been omitted or that remains undisclosed to us that would make the information or data examined by, provided to, reviewed by or discussed with us inaccurate or misleading in any respect or that would otherwise be relevant in arriving at our Opinion.

We express no opinion and accordingly accept no responsibility with respect to or for such information, or the assumptions on which it is based. We have not assumed any obligation to conduct, nor have conducted any physical inspection or title verification of the properties or facilities of the ADFL and neither express any opinion with respect thereto nor accept any responsibility therefore. Our work does not constitute an audit, due diligence or certification of the historical financial statements including the working results of the Company or its businesses referred to in this Opinion. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this report. We assume no responsibility whatsoever for any errors in the information furnished by the Company and/or their other advisors and their impact on the present exercise.

We have not made any independent valuation or appraisal of the assets or liabilities of the Company, nor have we been furnished with any such appraisals. We have not conducted or prepared a model for any asset valuation or provided an analysis of due diligence or appraisal of the assets and liabilities of the Company and have wholly relied on information provided by the Company in that regard.

We have not received any internal management information statement or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by the Company for the purposes of this Fairness Opinion.

We are not experts in evaluation of litigation or other actual or threatened claims or any tax implication connected with the Draft Scheme and accordingly we have not evaluated any litigation or other actual or threatened claims. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, or other contingent liabilities to which the Company is or may be a party or are or may be

A circular blue stamp of the company, with the text "SECURITIES PVT. LTD." around the top edge and "MUMBAI" at the bottom. To the right of the stamp is a handwritten signature in blue ink that appears to read "Yashok".

a subject, or of any government investigation of any possible unasserted claims or other contingent liabilities to which the Company are or may be a party or are or may be a subject. No investigation as to the Company claim to title of assets has been made for the purpose of this exercise and the Company claim to such rights has been assumed to be valid. We have not evaluated the solvency or fair value of the Company under either the laws of India or other laws relating to bankruptcy, insolvency or similar matters.

Our Opinion should not be construed as certifying the compliance with the provisions of any law including company or taxation laws or any legal, regulatory including all SEBI regulations, accounting or taxation implications or issues. We understand that the Company would obtain such advice as deemed necessary from qualified professionals.

We express no opinion whatever and make no recommendation at all as to Company's underlying decision to affect the Draft Scheme or as to how the holders of equity shares or secured or unsecured creditors of the Company should vote at their respective meetings held in connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Draft Scheme. We also express no opinion and accordingly accept no responsibility for or as to the price at which the equity shares of the Company will trade following the announcement of the Draft Scheme or as to the financial performance of the Company following the consummation of the Draft Scheme. In rendering our Opinion, we have assumed, that the Scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or other consents or approvals for the Proposed Scheme, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the benefits of the Proposed Scheme that may have been contemplated.

We have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or financial prospects of the Company, other than those disclosed in the information provided or considered in the Draft Scheme.

We understand that the management of the Company and, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion.

Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and, on the information, made available to us as of the date hereof. It should be understand that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorised to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Company or any of its assets, nor did we negotiate with any other party in this regard.



Our Opinion also does not address any matters other than expressly stated herein, including but not limited to matters such as corporate governance matters, shareholder rights or any other equitable considerations. We were not requested to, and we did not, participate in the negotiation of the terms of the Scheme, its feasibility or otherwise and we did not provide any advice or services in connection with the Scheme other than the delivery of this Opinion. We express no view or opinion as to any such matters. We also express no view as to, and our Opinion does not address, the fairness (financial or otherwise) of the amount or nature or any other aspect of any compensation to any officers, directors or employees to any parties of the Scheme, or any class of such persons, relative to the Fair Share Exchange Ratio. We express herein no view or opinion as to any terms or other aspects of the Scheme (other than the Fair Share Exchange Ratio to the extent expressly stated herein).

Fedex and/or our affiliates in the past may have provided, and may currently or in the future provide, investment banking, commercial banking and other financial services to the Companies and/or their affiliates unrelated to the Proposed Scheme. We may have received or in the future may receive compensation for the rendering of the aforementioned services. In the ordinary course of our businesses, we and our affiliates may invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in debt, equity or other securities or financial instruments (including derivatives or other obligations) of the Company and/or the Transferee Company and/or their respective affiliates, holding companies and group companies.

Fedex will receive a fee in connection with the delivery of this Fairness Opinion. The fee is not contingent upon the nature of the opinion provided to the Company. The fee for our service is not subject to the outcome of the Proposed Scheme. In addition, the Company has agreed to reimburse certain of our expenses and to indemnify us against liabilities arising out of our engagement. This Fairness Opinion is subject to the laws of India.

In no circumstances shall the liability of Fedex, its directors or employees related to the service provided in connection with this opinion, exceed the amount paid to Fedex as fees for this Fairness Opinion.

A circular purple stamp with the text "FEDEX SECURITIES PVT. LTD. MUMBAI" around the perimeter. To the right of the stamp is a handwritten signature in blue ink that appears to read "Yashraj".

Annexure D



DCS/AMAL/TL/IP/2498/2022-23

“E-Letter”

September 26, 2022

The Company Secretary,
Ador Welding Limited
Ador House, 6, K. Dubash Marg,
Fort, Mumbai, Maharashtra, 400001

Dear Sir,

Sub: Observation Letter regarding Scheme of Amalgamation (Merger by Absorption) of Ador Fontech Limited with Ador Welding Limited and their respective Shareholders

We are in receipt of the draft Scheme of Amalgamation filed by **Ador Welding Limited** as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated September 26, 2022, has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- a) “Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon’ble NCLT and Shareholders, while seeking approval of the scheme.”
- b) “Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.”
- c) “Company shall ensure compliance with the SEBI Circulars issued from time to time.”
- d) “The entities involved in the scheme shall duly comply with various provisions of the Circular.”
- e) “Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.”
- f) “Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.”
- g) “Company is advised that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.”
- h) “Company is advised that the proposed Equity Shares to be issued in terms of the ‘Scheme’ shall mandatorily be in demat form only.”
- i) “Company shall ensure that the ‘Scheme’ shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.”
- j) “Company to ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”

- k) “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT.”
- l) “Company is advised to comply with all the applicable provisions of the Companies Act, 2013, rule and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”
- m) “It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations.”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities. Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and**

no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,
Sd/-

Prasad Bhide
Senior Manager

Sd/-

Tanmayi Lele
Assistant Manager



National Stock Exchange Of India Limited

Ref: NSE/LIST/31498_I

September 27, 2022

The Company Secretary
Ador Welding Limited
Ador House,6, K. Dubash Marg,
Fort, Mumbai – 400001.

Kind Attn.: Mr. Vinayak M. Bhide

Dear Sir,

Sub: Observation Letter for Draft Scheme of Amalgamation (Merger by Absorption) of Ador Fontech Limited with Ador Welding Limited and their respective shareholders.

We are in receipt of Draft Scheme of Amalgamation (Merger by Absorption) of Ador Fontech Limited (Transferor company) with Ador Welding Limited (Transferee company) and their respective shareholders vide application dated June 20, 2022.

Based on our letter reference no. NSE/LIST/31498 dated September 01, 2022, submitted to SEBI and pursuant to SEBI circular no. CFD/DIL3/CIR/2017/21, dated March 10, 2017 read with SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and Regulation 94 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, kindly find following comments on the Draft Scheme:

- a. *Company shall ensure disclosure of all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed company and the Stock Exchanges.*
- c. *The entities involved in the Scheme shall duly comply with various provisions of the Circular.*
- d. *Company shall ensure that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e. *Company shall ensure that the financials in the Scheme including financials considered for valuation report are not for period more than 6 months old.*
- f. *Company shall ensure that the details of the proposed Scheme under consideration as provided to the Stock Exchange shall be prominently disclosed in*

This Document is Digitally Signed

Signer: Dipika W. L. CHINCHANE
Date: Tue, Sep 27, 2022 11:54:30 IST
Email: nse@nse.com



National Stock Exchange of India Limited | Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051,
India +91 22 26598100 | www.nseindia.com | CIN U67120MH1992PLC069769

- g. *Company shall ensure that the proposed equity shares to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- h. *Company shall ensure that the “Scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the Scheme document.*
- i. *Company shall ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities/ tribunals shall be made without specific written consent of SEBI.*
- j. *Company is advised that the observations of SEBI/ Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- k. *Company is advised to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed Scheme.*
- l. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from September 27, 2022, within which the scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval,

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINCHKHEDE
Date: Tue, Sep 27, 2022 11:54:30 IST
Location: NSE

Annexure E



Report on Complaints as on 16th August, 2022

Part A

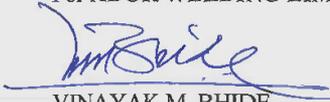
Sr. No.	Particulars	Number
1.	Number of complaints received directly	01
2.	Number of complaints forwarded by the Stock Exchange	00
3.	Total Number of complaints / comments received (1+2)	01
4.	Number of complaints resolved	00
5.	Number of complaints pending	01

Part B

Sr. No.	Name of the Complainant	Date of Complaint	Status (Resolved / Pending)
1.	Mr. Megh I. Manseta*	17 th June, 2022	Pending

*We have received the letter dated 17th June, 2022 from a shareholder of the Transferor Company, M/s. Ador Fontech Limited (ADFL), by name Mr. Megh I. Manseta, holding 5,43,742 equity shares of ADFL, having face value of Rs. 2/- each, expressing his thoughts about the proposed merger i.e., comments on the Scheme of Amalgamation. Please note that this comment does not have any impact or bearing on our Company and it pertains to ADFL.

For ADOR WELDING LIMITED


VINAYAK M. BHIDE
COMPANY SECRETARY



Date: 16th August, 2022

ADOR WELDING LIMITED

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

+91 22 6623 9300 | www.adorwelding.com | CIN: L70100MH1951PLC008647

☎ 1800 233 1071 | ✉ care@adorians.com | 📞 +91 20 40706000

REPORT ON COMPLAINTS AS ON 25TH AUGUST, 2022

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	01
2.	Number of complaints forwarded by the Stock Exchange	00
3.	Total Number of complaints / comments received (1+2)	01
4.	Number of complaints resolved	01
5.	Number of complaints pending	00

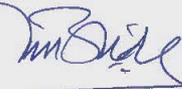
Part B

Sr. No.	Name of the Complainant	Date of Complaint	Status (Resolved / Pending)
1.	Mr. Megh I. Manseta*	17 th June, 2022	Resolved

*We had received the letter dated 17th June, 2022 from a shareholder of the Transferor Company, M/s. Ador Fontech Limited (ADFL), by name Mr. Megh I. Manseta, holding 5,43,742 equity shares of ADFL, having face value of Rs. 2/- each, expressing his thoughts about the proposed merger i.e., comments on the Scheme of Amalgamation. This has been replied.

Please note that this comment does not have any impact or bearing on our Company and it pertains to ADFL.

For **ADOR WELDING LIMITED**



VINAYAK M. BHIDE
COMPANY SECRETARY



Date: 25th August, 2022

ADOR WELDING LIMITED

Regd. & Corporate Office: Ador House, 6, K. Dubash Marg, Fort, Mumbai - 400 001 - 16, Maharashtra, India.
+91 22 6623 9300 | www.adorwelding.com | CIN: L70100MH1951PLC008647
☎ 1800 233 1071 | ✉ care@adorians.com | 📞 +91 20 40706000

Annexure F1

Walker Chandio & Co LLP

Walker Chandio & Co LLP

11th Floor, Tower II,
One International Center,
S B Marg, Prabhadevi (W),
Mumbai - 400013
Maharashtra, India
T +91 22 6626 2699
F +91 22 6626 2601

Independent Auditor's Report on 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 annual financial results ('the Statement') of **Ador Welding Limited** ('the Company') for the year ended **31 March 2023**, 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').
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 recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the net profit after tax and other comprehensive income and other financial information of the Company for the year ended S 31 March 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 results 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.



Page 1 of 3

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandio & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

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

Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the annual 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 and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 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.
5. 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.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. 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.
8. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, 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.



Page 2 of 3

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

Ador Welding Limited

Independent Auditor's Report on 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 an adequate internal financial control 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 Board of Directors.
 - Conclude on the appropriateness of the Board of Directors' 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.
9. 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.
10. 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 Matters

11. The Statement includes the financial results for the quarter ended 31 March 2023, 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.



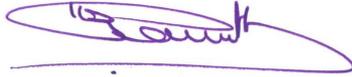
Ador Welding Limited

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

12. 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 year and quarter ended 31 March 2022 has been audited and reviewed respectively by the auditor of the transferor company, M/s Phadke & Associates, who had issued an unmodified opinion vide their audit report dated 25 April 2022, which have been furnished to us by the management and have been relied upon by us for the aforementioned purpose.

Our opinion is not modified in respect of these matter referred above.

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



Khushroo B. Panthaky
Partner

Membership No:042423

UDIN:23042423BGWIOG9671

Place: Mumbai
Date: 30 May 2023





ADOR WELDING LIMITED

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

Statement of Audited Financial Results for the Quarter and year ended 31 March 2023

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2023	31 December 2022 (Restated)^	31 March 2022 (Restated)^	31 March 2023	31 March 2022 (Restated)^
		(Refer note 6)	(Unaudited)	(Refer note 6)	(Audited)	
1	Income					
	Revenue from operations	23,548	19,853	19,981	77,676	66,148
	Other income	124	184	144	667	548
	Total income	23,672	20,037	20,125	78,343	66,696
2	Expenses					
	Cost of raw materials and components consumed	14,411	13,827	10,602	51,065	42,125
	Purchases of stock-in-trade	584	685	2,010	2,643	5,850
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	634	(1,290)	1,574	(1,396)	(990)
	Employee benefits expense	1,496	1,419	1,201	5,685	4,866
	Finance costs	69	76	74	236	372
	Depreciation and amortisation expense	305	291	283	1,161	1,090
	Other expenses	3,245	2,809	2,827	10,958	8,460
	Total expenses	20,744	17,817	18,571	70,352	61,773
3	Profit before exceptional items and tax (1-2)	2,928	2,220	1,554	7,991	4,923
4	Exceptional items (net) Gain / (Loss) (Refer note 3)	66	(21)	167	(80)	898
5	Profit before tax (3-4)	2,994	2,199	1,721	7,911	5,821
6	Income tax expenses / (credit)					
	Current tax	825	606	488	2,174	1,473
	Deferred tax (credit)/charge	(67)	(43)	(86)	(173)	(168)
	Tax pertains to earlier years	(19)	-	-	(19)	-
	MAT Credit Entitlement	-	-	-	-	14
	Total tax expenses / (credit) (net)	739	563	402	1,982	1,319
7	Net Profit for the period (5-6)	2,255	1,636	1,319	5,929	4,502
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	(13)	-	24	(91)	(81)
	- Income tax effect on above	3	-	(7)	23	20
9	Total comprehensive income for the year / period (after tax)	2,245	1,636	1,336	5,861	4,441
10	Paid-up equity share capital (Face value of Rs. 10 per share)	1,360	1,360	1,360	1,360	1,360
11	Other equity (excluding revaluation reserve Rs. Nil)	-	-	-	30,991	26,832
12	Earnings per share (EPS) (net of tax) (in Rs.)					
	Basic and diluted EPS (not annualised)	16.58	12.03	9.70	43.60	33.10

(See accompanying notes to the financials results)

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



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ADOR WELDING LIMITED

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

Statement of Audited Segment Information for the Quarter and Year ended 31 March 2023

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2023	31 December 2022 (Restated)^	31 March 2022 (Restated)^	31 March 2023	31 March 2022 (Restated)^
		(Refer note 6)	(Unaudited)	(Refer note 6)	(Audited)	
	Segmentwise revenue, results, assets, liabilities and capital employed					
1	Segment revenue					
	Consumables	18,737	15,808	16,602	61,490	53,571
	Equipment and automation	3,593	2,823	2,677	11,535	9,878
	Flares & Process Equipment Division	1,295	1,243	713	4,779	2,843
	Less: Inter segment revenue	(77)	(21)	(11)	(128)	(144)
	Total revenue from operations	23,548	19,853	19,981	77,676	66,148
2	Segment results					
	Consumables	2,994	2,405	1,859	8,876	6,060
	Equipment and automation	290	243	153	772	784
	Flares & Process Equipment Division	127	163	10	486	(90)
	Total	3,411	2,811	2,022	10,134	6,754
	Less:					
	Finance costs (unallocable)	(61)	(56)	(50)	(182)	(256)
	Other unallocable expenses net of unallocable income	(422)	(535)	(418)	(1,961)	(1,575)
	Profit before exceptional items and tax	2,928	2,220	1,554	7,991	4,923
	Exceptional items (net) Gain / (Loss)					
	Consumables	-	(21)	-	(146)	-
	Equipment and automation	-	-	(380)	-	(380)
	Flares & Process Equipment Division	-	-	(820)	-	(820)
	Other unallocable expenses net of unallocable income	66	-	1,367	66	2,098
	Total Exceptional items (net) Gain / (Loss) (Refer note 3)	66	(21)	167	(80)	898
	Total Profit before tax	2,994	2,199	1,721	7,911	5,821
3	Segment assets					
	Consumables	25,184	25,412	22,193	25,184	22,193
	Equipment and automation	9,925	9,304	7,595	9,925	7,595
	Flares & Process Equipment Division	4,435	3,612	4,245	4,435	4,245
	Assets classified as held for sale (unallocable)	80	-	7	80	7
	Unallocable corporate assets	5,544	4,963	5,225	5,544	5,225
	Total segment assets	45,168	43,291	39,265	45,168	39,265
4	Segment liabilities					
	Consumables	5,375	6,549	6,036	5,375	6,036
	Equipment and automation	2,677	2,233	1,897	2,677	1,897
	Flares & Process Equipment Division	2,016	1,985	2,456	2,016	2,456
	Unallocable corporate liabilities	2,749	2,402	684	2,749	684
	Total segment liabilities	12,817	13,169	11,073	12,817	11,073
5	Capital employed					
	Consumables	19,809	18,863	16,157	19,809	16,157
	Equipment and automation	7,248	7,071	5,698	7,248	5,698
	Flares & Process Equipment Division	2,419	1,627	1,789	2,419	1,789
	Unallocable corporate assets net of unallocable corporate liabilities	2,875	2,561	4,548	2,875	4,548
	Total capital employed	32,351	30,122	28,192	32,351	28,192

(See accompanying notes to the financials results)

*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

Audited Statement of Assets and Liabilities as at 31 March 2023

Particulars	(Rs. in lakhs)	
	As at 31 March 2023	As at 31 March 2022 (Restated)^
	(Audited)	
ASSETS		
Non-current assets		
(a) Property, plant and equipment	10,738	10,471
(b) Right-of-use asset	484	481
(c) Capital work-in-progress	151	706
(d) Investment property	1,045	729
(e) Intangible assets	47	66
(f) Intangible assets under development	41	4
(g) Financial assets		
(i) Investments	269	-
(ii) Loans	22	30
(iii) Other financial assets	767	927
(h) Non-current tax assets, (net)	1,115	1,192
(i) Deferred tax assets, (net)	464	268
(j) Other non-current assets	1,654	1,394
Total non-current assets	16,797	16,268
Current assets		
(a) Inventories	11,621	8,997
(b) Financial assets		
(i) Investments	1,759	1,988
(ii) Trade receivables	12,517	9,315
(iii) Cash and cash equivalents	595	661
(iv) Other bank balances	94	102
(v) Loans	38	38
(vi) Other financial assets	50	92
(c) Other current assets	1,617	1,797
	28,291	22,990
(d) Assets classified as held for sale	80	7
Total current assets	28,371	22,997
Total Assets	45,168	39,265
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1,360	1,360
(b) Other equity	30,991	26,832
Total of equity	32,351	28,192
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	73	60
(ii) Lease liabilities	84	127
(iii) Other financial liabilities	16	18
(b) Provisions	615	469
(c) Other non-current liabilities	6	3
Total non-current liabilities	794	677
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,513	8
(ii) Lease liabilities	58	26
(iii) Trade payables		
Total outstanding dues to micro, small and medium enterprises	1,366	192
Total outstanding dues to creditors other than micro, small and medium enterprises	5,942	7,559
(iv) Other financial liabilities	1,346	996
(b) Other current liabilities	809	923
(c) Provisions	660	651
(d) Current tax liabilities (net)	329	41
Total current liabilities	12,023	10,396
Total Equity and Liabilities	45,168	39,265

(See accompanying notes to the financials results)

^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

Audited Statement of Cash Flow for the Year ended 31 March 2023

(Rs. in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022 (Restated)^
	(Audited)	
Cash flow from operating activities		
Profit before tax	7,911	5,821
Adjustment for:		
Fair value adjustments relating to		
Financial assets at amortised cost	(4)	1
Provision / liabilities no longer required now written back	(61)	(70)
Depreciation and amortisation expense	1,161	1,090
Bad debts written off	29	24
Expected Credit Loss	492	106
Inventory written off	126	38
Property, plant and equipment written off	29	21
Gain on derecognition of ROU and Lease liability	(29)	-
Items considered separately:		
Finance costs	220	359
Surplus on sale of investments	(49)	-
Interest expense on lease liability	15	13
(Profit) / Loss on sale of property, plant and equipment	(11)	10
Fair value change of financial asset measured at FVTPL	9	(52)
Interest income	(116)	(86)
Rental income	(126)	(122)
Exchange gain on revaluation of foreign currency monetary item	(1)	-
Exceptional items (Refer note 3)	80	(898)
Operating profit before working capital changes	9,675	6,255
Adjustments for changes in working capital:		
Inventories	(2,750)	(2,789)
Trade receivables	(3,717)	629
Loans and Other receivables	166	(249)
Trade Payables	(382)	(229)
Liabilities and Provisions	165	458
Cash generated from operating activities	3,157	4,075
Income tax paid	(1,790)	(1,436)
Net cash generated from operating activities (A)	1,367	2,639
Cash flow from investing activities		
Acquisition of property, plant and equipment (including capital work-in-progress, intangible assets under development and capital advances)	(1,475)	(1,733)
Purchase of investments	(680)	(2,016)
Proceeds from sale of property, plant and equipment	123	1,853
Advance (paid) / received against proposed sale of property	-	14
Proceeds from sale of investments	680	1,149
Interest received	97	85
Rental received	129	130
Increase/(decrease) in fixed deposits	160	(27)
Net cash used in investing activities (B)	(966)	(545)
Cash flow from financing activities		
Finance costs	(220)	(375)
Finance cost paid on lease liabilities	(15)	(13)
Repayment of lease liability	(49)	(17)
Repayment of borrowings	(11)	(2,802)
Dividend paid	(1,700)	-
Proceeds from borrowings	1,528	70
Net cash used in financing activities (C)	(467)	(3,137)
Net decrease in cash and cash equivalents (A+B+C)	(66)	(1,043)
Cash and cash equivalents at the beginning of the year	661	1,704
Cash and cash equivalents at the end of the year	595	661
Components of cash and cash equivalents:		
Cash on hand	5	5
Balances with banks in current accounts	590	656
Total cash and cash equivalents	595	661

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



Notes to the financial results:

- The above audited financial results have been reviewed by the Audit Committee and then approved by the Board of Directors at their respective meetings held on 30 May 2023.
- The above audited 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.

Exceptional items	(Rs. in lakhs)			
	Quarter ended		Year ended	
	31 March 2023	31 December 2022 (Restated) ^a	31 March 2022 (Restated) ^a	31 March 2022 (Restated) ^a
Impairment in the value of the wire manufacturing facility [Refer note a below]	-	(21)	-	(146)
Balances with government authorities written off [Refer note b below]	-	-	(380)	(380)
Provisions for cost overrun and other incidental costs [Refer note c below]	-	-	(820)	(820)
Profit on sale of Properties [Refer note d below]	-	-	1,367	2,098
Profit on sale of Flat [Refer note e below]	66	-	-	66
Total	66	(21)	167	(80)

Notes:

a) During the year, the Company has provided Rs. 146 lakhs towards impairment in the carrying value of one of the manufacturing facility of wires (For quarter ended 30 June 2022 - 125 lakhs and quarter ended 31 December 2022 - 21 lakhs).The same has been shown under exceptional items.

b) In the previous year, the Company had availed the benefit of Amnesty scheme announced by Government of Maharashtra, for pending sales tax appeal and has written off Rs. 380 lakhs towards disputed VAT input credit matter which was pending before CESTAT, VAT tribunal during the previous year.

c) In the previous year, the Company had sold one project and booked an additional cost of Rs. 535 lakhs towards compensation to buyer for future estimated losses, expected liquidated damage and other incidental costs and a provision of Rs. 285 lakhs towards cost incurred on crematorium projects of Municipal Corporation of Greater Mumbai (MCGM) and expected liquidated damages, as estimated by the management.

d) In the previous year, the Company had sold three properties situated at Delhi- Narayana, Silvassa and Ahmednagar and the profit on sale was recognised as an exceptional item.

e) During the year, the Company has sold partly property situated at Kochi and the profit on sale has been recognised as an exceptional item.

4 Merger of subsidiary company (Ador Welding Academy Private Limited)

As a part of reorganization of the Company, the Board of Directors of the Company (Company is one of India's leading player in the field of Welding Products, Technologies and Services) and its wholly owned subsidiary, Ador Welding Academy Private Limited (AWAPL) (engaged in providing training in respect of welding activity) have in their respective board meetings held on 28 May 2021 unanimously approved the proposal for the amalgamation of AWAPL with the Company, subject to all the necessary statutory / regulatory approvals. Necessary notices are filed with the statutory & regulatory authorities.

The Scheme of Amalgamation ("The Scheme") for merger of AWAPL with the Company has been 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 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.

In accordance with the Scheme, the shares held by the Company in AWAPL shall stand cancelled and extinguished in entirety. Since the Company is the 100% shareholder of AWAPL, no shares shall be required to be allotted by the Company either to itself or to any of its nominee shareholders holding shares in AWAPL.

The difference, between the book value of the assets of AWAPL and the aggregate of: (a) the book value of liabilities of AWAPL vested in the Company pursuant to the Scheme; (b) the book value of the reserves of AWAPL vested in the Company pursuant to the Scheme; and the book value of investment held by the Company in AWAPL, recorded as capital reserve.

Upon the Scheme become effective and with effect from the appointed date, the authorized share capital of AWAPL shall stand cancelled. Difference between carrying value of investment and net assets amounting Rs. 140 lakhs has been credited to capital reserve.

Table 1 Restatements – Statement of profit and loss

Particulars	(Rs. in lakhs)					
	Quarter ended				Year ended	
	31 December 2022	31 December 2022	31 March 2022	31 March 2022	31 March 2022	31 March 2022
	Reported	Restated	Reported	Restated	Reported	Restated
(1) Total income	20,035	20,037	20,123	20,125	66,689	66,696
(2) Total expenses	17,815	17,817	18,569	18,571	61,764	61,773
(3) Profit before exceptional items and tax (1-2)	2,220	2,220	1,554	1,554	4,925	4,923
(4) Exceptional items (net) Gain / (Loss)	(21)	(21)	167	167	898	898
(5) Profit before tax (3-4)	2,199	2,199	1,721	1,721	5,823	5,821
(6) Income tax expenses / (credit)						
Current tax	606	606	488	488	1,473	1,473
Deferred tax	(43)	(43)	(87)	(86)	(169)	(168)
MAT Credit Entitlement	-	-	-	-	-	14
Total tax expenses / (credit) (net)	563	563	401	402	1,304	1,319
(7) Net Profit / (Loss) for the period (5-6)	1,636	1,636	1,320	1,319	4,519	4,502

Table 2 Restatements – Balance sheet

Particulars	(Rs. in lakhs)	
	31 March 2022	
	Reported	Restated
Non-current assets	16,410	16,268
Current assets	22,863	22,997
Total Assets	39,273	39,265
Equity	28,201	28,192
Non-current liabilities	677	677
Current liabilities	10,395	10,396
Total equity and liabilities	39,273	39,265

Table 3 Restatements – Statement of Cash flow

Particulars	(Rs. in lakhs)	
	31 March 2022	
	Reported	Restated
Cash flow from operating activities	2,633	2,639
Cash flow from investing activities	(546)	(545)
Cash flow from financing activities	(3,137)	(3,137)
Net (decrease)/increase in cash and cash equivalents	(1,050)	(1,043)
Add: Cash and cash equivalents at the beginning of the year	1,688	1,704
Cash and cash equivalents at the end of the year	638	661

- The Board of Directors of the Company, at its meeting held on 31 May, 2022, approved the Scheme of Amalgamation (Merger by Absorption) of Ador Fintech Limited ("Transferor Company" or "ADFL") with Ador Welding Company ("Transferee Company" or "AWPL") and their respective shareholders, under the provisions of Section 230 to 232 of the Companies Act 2013. The Company had obtained necessary NOCs from the Stock exchanges and subsequently filled application with NCLT. The NCLT Mumbai bench has passed order on 18 May, 2023 wherein directed the Company to convene the meeting of the Shareholders on 10 August, 2023, dispensed with convening the meeting of the Secured Creditors and issue notices to the Unsecured Creditors of value - Rs. 1.00 Lakh and above.
- The figures for the quarter ended 31 March 2023 and 31 March 2022 are the balancing figures between the audited financial statements for the year 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.
- The Board has recommended a dividend for the financial year 2022-23 @ Rs.17.5 per share, i.e. 175% of the face value of Rs.10 each.
- Previous periods / year's figures have been regrouped or reclassified wherever necessary.

Mumbai
30 May 2023



(Signature)

For ADOR WELDING LIMITED

A. T. Malkani
MANAGING DIRECTOR
DIN : 01585637

AWL/SEC/SE/2023-24/21

30th May, 2023

BSE LTD.
Phiroze Jeejeebhoy Towers,
01st 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: **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 / vide SEBI Circulars No. SEBI/LAD-NRO/GN/2016-17/001 dated 25th May, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated 27th May, 2016, we hereby declare that M/s. Walker Chandiook & Co. LLP, Statutory Auditors of our Company, have issued Audit Report with unmodified opinion on the Standalone Audited Financial Results of the Company for the year ended 31st March, 2023.

We hereby request you to take this information on record and acknowledge the receipt of the same.

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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☎ 1800 233 1071 | ✉ care@adorians.com | 📞 +91 20 40706000

Annexure F2



PRAVEEN & MADAN

CHARTERED ACCOUNTANTS

No.237, 2nd Cross, Cambridge Layout, Halasuru, Bengaluru – 560008. Ph: 7338312384. email:info@pmca.co.in

INDEPENDENT AUDITOR'S REPORT

To

The Board of Directors of Ador Fontech Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Annual Financial Results of Ador Fontech Limited (the Company) for the quarter and year ended March 31, 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).

In our opinion and to the best of our information and according to the explanations given to us, these Standalone Financial Results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the applicable Indian Accounting Standards prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information for the quarter and year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 (the Act) and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Management’s Responsibilities for the Standalone Financial Results

The Company’s Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, ‘Interim Financial Reporting’ prescribed under Section 133 of the Act read with relevant rules issued there under 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are 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.

The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial results as a whole are 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 as 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 these Standalone Financial Results.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 financial results 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 Standalone Financial Results, including the disclosures and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.



PRAVEEN & MADAN

CHARTERED ACCOUNTANTS

No.237, 2nd Cross, Cambridge Layout, Halasuru, Bengaluru – 560008. Ph: 7338312384. email:info@pmca.co.in

Other Matters

The Statement includes the financial results for the quarter ended March 31, 2023, 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.

Bengaluru

May 29, 2023

For Praveen & Madan

Chartered Accountants

Praveen Digitally signed by
Praveen Kumar
Kumar Date: 2023.05.29
16:20:47 +05'30'

Praveen Kumar N

Partner (Membership No: 225884)

Firm Registration no.:011350S

UDIN: 23225884BGVJXW5939



INDEPENDENT AUDITOR’S REPORT

To the Board of Directors of Ador Fontech Limited (Holding Company)

Report on the Audit of Consolidated Financial Results

Opinion

We have audited the accompanying Consolidated Annual Financial Results of Ador Fontech Limited (hereinafter referred to as the ‘Holding Company’) and its subsidiaries (Holding Company and its subsidiaries together referred to as ‘the Group’), its associates and jointly controlled entities for the year ended March 31, 2023, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other Auditors on separate audited financial statements /financial results/ financial information of the subsidiaries, associates and jointly controlled entities, the aforesaid consolidated financial results:

- i. include the annual financial results of the following entities:
 - Ador Fontech Limited
 - 3D Future Technologies Private Limited
- ii. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. Give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of net profit/loss and other comprehensive income and other financial information of the Group for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (‘Act’). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are



relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 other Auditors in terms of their reports referred to in ‘Other Matter’ paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Our opinion is not modified in respect of this matter.

Board of Directors’ Responsibilities for the Consolidated Financial Results

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company’s Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information of the Group including its associates and jointly controlled entities in accordance with the Indian Accounting Standards 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 respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and jointly controlled entities and for preventing & detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and its associates and jointly controlled entities 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 either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are 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 SAs 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 these consolidated financial results.

As part of an audit in accordance with Standards of Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, 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 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 Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 and its associates and jointly controlled entities 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 consolidated financial results 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 and its associates and jointly controlled entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and jointly controlled entities to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent Auditors. For the other entities included in the consolidated Financial Results, which have been audited by 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent Auditors 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. 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.



Other Matters

The consolidated Financial Results include the Audited Financial Results of Ador Fontech Limited and its subsidiary, 3D Future Technologies Private Limited whose Financial information reflects total assets of Rs.1,197 lakhs as at March 31, 2023, total revenue of Rs. 665 lakhs and total net loss after tax of Rs. 546 lakhs for the year ended March 31, 2023, as considered in the consolidated Financial Results, which have been audited by their respective independent Auditors. The independent Auditors' reports on financial statements of these entities have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such Auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other Auditors and the Financial Results/financial information certified by the Board of Directors.

The Financial Results include the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year.

For Praveen & Madan

Chartered Accountants

Praveen Digitally signed by
Praveen Kumar
Kumar Date: 2023.05.29
16:23:30 +05'30'

Praveen Kumar N

Partner (Membership No: 225884)

Firm Registration no.:011350S

UDIN: 23225884BGVJXV9145

Bengaluru

May 29, 2023

**STATEMENT OF AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023**



ADOR FONTECH LIMITED

Belview 7 Haudin Road Bengaluru 560 042

CIN: L31909KA1974PLC020010 T: 080 25596045

E: investorservice@adorfon.com; www.adorfon.com

Sl No.	Particulars	Standalone					Consolidated				
		(₹. in lakhs)					(₹. in lakhs)				
		Quarter ended		Year ended			Quarter ended		Year ended		
		31.03.23	31.12.22	31.03.22	31.03.23	31.03.22	31.03.23	31.12.22	31.03.22	31.03.23	31.03.22
	Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited	
1	Total income from operations (net)	5613	5443	5242	21202	21043	5767	5569	5262	21716	21409
2	Net Profit/(Loss) for the period (before tax exceptional and/or extraordinary items)	948	866	979	3257	3505	870	721	805	2689	2960
3	Net Profit/(Loss) for the period before tax (after exceptional and/or extraordinary items)	948	866	979	3257	3505	870	721	805	2689	2960
4	Net Profit/(Loss) for the period after tax (after exceptional and/or extraordinary items)	639	670	572	2303	2545	582	531	532	1756	2133
5	Total comprehensive income for the period (comprising profit/(loss) for the period (after tax) and other comprehensive income (after tax))	648	672	569	2322	2564	595	533	529	1779	2152
6	Equity share capital	700	700	700	700	700	700	700	700	700	700
7	Reserves (excluding revaluation reserves) as shown in the Audited Balance Sheet of the previous year					14191					11957
8	Earnings per share (of ₹.2/- each) (for continuing and discontinued operations)										
	Basic	1.8	1.9	1.6	6.6	7.3	1.7	1.5	1.5	5.0	6.1
	Diluted	1.8	1.9	1.6	6.6	7.3	1.7	1.5	1.5	5.0	6.1

Notes

- (1) The above is an extract of the detailed format of financial results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the financial results are available on the website of the Bombay Stock Exchange (www.bseindia.com) and on the Company's website (www.adorfon.com).
- (2) These statements have been prepared in accordance with the 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 consolidated financial results comprise Ador Fontech Limited and its wholly owned subsidiary 3D Future Technologies Private Limited.
- (4) In terms of para 12 of Ind-AS-108, the Company views its business operations in a holistic manner and hence segment reporting is not applicable w.r.t. Standalone Financial Statements. However, the nature of business of Holding and Subsidiary being distinct, aggregation in terms of the Consolidated Financial Statements have been detailed under Segment reporting.
- (5) Prior period items have been re-grouped wherever necessary to facilitate comparison.
- (6) The Statutory Auditors have carried out Audit of the financial statements for the quarter and year ended March 31, 2023.

(7) The results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 29, 2023.

(8) The Board has proposed dividend at the rate of Rs.5 (Rupees five) per equity share (being 250% on the nominal value of Rs.2/- per equity share), which shall be subject to the consent of the Board of Directors of Ador Welding (in view of the proposed merger between the said companies) at their meeting dated May 30, 2023 and declaration by the Shareholders of Ador Fontech at the ensuing 48th Annual General Meeting.

Kindly note: Consent of the Board of Ador Welding will be notified in the website of the Company and also in the BSE portal as an update on May 30, 2023.

For Ador Fontech Limited

A T Malkani
Chairman

Place: Bengaluru
Date: May 29, 2023

**STATEMENT OF AUDITED STANDALONE
FINANCIAL RESULTS FOR THE QUARTER
AND YEAR ENDED MARCH 31, 2023**



ADOR FONTECH LIMITED

Belview 7 Haudin Road Bengaluru 560 042
CIN: L31909KA1974PLC020010 T: 080 25596045
E: investorservice@adorfon.com; www.adorfon.com

Sl No.	Particulars	(₹.in lakhs)				
		Quarter Ended			Financial Year Ended	
		31.03.23	31.12.22	31.03.22	31.03.23	31.03.22
		Audited	Unaudited	Audited	Audited	Audited
1	Income from operations (net)	5558	5293	5014	20778	20477
	Other income	55	150	228	424	566
	Total revenue	5613	5443	5242	21202	21043
2	a. Cost of materials consumed	1248	1486	784	5844	4478
	b. Purchased of stock-in-trade	1640	1562	1609	6190	6449
	c. Changes in inventory of finished goods w.i.p and stock-in-trade	390	(16)	13	26	338
	d. Operational expenses	486	457	405	1842	1670
	e. Employee cost benefit expenses	614	656	784	2541	2761
	f. Finance cost					
	g. Depreciation & amortisation	48	92	89	312	271
	h. Other expenses	239	340	579	1190	1571
	Total expenses	4665	4577	4263	17945	17538
3	Profit/-(loss) before exceptional items and tax	948	866	979	3257	3505
4	Exceptional items					
5	Profit/-(loss) before tax	948	866	979	3257	3505
6	Tax expense					
	Current tax	140	200	361	790	1025
	Shortfall of previous year					
	Deferred tax	169	(4)	46	164	(65)
	Total	309	196	407	954	960
7	Profit/-(loss) after tax	639	670	572	2303	2545
8	Other comprehensive income					
	a. (i) Items that will not be reclassified to profit and loss	11	3	(4)	26	25
	(ii) Income tax relating to items that will not be reclassified to profit and loss	(2)	(1)	1	(7)	(6)
	b. (i) Items that will be reclassified to profit and loss					
	(ii) Income tax relating to items that will be reclassified to profit and loss					
9	Total comprehensive income(after tax)	648	672	569	2322	2564
10	Paid-up equity share capital (Face value of ₹.2 per share)	700	700	700	700	700
11	Earnings/(losses) per share (EPS) (net of tax) (in ₹.)					
	Basic (not annualised in respect of the quarters)	1.8	1.9	1.6	6.6	7.3
	Diluted (not annualised in respect of the quarters)	1.8	1.9	1.6	6.6	7.3

For Ador Fontech Limited



Bengaluru
May 29, 2023

AT Malkani
Chairman

**STATEMENT OF AUDITED CONSOLIDATED
FINANCIAL RESULTS FOR THE QUARTER
AND YEAR ENDED MARCH 31, 2023**



ADOR FONTECH LIMITED

Belview 7 Haudin Road Bengaluru 560 042
CIN: L31909KA1974PLC020010 T: 080 25596045
E: investorservice@adorfon.com; www.adorfon.com

SI No.	Particulars	(₹.in lakhs)				
		Quarter Ended			Financial Year Ended	
		31.03.23	31.12.22	31.03.22	31.03.23	31.03.22
		Audited	Unaudited	Audited	Audited	Audited
1	Income from operations (net)	5758	5448	5126	21423	20957
	Other income	9	121	136	293	452
	Total revenue	5767	5569	5262	21716	21409
2	a. Cost of materials consumed	1289	1555	831	6078	4651
	b. Purchased of stock-in-trade	1644	1563	1613	6195	6454
	c. Changes in inventory of finished goods w.i.p and stock-in-trade	391	(16)	13	27	338
	d. Operational expenses	486	457	405	1842	1670
	e. Employee benefit expenses	692	730	851	2866	3016
	f. Finance cost	1	1	2	3	5
	g. Depreciation & amortisation	59	109	127	358	316
	h. Other expenses	335	449	615	1658	1999
	Total expenses	4897	4848	4457	19027	18449
3	Profit/-(loss) before exceptional items and tax	870	721	805	2689	2960
4	Exceptional items					
5	Profit/-(loss) before tax	870	721	805	2689	2960
6	Tax expense					
	Current tax	140	200	361	790	1025
	Shortfall from previous year					
	Deferred tax	148	(10)	(88)	143	(198)
	Total	288	190	273	933	827
7	Profit/-(loss) after tax	582	531	532	1756	2133
8	Other comprehensive income					
	a. (i) Items that will not be reclassified to profit and loss	17	3	(4)	32	25
	(ii) Income tax relating to items that will not be reclassified to profit and loss	(4)	(1)	1	(9)	(6)
	b. (i) Items that will be reclassified to profit and loss					
	(ii) Income tax relating to items that will be reclassified to profit and loss					
9	Total comprehensive income (after tax)	595	533	529	1779	2152
10	Paid-up equity share capital (Face value of ₹.2 per share)	700	700	700	700	700
11	Earnings/(losses) per share (EPS) (net of tax) (in ₹.)					
	Basic (not annualised in respect of the quarters)	1.7	1.5	1.5	5.0	6.1
	Diluted (not annualised in respect of the quarters)	1.7	1.5	1.5	5.0	6.1

For Ador Fontech Limited



AT Malkani
Chairman

Bengaluru
May 29, 2023

**STATEMENT OF AUDITED
STANDALONE ASSETS & LIABILITIES
AS AT MARCH 31, 2023**



ADOR FONTECH LIMITED

Belview 7 Haudin Road Bengaluru 560 042
CIN: L31909KA1974PLC020010 T: 080 25596045
E: investorservice@adorfon.com; www.adorfon.com

(₹.in lakhs)

PARTICULARS	As at 31.03.23	As at 31.03.22
ASSETS	Audited	Audited
1. Non-current assets		
(a) Property, plant and equipment	2698	2810
(b) Right to use an asset		
(c) Capital work-in-progress		
(d) Intangible assets	111	-
(e) Financial assets		
Investments	1725	975
Loans		
(f) Other non-current assets		
(g) Deferred tax assets		
Sub-total-Non-current assets	4534	3785
2. Current assets		
(a) Inventories	2238	2274
(b) Financial assets		
Investments	1402	2015
Trade receivables	3051	2755
Cash and cash equivalents	155	27
Bank balances other than cash and cash equivalents	3978	3817
Loans and advances	1360	1548
Other financial assets		
(c) Other current assets	235	387
(d) Current tax assets	527	290
Sub-total-Current assets	12946	13113
Total-Assets	17480	16898
EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	700	700
(b) Other equity (Reserves and surplus)	14191	13269
Sub-total-Equity	14891	13969
2 Non-current liabilities		
(a) Other financial liabilities		
(b) Provisions		
(c) Other non-current-liabilities/Deferred tax	171	-
Sub-total-Non-current liabilities	171	-
3 Current liabilities		
(a) Financial liabilities		
Lease liabilities		
Borrowings		
Trade payables:		
-Total outstanding due to micro, small and medium enterprise	823	518
-Total outstanding due to creditors other than micro, small and medium enterprise	970	1613
Other financial liabilities	298	299
(b) Other current liabilities	167	137
(c) Provisions	160	362
Sub-total-Current liabilities	2418	2929
Total-Equity and liabilities	17480	16898

For Ador Fontech Limited



A T Malkani
Chairman

Bengaluru
May 29, 2023

**STATEMENT OF AUDITED
CONSOLIDATED ASSETS &
LIABILITIES AS AT MARCH 31, 2023**



ADOR FONTECH LIMITED
Belview 7 Haudin Road Bengaluru 560 042
CIN: L31909KA1974PLC020010 T: 080 25596045
E: investorservice@adorfon.com; www.adorfon.com

(₹.in lakhs)		
PARTICULARS	As at 31.03.23	As at 31.03.22
ASSETS	Audited	Audited
1. Non-current assets		
(a) Property, plant and equipment	2803	2921
(b) Right to use an asset	9	31
(c) Capital work-in-progress		
(d) Intangible assets	123	-
(e) Financial assets		
Investments	15	15
Loans		
(f) Other non-current assets		
(g) Deferred tax assets	433	584
Sub-total-Non-current assets	3383	3551
2. Current assets		
(a) Inventories	2294	2350
(b) Financial assets		
Investments	1402	2015
Trade receivables	3148	2821
Cash and cash equivalents	270	72
Bank balances other than cash and cash equivalents	3983	3822
Loans and advances	319	404
Other financial assets		
(c) Other current assets	246	416
(d) Current tax assets	527	290
Sub-total-Current assets	12189	12190
Total-Assets	15572	15741
EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	700	700
(b) Other equity (Reserves and surplus)	11957	11578
Sub-total-Equity	12657	12278
2 Non-current liabilities		
(a) Lease liabilities	4	19
(b) Provisions	29	40
(c) Other non-current-liabilities/Deferred tax		
Sub-total-Non-current liabilities	33	59
3 Current liabilities		
(a) Financial liabilities		
Lease liabilities	6	12
Borrowings		
Trade payables:		
-Total outstanding due to micro, small and medium enterprise	824	519
-Total outstanding due to creditors other than micro, small and medium enterprise	1005	1663
Other financial liabilities	394	397
(b) Other current liabilities	491	448
(c) Provisions	162	365
Sub-total-Current liabilities	2882	3404
Total-Equity and liabilities	15572	15741

Bengaluru
May 29, 2023

For Ador Fontech Limited

A T Malkani
Chairman

**STANDALONE CASH FLOW
STATEMENT FOR THE YEAR ENDED
MARCH 31, 2023**



ADOR FONTECH LIMITED

Belview 7 Haudin Road Bengaluru 560 042
CIN: L31909KA1974PLC020010 T: 080 25596045
E: investorservice@adorfon.com; www.adorfon.com

SI No.	Particulars	₹.in lakhs)	
		Year ended 31.03.23	Year ended 31.03.22
		Audited	Audited
A.	Cash Flow From Operating Activities		
	Net Profit before tax as per Statement of Profit and Loss	3257	3505
	Add/(Less):		
	Depreciation, amortisation and impairment	312	271
	Interest & dividend income	(350)	(292)
	Other comprehensive income	26	25
	Operating profit before working capital changes	3245	3509
	Adjustment for movements in:		
	Trade receivables	(296)	(33)
	Inventories	36	250
	Current investments	613	(443)
	Loans given	188	(587)
	Other current assets	152	(271)
	Trade payables	(338)	266
	Other financial liabilities	(1)	(29)
	Other current liabilities	30	50
	Current provisions	(202)	(62)
	Changes in current tax assets	(237)	83
	Operating profit after working capital changes	3190	2733
	Direct taxes paid/(refund due)	(790)	(1025)
	Net cash from operating activities	2400	1708
B.	Cash Flow From Investing Activities		
	Purchase of property, plant and equipment	(311)	(455)
	Capital work in progress	-	244
	Purchase and sale of investments (net)	(750)	188
	Increase/(Decrease) in other bank accounts	(161)	(1172)
	Interest & dividend income	350	292
	Net cash from investing activities	(872)	(903)
C.	Cash Flow From Financing Activities		
	Increase/(decrease) in non current provisions	-	(66)
	Dividend paid including tax	(1400)	(764)
	Net cash from financing activities	(1400)	(830)
	Net (Decrease) in Cash and Cash Equivalents (A+B+C)	128	(25)
	Opening balance of cash and cash equivalents	27	52
	Closing balance of cash and cash equivalents	155	27
	Components of cash and cash equivalents:		
	Balances with banks in current accounts	155	27

For Ador Fontech Limited

A T Malkani
Chairman

Bengaluru
May 29, 2023

**CONSOLIDATED CASH FLOW
STATEMENT FOR THE YEAR ENDED
MARCH 31, 2023**



ADOR FONTECH LIMITED
Belview 7 Haudin Road Bengaluru 560 042
CIN: L31909KA1974PLC020010 T: 080 25596045
E: investorservice@adorfon.com; www.adorfon.com

Sl No.	Particulars	(₹.in lakhs)	
		Year ended 31.03.23	Year ended 31.03.22
		Audited	Audited
A.	Cash Flow From Operating Activities		
	Net Profit before tax as per Statement of Profit and Loss	2689	2960
	Add/(Less):		
	Depreciation, amortisation and impairment	358	316
	Non operating income including interest income	(293)	(452)
	Finance costs	3	5
	Other comprehensive income	32	25
	Non cash Items	(1)	3
	Operating profit before working capital changes	2788	2857
	Adjustment for movements in:		
	Trade receivables	(327)	(67)
	Inventories	56	218
	Current investments	613	(443)
	Loans given	85	85
	Current tax assets	(237)	90
	Other current assets	170	(275)
	Trade payables	(353)	282
	Lease liabilities	(21)	78
	Other financial liabilities	(3)	-
	Other current liabilities	43	214
	Current provisions	(203)	(62)
	Operating profit after working capital changes	2611	2977
	Direct taxes paid (net of refund)	(790)	(1025)
	Net Cash From Operating Activities	1821	1952
B.	Cash Flow From Investing Activities		
	Purchase of property, plant and equipment	(341)	(198)
	Other bank accounts	(161)	(1173)
	Purchase and sale of investments (net)	-	(192)
	Non operating income	293	452
	Net cash from investing activities	(209)	(1111)
C.	Cash Flow From Financing Activities		
	Increase/(decrease) in non current liabilities	(11)	(49)
	Finance cost	(3)	(13)
	Dividend paid including tax	(1400)	(764)
	Net cash from financing activities	(1414)	(826)
	Net (Decrease) in Cash and Cash Equivalents (A+B+C)	198	15
	Opening balance of cash and cash equivalents	72	57
	Closing balance of cash and cash equivalents	270	72
	Components of cash and cash equivalents:		
	Balances with banks in current accounts	270	72

Bengaluru
May 29, 2023

For Ador Fotech Limited

A T Malkani
Chairman

**SEGMENT WISE REPORTING
FOR THE QUARTER AND
YEAR ENDED MARCH 31, 2023**



ADOR FONTECH LIMITED

Belview 7 Haudin Road Bengaluru 560 042
CIN: L31909KA1974PLC020010 T: 080 25596045
E: investorservice@adorfon.com; www.adorfon.com

Particulars	(₹. in lakhs)				
	Quarter ended		Year ended		Year ended
	31.03.23	31.12.22	31.03.22	31.03.23	31.03.22
	Audited	Unaudited	Audited	Audited	Audited
Segment revenue					
Ador Fontech Limited	5613	5443	5242	21202	21043
3D Future Technologies Private Limited	202	161	111	665	483
Inter segment revenue	(48)	(35)	(91)	(151)	(117)
Total	5767	5569	5262	21716	21409
Net segment revenue					
Segment results					
Ador Fontech Limited	948	866	979	3257	3505
3D Future Technologies Private Limited	(77)	(144)	(172)	(565)	(540)
Less: (i) Finance cost	(1)	(1)	(2)	(3)	(5)
(ii) Other unallocable expenditure net of unallocable income	-	-	-	-	-
Profit before tax	870	721	805	2689	2960
Segment assets					
Ador Fontech Limited	17480	17441	16898	17480	16898
3D Future Technologies Private Limited	(1908)	(1531)	(1157)	(1908)	(1157)
Total segment assets	15572	15910	15741	15572	15741
Segment liabilities					
Ador Fontech Limited	2589	3197	2929	2589	2929
3D Future Technologies Private Limited	326	651	534	326	534
Total segment liabilities	2915	3848	3463	2915	3463
Net capital employed	12657	12062	12278	12657	12278

For Ador Fontech Limited



A T Malkani
Chairman

Bengaluru
May 29, 2023

**Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai –400 001**

May 29, 2023

Sir/Madam,

Ref: Scrip code: 530431

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 25th May, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated 27th May, 2016, we hereby declare that M/s. Praveen & Madan (Firm Registration no.:011350S), Statutory Auditors of the Company have issued Audit Report with unmodified opinion on the Audited Financial Results of the Company (Standalone & Consolidated) for the year ended March 31, 2023.

We hereby request you to take this information on record and acknowledge receipt of the same.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,

For ADOR FONTECH LIMITED



**Geetha D
Company Secretary &
Chief Financial Officer**



ADOR FONTECH LIMITED

Regd. and Head Office: Belview, 7 Haudin Road, Bengaluru 560 042, Karnataka - India.

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CIN: L31909KA1974PLC020010

Annexure G1



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ADOR WELDING LIMITED (THE “COMPANY”) IN ACCORDANCE WITH THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON TUESDAY, 31ST MAY 2022 AT REGISTERED OFFICE OF THE COMPANY SITUATED AT ADOR HOUSE, 6, K. DUBASH MARG, FORT, MUMBAI – 400 001-16

1. The Scheme of Amalgamation (Merger by Absorption) of Ador Fontech Limited (“Transferor Company” or “ADFL”) with Ador Welding Limited (“Transferee Company” or “AWL”) and their respective shareholders under the provisions of Sections 230 to 232 of the Companies Act, 2013 (“Act”) (“the Scheme”), provides for the amalgamation of Ador Fontech Limited (“Transferor Company”) with Ador Welding Limited (“Transferee Company”) (Transferor Company and Transferee Company hereinafter collectively referred to as the “Companies”).
2. The Board of Directors of the Company at its meeting held on 31st May, 2022 approved the Scheme.
3. As per Section 232(2)(c) of the Act, a report is required to be adopted by the Directors of the Company explaining effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and Key Managerial Personnel (“KMP”) laying out, in particular, the share exchange ratio, specifying any special valuation difficulties.
4. Following documents were placed before the Board:
 - (i) Draft Scheme, duly initialled by the Director / Company Secretary of the Company for the purpose of identification;
 - (ii) Valuation Report dated 31st May, 2022, issued by Mr. Niranjana Kumar, a Registered Valuer (Securities or Financial Assets) IBBI Registration No. – IBBI/RV/06/2018/10137), for the determination of Share Exchange Ratio (as defined hereunder) under the draft Scheme (‘Valuation Report’);
 - (iii) Fairness Opinion dated 31st May, 2022, prepared by Systematix Corporate Services Limited, a SEBI registered Category-I Merchant Banker, confirming that the Share Exchange Ratios in the Valuation Report are fair to the Companies and their respective shareholders and creditors (‘Fairness Opinion’);
 - (iv) The Certificate dated 31st May, 2022, from Walker Chandiok & Co LLP Chartered Accountants, statutory auditors of the Company, pursuant to SEBI Circular, certifying that the accounting treatment proposed in the draft Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act, read with applicable rules and / or the accounting standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting standards and principles (‘Auditor’s Certificate’);
 - (v) The Report dated 31st May, 2022, of the Audit Committee of the Board of the Company, recommending the Scheme to the Board of the Company, after taking into consideration, *inter alia*, the Valuation Report, the Share Exchange Ratio, the Fairness Opinion(s), and the Auditor’s

ADOR WELDING LIMITED

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Certificate, and noting that the draft Scheme is not detrimental to the interest of the shareholders of the Company ('**Audit Committee Report**');

- (vi) The Report dated 31st May, 2022, of the Committee of the Independent Directors of the Company, recommending the Scheme to the Board of the Company, after taking into consideration, *inter-alia*, the Valuation Report, the Share Exchange Ratio, the Fairness Opinion and the Auditor's Certificate, and noting that the draft Scheme is not detrimental to the interest of the shareholders of the Company ('**Independent Directors' Report**');

Considering all other relevant documents placed before the Board of the Company, approval of the Board of the Company be and is hereby accorded to the Scheme, a copy of which has been tabled at the meeting duly initialed by the Director / Company Secretary of the Company for the purpose of identification, for *inter alia*:

- (a) Amalgamation of Transferor Company into and with the Transferee Company, in the manner set out in the Scheme (**Part II of the Scheme**); and
(b) Various other matters consequential or otherwise integrally connected therewith.

5. **Fair Valuation Report / Share Entitlement Ratio Report**

Following are the important extract / observations of the Fair Valuation Report Report dated 31st May, 2022 issued by Mr. Niranjana Kumar (Registered Valuer):

Conclusion

"5 (Five) equity shares of AWL having a face value of INR 10/- each fully paid-up shall be issued for every 46 (Forty-six) equity shares held in ADFL having face value of INR 2/- each fully paid up."

6. **Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company:**

The Company has only one class of equity shareholders. There will be no impact of the Scheme, except to the extent of shares held by them in the Company.

Clause 12.1 of the Scheme provides that upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company in the Transferee Company, pursuant to Part II of this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot equity shares ("New Shares"), on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members, as member of the Transferor Company, as on the Record Date, as follows:

"5 (Five) equity shares of AWL having a face value of INR 10/- each fully paid-up shall be issued for every 46 (Forty-six) equity shares held in ADFL having a face value of INR 2/- each fully paid-up"

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7. Effect of the Scheme on the KMP of the Company:

There will be no impact of the Scheme on the KMP of the Company. Further, none of the KMPs have any interest in the Scheme, except to the extent of shares held by them, if any, in the Company.

For and on behalf of the Board of Directors of ADOR WELDING LIMITED

Sd/-

NINOTCHKA MALKANI NAGPAL

EXECUTIVE CHAIRMAN

Date: 31st May, 2022

Place: Mumbai

ADOR WELDING LIMITED

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Annexure G2



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ADOR FONTECH LIMITED (THE “COMPANY”) IN ACCORDANCE WITH THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT 2013, AT ITS MEETING HELD ON TUESDAY, 31ST MAY 2022 AT ADOR HOUSE 6K DUBASH MARG, FORT, MUMBAI 400 001 – 16.

1. The Scheme of Amalgamation (Merger by Absorption) of Ador Fontech Limited (“Transferor Company” or “ADFL”) with Ador Welding Limited (“Transferee Company” or “AWL”) and their respective shareholders under the provisions of Sections 230 to 232 of the Companies Act, 2013 (“Act”) (“the Scheme”), provides for the amalgamation of Ador Fontech Limited (“Transferor Company”) with Ador Welding Limited (“Transferee Company”) (Transferor Company and Transferee Company hereinafter collectively referred to as the “Companies”).
2. The Board of Directors of the Company at its meeting held on 31st May 2022 approved the Scheme.
3. As per Section 232(2)(c) of the Act, a report is required to be adopted by the Directors of the Company explaining effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and Key Managerial Personnel (“KMP”) laying out, in particular, the share exchange ratio, specifying any special valuation difficulties.
4. Following documents were placed before the Board:
 - (i) Draft Scheme, duly initialled by the Director / Company Secretary of the Company for the purpose of identification;
 - (ii) Valuation Report dated 31st May, 2022, issued by Mr. Niranjan Kumar, a Registered Valuer (Securities or Financial Assets) IBBI Registration No. – IBBI/RV/06/2018/10137), for the determination of Share Exchange Ratio (as defined hereunder), under the draft Scheme (‘Valuation Report’);
 - (iii) Fairness Opinion dated 31st May, 2022, prepared by Fedex Securities Private Limited, a SEBI registered Category-I Merchant Banker, confirming that the Share Exchange Ratios in the Valuation Report are fair to the Companies and their respective shareholders and creditors (‘Fairness Opinion’);

ADOR FONTECH LIMITED

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CIN: L31909KA1974PLC020010

- (iv) The Certificate dated 31st May, 2022, from M/s. Praveen & Madan, Chartered Accountants, Statutory auditors of the Company, pursuant to SEBI Circular, certifying that the accounting treatment proposed in the draft Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act, read with applicable rules and / or the accounting standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting standards and principles (**‘Auditor’s Certificate’**);
- (v) The Report dated 31st May, 2022, of the Audit Committee of the Board of the Company, recommending the Scheme to the Board of the Company, after taking into consideration, *inter alia*, the Valuation Report, the Share Exchange Ratio, the Fairness Opinion(s), and the Auditor’s Certificate, and noting that the draft Scheme is not detrimental to the interest of the shareholders of the Company (**‘Audit Committee Report’**);
- (vi) The Report dated 31st May, 2022, of the Committee of the Independent Directors of the Company, recommending the Scheme to the Board of the Company, after taking into consideration, *inter-alia*, the Valuation Report, the Share Exchange Ratio, the Fairness Opinion and the Auditor’s Certificate, and noting that the draft Scheme is not detrimental to the interest of the shareholders of the Company (**‘Independent Directors’ Report’**); and

Considering all other relevant documents placed before the Board of the Company, approval of the Board of the Company be and is hereby accorded to the Scheme, a copy of which has been tabled at the meeting duly initialed by the Director / Company Secretary of the Company for the purpose of identification, for *inter alia*:

- (a) Amalgamation of Transferor Company into and with the Transferee Company in the manner set out in the Scheme (**Part II of the Scheme**); and
- (b) Various other matters consequential or otherwise integrally connected therewith.

5. **Fair Valuation Report / Share Entitlement Ratio Report**

Following are the important extract / observations of the Fair Valuation Report / Share Entitlement Ratio Report dated 31st May, 2022 issued by Mr. Niranjan Kumar (Registered Valuer):

Conclusion

“5 (Five) equity shares of AWL having a face value of INR 10/- each fully paid-up shall be issued for every 46 (Forty-six) equity shares held in ADFL having face value of INR 2/- each fully paid up.”

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6. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company:

The Company has only one class of equity shareholders. There will be no impact of the Scheme, except to the extent of shares held by them in the Company.

Clause 12.1 of the Scheme provides that upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company in the Transferee Company, pursuant to Part II of this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot equity shares ("New Shares"), on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members, as member of the Transferor Company, as on the Record Date, as follows:

"5 (Five) equity shares of AWL having a face value of INR 10/- each fully paid-up shall be issued for every 46 (Forty-six) equity shares held in ADFL having a face value of INR 2/- each fully paid-up".

7. Effect of the Scheme on the KMP of the Company:

There will be no impact of the Scheme on the KMP of the Company. Further, none of the KMPs have any interest in the Scheme, except to the extent of shares held by them, if any, in the Company.

For and on behalf of the Board of Directors

A T Malkani
Chairman
DIN: 1585637

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