



73<sup>rd</sup> ANNUAL REPORT | FY 2025-26

ADOR WELDING LIMITED

# NOTABLE ACHIEVEMENTS

## 1. Strengthening Global Presence

Showcased Ador's latest welding innovations at the ESSEN Welding & Cutting Exhibition in Germany and Weldex 2025 in Russia, enhancing global visibility and deepening relationships with industry leaders, while expanding reach into select European markets.



## 2. Recognition for Raipur Manufacturing Plant

Ador's Raipur Manufacturing Plant was recognized by the Bureau of Indian Standards (BIS) during Manak Mahotsav 2025 - World Standards Day for completing 25 years of association. This recognition highlights the plant's continued commitment towards quality standards, regulatory compliance, and manufacturing excellence, aligned with national standards and industry requirements.



## 3. CII Industrial Innovation Award 2025

Ador was honored with the prestigious CII Industrial Innovation Award 2025 and recognized among India's Top 100 Innovative Companies, becoming the first welding company in India to receive this recognition.



## 4. Rhino E Award

Rhino-E, India's first battery-powered welder, was honored with the India's Best Design Project 2025 award, recognizing excellence in innovation and product design.



## 5. GreenCo Silver Certified by CII

Ador's Silvassa plant was awarded the prestigious GreenCo Silver Rating by CII, a nationally recognized framework that assesses excellence in sustainable and environmentally responsible manufacturing practices. This achievement reflects our continued commitment to sustainability, operational excellence, energy efficiency, and responsible manufacturing, while reinforcing our focus on creating the best welding experience through environmentally conscious operations.



**75 YEARS OF ADOR WELDING LIMITED**

**75**  
YEARS

**CREATING THE BEST  
WELDING EXPERIENCE**

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1951-2026

Ador marks its 75<sup>th</sup> anniversary—celebrating a legacy of strengthening India's Industrial growth through pioneering welding products and solutions. With state-of-the-art manufacturing, advanced R&D, and a presence in over 15 countries, we continue to innovate and create the best welding experience.

# ADOR AT A GLANCE

75 Years of  
Creating The Best Welding Experience

2026

75  
YEARS OF BEST  
WELDING EXPERIENCE

2024



Merger of Ador Fontech-Maintenance & Repair Division

International Business & Technical Support Operations relocated to Dubai

2022



2010



Setup of in-house R&D units in Pune & Silvassa

Started operations at the consumables plant in Silvassa

2004



2003



Name changed from Advani-Oerlikon Limited to Ador Welding Limited

Received ISO 9001 certification across all plants  
Publicly listed on India's National Stock Exchange  
Demerger of Ador Powertron Limited

1995



1992



Bengaluru welding consumables plant became operational

Listed on the Bombay Stock Exchange

1986



1982



Setup of the Advani Oerlikon Government Higher Secondary School in Birgaon, Raipur

## ADOR AT A GLANCE



## NEW PRODUCT DEVELOPMENT

### 1. Ador WelDoS

Ador WelDoS is an advanced digital welding management solution developed to enable real-time monitoring and control of critical welding parameters across industrial applications. Designed in line with Industry 4.0 practices, the system enhances process visibility, traceability, and operational efficiency while supporting smart manufacturing and technology-driven welding solutions.



### 2. Rhino-S

RHINO-S is a solar-powered o-grid welding solution designed for high portability, sustainability, and reliable performance in remote locations. It features lightweight foldable solar panels with support for up to 16 panels and fast charging, enabling uninterrupted operation in inaccessible environments.



### 3. Robotic Solutions & Cobots

Ador strengthened its focus on next-generation automation through advanced robotic welding solutions and collaborative robots (Cobots) designed to improve weld quality, productivity, and manufacturing flexibility. With growing adoption across automotive, heavy engineering, defence, and fabrication sectors, these solutions support safer, more efficient, and precision-driven automated welding operations.



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## CONTACT US

### Registered & Corporate Office

Ador House, 6, K. Dubash Marg, Fort, Mumbai 400 001 Maharashtra, India  
Tel: +91 22 6623 9300, 2284 2525  
Email: investorservices@adorians.com

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### Corporate Marketing Office – Pune

Survey No. 147/2B, Akurdi Chowk, Near Khandoba Mandir, Chinchwad, Pune 411 019, Maharashtra, India  
Email: cmo@adorians.com

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### Plants

Bengaluru, Nagpur, Pune, Raipur, Silvassa  
Email: cmo@adorians.com

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### Ador International – Dubai

South Zone 3, Warehouse, B2SR07, JAFZA, Dubai, UAE  
Email: cmo@adorians.com



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mrs. Ninotchka Malkani Nagpal	- Executive Chairman
Mr. Aditya Tarachand Malkani	- Managing Director
Dr. Deep Ashda Lalvani	- Non-Executive Director
Mr. Ravin Ajit Mirchandani	- Non-Executive Director
Ms. Tanya Halina Advani	- Non-Executive Director
Mrs. Nita Dempo Mirchandani	- Non-Executive & Independent Director
Mr. Navroze S. Marshall	- Non-Executive & Independent Director
Mr. Santosh Janakiram Iyer	- Non-Executive & Independent Director
Mr. Jitendra Hiru Panjabi	- Non-Executive & Independent Director
Mr. Mihir Jayaraman	- Non-Executive & Independent Director

### CORPORATE MANAGEMENT / LEADERSHIP TEAM

Mr. Lajpat Yadav  
 Mr. Ravi Palli Kumar  
 Mr. Mustafa Faizullahbhoj  
 Mr. Vineet Bansal  
 Dr. Shrikant S Suvarna  
 Mr. Ulhas Pujari  
 Mr. Vinayak M. Bhide  
 Mr. Surya kant Sethia  
 Mr. Krishnamurthy Suryanarayan  
 Mr. Sachin H Dobhada  
 Mr. Sunanda K Palit  
 Mr. Krishnakant Pandey  
 Ms. Niki Singh

### COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Vinayak M. Bhide

### STATUTORY AUDITORS

M/s. BSR & Co. LLP, Chartered Accountants, Mumbai

### SECRETARIAL AUDITORS

M/s. N. L. Bhatia & Associates, Company Secretaries, Mumbai

### INTERNAL AUDITORS

M/s. Kirtane & Pandit LLP., Chartered Accountants, Pune

### COST AUDITORS

M/s. Kishore Bhatia & Associates, Cost Accountants, Mumbai

### BANKERS

HDFC Bank		IDFC First Bank
Kotak Mahindra Bank		ICICI Bank
Bank of Baroda		

### REGISTERED OFFICE

Ador House, 6, K. Dubash Marg, Fort, Mumbai 400 001 – 16, Maharashtra, India  
 Tel: +91 22 6623 9300, 2284 2525  
 Email: [investorservices@adorians.com](mailto:investorservices@adorians.com) | Web: [www.adorwelding.com](http://www.adorwelding.com)  
 L70100MH1951PLC008647

### CORPORATE IDENTIFICATION NUMBER (CIN)

### REGISTRAR TO AN ISSUE & SHARE TRANSFER AGENT (RTA)

MUFG Intime India Pvt. Ltd. (formerly known as Link Intime India Pvt. Ltd.)  
 C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083,  
 Maharashtra, India.  
 Tel: +91 8108116767  
 E-mail: [investor.helpdesk@in.mpms.mufg.com](mailto:investor.helpdesk@in.mpms.mufg.com) | Web: [www.in.mpms.mufg.com](http://www.in.mpms.mufg.com)

## BOARD OF DIRECTORS

**Mrs. Ninotchka Malkani Nagpal**  
 Executive Chairman  
 (DIN: 00031985)



Mrs. Ninotchka Malkani Nagpal is the Executive Chairman of Ador Welding Limited and a senior member of the Ador Group, with over three decades of experience in financial and general management, corporate governance, and business leadership.

She holds an MBA with specialization in Finance from Imperial College London and a B.Sc. in Business & Economics from Lehigh University, USA. She began her career with Alliance Capital Asset Management, New York, where she gained exposure to global financial markets.

Over the past 27+ years, Mrs. Nagpal has been closely associated with Ador Welding Limited and various companies within the Ador Group, contributing to their financial management, strategic direction, and long-term growth. She has also played a key role in strengthening the Group’s operational and governance frameworks, with a continued focus on sustainable growth, operational excellence, and value creation.

She has previously served as Chairman of Ador Fontech Limited and J. B. Advani & Co. Private Limited, the parent company of the Ador Group. Following the merger of Ador Fontech Limited with Ador Welding Limited, she continues to guide the integrated business.

Mrs. Nagpal was appointed Executive Chairman of Ador Welding Limited on November 19<sup>th</sup>, 2019. She is a member of the Young Presidents’ Organization (YPO) and the Entrepreneurs’ Organization (EO), and remains engaged with global business and leadership forums.



**Mr. Aditya T. Malkani**  
 Managing Director  
 (DIN: 01585637)

- Aditya has been a part of the Ador Group since 2002. Before taking on his current role, he contributed to International Business, Corporate Marketing, Strategy Management, and New Business initiatives.
- He holds an MBA (Finance) from the Indian School of Business, Hyderabad, and a Bachelor of Arts in Economics from Oberlin College, Ohio, USA.
- Aditya currently also serves on the Board of Directors of Batliboi Ltd.



### Dr. Deep. A. Lalvani

Non - Executive Director  
(DIN: 01771000)



- Commerce Graduate with distinction in Marketing & Advertising and Masters in commerce with specialization in Accounting; pursued MBA from Manchester Business School, UK and did courses at London School of Economics, UK.
- Formerly associated with Langham Capital, London, DHL, Europe and various NGOs and currently involved with the education section in India.
- Awarded an honorary Doctorate in the year 2019.
- 24 years hands on experience across reputed National and International firms.
- Involved across various functions within Ador Group including incubating Ador Welding Academy, new business ideas and e-commerce initiatives at the group. Currently Chairman of the Group's Holding Company, J B Advani & Co. Pvt. Ltd. and leading the CSR initiatives for the Group.



### Mr. Ravin A. Mirchandani

Non-Executive Director  
(DIN: 00175501)

- Ravin Mirchandani is a business leader with significant international experience having directly lived and worked in 6 countries across Europe and Asia. His experience spans the cryogenic, defence, energy storage and traffic infrastructure industries.
- Ravin has a MBA in Business Administration from Queensland University of Technology (International Business), Brisbane, Australia and a Bachelor of Commerce (Accounting) degree from the University of Pune, India.
- Presently, Ravin's primary focus is "road", i.e. equipment to charge electric vehicles and road safety technology such as speed enforcement and calming systems. During his spare time he enjoys golf and kayaking. He also has a private pilot's license. Ravin speaks English, Hindi, Marathi and when it counts - some French and Indonesian.

### Ms. Tanya H. Advani

Non - Executive Director  
(DIN: 08586636)



- Graduated with a B.Sc. in Human Psychology from Aston University, Birmingham, UK.
- Completed her MBA with concentration in Marketing from London Business School.
- Has further qualifications in Business Analysis from the British Computing Society, Business Strategy from INSEAD, Marketing from Kellogg School of Management and Business Intelligence Reporting from IBM.
- Started her career as a Business Consultant at IBM in London, where she specialized in Big Data and Analytics. She then joined Ador Group in Mumbai as part of their founding team for 3D Future Technologies, where she specialized in IT & Marketing.
- Post-MBA, Ms. Tanya returned to London as a Senior Technology Strategy Consultant at Accenture, where she led innovation projects for both Accenture internally as well as for its external clients.
- Appointed as a Director onto the Board of M/s. Ador Welding Limited w.e.f. 19<sup>th</sup> November, 2019. She has 15 years industry experience.



**Mrs. Nita Dempo Mirchandani**

Non-Executive & Independent Director  
(DIN: 01103973)

- Co-Founder of Kae Capital, an early-stage Venture Capital Fund, where she is Director of Finance & Legal.
- Previously President of Indo Pacific Polyfibers Limited (IPL), a Dempo Group Company, where she was part of the Promoter Group.
- Earlier she has worked with HDFC Securities and JM Morgan Stanley, primarily in the area of Equity Research. She has also served as the Commercial Executive of the Dempo Group.
- An Active Angel Investor in fast growing start-ups like InMobi, Innovcare, Squadrun and Navya.
- She has completed her M.Sc. (Econ) with specialization in Analysis Design Management of an Information System & B.Sc. (Econ) Accounting & Finance from the London School of Economics and B.A. (Econ) from St. Xavier’s College of Arts, Mumbai.

**Mr. Navroze S. Marshall**

Non-Executive & Independent Director  
(DIN: 00085754)

- Navroze Shiamak Marshall is a British national of Indian origin and has been the Managing Director of Simmonds-Marshall Ltd. since January 2003.
- Mr. Marshall has got an experience of over 20 years to his credit.
- He has vast experience with multinationals in the United States of America.
- Mr. Marshall was educated at Cathedral & John Connon School, Mumbai, United World College (South East Asia), Singapore and holds a Bachelor of Science degree in Chemical Engineering & Economics from Carnegie Mellon University in Pittsburgh, USA.
- Mr. Marshall also has a MBA in Management from IMD, Switzerland.



**Mr. Jitendra H. Panjabi**

Non-Executive & Independent Director  
(DIN: 01259252)

- Mr. Jitendra Panjabi is an Engineer from Mumbai University and has done his MBA from Sri Sathya Sai Institute of Higher Learning.
- He spent 20 years with the US\$ 2.7 Trillion Capital Group Companies from Los Angeles, USA. His last role in the Company was “Global Equity Strategist”, Asia Macro head and India office head.
- He is currently advising some foreign investors and large family offices on strategic business issues.
- His areas of expertise straddle across global macro and geopolitics, as well as industry domains like Automotive and Finance.



### Mr. Santosh J. Iyer

Non-Executive & Independent Director  
(DIN: 06801226)



- Mr. Santosh Janakiram is a Senior Partner & Member of the Partnership Council at Cyril Amarchand Mangaldas (“CAM”) and previously was a partner in Amarchand & Mangaldas and Suresh A. Shroff & Co. (AMSS), India’s largest and foremost law firm. Mr. Janakiram was admitted to the Bar after receiving his B.A. LLB (Hons.) degree from the National Law School of India University in Bangalore, and has worked with AMSS/ CAM’s Mumbai office since the year 2001.
- Mr. Janakiram has rich and in depth experience in construction, projects, project financing, structured financing, acquisition financing, banking, debt capital markets and private equity. He represents developers, sponsors, lenders and is involved in various infrastructure sectors, including renewable energy, construction, transportation and mining. He has spearheaded the development of the renewable energy practice at the Firm and has been involved in the development of the transition and sustainable energy practice.
- Some of his accolades over the years include being IFLR Project Finance Lawyer of the year for 2020 and 2021, Who’s Who Legal 2021, ‘Thought leader for Banking and Finance and Project Finance’, IFLR 1000 2024, 2023, 2022, 2021, 2020 & 2019 ‘Highly Regarded Lawyer’, Legal 500 2024, 2023, 2022, 2021, 2020 & 2019 ‘Leading Individual for Projects & Energy’, Chambers and Partners (since 2009) Leading Lawyer in India in Projects, Infrastructure & Energy sector. He is also an independent director in various listed companies.



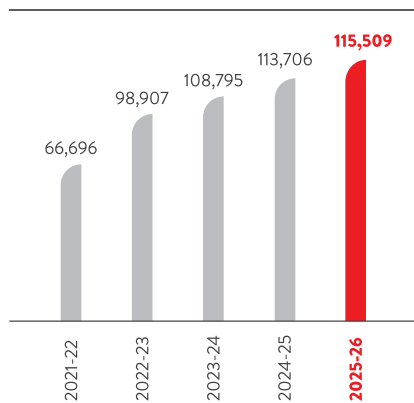
### Mr. Mihir Jayaraman

Non-Executive & Independent Director  
(DIN: 08000077)

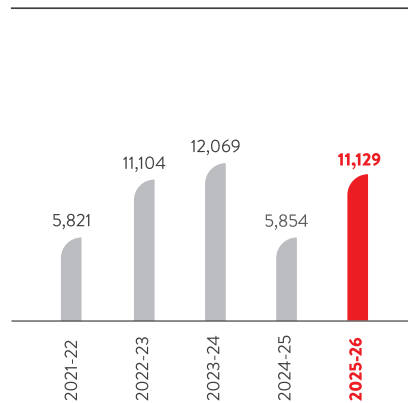
- Mr. Mihir is the Chief Executive Officer of Aditya Auto, a specialized automotive supplier of mechatronic systems, motors, and precision components. Business Leader with over 22 years of management experience in the automotive & industrial equipment sectors.
- He has proven track record in managing product-driven enterprises with P&L responsibility. Experience in greenfield operations setup, purchasing, supply chain, ERP systems rollout, M&A, fundraising, business development, and commercial management.
- Mr. Mihir was graduated with an MBA from INSEAD, one of the world’s leading business schools.
- He has active interest in the startup eco-system in areas of electric mobility, precision engineered products, motors, electronics, automation, and telematics. Excited about the future of well-designed products with efficient manufacturing from India for global markets.

## FIVE YEAR FINANCIAL HIGHLIGHTS

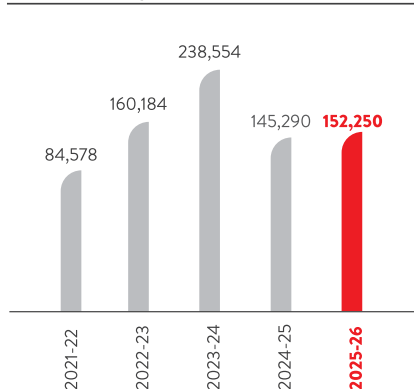
Turnover (Rs. in Lakhs)



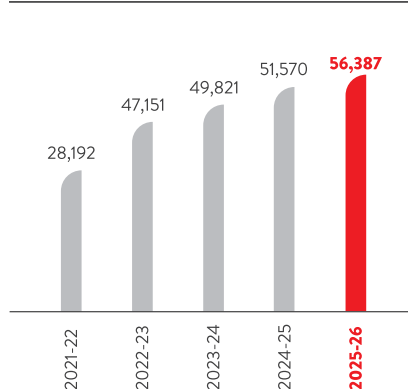
Profit Before Tax (PBT) (Rs. in Lakhs)



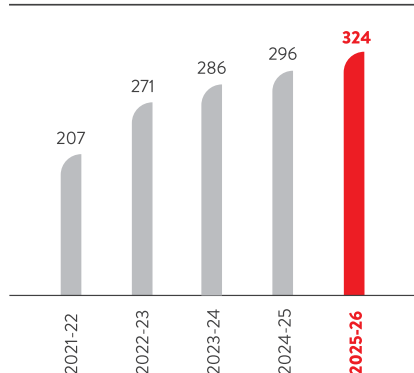
Market Capitalization (Rs. in Lakhs)



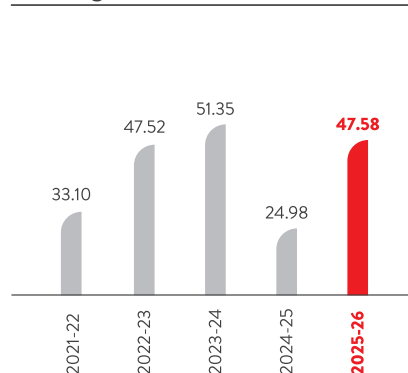
Net Worth (Rs. in Lakhs)



Book Value Per Share (BVPS) (Rs.)



Earning Per Share (EPS) (Rs.)





## FIVE YEAR FINANCIAL HIGHLIGHTS

(Rupees in lakhs)

PROFIT & LOSS ACCOUNT	FY 2025-26	FY 2024-25	FY 2023-24**	FY 2022-23**	FY 2021-22
Sales & Other Income	1,15,509	1,13,706	1,08,795	98,907	66,696
Manufacturing & Other Expenses	1,01,399	1,01,300	94,776	86,141	60,311
Operating Profit / EBITDA	14,110	12,406	14,019	12,766	6,385
Depreciation	1,930	1,790	1,543	1,346	1,090
EBIT	12,180	10,616	12,476	11,420	5,295
Interest	220	452	407	236	372
Profit before exceptional items and tax (PBT)	11,960	10,164	12,069	11,184	4,923
Exceptional Items (Net)	(831)	(4,310)	-	(80)	898
Profit before tax (PBT)	11,129	5,854	12,069	11,104	5,821
Taxation	2,849	1,508	3,134	2,836	1,319
Profit after Tax (PAT)	8,280	4,346	8,935	8,268	4,502
Comprehensive Income/loss	(56)	(82)	(35)	(75)	(61)
Total Comprehensive income/ (loss)	8,224	4,264	8,900	8,193	4,441
Dividend (incl. DDT)	4,003*	3,481	2,516	2,380	1,700
BALANCE SHEET	FY 2025-26	FY 2024-25	FY 2023-24**	FY 2022-23**	FY 2021-22
Net Fixed Assets (incl. CWIP and Investment in properties)	20,673	20,006	18,154	15,439	12,457
Investments	4,732	3,193	5,625	5,155	1,988
Current Assets	50,875	42,022	41,753	37,698	21,009
Current Liabilities	25,162	17,122	19,268	14,840	10,396
Net Current Assets	25,713	24,900	22,485	22,858	10,613
Other Non-Current Assets	7,528	4,600	4,527	4,492	3,811
Capital Employed	58,646	52,699	50,791	47,944	28,869
Equity Share Capital	1,740	1,740	1,360	1,360	1,360
Reserves & Surplus	54,647	49,830	48,461	45,791	26,832
Net Worth	56,387	51,570	49,821	47,151	28,192
Long term loan Funds	58	84	108	73	60
Deferred Tax Liabilities	-	-	-	-	-
Long-term provisions	1,999	922	760	615	469
Other long term liabilities	202	123	102	105	148
Capital Employed	58,646	52,699	50,791	47,944	28,869
RATIOS	FY 2025-26	FY 2024-25	FY 2023-24**	FY 2022-23**	FY 2021-22
EBITDA Margin (%)	12.43%	11.11%	13.14%	12.99%	9.65%
Net Margin (%)	7.38%	3.89%	8.37%	8.42%	6.81%
Interest Cover (EBITDA / Gross Interest)	64	27	34	54	17
ROCE (EBIT / Capital Employed) (%)	20.77%	20.14%	24.56%	23.82%	18.34%
Current Ratio (times)	2.02	2.45	2.17	2.54	2.02
Debt Equity Ratio (times)	0.00	0.00	0.09	0.03	0.00
Dividend Per Share (DPS) (Rs.)	23*	20.00	26.52	23.73	12.50
Earning Per Share (EPS) (Rs.) (on diluted basis)	47.58	24.98	51.35	47.52	33.10
Book Value per share (Rs.) (on diluted basis)	324.06	296.38	286.33	270.98	207.29

\*Proposed Dividend

\*\* Restated pursuant to merger

## CSR INITIATIVES

### SOME OF THE CSR IMPLEMENTATION PARTNERS

#### Advani Oerlikon Higher Secondary School, Birgaon, Raipur

The Company extended CSR contribution towards renovation and civil work of the staff room & control room, installation of CCTV cameras at the school premises and payment of additional salary for school teachers.



#### EmpowHER India

The Company extended its CSR contribution to EmpowHer India for the holistic development of adolescent girls from rural communities.



#### Shirol Taluka Apang Punarvasan Va Arthik Sahayya Sanstha, Jaysingpur

CSR support extended for promoting health care and Women Empowerment of differently-abled and underprivileged individuals by procurement of wheelchairs and sewing machines.





### Shree Aniruddha Aadesh Pathak

CSR Support extended for Annual Health Care Camp organised in Kolhapur, Maharashtra, which aimed at improving healthcare access and promoting health awareness among students and villagers from nearby communities.



### Rashtriya Drushtihin Shikshan & Punarwasan Sanstha

CSR support extended for procuring computers for strengthening inclusive education and vocational skill development opportunities for visually impaired students.



## EVENTS & GLOBAL INDUSTRY PARTICIPATION

### 1. Showcasing Advanced Welding Solutions at Schweissen & Schneiden 2025

Ador participated in Schweissen & Schneiden 2025, the world’s leading welding and cutting trade fair held in Essen, Germany. The participation featured RHINO-E, RHINO-S, advanced welding technologies, and digital solutions, strengthening its global presence and industry engagement.



### 2. Strengthening Global Presence at Weldex 2025, Russia

Ador participated in Weldex 2025, Russia’s leading international exhibition for welding technologies, held in Moscow. During the exhibition, Ador showcased its latest welding innovations and solutions to a global audience.





## DIRECTORS' REPORT

To,

**The Members,**

The Directors take immense pleasure in presenting the **Seventy third (73<sup>rd</sup>) Annual Report** of the Company and the Audited Statements of Accounts **for the financial year ended 31<sup>st</sup> March, 2026** ("year under review").

### 1. CORPORATE OVERVIEW

Your Company, Ador Welding Limited ("ADOR") was incorporated in the year 1951 and has come a long way to become one of India's leading players in the welding industry. Your Company's Vision is **"Creating the Best Welding Experience"**.

ADOR has a huge spectrum of products offering and aims to provide **"Complete Welding Solutions"** to the **"World of Manufacturing"** for enhancing their operational efficiency.

Our presence is there across over fifteen (15) countries and our corporate headquarter is based in Mumbai, Maharashtra, India.

### 2. FINANCIAL PERFORMANCE & THE STATE OF COMPANY'S AFFAIRS

Sr. No.	Key Financial Indicators	(Rs. in Lakhs)			
		Standalone		Consolidated	
		FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
2.1	Sales & Other Income (Net of GST, Discount & Incentives)	1,15,509	1,13,706	1,15,817	1,14,148
2.2	Profit before exceptional items, Interest, Depreciation, Tax & Other Comprehensive Income	14,110	12,406	13,942	12,073
2.3	Exceptional items	831	4,310	(275)	(1,139)
2.4	Profit before Tax (PBT)	11,129	5,854	11,500	8,658
2.5	Provision for Tax (Including Deferred Tax)	2,849	1,508	3,302	2,653
2.6	(Loss) / Profit after Tax (PAT)	8,280	4,346	8,198	6,005
2.7	Total Comprehensive Income / (Loss)	8,224	4,264	8,146	5,926

### 3. DIVIDEND & RESERVES

The Board of Directors is pleased to recommend the Final Dividend of 230% (i.e.@ Rs. 23/- per equity share) for the financial year 2025-26, subject to the approval of the Members at the ensuing Annual General Meeting ("AGM") and will be paid on or after Tuesday, 28<sup>th</sup> July, 2026. The record date for the payment of dividend is 16<sup>th</sup> July, 2026.

The total amount of dividend, to be disbursed for FY 2025-26, is Rs. 4,003 Lakhs, subject to applicable TDS. Further, the dividend amount will be paid out of the profits of the company.

The Dividend for FY 2025-26 shall be paid to those Shareholders and Beneficial Owners, whose name appear in the Register of Members (ROM), as on the cutoff date for dividend payment.

The Board recommends transfer of 10% of the Net Profits to General Reserve.

The dividend recommendation is in accordance with the Dividend Distribution Policy ("Policy") of the Company. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”) is available on the Company’s website at <https://adorwelding.com/wp-content/uploads/2021/07/Dividend-Distribution-Policy.pdf>

#### 4. SHARE CAPITAL

The paid-up Equity Share Capital of the Company as at 31<sup>st</sup> March, 2026 stood at Rs. 1,740 Lakhs. Further, the authorized share capital of the Company stood at Rs. 4,300 Lakhs.

##### Confirmations:

- a. During the year under review, the Company has not:
  - i. issued warrants, debentures, bonds, or any other convertible or non-convertible securities.
  - ii. issued any equity shares with differential rights as to dividend, voting or otherwise.
  - iii. issued any sweat equity shares to its Directors or employees.
  - iv. made any change in voting rights.
  - v. reduced its share capital or bought back shares.
  - vi. failed to implement any corporate action.
- b. The Company’s securities were not suspended for trading during the year.
- c. The disclosure pertaining to explanation for any deviation or variation in connection with certain terms of a public issue, rights issue, preferential issue, etc. is not applicable to the Company.
- d. During the year under review, a total of 29,500 stock options were granted to eligible employees under the Ador Employee Stock Option Plan 2025. These options will vest equally over a period of four years commencing on 22<sup>nd</sup> September 2025.

#### 5. ADOR EMPLOYEE STOCK OPTION PLAN 2025

The Board of Directors of your Company at its meeting held on 06<sup>th</sup> May, 2025, approved the Ador Employees Stock Option Plan (ESOP) 2025. The ESOP Scheme was subsequently approved by the Members in its 72<sup>nd</sup> Annual General Meeting held on 15<sup>th</sup> July, 2025.

The Scheme was introduced because your Company believes that equity – based compensation plans are affective tools for attraction, retention, motivation

and incentivization of talents, working with the Company, with a view to ensure corporate growth, to create employee ownership culture and to create value for shareholders.

During the year under review, the Company received “in-principle” approval from the National Stock Exchange of India Limited and BSE Limited on 22<sup>nd</sup> August, 2025 for listing 3,40,000 equity shares, proposed to be issued under the Ador ESOP Scheme 2025. Subsequently, the Nomination & Remuneration (Compensation) Committee approved the grant of 29,500 stock options to the eligible employees.

The ESOP Scheme has been implemented in accordance with the provisions of the Companies Act 2013 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (including any statutory modification(s) and / or reenactment(s) thereof for the time being in force) (“SEBI (SBEB) Regulations”) and is available on Company’s website at <https://adorwelding.com/wp-content/uploads/2025/07/ESOP-Scheme.pdf>.

The certificate from the Secretarial Auditor, on the implementation of the ESOP Scheme in accordance with SEBI (SBEB) Regulations and the resolution passed by the members of the Company, has been uploaded on the website of the Company at <https://adorwelding.com/wp-content/uploads/2026/06/Ador-ESOP-Compliance-Certificate.pdf> and are also set out in **Annexure-IX**. This certificate will also be available for electronic inspection by the Members during the AGM of the Company.

The details of the stock options granted under the ESOP Scheme and the disclosures in compliance with Regulation 14 of SEBI (SBEB) Regulations are set out in **Annexure - VIII** and are also available on the website of the Company at <https://adorwelding.com/wp-content/uploads/2026/06/Annexure-on-ESOP-Reg-14.pdf>

#### 6. CREDIT RATING

During the financial year under review, there was no revision in the Credit Rating of the Company. The Rating Agency CARE maintained “CARE A+” (Single A Plus; Outlook: Stable) rating for the Company’s long term borrowings and “CARE A1+” (A One Plus) rating for the Company’s short term borrowings.



## 7. ACCOUNTING TREATMENT

As mandated by the Ministry of Corporate Affairs (MCA), the financial statements for the financial year ended 31<sup>st</sup> March, 2026 have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as “the Act”), read with the Companies (Accounts) Rules, 2014, as amended from time to time. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect a true & fair form and substance of transactions and reasonably present the Company’s state of affairs, profits & cash flows for the financial year ended 31<sup>st</sup> March, 2026.

The Notes to the Financial Statements adequately cover the Audited Statements and form an integral part of this Report.

## 8. OPERATIONS

In FY 2025-26, the total Sales & Other Income increased by 1.58 %, as compared to last FY 2024-25. The year ended with Sales & Other Income of Rs. 1,15,509 Lakhs (Rs. 1,13,706 Lakhs)\*.

The Company’s Net Sales and Other Income during FY 2025-26 comprised the following:

- 8.1 Welding Rs. 1,07,874 Lakhs (Rs. 1,03,291 Lakhs)\*
- 8.2 Services Business at Rs. 5,671 Lakhs (Rs. 8,392 Lakhs)\*
- 8.3 Other Income of Rs. 1,964 Lakhs (Rs. 2,023 Lakhs)\* mainly comprised of forex gain, interest, rent & export incentives etc.

(\*Figures in brackets indicate previous year)

## 9. CAPEX

The Company incurred CAPEX of Rs. 2,624 Lakhs during FY 2025-26. The Capital work-in-progress as at 31<sup>st</sup> March, 2026 was at Rs. 316 Lakhs. CAPEX planned for FY 2026-27 is approximately Rs. 3,500 – 4,000 Lakhs, mainly for the following: –

- a. Automation / modernization at Consumables and Equipment Plants.
- b. Plant & Machinery for capacity expansion of

certain products, and also for improvement of “productivity & in-process quality”.

- c. Replacement of Old Machineries.
- d. Upgradation of R&D Infrastructure.
- e. Information Technology (IT) upgradation, digitalization & Compliances.
- f. Replacement of Vehicles.

## 10. PERFORMANCE OF THE SUBSIDIARY COMPANY

M/s. 3D Future Technologies Private Limited (3DFT), which became a wholly owned subsidiary of the Company, with effect from i.e. 25<sup>th</sup> September, 2024, pursuant to the scheme of Amalgamation of Ador Fontech Limited with Ador Welding Limited, the Company has now fully aligned the processes and reporting structures of the merged entity. Considering the criteria mentioned in Regulation 16 of SEBI (LODR) Regulations, 2015, the Company does not have a material subsidiary for FY 2025-26. The Board of Directors of the Company has approved a Policy for determining material subsidiaries, which is in line with the provisions of SEBI (LODR) Regulations 2015, as amended from time to time. The said Policy is uploaded on the Company’s website at the following weblink: <https://adorwelding.com/wp-content/uploads/2025/06/Policy-for-determining-Material-Subsidiary.pdf>

The principal business of M/s. 3D Future Technologies Private Limited is development of technical expertise in three- dimensional technology.

During the year under review, the gross revenue of 3DFT for FY 2025-26 stood at Rs. 456 Lakhs (previous year: 585 Lakhs), however, loss before tax Rs. 187 Lakhs (previous year: Rs. 366 Lakhs).

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of financial statements of the Company’s subsidiary in **Form No. AOC-1** is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements

in respect of the subsidiary, are available on the Company's website at <https://adorwelding.com/financials/annual-reports/>

The financial statements shall be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any Member of the Company, interested in obtaining copy of the same.

## 11. RISK MANAGEMENT

Given the diversified scale of operations, your Company has formulated an Enterprise Risk Management (ERM) framework to manage various financial & non-financial risks, operational & non-operational risks, amongst other risks. The Board takes the responsibility of the overall process of risk management throughout the organization.

The ERM Policy of the Company helps to continuously assess & monitor the risks assumed by the Company. The processes are in place for identifying, evaluating and managing the risks. Based on the ERM Policy, the Board hereby states that there are no elements of risks which threaten the existence / going concern status of the Company.

Further, as your Company was in "Top 1000 listed Companies", based on market capitalization, as on 31<sup>st</sup> March, 2021, a Risk Management Committee (RMC) was constituted in FY 2021-22 to oversee implementation of the Risk Management Policy, to monitor & evaluate risks, to propose appropriate methodology, processes & systems and to keep the Board of Directors informed and recommend the actions, to be taken, if any. The said policy is uploaded on the Company's website at the following web link: <https://adorwelding.com/wp-content/uploads/2025/07/Risk-Management-Policy.pdf>

## 12. RELATED PARTY TRANSACTIONS (RPTs)

During FY 2025-26, the Company entered into certain Related Party Transactions, in the ordinary course of business and on arms' length basis, with prior approval of the Audit Committee. Omnibus approvals are obtained on a quarterly basis for all the transactions, which are foreseeable & repetitive in nature and the details of all the related party

transactions are placed before the Audit Committee and the Board of Directors for review & approval, on a quarterly basis.

Further, necessary approval of the Audit Committee, wherever applicable, for transactions was taken pursuant to SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2023, with respect to the Industry Standards on "*Minimum Information to be Provided to the Audit Committee and Shareholders for Approval of the Related Party Transactions*". There were no materially significant transactions with the related parties, during the financial year, that had potential conflict with the interests of the Company at large.

During the financial year 2025-26 under review, the Company did not enter into any transaction, contract or arrangement with the related parties, that could be considered as "material" under Regulation 23(4) of SEBI (LODR) Regulations, 2015 or Section 188 of the Companies Act, 2013.

All the transactions entered into with the Related Parties during the financial year 2025-26 under review, were on arms' length basis and were not material. Hence, disclosure pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, in Form AOC-2, is not required. Further, there are no materially significant Related Party Transactions executed between the Company & its Promoters, Directors, Key Managerial Personnel or other designated persons, that may have a potential conflict, with the interest of the Company, at large.

None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company, except remuneration, commission, sitting fees and reimbursement of expenses, to the extent applicable. All the Related Party Transactions are given / mentioned in the notes to accounts. The Company has developed a framework through Standard Operating Procedures (SOPs), for the purpose of identification and monitoring of the Related Party Transactions.

A detailed note on procedure adopted by the Company in dealing with contracts and arrangements with the related parties has been provided in the



Report on Corporate Governance on page no. 67.

The Company has adopted RPT Policy in order to align with the provisions of the amended SEBI (LODR) Regulations, 2015, which is reviewed by the Audit Committee & approved by the Board of Directors. The said RPT policy is available on the Company's website at <https://adorwelding.com/wp-content/uploads/2025/07/RPT-Materiality-Policy-2023-24.pdf>

### 13. ANNUAL RETURN

Pursuant to Sections 92 & 134(3) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, as amended, the draft of Annual Return for FY 2025-26 in web form MGT-7 is available on the Company's website: <https://adorwelding.com/wp-content/uploads/2025/06/MGT-7-Website.pdf>

### 14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Under the "Corporate Social Responsibility" (CSR) drive, the Company has spent an amount of Rs. 219.89 Lakhs during FY 2025-26, against its budgeted annual CSR expenditure of Rs. 217.16 Lakhs. The various projects / initiatives, undertaken by the Company, were in the following areas:

- a. Promoting education amongst children, women, elderly and differently abled, including special education & employment enhancing vocational skills, especially skill development and encouraging safety practices in welding & allied fields for economically challenged / financially weaker sections of the Society.
- b. Empowering women towards individual and professional development opportunities.
- c. Promoting healthcare, sanitation & hygiene for the non-privileged / underprivileged people
- d. Disaster management, including relief, rehabilitation and reconstruction activities

Your Company understands its duties towards the society and considers social responsibility as an integral part of its operations. Your Company tries to ensure that its CSR initiatives have a meaningful

impact on the society at large & that the contribution made by it, reaches the beneficiary at the earliest, with the aim to create a long-term positive impact.

The Company is committed to continuously explore new opportunities, in alignment with its CSR philosophy & policy and strives to create a positive impact on the society, through its CSR initiatives.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out, in a format prescribed in the Companies (CSR Policy) Rules, 2014, as amended from time to time, in **Annexure - I** to this Report. The CSR Policy is also available on the Company's website at <https://adorwelding.com/wp-content/uploads/2025/07/CSR-Policy-FY-2022-23.pdf>

The composition of the CSR Committee is covered under the Corporate Governance Report, which is annexed to this Report as **Annexure - III**.

#### Brief on "Ador Foundation"

"Ador Foundation" is a social initiative, undertaken by all the Ador Group Companies, collectively from FY 2022-23 onwards. The mission of the Foundation is to take Ador Group's socially conscious legacy forward, through initiatives in the field of Education, Women Empowerment, Skill-Development & Health Care, which are also considered as four pillars of the foundation. All the projects are personally vetted by the personnel of the Foundation & by at least two of our Directors, to ensure that the said projects are good, genuine and beneficial to the underprivileged society at large. Ador believes in doing well by giving good. It is our firm belief that the long-term success of a corporate depends on giving back to the society, it operates in and ensuring its operations are sustainable.

### 15. PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS BY THE COMPANY

The details of Loans, Guarantees & Investments, covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements, forming part of this Annual Report.

**16. FIXED DEPOSIT**

Your Company had no opening balance of fixed deposits. Further, the Company has not accepted or renewed any deposits, including from the public, and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date, within the meaning of Section 73 and / or Section 74 of the Companies Act 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

**17. SECRETARIAL STANDARDS (SS)**

During the year under review, your Company has complied with all the applicable Secretarial Standards (SS), issued by the Institute of Company Secretaries of India (ICSI), from time to time.

**18. INSURANCE**

All the properties / assets of the Company are adequately insured.

**19. ENERGY, CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information required under Section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 with respect to the conservation of energy, technology absorption & foreign exchange earnings / outgo is annexed hereto as **Annexure - II**.

**20. CORPORATE GOVERNANCE**

As per the Listing Agreements executed with the Stock Exchanges, the Company has been following the Corporate Governance Code since FY 2001-02. Your Company has strived to comply with all the requirements of the Good Corporate Governance practices for the period from 01<sup>st</sup> April, 2025 to 31<sup>st</sup> March, 2026 (i.e. FY 2025-26), pursuant to Regulation 27(2) of SEBI (LODR) Regulations, 2015. As per Regulation 34(3) read with Schedule V to SEBI (LODR) Regulations, 2015, a separate section on the Corporate Governance practices, followed by the Company, together with Corporate Governance Compliance Certificate received from /

issued by M/s. N. L. Bhatia & Associates, Practicing Company Secretaries, Secretarial Auditors of the Company, confirming compliance is forming an integral part of this Report, which is annexed hereto as **Annexure - III**.

**21. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis (MDA) Report on the operations of the Company, as stipulated under Schedule V to SEBI (LODR) Regulations, 2015, is also annexed to this Report as **Annexure - IV**.

**22. SIGNIFICANT & MATERIAL REGULATORY ORDERS**

During FY 2025-26, there were no significant orders passed against the Company by any regulators or courts or tribunals, impacting the going concern status and the Company's future operations. However, Members attention is drawn to the Statement on Contingent Liabilities and Commitments in the Notes, forming part of the Financial Statement.

**23. NOMINATION, REMUNERATION & BOARD DIVERSITY POLICY**

The Board of Directors has framed a policy, on the recommendation of the Nomination & Remuneration Committee (NRC), which lays down a framework in relation to appointment and remuneration of its Directors. The Policy includes criteria for determining qualifications, positive attributes, independence of Directors etc., as required under the provisions of Section 178(3) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Policy also broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the Executive & the Non-Executive Directors. The said policy has been posted on the website of the Company at [https://adorwelding.com/wp-content/uploads/2021/07/criteria\\_for\\_payment\\_to\\_NEDs.pdf](https://adorwelding.com/wp-content/uploads/2021/07/criteria_for_payment_to_NEDs.pdf)

In case of re-appointment of Non-Executive & Independent Directors, NRC and the Board takes into consideration the performance of the



Directors, based on the Board evaluation and his / her engagement level during his / her previous tenure.

The details of the Remuneration Policy for Directors, are explained in the Corporate Governance Report, annexed hereto as **Annexure - III**.

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, regional and industry experience, cultural and geographical background, age, ethnicity, race, gender, knowledge and skills including expertise in financial diversity, global business, leadership, information technology, mergers & acquisitions, Board service and governance, sales & marketing, Environmental, Social & Governance (ESG), risk management, cyber security and other domains, which will ensure that the Company retains its competitive advantage. The Board Diversity Policy adopted by the Board sets out its approach to diversity. The policy is available on our website, at <https://adorwelding.com/wp-content/uploads/2025/07/Policy-on-Diversity-of-Board-of-Directors.pdf>

## 24. INDEPENDENT DIRECTORS

All the Independent Directors of the Company have given declarations under Section 149(7) of the Companies Act 2013, stating that they meet the criteria of independence, as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. In terms of Regulation 25(8) of SEBI (LODR) Regulations, 2015, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. They have also given declaration under Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, stating that their profile is uploaded / registered in the databank, as maintained by the Indian Institute of Corporate Affairs (IICA), within the stipulated time. Further, the Independent Directors have also completed their KYC confirmation on the MCA website.

Pursuant to Rule 8(5)(iii)(a) of the Companies (Accounts) Rules, 2014, in the opinion of the Board, the Independent Directors are competent, experienced and are the persons of expertise (including the proficiency), having positive attributes, standards of integrity, ethical behavior, qualifications & independent judgement.

Your Company has in all 05 (five) Independent Directors, including 01 (one) Woman Independent Director, as on 31<sup>st</sup> March, 2026. The Independent Directors met on 23<sup>rd</sup> February, 2026, without the presence of the Non-Independent Directors and Members of the Management, as required under SEBI (LODR) Regulations, 2015 and the Companies Act 2013, to discuss on various important matters & evaluate the working culture of the Company / operations of the Management (Whole-Time Directors & KMPs).

## 25. DIRECTORS & KEY MANAGERIAL PERSONNEL

### Board of Directors

As of 31<sup>st</sup> March, 2026, the Board of Directors comprised of 10 (Ten) Directors, 5 (Five) of which are Independent Director(s) (including a Woman Independent Director), and 5 (Five) Non-Executive Director(s) [Promoter(s) & Promoter(s) Group, Executive Directors].

### Change in Directorate:

#### i. Retirement by rotation and subsequent re-appointment:

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association (AoA), Mr. Ravin A. Mirchandani (DIN: 00175501), Non-Executive Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment for consideration of the Members of the Company at the forthcoming Annual General Meeting. The brief profile of Mr. Ravin A. Mirchandani is given in the Notice convening 73<sup>rd</sup> Annual General Meeting.

**ii. Re-appointment of the Managing Director**

The term of Mr. Aditya T. Malkani (DIN: 01585637) as the Managing Director of the Company will be concluding on 13<sup>th</sup> September, 2026. Accordingly, the proposal for his re-appointment as the Managing Director for a further period of three (3) years, with effect from 14<sup>th</sup> September, 2026, was placed before the Board for its consideration.

The proposed re-appointment is subject to the approval of the Shareholders at the ensuing Annual General Meeting. The Board noted that Mr. Aditya T. Malkani brings with him rich experience in business and strategic management, marketing, and financial management, and has been associated with the Company and the Ador Group for nearly 19 years. Pursuant to the provisions of the Company's Articles of Association, the Managing Director is not liable to retire by rotation.

The brief profile of Mr. Aditya T. Malkani has been given in the Notice convening the 73<sup>rd</sup> Annual General Meeting. In the interest of the Company's continued prosperity and well-being, the Board recommends his reappointment as the Managing Director at the ensuing Annual General Meeting.

- a. The abovenamed Directors have submitted Form DIR-8, pursuant to Section 164 of the Companies Act, 2013 & Rule 14(1) of the Companies (Appointment & Qualification of Directors) Rules, 2014, along with their consent in Form DIR-2, pursuant to Section 152 of the Companies Act, 2013 & Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014.
- b. Necessary Resolutions for the appointment/re-appointment of the abovenamed Directors have been included in the Notice convening the ensuing 73<sup>rd</sup> Annual General Meeting and details of the proposed appointees, as required pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2 (SS-2), are given in the Appendix to the Explanatory Statement, annexed to the said Notice.

**Key Managerial Personnel (KMPs)**

As on 31<sup>st</sup> March, 2026, KMPs comprised the following:

- Mrs. Ninotchka Malkani Nagpal, Whole – Time Director (Executive Chairman)
- Mr. Aditya T. Malkani, Whole – Time Director (Managing Director)
- Mr. Vinayak M. Bhide, Company Secretary & Compliance Officer
- Mr. Surya Kant Sethia, Chief Financial Officer (CFO)
- Mr. Lajpat Yadav – Chief Operating Officer
- Mr. Mustafa Faizullahbhoj – Head - International Operations
- Mr. K. Suryanarayan – Head – Corporate Strategy

**Change in KMPs**

During FY 2025-26, pursuant to Section 2(51), Section 179 (3) of the Companies Act, 2013 read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Board of Directors at its meeting held on 06<sup>th</sup> May, 2025 approved the appointment of the following Senior Officials as KMPs w.e.f. 07<sup>th</sup> May, 2025:

- Mr. Lajpat Yadav – Chief Operating Officer
- Mr. Mustafa Faizullahbhoj – Head - International Operations
- Mr. K. Suryanarayan – Head – Corporate Strategy

**26. DIRECTORS PERFORMANCE EVALUATION**

The annual evaluation process of the Board of Directors, individual Directors and Committees of the Board was conducted in accordance with the provisions of the Act and SEBI (LODR) Regulations, 2015. A structured questionnaire was prepared, after taking into consideration various aspects of the Board's functioning, composition, structure, effectiveness of the Board & Committee Meetings, execution & performance of specific duties, obligations & governance. The performance evaluation of the Board, of its own performance & that



of its Committees and individual Directors, including the Executive Chairman and the Independent Directors was completed during the year under review. The NRC reviewed the performance of individual directors on the basis of criteria, such as the contribution of the individual directors to the Board and committee meetings, like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. and to the Board as a whole. The Board of Directors expressed their satisfaction with the evaluation process.

The evaluation process endorsed Board's confidence in the ethical standards of the Company, cohesiveness amongst the Board members, flexibility of the Board and in management, navigating various challenges faced from time to time and openness of the Management in sharing strategic information with the Board.

The manner of evaluation is explained in the Corporate Governance Report in **Annexure – III**.

## 27. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & (5) of the Companies Act, 2013, the Board of Directors of the Company, to the best of their knowledge and ability, hereby confirms that:

- a. in preparation of the Annual Accounts for FY 2025-26, all the applicable Accounting Standards (AS) have been followed, along with proper explanation relating to material departures, if any;
- b. the Directors have selected such accounting policies & practices and applied them consistently & made judgments and estimates, that are reasonable and prudent, so as to give a true & fair view of the state of affairs of the Company and of the profits of the Company for the year ended 31<sup>st</sup> March, 2026;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities;

- d. the Annual Accounts have been prepared on a going concern basis;
- e. the Directors have laid down internal financial controls, to be followed by the Company and that such internal financial controls are adequate & were operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems were adequate & operating effectively.

## 28. BUSINESS RESPONSIBILITY & SUSTANABILITY REPORT (BRSR)

Pursuant to Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, the Business Responsibility & Sustainability Report (BRSR), in the prescribed format, is annexed as **Annexure-VII** and forms an integral part of this Report.

BRSR includes reporting on 9 (nine) principles of the National Voluntary Guidelines on social, environmental and economic responsibilities of business, as framed by MCA.

## 29. AUDIT COMMITTEE & ITS RECOMMENDATIONS

The composition of the Audit Committee is covered under the Corporate Governance Report, which is annexed to this Report as **Annexure - III**.

The Audit Committee plays key role in providing assurance about financial statements to the Board of Directors. Significant audit observations, if any, and corresponding corrective actions, taken by the Management, are presented to the Audit Committee.

The Board has accepted all the recommendations of the Audit Committee and hence, there is no further explanation to be provided for, in this Report.

## 30. MEETINGS OF THE BOARD AND IT'S COMMITTEES

The Board / Committee meetings are pre-scheduled and a tentative annual calendar of the meetings is circulated to the Directors well in advance to help them plan their schedules and ensure meaningful participation. Only in the case of special and urgent

business, should the need arises, approval of the Board / Committee is taken by passing resolutions through circulation, as permitted by law, which are noted in the subsequent Board / Committee meeting. In certain special circumstances, the meetings of the Board are called at a shorter notice to deliberate on business items, which require urgent attention of the Board. The Company has complied with Secretarial Standards, issued by the Institute of Company Secretaries of India (ICSI), on Board meetings.

The Company held 05 (five) Board meetings during FY 2025-26, and the details thereof are covered in the Corporate Governance Report, which is annexed to this Report as **Annexure - III**.

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority / charter.

The following Committees, constituted by the Board, function according to their respective roles and defined scope / charter:

- a. Audit Committee (AC)
- b. Nomination and Remuneration Committee (NRC)
- c. Risk Management Committee (RMC)
- d. Corporate Social Responsibility Committee (CSR)
- e. Stakeholders' Relationship Committee (SRC)

During the year under review, Nomination and Remuneration Committee was also designated as Compensation Committee for executing the ADOR ESOP Scheme 2025.

The details of the Committees of the Board along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report (**Annexure - III**) forming part of the Annual Report for FY2025-26.

## 31. AUDIT REPORT & AUDITORS

### a. STATUTORY AUDITORS

M/s. BSR & Co. LLP, Chartered Accountants (FRN: 101248W / W-100022), Mumbai, were appointed as the Statutory Auditors of the Company for a first term of five consecutive

years at the 72<sup>nd</sup> Annual General Meeting (AGM) held on 15<sup>th</sup> July, 2025, until conclusion of the 77<sup>th</sup> Annual General Meeting, on such remuneration, as may be mutually agreed upon between the Board of Directors and the Statutory Auditors.

Their remuneration is fixed, as recommended by the Audit committee and approved by the Board of Directors.

The Report of the Statutory Auditor, forming part of the Annual Report, does not contain any qualification, reservation, adverse remark or disclaimer. The observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments / explanations.

During the year 2025-26 under review, there were no instances of fraud, which required the Statutory Auditors to report it to the Central Government under Section 143(12) of Companies Act, 2013 and the Rules framed thereunder. The Company has investigated and taken appropriate action against all incidents reported, if any, and continuously works on improving the internal controls.

### b. SECRETARIAL AUDITOR

Pursuant to the Regulation 24A of SEBI (LODR) Regulations, 2015, M/s. N. L. Bhatia & Associates, (Unique Identification Number: P1996MH055800), a firm of Company Secretaries in Practice, were appointed as the Secretarial Auditors of the Company for the first term of Five consecutive years commencing from FY 2025-26 by the Board of Director at its Meeting held on 06<sup>th</sup> May, 2025 and by the Shareholders at the 72<sup>nd</sup> Annual General Meeting (AGM) held on 15<sup>th</sup> July, 2025, on such remuneration as may be mutually agreed between the Board of Directors and the Secretarial Auditors.

Annual Secretarial Compliance Report of the Company as per Regulation 24A read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, is uploaded on the website of the Company



at <https://adorwelding.com/financials/annual-secretarial-compliance-report>.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Secretarial Audit Report in form MR-3 is annexed herewith as **Annexure - V**. There are no qualifications, reservation and / or adverse remark in the said Report and therefore no explanations are provided in this Report.

### c. COST AUDITOR

As per the requirements of the Section 148 of the Companies Act 2013, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, your Company was required to maintain cost records as on 31<sup>st</sup> March, 2026, and accordingly, the Board of Directors, on the recommendation of the Audit Committee, had appointed M/s. Kishore Bhatia & Associates, Cost Accountants, Mumbai, as the Cost Auditor of the Company for FY 2025-26.

The brief information of the Cost Auditor and the Cost Audit Report is given below:

- a. Name of the Cost Auditor: M/s. Kishore Bhatia & Associates
- b. Address: 701/702, D-Wing, 7<sup>th</sup> Floor, Neelkanth Business Park, Nathani Road, Vidyavihar (West), Mumbai – 400 086, Maharashtra, India.
- c. Membership No.: 31166
- d. Firm Registration No.: 00294
- e. Due date of submitting Cost Audit Report for FY 2024-25 by the Cost Auditor with the Company: Within 180 days from the end of the financial year (by 30<sup>th</sup> September, 2025)
- f. Actual Date of filing of Cost Audit Report for FY 2024-25 with the Central Government: 20<sup>th</sup> August, 2025

The Company has appointed M/s. Kishore Bhatia & Associates, Cost Accountants, Mumbai (Firm Registration No. 00294) as the Cost Auditors for the financial year 2026-27, as well.

M/s. Kishore Bhatia & Associates have, under Rule 6(1A) of the Companies (Cost Records and Audit) Rules, 2014, furnished a certificate of their eligibility and consent for the said appointment. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor for FY 2026-27 is being placed before the Members at the ensuing Annual General Meeting, for ratification.

The cost records of the Company, as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act 2013, are duly prepared & maintained by the Company.

## 32. VIGIL MECHANISM & WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Act and Regulation 4(2)(d)(iv) and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has framed a policy on Vigil Mechanism - cum - Whistle Blower, which enables any Director, Employee & Stakeholder of the Company to report their genuine concerns / instances of any unethical / improper activity, directly to the Chairman of the Audit Committee, as a Protected Disclosure. The employees, upon joining the Company are apprised of the availability of the said policy, as part of their induction schedule. The policy also provides adequate safeguards against victimization of persons, who may use such mechanism.

The Company affirms that no personnel has been denied access to the Audit Committee.

The detailed policy is also posted on the Company's Intranet Portal "ADORHUB" and also onto its website at the following weblink: <https://adorwelding.com/wp-content/uploads/2025/07/Mechanism-For-Whistle-Blower-For-Stakeholders11.pdf>

## 33. POLICY ON PREVENTION OF SEXUAL HARASSMENT (POSH)

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and Rules framed thereunder, the Company has formulated and implemented a policy on prevention,

prohibition and redressal of complaints related to sexual harassment of women at the workplace.

The Company is committed to provide a safe and conducive work environment to all its employees and associates. All women employees whether permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all its employees. An Internal Complaints Committee (ICC) has been set up in compliance with the POSH Act and is fully compliant of the Committee composition requirements.

Further, there were no complaints received by the Committee during the financial year 2025-26. The Company has also adopted a policy under the said Act, which is placed on its internal portal as well as on the website of the Company, which can be viewed at the following weblink: <https://adorwelding.com/wp-content/uploads/2025/07/POSH-Policy-2026.pdf>

**34. COMPLIANCE WITH MATERNITY BENEFITS ACT, 1961**

The Company strictly adheres to the provisions of the Maternity Benefit Act, 1961, ensuring that all eligible women employees are granted maternity leave and related benefits, as mandated by law.

During the financial year 2025-26, the Company has complied with all statutory requirements under the Maternity Benefit Act, including maternity leave and protection of employment during maternity. The Company remains committed to supporting the health and well-being of women employees and fostering a family-friendly workplace.

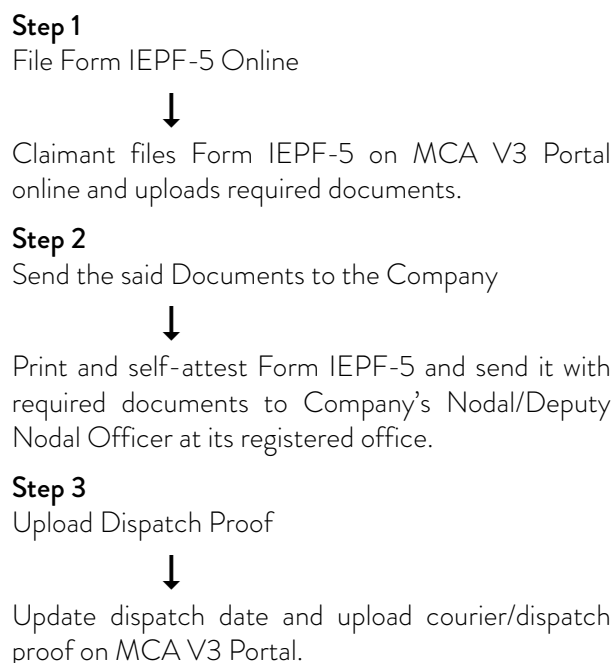
**35. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION & PROTECTION FUND (IEPF)**

Pursuant to Sections 124 and 125 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), as amended from time to time, dividends, if not claimed within / for a period of 07 (seven) years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the

Investor Education and Protection Fund (“IEPF”). Furthermore, IEPF Rules mandate the Companies, to transfer shares of the Members, whose dividends remain unpaid / unclaimed for a period of 07 (seven) consecutive years to the demat account of IEPF Authority. The said requirement does not apply to shares, in respect of which there is specific order of the Court, Tribunal or Statutory Authority, restraining any transfer of shares.

In view of the aforesaid provisions, the Company has, during the financial year 2025-26 under review, transferred to IEPF, the unclaimed dividend of Rs. 9,61,885/- of Ador Welding Limited and Rs. 8,31,981/- of erstwhile Ador Fontech Limited, pertaining to FY 2017-18. Further, 14,515 Equity Shares (5,181 shares pertaining to erstwhile Ador Fontech Limited and 9,334 shares pertaining to Ador Welding Limited), in respect of which dividends were not claimed / remained unpaid for a period of 07 (seven) consecutive years or more, have also been transferred to the demat account of IEPF Authority. The details of the transfer of unclaimed dividend to IEPF authority are provided in detail in the Corporate Governance Report, annexed as **Annexure III**, to this report.

A flow chart explaining the procedure for claiming the shares form IEPF in detail is given below:



**Step 4**

Company Verification to happen (Within 30 Days)



Company reviews the claim and submits E-Verification Report on MCA V3 Portal (Approve / Reject).

**Step 5**

IEPFA Transfer



After approval by Company and IEPF Authority, shares/dividends are transferred / credited to Claimant's Demat account / Bank account.

Whilst the Company has already written to the Members, informing them about the due date for transfer of their shares to IEPF, the attention of the shareholders is once again drawn to this matter through the Annual Report. The data of unpaid / unclaimed dividend and shares is also available on the Company's website at [www.adorwelding.com](http://www.adorwelding.com). Investors, who have not yet encashed their unclaimed / unpaid dividend amounts are requested to correspond with the Company's Registrar to an issue and Share Transfer Agent (RTA), at the earliest. Those Members / Shareholders, who do not remember / recollect having encashed their dividend, can also check the "List of Unpaid Dividends", posted on the website of the Company.

**36. HUMAN RESOURCE (EMPLOYEES)**

At ADOR, employee well-being is of utmost importance. The Company has a structured induction process at all its locations and undertakes training programs to upgrade skills / knowledge of its employees. Objective appraisal systems, based on key result areas (KRAs), are in place for its employees. ADOR believes in harnessing the potential of the employees, by providing them adequate training, opportunities and inclusive work culture, in order to achieve Company's goals, in line with the overall employee development. The industrial relations at all the Plants and Offices of the Company continue to remain harmonious, cordial and peaceful.

The on-roll manpower strength of the Company, as at the date of this Report, is 839.

**37. MATERIAL TRANSACTIONS, POST THE CLOSURE OF THE FINANCIAL YEAR**

There were no material changes, affecting the financial position of the Company subsequent to the close of the financial year 2025-26, till 29<sup>th</sup> April, 2026 i.e. till the date of this report.

**38. INTERNAL FINANCIAL CONTROL SYSTEM & THEIR ADEQUACY**

The Board has adopted policies & procedures of governance for orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding its assets, prevention & detection of frauds and errors, accuracy & completeness of the accounting records and timely preparation of reliable financial disclosures. ADOR has an effective internal financial control system, which is constantly assessed and strengthened. The Company's internal financial control systems are commensurate with the nature of its business, the size and complexity of its operations.

The Internal Auditor reports to the Audit Committee. The Audit committee defines the scope and authority of the Internal Auditor. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal financial control system in the Company, its compliance with operating systems, accounting procedures and policies at all the locations of the Company. Based on the report of the Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and the corresponding corrective actions are, thereafter presented to the Audit Committee in its meeting, on a quarterly basis and as & when required.

**39. REPORTING OF FRAUD**

There were no instances of fraud, during the financial year 2025-26, which required the Statutory Auditors to report to the Audit Committee and / or to the Board under Section 143(12) of the Act and Rules framed thereunder.

#### 40. DISCLOSURE W.R.T. VALUATION

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done, while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable during the financial year under review.

#### 41. CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted Code of Conduct for Prevention of Insider Trading (“PIT”) for dealing / trading in the Securities of the Company, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices is also uploaded on the website of the Company at the following weblink: <https://adorwelding.com/wp-content/uploads/2025/01/Code-of-practices-and-procedures-for-fair-disclosure-of-unpublished-price-sensitive-information.pdf>.

All the Directors, employees and third parties such as auditors, consultants, vendors, traders, etc., who could have access to the Unpublished Price Sensitive Information (UPSI) of the Company, are governed by this code. The objective of PIT Code is to protect the interest of the shareholders at large, to prevent misuse of any unpublished price sensitive information and to prevent any insider trading activity, by / while dealing in shares of the Company, by / through its Designated Persons and their immediate relatives. The trading window is closed during / around the time of declaration of results and occurrence of any material events, as per the Code. The Company Secretary & Compliance Officer, is responsible for setting forth procedures and implementation of the Code for trading in the Company’s securities.

The Company periodically circulates informative e-mails on prevention of insider trading, ‘viz Do’s and Don’ts, etc. to all the Designated Persons to familiarize, educate and sensitize them on the provisions of the Code and PIT Regulations. The Management also imparts trainings and conducts workshops to / for the Designated Persons in order

to create awareness on various aspects of the Code and PIT Regulations. Various “In-person” sessions are organized to give clarifications on the Code. These activities help the Designated Persons to ensure objective / compliances of the Regulations and the Code.

The Company has also maintained Structured Digital Database (“SDD”), pursuant to the requirements of Regulation 3(5) and 3(6) of SEBI (PIT) Regulations, 2015.

#### 42. ENVIRONMENT, HEALTH & SAFETY

Your Company is conscious of the importance of environmentally clean and safe operations. ADOR has undertaken various initiatives, which contribute towards sustainable development. Your Company strives to operate, after taking into consideration various environmental, social and governance initiatives / guidelines / laws, in order to achieve maximum output by optimum utilization of available resources, in environment friendly manner / ways.

The detailed explanation w.r.t. the initiatives taken by the Company from health & environment perspective are given in BRSR Report, annexed herewith as **Annexure VII**.

#### 43. ANNUAL LISTING FEES

The Company affirms that the annual listing fees for the financial year 2026-27 have been paid to both, M/s. National Stock Exchange of India Limited (NSE) and M/s. BSE Limited (Bombay Stock Exchange). Your Company has also paid its annual custodial fees to M/s. National Securities Depository Limited (NSDL) and M/s. Central Depository Services (India) Limited (CDSL).

#### 44. DESIGNATED PERSON FOR IDENTIFICATION OF SIGNIFICANT BENEFICIAL OWNER

Mr. V. M. Bhide, Company Secretary and Compliance Officer of the Company is appointed as the Designated Person, who shall be responsible for furnishing, identifying Significant Beneficial Owner and extending the cooperation for providing the information to the Registrar, pursuant to Rule 9(3) of the Companies (Management and Administration) Rules, 2014.



#### 45. STATUTORY INFORMATION AND OTHER DISCLOSURES

- Disclosures pertaining to the remuneration and other details, as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report, as **Annexure VI**.
- Statement containing particulars of top 10 employees and the employees drawing remuneration in excess of the limits prescribed under Section 197 (12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, if any, is provided in the Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and the Accounts are being sent to the shareholders, excluding the aforesaid Annexure. The said Statement is also open for e-inspection / physical inspection, 21 (twenty one) days before and up to the date of the ensuing 73<sup>rd</sup> Annual General Meeting, during business hours on any working day. Any Member interested in obtaining a copy of the same, may write to the Company Secretary at the Registered Office of the Company or send an email at investorservices@adorians.com.

None of the employees, listed in the said Annexure, are related to any of the Directors of the Company or to each other. None of the employees hold (by himself / herself or along with his / her spouse and dependent children) more than 2% (two percent) of the Equity Shares of the Company, except Mr. Aditya T. Malkani.

- There were no applications made or proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review. Accordingly, disclosure of the details of such applications and their status, as at the end of the financial year is not applicable.

#### 46. CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion & Analysis Report (MDA) describing the Company's objectives, projections, estimates, expectations or predictions may contain "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially, from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts its business and other ancillary factors.

#### 47. ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their sincere gratitude and warm appreciation for the invaluable contribution and spirit of dedication shown by the employees, along with the support staff, at all the levels during FY 2025-26. Your Directors also express their deep gratitude for the business assistance, co-operation and support extended to your Company by its Customers, Distributors, Dealers, Vendors, Suppliers, Service Providers, Bankers, various Government Organizations / Agencies & the Shareholders and look forward to their continued support & co-operation in future, as well.

**For and on behalf of the Board**

Dr. Deep A. Lavani  
**Non-Executive Director**  
 (DIN: 01771000)

Aditya T. Malkani  
**Managing Director**  
 (DIN: 01585637)

**Place:** Mumbai  
**Date:** 29<sup>th</sup> April, 2026

## ANNEXURE I - TO THE DIRECTORS' REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2025-26

**1. A brief outline of the Company's CSR Policy, including overview of projects / programs, proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

Ador Welding Limited (ADOR) is committed to comprehensive growth and has adopted a framework of integrating social, environmental & humanitarian concerns into its core business strategy, in the best interests of all its stakeholders. As a responsible corporate citizen, the Company strives for community empowerment through socio-economic development of underprivileged and marginalized sections of the society, thereby raising the Country's Human Development Index (HDI). At ADOR, CSR is a cornerstone of its corporate culture and the Company's endeavor ardently adds more value on the societal front to make a significant impact on the community.

The key focus areas that echo ADOR's CSR policy are the following and its CSR programs generally cover all or majority of these focus areas:

- Eradicating hunger, poverty and malnutrition, promoting preventive healthcare & sanitation, making available safe drinking water;
- Promoting education; including special education & employment enhancing vocational skills, especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting-up homes & hostels for women and orphans, setting-up or supporting old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities, faced by socially & economically challenged groups;
- Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air & water;
- Taking-up Rural development projects / Conducting various social awareness programs;
- Contributing to development & improvement in quality of life of the workforce and their families, as well as of the society at large;
- Conservation of energy, including projects related to renewable sources of energy;
- Contribution to Prime Minister's National Relief Fund [or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief & welfare of the schedule caste, tribes, other backward classes, minorities and women;
- Contribution to research & development projects in the field of science, technology, engineering and medicine, funded by the Central Government or the State Government or Public Sector Undertaking or any agency of the Central Government or the State Government;
- Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies, established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics & Information Technology and other bodies, namely Defense Research & Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific & Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine, aimed at promoting Sustainable Development Goals (SDGs).



## 2. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Deep A. Lalvani	Chairman (Non-Executive & Non-independent Director)	3	3
2.	Mrs. Ninotchka Malkani Nagpal	Member (Executive Chairman)	3	3
3.	Mrs. Nita Dempo Mirchandani	Member (Non-Executive & Independent Director)	3	2

## 3. Web-links:

- a. Composition of CSR committee: <https://adorwelding.com/wp-content/uploads/2025/07/Composition-of-Committees-FY-2025-26-07.05.2025.pdf>
- b. CSR Policy: <https://adorwelding.com/wp-content/uploads/2025/07/CSR-Policy-FY-2022-23.pdf>
- c. CSR projects, approved by the Board: <https://adorwelding.com/wp-content/uploads/2026/04/BMA-29-04-2026-5M-CSR-Summary-for-F26.pdf>

## 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable for FY 2025-26, hence not carried out.

5. a. Average net profit of the Company as per sub-section (5) of section 135: Rs. 10,956 Lakhs
- b. Two percent of average net profit of the Company as per sub-section (5) of section 135: Rs.219 Lakhs
- c. Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
- d. Amount required to be set-off for the financial year, if any: Rs. 1.84 Lakh
- e. Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 217.16 Lakhs

**6. a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**

i. Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Items from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (Rs. in lakhs)	Amount spent in the current financial Year (Rs. in lakhs)	Amount transferred to unspent CSR Account for the project as per Section 135(6) (Rs. in lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
NIL												

ii. Details of CSR amount spent against, other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Items from the list of activities in schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount spent for the project (Rs. in lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation- Through implementing agency	
				State	District			Name	CSR Registration Number
1.	Financial support extended for education of tribal students of Class 10	Promoting Education and Healthcare	Yes	Maharashtra	Mumbai	0.96	No	Mauli Foundation	CSR00006590
2.	50 blind folding sticks and umbrellas were distributed to visually impaired individuals	Promoting health care including preventive health care	Yes	Maharashtra	Mumbai	0.19	No	National Society for the Blind	CSR00012853
3.	Renovation and civil works of the staff room and control room, along with the installation of CCTV cameras at Advani Oerlikon Government Higher Secondary School, Birgaon, Raipur.	Promoting Education	Yes	Chhattisgarh	Raipur	35.24	Yes	Directly by the Company	NA
4.	Lunch Boxes distribution & Meritorious Award for academic achievement at Advani Oerlikon Govt. Higher Secondary School Birgaon, Raipur	Promoting Education	Yes	Chhattisgarh	Raipur	0.90	Yes	Directly by the Company	NA
5.	Additional Salary to School teachers at Advani Oerlikon Higher Secondary School, Birgaon, Raipur	Promoting Education	Yes	Chhattisgarh	Raipur	7.20	Yes	Directly by the Company	NA



(1) Sr. No.	(2) Name of the Project	(3) Items from the list of activities in schedule VII to the Act	(4) Local area (Yes / No)	(5) Location of the project		(6) Amount spent for the project (Rs. in lakhs)	(7) Mode of implementation - Direct (Yes/ No)	(8) Mode of implementation- Through implementing agency	
				State	District			Name	CSR Registration Number
6.	Education, Women Empowerment, Skill Development & Healthcare Activities	Promoting Education, Women Empowerment & Healthcare	Yes	Maharashtra	Mumbai	150.00	No	Ador Foundation	CSR00029675
7.	Financial support was provided for Cancer Treatment of Ms. Fatima Madki	Promoting Health Care	Yes	Maharashtra	Thane	0.25	No	Global Vision	CSR00026607
8.	Financial support to disabled individuals and children and Women Empowerment by providing 2 Wheelchairs and 5 Sewing machines	Promoting Health Care and Women Empowerment	No	Maharashtra	Kolhapur	0.50	No	Shirol Taluka Apang Punarvasan Va Arthik Sahayya Sanstha, Jaysingpur	CSR00019623
9.	Kishori Vikas - Leadership Training Program for empowering tribal girls.	Promoting Education, Healthcare & Women Empowerment	Yes	Maharashtra	Pune	0.30	No	Seva Sahayog Foundation	CSR00000756
10.	Educational support for Amrapali School	Promoting Education	Yes	Maharashtra	Mumbai	0.25	No	Aashayein Foundation	CSR00035261
11.	Financial support for Medical Treatment of Mr. Diyam Manish Kumar	Promoting Health Care	Yes	Maharashtra	Mumbai	0.60	No	Save The Life Foundation	CSR00074161
12.	Project Udaan 2.0 - Financial Support for empowering poor and underprivileged youth of the Country with quality and employment opportunities	Promoting Education	Yes	Delhi	South Delhi	0.50	No	Earth Care Foundation	CSR00046423
13.	SETU Project – Empowering rural adolescent girls in Raigad and Aurangabad districts by enhancing socio-emotional well-being, decision-making skills, and awareness of health, nutrition, and financial literacy.	Promoting Healthcare and Education	Yes	Maharashtra	Raigad & Sambajinagar	0.50	No	EmpowHER	CSR00013977
14.	Support for operational and welfare expenses of children	Promoting Health Care	Yes	Maharashtra	Thane	0.25	No	Riddhi Siddhi Charitable Trust	CSR00011967
15.	Financial support for Medical Treatment of Ms. Debjani	Promoting Health Care	Yes	Maharashtra	Mumbai	0.25	No	Nanhi Pari Foundation	CSR00003182

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Items from the list of activities in schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount spent for the project (Rs. in lakhs)	Mode of implementation - Direct (Yes/ No)	Mode of implementation- Through implementing agency	
				State	District			Name	CSR Registration Number
16.	Sponsorship of 25 benches at Swami Vivekanand School of economically disadvantaged students.	Promoting Education	Yes	Maharashtra	Mumbai	1.25	No	Chingari Sakti Foundation	CSR00075715
17.	Financial support for education of underprivileged students at Jaigopal Garodia Rashtrtrotthana Vidyalaya, Kalyan Nagar, Bengaluru	Promoting Education	Yes	Karnataka	Bengaluru	3.59	No	Rashtrtrotthana Parishat	CSR00004658
18.	Financial support for educational tour of Government Gujarat Primary School, Masat (Silvassa)	Promoting Education	Yes	Dadra & Nagar Haveli	Silvassa	0.20	Yes	Directly by the Company	NA
19.	Financial support to Kolhapur Medical and Healthcare Camp and healthcare material distribution to government school students.	Promoting Healthcare and Education	Yes	Maharashtra	Kolhapur	1.00	No	Shree Aniruddha Aadesh Pathak (SAAP)	CSR00011566
20.	Financial support for construction of shed at Rani Durgavati Girls Hostel, Randha	Livelihood Enhancement Projects	Yes	Dadra & Nagar Haveli	Silvassa	3.00	No	Vanvasi Kalyan Ashram	CSR00014323
21.	Financial Support for 1 month Mid Day meal of 300 underprivileged students at Shri Yogeshwarananda English Primary and High School	Promoting Livelihood, Eradicating hunger, Poverty and Malnutrition	Yes	Karnataka	Bengaluru	1.08	No	Keshava Seva Samithi	CSR00006423
22.	Financial support for Computers and Education of visually impaired students at Dnyanjyoti Niwasi Andh Vidyalaya & Jr. college	Promoting Education	Yes	Maharashtra	Nagpur	3.00	No	Rashtriya Drushtihin Shikshan & Punarvasan Sanstha	CSR00001495
23.	Financial support for construction work of the boys hostel at Kalashram Project	livelihood enhancement projects	Yes	Maharashtra	Pune	2.50	No	Caring Hands	CSR00012385
24.	Financial support for washing machine, moped two-wheeler, and other essentials for women	Livelihood Enhancement Projects and Women Empowerment	Yes	Maharashtra	Pune	1.80	No	Snehalaya	CSR00001248



(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Items from the list of activities in schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount spent for the project (Rs. in lakhs)	Mode of implementation - Direct (Yes/ No)	Mode of implementation- Through implementing agency	
				State	District			Name	CSR Registration Number
25.	Financial support for food items to ensure regular nourishment and care of children residing at Srujanalaya Hostel	Livelihood Enhancement Projects	Yes	Maharashtra	Pune	0.50	No	Ajit Foundation	CSR00020691
26.	Sponsorship to Ajay Bhosale, a national-level swimmer, for performance development and participation at the international level	Promoting Sports	Yes	Maharashtra	Pune	0.60	Yes	Directly by the Company	NA
27.	Financial Support for 13 computers at school	Promoting Education	Yes	Karnataka	Bengaluru	3.48	No	Mubarakha Public School	NA
					<b>Total</b>	<b>219.89</b>			

b. Amount spent in Administrative Overheads: NIL

c. Amount spent on Impact Assessment, if applicable: Not Applicable

d. Total amount spent for the Financial Year (6a+6b+6c): Rs. 219.89 Lakhs

e. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount unspent (in Rs.)				
	Total Amount transferred to unspent CSR Account, as per Section 135(6)		Amount transferred to any other fund specified under Schedule VII, as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 219.89					
	Nil				

f. Excess amount for set-off, if any:

Sr. No.	Particulars	Amount (Rupees in Lakhs)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	219.00
(ii)	Total amount spent for the Financial Year	219.89
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.89
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	1.84
(v)	Amount available for set off in succeeding Financial Years [(iii)+(iv)]	2.73

**7. Details of unspent CSR amount for the preceding three (03) financial years:**

Sr. No.	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under Section 135 (6) (Rs. in lakhs)	Balance Amount in Unspent CSR Account under Section 135(6) (Rs. In Lakhs)	Amount spent in the reporting Financial Year (Rs. in lakhs)	Amount transferred to any fund specified under Schedule VII, as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding financial years (Rs. in lakhs)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
Not applicable								

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes**

If Yes, enter the number of Capital assets created / acquired and furnish the details relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR spent	Details of entity/ authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1.	25 benches at Swami Vivekanand School Address: Same as Registered address	400060	12 <sup>th</sup> August, 2025	1,25,000	CSR00075715	Chingari Shakti Foundation	Swami Vivekanand High School, Shani Mahatma Mandir Road, Meghwadi, Jogeshwari (East), Mumbai
2.	Shed at Rani Durgavati Girls Hostel, Randha Address: Same as Registered address	396230	2 <sup>nd</sup> February, 2026	3,00,000	CSR00014323	Vanvasi Kalyan Ashram	Rani Durgavati Girls Hostel Randha, Silvassa – 396230 Dadra & Nagar Haveli
3.	6 Computers Address: Same as Registered Address	440023	17 <sup>th</sup> February, 2026	3,00,000	CSR00001495	Rashtriya Drushtihin Shikshan & Punarvasan Sanstha	Dnyanjyoti Niwasi Andh Vidyalaya & Jr. college, Nagalwadi, Hingna, Dist. Nagpur
4.	Construction work of the boys hostel at Kalashram Project Address: Same as Registered address	410507	23 <sup>rd</sup> February, 2026	2,50,000	CSR00012385	Caring Hands	Kalashram Project, Mangrul Rd., Ambi Village, Tal. Maval, Dist. Pune 410507



Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR spent	Details of entity/ authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
5.	13 Computers at Mubarakha Public School Address: Same as Registered address	560058	23 <sup>rd</sup> March, 2026	3,48,218	NA	Mubarakha Public School	Mubaraknagar, Tigalarapalya Main Road, Near Peenya 2nd Stage, Bengaluru- 560058
6.	2 Wheelchairs and 5 Sewing machines Address: Same as Registered address	416101	24 <sup>th</sup> December, 2025	50,000	CSR00019623	Shirol Taluka Apang Punarvasan Va Arthik Sahayya Sanstha, Jaysingpur	Dasara Chowk, Stadium Gala No.8, Shirol-Wadi Road, Jaysingpur-416101 Tal-Shirol, Dist-Kolhapur
7.	1 washing machine and 1 moped two-wheeler Address: Same as Registered address	414111	22 <sup>nd</sup> February, 2026	1,80,000	CSR00001248	Snehalaya	Survey No.239, F-Block, MIDC, Nimblak, Tal & Dist-Ahilyanagar 414111.
8.	CCTV Cameras Address: Same as Registered Address	493221	27 <sup>th</sup> March, 2026	4,66,232	NA	Advani Oerlikon Government Higher Secondary School, Birgaon, Raipur	Vishal Colony, Birgaon, Raipur, Chhattisgarh 493221

(All the fields should be captured as appearing in the revenue record, flat no., house no, Municipal office / Municipal Corporation / Gram Panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5): Not Applicable.

**For and on behalf of the Board**

**Place:** Mumbai  
**Date:** 29<sup>th</sup> April, 2026

Aditya T. Malkani  
**Managing Director**  
(DIN: 01585637)

Dr. Deep A. Lalvani  
**Chairman of CSR Committee**  
(DIN: 01771000)

## CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

### PHILOSOPHY ON CSR:

Ador Welding Limited (ADOR) believes that Company's performance must be quantified in a balanced economic, environmental and social imperative. As a pioneer in the welding industry, ADOR has played a significant part in the country's industrialization and infrastructure development and its welders have played a huge role in this development. The Company's CSR vision is "Welding is an essential part of everyday life, as right from manufacturing cars to high rise buildings, airplanes to rockets, pipelines to highways, all of it requires welding." As a responsible corporate citizen, the Company strives for community empowerment through socio-economic development of underprivileged and marginalized sections of the society, thereby raising the Country's human development index (HDI).

In pursuit of our commitment towards a comprehensive growth, we venture to have in place a framework to integrate social, environmental, humanitarian concerns into our core business strategy, in the best interest of all our stakeholders. At ADOR, CSR is a cornerstone of its corporate culture and the Company's endeavor ardently adds more value on the societal front and makes a significant impact on livelihood. This entails transcending business interests and grappling with the "quality of life" challenges that underserve communities face, and working towards creating a meaningful difference to them.

### APPLICABILITY & SCOPE:

The scope of this policy is to strategically draw the guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of the annual action plan by the Board of the Company, after taking into account the recommendations of the CSR Committee.

The said policy is to be read in alignment with the provisions of Section 135 of the Companies Act, 2013 ('the Act') and the corresponding rules made there under, as amended from time to time ('CSR Rules'), Schedule VII to the Act and ADOR's philosophy & CSR values.

### FOCUS AREAS OF ENGAGEMENT:

Arising from this, the key focus areas that echo ADOR's CSR policy, are the following and ADOR's CSR programs will generally cover all or any of these focus areas:

- i. Eradicating hunger, poverty and malnutrition, promoting preventive healthcare & sanitation, making available safe drinking water;
- ii. Promoting education; including special education and employment enhancing vocational skills, especially among children, women, elderly and differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up or supporting old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air & water;
- v. Taking up Rural development projects / Conducting various social awareness programs;
- vi. Contributing to development & improvement in quality of life of the workforce and their families, as well as of the society at large;
- vii. Conservation of energy, including projects related to renewable sources of energy;
- viii. Contribution to Prime Minister's National Relief Fund [or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the Central Government for socio economic development & relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- ix. Contribution to research and development projects in the field of science, technology, engineering and medicine, funded by the central Government or State Government or Public Sector Undertaking or any agency of the Central Government or the State Government;



- x. Contributions to the public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies, established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha & Homoeopathy (AYUSH); Ministry of Electronics & Information Technology and other bodies, namely Defense Research & Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine, aimed at promoting Sustainable Development Goals (SDGs)

#### ORGANIZATIONAL MECHANISM FOR CSR:

The Board of Directors shall form a Corporate Social Responsibility (CSR) Committee, pursuant to the provisions of Section 135 of the Act, which shall be responsible for formulating & recommending to the Board, the CSR Policy & CSR Annual Action Plan, list of CSR activities / manner of execution / utilization of fund and timelines / monitoring of projects and shall lay down the guidelines / key focus areas for the CSR activities every year.

#### COMPOSITION OF THE CSR COMMITTEE:

The composition of the CSR Committee shall consist of three or more Directors, of which at least one Director shall be an Independent Director. No sitting fees will be paid to the members of the CSR Committee. The Company Secretary shall act as the Secretary to the Committee.

The number of Members of the CSR Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board, subject to the provisions of the applicable law.

#### FUNCTIONS OF THE CSR COMMITTEE:

- i. To formulate and recommend to the Board, a CSR Policy, indicating the activities to be undertaken by the Company in the areas or subject, specified in Schedule VII;
- ii. Recommend the amount to be spent on these activities in every financial year;
- iii. Monitor the Company's CSR activities under the policy periodically;
- iv. Developing the annual CSR strategy, based on the guidelines, set by the Companies Act, 2013 & Rules framed there under.
- v. Formulate and recommend to the Board, the annual action plan for CSR activities, CSR project development, CSR project approval, etc. in accordance with the CSR Policy, indicating the following:
  - list of CSR projects or programs that are approved to be undertaken in the areas or subjects, specified in Schedule VII to the Act;
  - manner of execution of such projects or programmes;
  - modalities of utilisation of funds and implementation schedules, for the projects or programmes;
  - monitoring and reporting mechanism, for the projects or programmes;
  - details of need and impact assessment, if any, for the projects, undertaken by the company;
- vi. Monitoring the execution mechanism for CSR projects; Periodic reporting and communication to the Board.

#### CSR COMMITTEE WILL ENSURE THE FOLLOWING:

- Appropriate organizational structure, to effectively identify, monitor & manage CSR activities.
- All kinds of income accrued to ADOR, by way of CSR activities, if any, to be credited back to CSR corpus.

**IMPLEMENTATION MECHANISM OF CSR:**

Ador Foundation, the Philanthropy arm of Ador Group Companies will be the core / principal implementation agency for undertaking all / major CSR activities of Ador Group Companies, as well as their Subsidiaries.

The CSR activities of ADOR can be undertaken by the Company either directly by itself or through Ador Foundation or through any other organization / agency, which is into CSR activities and registered with the Central Government, namely:

- a Company established under Section 8 of the Act, or a registered public trust or a society, registered under section 12A and 80G of the Income Tax Act, 1961 (43 of 1961), established by the Company, either singly or along with any other Company, or
- a Company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or the State Government; or
- any entity established under an Act of Parliament or a State legislature; or
- a Company established under section 8 of the Act, or a registered public trust or a society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years, in undertaking similar activities.

ADOR can conduct due diligence, prior to selection of an entity as its implementation organization / agency, to verify the credentials and ensure that the proposed implementation agency is eligible & capable to be appointed as such.

ADOR can also enter into Collaborative partnerships with the Government, NGOs, independently registered non-profit organisations, or with other like-minded organisations / stakeholders, so as to widen the Company's reach and leverage upon the collective expertise & experience, these partnerships will pool their resources for CSR activities.

In undertaking CSR Activities, the Company shall give preference to the local areas, wherein the Company

operates or has its offices i.e. areas in the vicinity of its factories, depots and sales offices, if any, to the extent possible.

All contributions to the funds, referred to in the 'Focus areas of Engagement' clauses shall be made directly by the Company and shall be utilized, accounted for and monitored, strictly in accordance with the applicable provisions of law.

ADOR can also engage international organizations for designing, monitoring and evaluation of CSR projects or programmes as per its CSR policy, as well as for capacity building of its own personnel for CSR.

**CSR EXPENDITURE:****Statutory requirement**

The Company shall spend at least 2% (two percent) of its average Net Profits, made during the last 3 (three) immediately preceding financial years, in accordance with the Act & the Rules and the CSR Policy.

**Set-off**

Where the Company spends an amount in excess of requirement, provided under Section 135(5) of the Act, such excess amount will be set-off against the requirement to spend under section 135(5) up to immediately succeeding 3 (three) financial years, subject to certain conditions, given under the Act.

**Ongoing project**

"Ongoing Project" means a multi-year project undertaken by the Company in fulfilment of its CSR obligation, having timelines not exceeding three years, excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board, based on reasonable justification.

In case of ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines & year-wise allocation and shall make modifications, if any, for smooth implementation of the project, within the overall permissible time period.



### Surplus

Any surplus arising out of CSR Activities will not be considered as a part of the business profit and will be re-allocated to the same CSR project or will be transferred to the Unspent CSR Account and will be spent in pursuance of this CSR policy and / or annual action plan.

### Administrative Overheads

The Board shall ensure that the administrative overheads shall not exceed 5% (five percent) of total CSR expenditure of the Company, for the financial year.

“Administrative overheads”, as defined under the Act, mean the expenses incurred by the Company for ‘general management and administration’ of Corporate Social Responsibility functions in the Company, but shall not include the expenses directly incurred for designing, implementation, monitoring and evaluation of a particular Corporate Social Responsibility project or programme.

### Creation or Acquisition of Capital Asset

The CSR amount may be spent by a Company for creation or acquisition of a capital asset, in accordance with the CSR Rules.

### Unspent Amount

Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of 06 (six) months of the expiry of the financial year.

Further, unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account, opened by the Company in any scheduled bank, called the “Unspent Corporate Social Responsibility Account”. Such amount shall be spent by the Company towards CSR within a period of 3 financial years, from the date of such transfer, failing which, the Company shall transfer the same to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the third financial year.

The Board shall be responsible for sanctioning the CSR Expenditure and shall be responsible, along with the CSR Committee, for taking steps to ensure that the amount for CSR Expenditure is available for the implementation of the CSR Activities.

### MODALITIES FOR UTILIZATION OF FUNDS:

Our CSR underpins the significance of the people behind this development and identifies areas, where we can help nurture their current and future potential, while supporting the families of underprivileged and communities, through the following ways:

1. Up skilling India to make more Indians have / get meaningful jobs through Education, Training (basic education, up-skilling India with welding skills):
  - Providing sponsorship for training to underprivileged youth, to take up courses on welding skills
2. Women empowerment:
  - Providing a safe working environment for women
3. Areas around our factories and Offices by providing basic sanitation, drinking water, education for economically challenged and community services:
  - Environmental Compliances at all the plants
  - CE Safety Standards
  - Tree plantations at all the plants
  - Provide medical help, as may be fit to various stratas’ of society
4. Welfare Activities
  - Undertaking relief / welfare activities, especially during pandemic, if any.

### MONITORING MECHANISM:

Certain CSR activities will be carried out, to the extent possible, around the factory areas of the Company and the respective Plant In-charge(s) can be authorized to monitor the implementation of the said CSR activities in the vicinity of the Plants.

Mr. Vinayak M. Bhide, Company Secretary & Mr. S. K. Sethia, Chief Financial Officer will be responsible to oversee the overall functioning of the CSR activities / projects of the Company.

This policy was approved by the Board on Friday, 20<sup>th</sup> May, 2022.

## ANNEXURE II - TO THE DIRECTORS' REPORT

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo, as required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014

### A. Conservation of Energy

Ador recognizes the workplace as the strongest pillar for implementing sustainable development practices. The company is committed to continuously driving integrated development by adopting innovative measures across its plants. These initiatives help reduce waste, optimize the use of non-renewable resources, support climate change mitigation, and lower operational costs.

Some of the initiatives / measures undertaken by your Company (Ador) are as follows:

1. Installed Solar Power Plant at Raipur Factory with the capacity of 518 KWP during FY 2019-20, which generated 509364.7 units, effectively reducing the greenhouse gas emission by 300.42 MT in FY 2025-26.
2. At the Bangalore facility, 100% LED lighting has been fully implemented.
3. A total of 1,03,494 units of electricity were generated through solar power at Silvassa plant during FY 2025-26.
4. In line with our commitment to improving energy efficiency, measures such as installation of timers for lighting and air conditioning, deployment of motion sensors in low-occupancy areas, and adoption of energy-efficient lighting fixtures were successfully carried out at Chinchwad plant. These initiatives have resulted in measurable savings, with total energy savings of 19,920 KWh annually and an associated cost saving of Rs. 2.73 lakhs. The average savings achieved amount to 66.4 KWh per day and 1,660 KWh per month.

### B. Technology Absorption

As a pioneer in the welding industry and major supplier of variety of Welding Consumables, Equipment and Automation systems to National as well as International markets, Ador is consistently investing in "Technology and Innovation" to deliver the best / "state of the art" products. The Company has 2 (two) Technology Development Centers (TDCs), 1 (one) each for Consumables and Equipment, both located at Chinchwad, Pune in Maharashtra. The TDCs continue to pursue their goals, with renewed vigor, in terms of innovation, upgradation, improvements & cost optimization. These TDCs regularly interact with the market / users for improving the competitive features and performance of the Company's products.

Some of the significant technology absorption / innovations w.r.t. TDCs are listed hereunder:

#### TDC Equipment:

- Introduced technologically high end MIG and TIG machines under the name of ADROIT series. These machines are having controllers with real time operating system and welding performance is controlled by digitally driven software. All these machines are having capability to interface with Robots.
- Developed and introduced Arc sensing wirefeeder named REACHFEED-40 which works on Arc voltage of power source having Constant current or Constant voltage output characteristics. This is an innovative wirefeeder suitable for self shielded FCAW as well as GMAW process and does not require inter connection cable
- Introduced the Battery operated welder with online charging with solar panels called RHINO-S. This is having capability to connect upto 16 foldable solar panels, which provides uninterrupted welding on battery.
- Developed the Robotic interfacing capability with our CHAMP MULTI machines and introduced the solution for Robotic system along with robotic welding power source. This is a new technology for interfacing with welding



power source, which digitally interacts with robotic controller on ETHERNET or DEVICENET protocol.

- Innovative feature has been added to CHAMPMIG series machines for locking the welding parameters by single USB key. This feature helps supervisor to lock the welding parameters as per WPS on all the CHAMPMIG machines on shopfloor with single USB key.
- Introduced economic models of MIG and TIG machines, which will increase the market share of machines of MIG and TIG processes.

#### TDC Consumables:

TDC (Consumables) achievements in the areas of new product development, approvals, and technical presentations in FY 2025-26 are as under:

1. Developed Welding Consumables for:
  - Critical pipe welding application
  - High-speed welding for Automotive Segment
  - Weathering Steel Application
  - Single Side Welding
  - Specialised Stainless Steel
  - New Cast Iron electrode
2. Awarded “Best Training Provider 2025-26” at the Weld Fabtech, Bengaluru, Karnataka, India.
3. Contributed thru BIS Technical Committees in developing standards for welding products and testing specifications.
4. Ensured continuity of NABL accreditation for TDC Metallurgical Laboratory under ISO/IEC 17025:2017, reinforcing stakeholder confidence in the lab’s technical competence and reliability.

#### Summary of expenditure on R & D:

Particulars	(Rs. In Lakhs)	
	FY 2025-26	FY 2024-25
Capital	25	43
Recurring	911	919
<b>Total</b>	<b>936</b>	962
Total R & D expenditure as a percentage of total turnover	<b>0.82%</b>	0.86%

#### Foreign Exchange Earnings & Outgo:

Particulars	(Rs. In Lakhs)	
	FY 2025-26	FY 2024-25
Foreign Exchange Earnings	16,507	15,335
Foreign Exchange Outgo	13,506	9,726

For and on behalf of the Board

Place: Mumbai  
Date: 29<sup>th</sup> April, 2026

Dr. Deep A. Lavani  
Non-Executive Director  
(DIN: 01771000)

Aditya T. Malkani  
Managing Director  
(DIN: 01585637)

## ANNEXURE III – TO THE DIRECTORS’ REPORT

### CORPORATE GOVERNANCE REPORT

The detailed Report on Corporate Governance for the financial year ended 31<sup>st</sup> March, 2026, in terms of Regulation 34(3) read with Schedule V (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015), is set out below. In this report, we confirm the compliance of Corporate Governance criteria, as required under the said SEBI (LODR) Regulations, 2015.

#### A) Mandatory Requirements:

##### 1) Company’s Philosophy on the Code of Corporate Governance

The Company has a strong legacy of believing in sound corporate practices, based on transparency, accountability and high level of integrity, which forms an essential part in the functioning of the Company and in increasing the long-term enhancement of stakeholders’ value & interest. The Company believes that its actions must result in enhancing corporate performance by maximizing stakeholders’ value and also in motivating work force. We, as a Company, have always focused on ‘best-in-class’ Corporate Governance practices, which is a key driver for sustainable corporate growth and long-term value creation for our stakeholders. Through the Governance mechanism in the Company, the Board, along with its Committees undertakes its fiduciary responsibilities towards all its stakeholders by ensuring transparency, fair play & independence in its decision making. The Company’s Policies are an extension of its values and reflect its commitment to ethical Business practices, integrity and regulatory compliances.

The Company not only adheres to the prescribed Corporate Governance practices as per SEBI (LODR) Regulations, 2015 but is also committed to sound Corporate Governance principles and practices, which are not part of Regulations. The Company’s Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons, as framed under SEBI (Prohibition of Insider Trading) Regulations, 2015, demonstrates our values and commitment to ethical business practices, integrity and regulatory compliances. The Company maintains a comprehensive set of compliance policies and procedures which assist us in complying with the law and conducting our business in an honest, ethical, and principled way.

##### 2) Board of Directors

The Board is entrusted with the ultimate responsibility of the Management and performance of the Company. It provides strategic direction, leadership and guidance to Company’s Management. It monitors the performance of the Company, with the objective of creating long-term value for Company’s stakeholders as well as it ensures that the Management adheres to the highest standards of ethics, transparency and disclosures.

The Directors take an active part in the deliberations at the Board and Committee meetings and provide guidance & advice to the Management on various aspects of business, strategy, governance, risk and compliance to ensure the fulfilment of stakeholder expectations & long-term value creation.

##### 2.1) Core Skills / Expertise of the Board

The Board of Directors, at its meeting held on 29<sup>th</sup> April, 2026, has approved the following list of core skills / expertise in context of / with respect to the line of business of the Company, for it to function effectively.



The below matrix summarizes a mix of skills, expertise & competencies, possessed by the individual Directors on the Board, which are key to good corporate governance and Board effectiveness:

Sr. No.	Core Skills / Expertise	Ninotchka Malkani Nagpal	Aditya T. Malkani	Deep A. Lalvani	Ravin A. Mirchandani	Tanya H. Advani	Nita Dempo Mirchandani	Navroze S. Marshall	Jitendra H. Panjabi	Santosh J. Iyer	Mihir Jayaraman
1.	General Management & Strategic Financial Planning	✓						✓			✓
2.	Product Manufacturing & Technology Development		✓					✓			✓
3.	Financial Management	✓	✓	✓			✓	✓	✓		✓
4.	Brand building & E-Commerce			✓		✓					
5.	Business / Technology collaboration, Mergers & Acquisitions			✓	✓	✓					✓
6.	Banking & Finance								✓		
7.	Sales & Corporate Marketing			✓		✓					✓
8.	Project Management		✓			✓					✓
9.	Digital transformation, data analytics, B2B and CRM Marketing			✓		✓					
10.	Strategic Sourcing and Purchasing Management										✓
11.	ERP Systems Design and Implementation										✓
12.	Legal, Risk & structuring									✓	
13.	Private Equity and Venture Capital Fundraising for Corporate Ventures and Start-ups										✓

## 2.2) Composition, Number of Meetings held and Attendance

In order to maintain independence of the Board, we have a judicious mix of Executive, Non-Executive & Independent Directors. The Board of Directors of the Company, as of 31<sup>st</sup> March, 2026 comprises of 10 (ten) Directors, consisting of 2 (two) Executive / Whole-Time Directors and 8 (eight) Non-Executive Directors including 5 (five) Independent Directors. There are 3 (three) Women Directors on the Board, out of which 1 (one) is an Independent Woman Director, as stipulated under Regulation 17(1)(a) of SEBI (LODR) Regulations, 2015. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with the statutory as well as business requirements. The Board of Directors meets, generally once in every quarter, primarily to review the quarterly performance and the financial results of the Company, amongst other things. The Meetings of the Board of Directors & the Committees of the Board are usually held at the Registered Office of the Company. The Meetings are scheduled well in advance and the intimation of each Board & Committee Meeting is given in writing to each Director / Member about 8 to 10 weeks before the scheduled date of the Meeting. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are then noted at the subsequent Board Meeting.

The information, as set out in Regulation 17 read with Part A of Schedule II to SEBI (LODR) Regulations, 2015, is provided to the Board and to the Board Committees, to the extent applicable & relevant. Such information is submitted either as part of the agenda papers, in advance, of the respective Meetings or by way of presentations & discussions, during the Meetings.

The Company Secretary, in consultation with the Executive Chairman and the Managing Director, prepares the detailed Agenda for the Board / Committee Meetings. All the necessary documents, including Annexures, Explanatory Notes etc., are circulated, along with the Agenda, to all the Directors about 7 to 10 days in advance. The Board / Committee Members are also free to recommend inclusion of any matter in the Agenda, for discussion at the Board / Committee Meetings. The important decisions taken at the Board / Committee Meetings are communicated to the concerned department / division and the major outcome of the Board Meetings are also informed to the Stock Exchanges, where the Company's shares are listed, immediately after the Board Meetings.

During FY 2025-26 under review, the Board of Directors met 5 (five) times, i.e. on 06<sup>th</sup> May, 2025, 13<sup>th</sup> August, 2025, 15<sup>th</sup> October, 2025, 16<sup>th</sup> January, 2026 & 31<sup>st</sup> March, 2026. The requisite quorum was present at all the Meetings. The maximum gap between any two consecutive meetings was less than 120 (one hundred & twenty) days, as stipulated under Section 173(1) of the Act, and Regulation 17(2) of SEBI (LODR) Regulations, 2015 and the Secretarial Standard (SS), issued by the Institute of Company Secretaries of India (ICSI). The Board has accepted almost all the recommendations of its committees, during the relevant financial year.

Brief details of the Board Meetings held during FY 2025-26 are as follows:

Sr. No.	Date of the Board Meeting	Board Strength	No. of Directors Present	No. of Independent Directors Present
1.	06 <sup>th</sup> May, 2025	10	10	5
2.	13 <sup>th</sup> August, 2025	10	09	5
3.	15 <sup>th</sup> October, 2025	10	09	4
4.	16 <sup>th</sup> January, 2026	10	08	3
5.	31 <sup>st</sup> March, 2026	10	10	5

The composition of the Board of Directors, attendance at the Board Meetings, held during FY 2025-26 and at the last Annual General Meeting (AGM), number of Directorships in other Companies & Membership of Committees across other Companies, in which the Director is a Member / Chairman, are given below:

Sr. No.	Name of the Director	Category of Directorship	Financial Year 2025-26 Attendance at		As on 31 <sup>st</sup> March, 2026			
			Board Meetings	Last AGM (15 <sup>th</sup> July, 2025)	No. of other Directorships #	No. of Directorships in listed entities^	Committee Positions @	
							No. of Memberships	No. of Chairmanships
1.	Mrs. N. Malkani Nagpal	Executive (Chairman)	5 of 5	Present	1	1	0	0
2.	Mr. A. T. Malkani	Executive (Managing Director)	5 of 5	Present	0	2	0	0
3.	Dr. D. A. Lalvani	Non-Executive	5 of 5	Present	1	1	3	0
4.	Mr. R. A. Mirchandani	Non-Executive	4 of 5	Present	1	1	3	0
5.	Ms. Tanya H. Advani	Non-Executive	5 of 5	Present	1	1	2	0
6.	Mrs. Nita Dempo Mirchandani	Independent	4 of 5	Present	0	1	0	1
7.	Mr. N. S. Marshall	Independent	4 of 5	Present	3	3	3	3
8.	Mr. Santosh J. Iyer	Independent	5 of 5	Present	2	3	2	2
9.	Mr. Jitendra H. Panjabi	Independent	5 of 5	Present	1	2	3	0
10.	Mr. Mihir Jayaraman	Independent	4 of 5	Present	0	1	0	0

**Notes:**

# Excludes Directorships in Ador Welding Limited, Foreign Companies, Private Limited Companies and Charitable Companies, if any.

^ Includes Directorship in Ador Welding Limited

@ Considered Memberships / Chairmanships of the Audit Committee & the Stakeholders Relationship Committee (SRC) only, other than that of Ador Welding Ltd., as per Regulation 26(1)(b) of SEBI (LODR) Regulations, 2015.



None of the Director is a Member of more than 10 (ten) Board Committees and Chairman of more than 05 (five) such Committees [the committees being, Audit Committee and SRC], across all the public limited companies, in which he / she is a Director, as required under Regulation 26(1) of SEBI (LODR) Regulations, 2015. Pursuant to Section 165 of the Companies Act, 2013, none of the Directors on the Company's Board hold the office of Director in more than 20 (twenty) companies, including 10 (ten) public companies and none of the Directors of the Company, are related to each other. As per Regulation 17A of SEBI (LODR) Regulations, 2015, none of the Directors hold Directorship in more than 07 (seven) listed entities and none of the Independent Directors serve as Independent Directors in more than 07 (seven) listed entities and in case they are Whole Time Directors / Managing Directors in any listed entity, then they do not serve as Independent Directors in more than 03 (three) listed entities. The same is also evident from the above table.

All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies, as required under Section 184 of the Companies Act, 2013. Each Director informs the Company, on an annual basis, about the Board and the Committee positions she / he occupies in other Companies, including Chairmanships and notifies changes during the year, if any. The Members of the Board, while discharging their duties, avoid conflict of interest in the decision making process. The Members of the Board restrict themselves from any discussions and voting on transactions, in which they have concern / interest.

All the Non-Independent Directors are liable to retire by rotation, except the Managing Director, as the Articles of Association (AOA) specifically provide for the same. The Executive Chairman is also liable to retire by rotation.

None of the Non-Executive Directors, including the Independent Directors of the Company, have any material pecuniary relationship or have executed any transactions with the Company, its Promoters or its Management, which would affect the independence or judgment of the Board. The Company has also not entered into any materially significant related party transactions with its Promoters, Directors or their relatives or with the Management etc., that may have potential conflict with the interest of the Company, at large.

All the Independent Directors of the Company have certified & confirmed their independence by giving declarations that they meet the criteria of independence, as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b), read with Regulation 25(8) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence, specified in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. They have also given declaration under Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, that their names are registered in the databank, as maintained by the Indian Institute of Corporate Affairs (IICA). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors, are required to undertake online proficiency self-assessment test, conducted by IICA, within a period of 02 (two) years from the date of inclusion of their names in the data bank or such time, as may be amended by the Central Government. In the opinion of the Board, the Independent Directors, fulfil the criteria of independence, specified in Section 149(6) of the Act and Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. The Board hereby confirms that the Independent Directors fulfill the conditions, specified in these regulations and are independent of the Management.

Details of their directorship in listed entities, other than Ador Welding Limited, and their category of Directorship, as required under SEBI (LODR), Regulations 2015, as on 31<sup>st</sup> March, 2026, are as under:

Sr. No.	Name of the Director	Name of the Listed Entity & Category of Directorship
1.	Mrs. Ninotchka Malkani Nagpal	NA
2.	Mr. Aditya T. Malkani	Batliboi Limited – Independent Director
3.	Dr. Deep A. Lalvani	NA
4.	Mr. Ravin A. Mirchandani	NA
5.	Ms. Tanya H. Advani	NA
6.	Mr. Santosh J. Iyer	Hindustan Construction Company Limited – Independent Director
7.	Mr. Mihir Jayaraman	NA
8.	Mr. Jitendra Hiru Panjabi	Alicon Castalloy Limited – Non-Executive Director
9.	Mrs. Nita Dempo Mirchandani	NA
10.	Mr. Navroze S. Marshall	Simmonds Marshall Limited – Managing Director Hindustan Hardy Limited – Independent Director

**Broad Terms of Reference / Functions of the Board:**

The duties of the Board of Directors have been enumerated in SEBI (LODR) Regulations, 2015, Section 166 of the Companies Act, 2013 and Schedule IV to the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority, amongst the Board of Directors.

The following information is generally provided to the Board of Directors:

- Annual operating plans & budgets and updates thereon.
- Capital budgets and updates thereon.
- Quarterly Unaudited Financial Results (UFR) of the Company and its Operating Divisions / Business Segments.
- Audited Financial Results (AFR) of the Company.
- Minutes of the Meetings of the Board, Committees of the Board & Subsidiary of the Company.
- The information on recruitment and remuneration of senior officers, just below the Board level, including the appointment & / or removal of the Chief Financial Officer (CFO) and the Company Secretary (CS).
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations by the Company, or substantial non-payment of goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Risk Mitigation plans / updates thereon.
- Details of any Joint Venture or Collaboration Agreement.
- Transactions that involve substantial payment towards Goodwill, Brand Equity or Intellectual Property.
- Significant labor problems and their proposed solutions.
- Any significant development in Human Resources / Industrial Relations front, like signing of wage agreement, implementation of Voluntary Retirement Scheme (VRS), etc.



- Quarterly / Half yearly / Yearly details of financials & other material information of the Subsidiary Companies.
- Sale of investments, subsidiaries, assets, etc., which are material in nature & not in the normal course of business.
- Quarterly details of Foreign Exchange exposures and steps taken by the Management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholder services, such as non-payment of dividend, delay in share related services etc.
- Updates on working of the Subsidiaries.

The Board of Directors is routinely provided with all the above information, whenever / wherever applicable. These are submitted either as a part of Agenda or are tabled in the course of the Board Meeting, which get discussed / noted by the Board.

### **Code of Conduct for Board of Directors & Senior Management:**

The Board of Directors has laid down / adopted a 'Code of Conduct for the Board of Directors & Senior Management' for all the Board Members and Senior Management Personnel of the Company. The Code requires Directors and Employees to act honestly, fairly, ethically & with integrity and conduct themselves in professional, courteous and respectful manner. The 'Code of Conduct' has been communicated to all the Directors and the Members of Senior Management Team & also been posted onto the website of the Company. All the Directors and Senior Management Personnel have confirmed / affirmed compliance with the Code of Conduct for FY 2025-26.

The Company has also adopted a separate code for Independent Directors, as laid down under Schedule IV to the Companies Act, 2013 and the same is also posted onto the website of the Company at the following web-link: <https://adorwelding.com/wp-content/uploads/2025/01/Code-of-Conduct-for-Independent-Directors.pdf>

Further, the Company / Board confirms that all its Independent Directors have affirmed with the "Code of Conduct for the Independent Directors."

### **No Permanent Board Seat**

SEBI has amended the Listing Regulations with effect from 01<sup>st</sup> April 2024 mandating shareholders' approval for a director's continuation on the Board at least once every five years from the date of their appointment or re-appointment. As on 31<sup>st</sup> March 2026, there were no directors holding permanent board seats. They were either holding fixed term of not exceeding five years and/or were subject to retirement by rotation at least once in every three years.

### **Directors and Officers Liability Insurance (DOLI)**

The Company has undertaken Directors and Officers Liability insurance ('D & O Insurance') for all its Directors, including independent directors, for quantum and risks, as determined appropriate by the Board of Directors of the Company.

### **Committees of the Board:**

The Board of Directors has constituted 5 (five) Board Committees to deal with specific areas and activities, as mandated under the law, which concerns the Company and requires a closer review. The Board Committees are formed with the approval of the Board and function under their respective Charters. These Committees play an important role in the overall Management, the day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps, to perform its duties entrusted by the Board.

The Chairman of the respective Committees brief the Board and subsequently the Minutes of the Committee Meetings are placed before the Board for noting.

The Company has 5 (five) Board Level Committees:

- a) Audit Committee (AC)
- b) Stakeholders' Relationship Committee (SRC)
- c) Risk Management Committee (RMC)
- d) Nomination and Remuneration Committee (NRC)
- e) Corporate Social Responsibility Committee (CSR)

### 3) Audit Committee

#### **Broad Terms of Reference / Functions of the Committee:**

The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting matrix, in accordance with Section 177 of the Companies Act 2013 (Act), Regulation 18 read with Part C of Schedule II to SEBI (LODR) Regulations, 2015. The Audit Committee is entrusted with the responsibility to supervise the Company's financial reporting process and internal controls.

The Audit Committee also reviews and ensures that the financial statements are correct, sufficient and credible with reference, particularly, to the requirements, as enumerated under Part C of Schedule II to SEBI (LODR) Regulations 2015, to the extent applicable.

The Board has framed the Audit Committee charter for the purpose of effective compliance with the provisions of Section 177 of the Act and Regulation 18 of SEBI (LODR) Regulations, 2015. The Audit Committee inter-alia performs the following functions:

- 1) Oversees the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the Independent / Statutory auditors and fixation of their audit fees;
- 3) Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the Chief Internal Auditors and the fixation of their audit fees;
- 4) Approving the payment to the Independent / Statutory auditors for any other services rendered by them;
- 5) Discussing with Internal Auditors w.r.t. any significant findings and follow up thereon;
- 6) Looks into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 7) Approving the transactions of the Company with related parties and any subsequent modifications thereto;
- 8) Scrutinizing the inter-corporate loans and investments;
- 9) Valuation of the undertakings or assets of the Company, wherever necessary;
- 10) Evaluating adequacy of internal financial controls and risk management systems;
- 11) Discussing with statutory auditors before the audit commencement, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 12) Reviewing and monitoring the Statutory & Internal Auditors' independence and performance, and effectiveness of audit process & internal control systems;
- 13) Reviewing with the Management, the Financial statements and audit report thereon, including quarterly / half-yearly financial statements, before submission to the board for approval;



- 14) Reviewing with the Management, statement of application of funds raised through an issue, the statement of funds utilized for the purpose, other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.
- 15) Reviewing, with the Management, the annual financial statements and the Auditor's Report, before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement, to be included in the Board's report in terms of clause (c) of section 134(3) of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies & practices and reasons for the same;
  - c. Major accounting entries involving estimates, based on the exercise of judgment by the Management;
  - d. Significant adjustments made in the financial statements, arising out of audit findings;
  - e. Compliance with listing and other legal requirements, relating to the financial statements;
  - f. Disclosure of any related party transactions;
  - g. Modified opinion(s) in the draft audit report, if any.
- 16) Reviewing the following:
  - a. Adequacy of internal audit function, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - b. Findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
  - c. statement of significant related party transactions (as defined by the audit committee), submitted by the Management;
  - d. Management discussion and analysis of financial condition and results of operations;
  - e. Reports relating to compliance with the laws and risk management;
  - f. Management letters / letters of internal control weaknesses, issued by the statutory / internal auditors;
  - g. Internal audit reports, relating to internal control weaknesses
  - h. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
  - i. statement of deviations:
    - quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s), in terms of Regulation 32(1)
    - annual statement of funds utilized for purposes, other than those stated in the offer document/ prospectus / notice in terms of Regulation 32(7).
  - j. The financial statements and the investments of / made by the subsidiary companies.
- 17) Approval of appointment of CFO, after assessing the qualifications, experience and background, etc. of the candidate;
- 18) Overseeing the Whistle Blower Policy of the Company and the vigil mechanism system established by the Company for its Directors & employees, to report to the Management the concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and to provide safeguard against victimization of employees, who avail / use this mechanism;
- 19) Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding Rs. 100 crores or 10% of the asset size of the subsidiary, whichever is lower, including loans /advances / investments existing, as on the date of coming into force of this provision.
- 20) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the listed entity and its shareholders.

21) Any other function, as may be directed by the Board or Statutory Authorities, from time to time.

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal & professional advice.

**Composition, Number of Meetings held and Attendance:**

All Members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation and Economics. During FY 2025-26 under review, 04 (four) Audit Committee Meetings were held, i.e. on 05<sup>th</sup> May, 2025, 13<sup>th</sup> August, 2025, 15<sup>th</sup> October, 2025, & 16<sup>th</sup> January, 2026. The maximum gap between two Meetings was not more than 120 days. The requisite quorum was present at all the meetings of the Audit Committee.

The Company Secretary acts as the Secretary of the Audit Committee.

The Statutory Auditors are responsible for performing / conducting Independent Audit of the Company’s Financial Statements and the Company’s internal financial control over financial reporting, in accordance with the generally accepted auditing practices and have been / are issuing reports, based on such audits, while the Internal Auditors are responsible for checking the internal risk controls.

The Company follows best practices in the financial reporting. The Company has been reporting, on quarterly basis, the Unaudited Financial Statements, as required by / under Regulation 33 of SEBI (LODR) Regulations, 2015. The Company’s quarterly Unaudited Financial Statements are made available on the website www.adorwelding.com and are also uploaded on to the website of the Stock Exchanges, where its shares are listed.

It is the prerogative of the Audit Committee to invite Senior Executives, whom it considers apropos, to be present at any of the Audit Committee Meetings, as & when required. The Internal Auditors, who report directly to the Audit Committee and the representatives of the Statutory Auditors also attend the meetings of the Audit Committee, besides the executives invited by the Audit Committee, to be present thereat, if any.

Mr. Navroze S. Marshall, Chairman of the Audit Committee, was present at the last Seventy Second (72<sup>nd</sup>) Annual General Meeting of the Company, held on Tuesday, 15<sup>th</sup> July, 2025, by Video Conferencing, for addressing the queries of the shareholders.

The composition of the Audit Committee and attendance at the Meetings held in FY 2025-26 is given here under:

Sr. No.	Name of the Member(s)	Position in the Committee	Category of Directorship	Attendance during FY 2025-26
1.	Mr. N. S. Marshall	Chairman	Independent Director	3 of 4
2.	Mr. J. H. Panjabi	Member	Independent Director	3 of 4
3.	Mr. R. A. Mirchandani	Member	Non-Executive Director	3 of 4
4.	Mr. Santosh J. Iyer#	Member	Independent Director	3 of 3

# Mr. Santosh J. Iyer was appointed as a Member of the Audit Committee of the Company w.e.f. 07<sup>th</sup> May, 2025.

The highlights of each of the Audit Committee Meetings are informed / provided to the Board of Directors and discussed in the Board Meeting. Subsequently, the Minutes of the Audit Committee Meetings are also sent to the Board for noting.

Subsequent to the financial year ended 31<sup>st</sup> March, 2026, the Audit Committee meeting was held on 29<sup>th</sup> April, 2026, wherein the Audited Financial Results and Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2026, were reviewed, considered and recommended to the Board.



#### 4) Nomination & Remuneration Committee

##### **Broad Terms of Reference / Functions of the Committee:**

The Committee is vested with all the crucial powers and authority to ensure appropriate disclosures of the remuneration of Directors and to deal with all the elements of remuneration packages w.r.t. all the Directors. The Nomination & Remuneration Committee recommends to the Board, the compensation terms of the Directors & Senior Management. The Committee functions in line with the Nomination & Remuneration Committee Charter, prepared in accordance with Section 178 of the Companies Act, 2013 & Regulation 19, read with Part D (A) of Schedule II to SEBI (LODR) Regulations, 2015, adopted by the Board, which, inter alia, includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees ;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of the board of directors;
- Identifying persons, who are qualified to become directors and who may be appointed in Senior Management, in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, of the quality required, to run the Company successfully.
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To ensure that the remuneration to Directors, Key Managerial Personnel (KMP) and Senior Management involves a balance between fixed & variable incentive pay, reflecting short and long-term performance objectives, appropriate to the working of the Company & its goals.
- To carry out evaluation of every Director's performance, including the Independent Directors.
- Reviewing and recommending to the Board, the following:
  - a) Appointment / re-appointment of the Whole-Time Directors and the Non-Executive Directors, including contract terms, performance criteria / targets, fees, travel and other benefits, etc.
  - b) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors.
  - c) Remuneration report, prepared in accordance with the Companies Act, 2013, for inclusion in the Directors' report.
  - d) Remuneration Policy for the Whole Time / Executive Director(s) and Non-Executive Director(s).
  - e) Remuneration Policy for Key Managerial Personnel & Senior Management.
  - f) Remuneration Policy for employees
  - g) The size, qualification and composition of the Board.
  - h) Short-term incentive strategy, performance targets and bonus payments to the Executive Directors / Whole time Directors.
  - i) Offers under Company's employee equity incentive plans (ESOPs), if any.
- Reviewing major changes and developments in the Company's remuneration, recruitment, retention, superannuation arrangements, human resource practices and employee relations, if any.
- Ensuring that the Board & the Management makes available to them sufficient information and external advice, for informed decision-making, regarding remuneration.

- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates

**Composition, Number of Meetings held and Attendance:**

During FY 2025-26 under review, 03 (three) Nomination & Remuneration Committee (NRC) Meetings were held i.e. on 02<sup>nd</sup> May, 2025, 17<sup>th</sup> September, 2025 and 14<sup>th</sup> January, 2026. The requisite quorum was present at all the Meetings. The Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

Mrs. Nita Dempo Mirchandani, an Independent Director, is the Chairman of the Nomination & Remuneration Committee and she was present at the last Seventy Second (72<sup>nd</sup>) Annual General Meeting of the Company, held on Tuesday, 15<sup>th</sup> July, 2025 through Video Conferencing (VC).

The composition of the Nomination & Remuneration Committee (NRC) and the attendance at its Meeting, during FY 2025-26 is given hereunder:

Sr. No.	Name of the Member(s)	Position in the Committee	Category of Directorship	Attendance during FY 2025-26
1.	Mrs. Nita Dempo Mirchandani	Chairman	Independent Director	3 of 3
2.	Dr. Deep A. Lalvani	Member	Non-Executive Director	3 of 3
3.	Mr. Navroze S. Marshall	Member	Independent Director	2 of 3

The highlights of each of the Nomination & Remuneration Committee Meetings are provided to the Board of Directors and discussed in the Board Meeting. Subsequently, the Minutes of the Nomination & Remuneration Committee Meeting are also sent to the Board for its noting.

After the financial year ended 31<sup>st</sup> March, 2026, NRC Meeting was held on 24<sup>th</sup> April, 2026, wherein the remuneration payable to the Executive Directors & Senior Management, Commission payable to the Executive & Non-Executive Directors was determined and evaluation of the performance of the Board, its Committees and its Directors was discussed.

**Performance Evaluation:**

The Nomination & Remuneration Committee, pursuant to Regulation 19 read with Part D (A) of Schedule II to SEBI (LODR) Regulations 2015, has laid down the criteria for performance evaluation of the Directors, including the Independent Directors, which shall be carried out for / by the entire Board of Directors.

The evaluation is based on various parameters, as stated below:

- Participation in the Committee Meetings, Board Meetings and Annual General Meeting.
- Quality of inputs (contribution) in the Meetings.
- Contribution towards development of Strategies.



- Contribution towards Risk Management / Mitigation.
- Efforts taken towards acquiring knowledge about the Company and its business.
- Concern towards the holistic development of the Company, short term as well as long term.

Pursuant to the provisions of the Act and Regulation 17 of SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation. The evaluation process includes performance evaluation of individual Directors, performance evaluation of all the Board Committees by the individual Directors and performance evaluation by the individual Directors of the entire Board. A structured questionnaire is prepared, covering various aspects of the Board's functioning. A consolidated summary of the ratings, given by each Director is then prepared & presented. The report of performance evaluation is then discussed and noted by the Nomination & Remuneration Committee and subsequently by the Board.

### **Administrator to Employee Stock Option Plan:**

The Nomination & Remuneration Committee plays the role of / also acts as the Compensation Committee and administers Company's ESOP Plan.

During FY 2025-26, vide 72<sup>nd</sup> AGM notice dated 06<sup>th</sup> May, 2025, the approval of the Members was sought to grant 3,40,000 stock options to the employees of the Company and its Group Company(ies) including its Holding / Subsidiary / Associate Company(ies) (Present and Future, if any) under ADOR Employees Stock Option Plan / Scheme 2025. The approval of the Shareholders for the said ESOP Scheme was received / taken at the 72<sup>nd</sup> AGM held on 15<sup>th</sup> July, 2025.

During the year under review, the Company has granted stock options to the eligible employees as tabled below:

<b>Sr. No.</b>	<b>Date of Grant</b>	<b>No. of stock options granted</b>
1.	22 <sup>nd</sup> September, 2025	29,500

### **Remuneration Policy for the Directors:**

Pursuant to the requirements of the Companies Act, 2013 and Part D(A)(1) of Schedule II to SEBI (LODR) Regulations 2015, the Board has, on the recommendation of NRC, framed a Remuneration Policy for its Directors, considering particularly the following, amongst other things:

#### **I. Remuneration to the Executive Directors:**

The remuneration of the Managing / Whole-time / Executive Director(s) is decided by the Nomination & Remuneration Committee (NRC), based on the criteria(s), such as industry benchmarks, Company's performance vis-à-vis Industry performance / track record / performance of the Managing / Whole-time / Executive Director(s) and the same is recommended to the Board of Directors. The Company pays remuneration by way of salary, perquisites & allowances (fixed component) and Bonus, Performance Incentive & Commission (variable component) upto a maximum of 1% of the net profits of the Company, specifically computed for this purpose, as per the provisions of Section 197 and 198 of the Companies Act, 2013, to all / each of its Whole-time / Executive Director(s), as may be recommended by NRC and approved by the Board, such that the total remuneration (including commission / bonus, if any), as decided by the Board of Directors in its absolute discretion, does not exceed the limits prescribed under Section 197, 198 & 200 of the Companies Act, 2013 and Schedule V thereto. In case of inadequate or no profits, remuneration is paid, subject to the provisions of the Act and / or with the approval of the Shareholders.

In terms of Regulation 17 (6) (e) of SEBI (LODR) (Amendment) Regulations, 2018, the remuneration payable to the Executive Directors, who are Promoters or Members of the Promoter Group, shall be subject to the

approval of the shareholders, by way of special resolution, in the Annual General Meeting, if the aggregate annual remuneration payable to such Directors exceeds 5% of the net profits of the Company, as calculated under Section 198 of the Companies Act, 2013, where there is more than 1 (one) such Director. The Board has, on the recommendation of NRC, approved the said payment exceeding 5% of the net profits of the Company, to the Executive Directors, who are Promoters / Members of Promoter Group and fresh approval of the Shareholders is taken at the time of their respective re-appointments.

Further, the annual increments are recommended by NRC, within the salary scale of each of the Executive Directors. The terms of remuneration are approved by the Shareholders at the Annual General Meeting and are effected in the individual Agreements, executed with the respective Executive Directors.

## II. Remuneration to the Non-Executive Directors:

As required under Schedule V(C)(6)(b) to SEBI (LODR) Regulations 2015, the Company has uploaded the criteria for payment of Remuneration to its Non- Executive Directors onto the website of the Company, at the following web link:

[https://adorwelding.com/wp-content/uploads/2021/07/criteria\\_for\\_payment\\_to\\_NEDs.pdf](https://adorwelding.com/wp-content/uploads/2021/07/criteria_for_payment_to_NEDs.pdf)

The summary of the remuneration paid / payable to all the Directors for FY 2025-26 is given below:-

						(Rs. in Lakhs)
Sr. No.	Name of the Director	Salary <sup>#</sup>	Benefits (Perquisites)	Commission	Sitting Fees <sup>@</sup>	Total <sup>£</sup>
1.	Mrs. N. Malkani Nagpal	204.23	8.80	14.60	--	227.63
2.	Mr. Aditya T. Malkani	204.23	7.72	14.60	--	226.55
3.	Dr. Deep A. Lalvani	--	--	14.60	--	14.60
4.	Mr. Ravin A. Mirchandani	--	--	14.60	--	14.60
5.	Ms. Tanya H. Advani	--	--	14.60	--	14.60
6.	Mrs. Nita Dempo Mirchandani	--	--	14.60	1.55	16.15
7.	Mr. Navroze S. Marshall	--	--	14.60	1.85	16.45
8.	Mr. Santosh J. Iyer	--	--	14.60	1.65	16.25
9.	Mr. Jitendra H. Panjabi	--	--	14.60	2.00	16.60
10.	Mr. Mihir Jayaraman	--	--	14.60	0.80	15.40
	<b>Total</b>	<b>408.46</b>	<b>16.52</b>	<b>146.00</b>	<b>7.85</b>	<b>578.83</b>

# Fixed Component

@ As Member / Invitee, wherever applicable

£ Gross, Excluding TDS / GST

### Notes:

- The Whole Time Directors, as per their Agreements, are entitled to Commission up to 1% of the net profits of the Company, as calculated under Section 198 of the Companies Act, 2013.
- The Non - Executive Directors are also entitled to commission up to 1% of the net profits of the Company proportionately / on pro-rata basis collectively, as calculated under Section 198 of the Companies Act, 2013.



- The Agreement with the Whole time Directors is for a period of 03 (three) years. Either party to the Agreement is entitled to terminate the Agreement by giving 03 (three) months' notice to the other party, as mentioned in the Agreement.
- All the Promoter Directors, including the Executive Chairman & the Whole – Time Director, are liable to retire by rotation.
- According to the Articles of Association (AOA) of the Company, the Managing Director is not liable to retire by rotation.
- As per the Companies Act, 2013, none of the Independent Directors are liable to retire by rotation.
- The Company has a stock option scheme called the 'Ador Employee Stock Option Plan 2025' for its employees. The Plan has been approved by the Board on 06<sup>th</sup> May, 2025 and by the Shareholders of the Company pursuant to the special resolution passed at the 72<sup>nd</sup> Annual General Meeting held on 15<sup>th</sup> July, 2025. The Scheme is uploaded on the website of the company.
- Severance fees: NIL

## 5) Stakeholders Relationship Committee

### Broad Terms of Reference / Functions of the Committee:

The Stakeholders' Relationship Committee functions in accordance with the Charter prepared as per Section 178 of the Act and Regulation 20 read with Part D of Schedule II to SEBI (LODR) Regulations, 2015. The Committee looks into the matters of Shareholders / Investors grievances along with other matters, as listed below:

- to consider and resolve the grievances of security holders of the Company, including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of dividends, issue of new / duplicate share certificates, etc.
- to consider, approve and request for de-mat / re-mat of shares / split / consolidation / sub-division of share certificates etc.
- to consider and approve / issue of letter of confirmation (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
- to review measures taken by the Company, for effective exercise of voting rights by the shareholders
- to review adherence to the service standards adopted by the Company, in respect of various services, being rendered by the Registrar to an Issue & Share Transfer Agent (RTA)
- to review the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividend and ensuring timely receipt of dividend warrants / annual reports / statutory notices, by the shareholders of the Company.
- to resolve grievances of debenture holders, if any, related to creation of charge, payment of interest / principal, maintenance of security cover and any other covenants.
- to authorize to maintain, preserve and keep in its safe custody all books and documents relating to the issue of share certificates, including blank forms of the Share Certificates.
- Oversee the performance of the Registrar to an Issue & Share Transfer Agent (RTA) and to recommend measures for overall improvement in the quality of investor services.
- Perform all functions relating to the interests of security holders of the Company, as assigned by the Board, and as may be required by / under the provisions of the Companies Act, 2013 and Rules made thereunder, Listing Agreements executed with the Stock Exchanges and guidelines issued by SEBI or any other regulatory authority.

- Oversee the Compliances under the Listing Agreement & SEBI Regulations.
- Any other function, as may be directed by the Board or Statutory Authorities, from time to time.

The status / summary of complaints received & replied to, is also reported to the Board of Directors, as an Agenda item, in every quarterly Board Meeting and is also reported to the Stock Exchanges. This information is also uploaded on the website of the Company. The Committee also empowers few executives of the Company, to process the share transfer, etc.

**Composition, Number of Meetings held and Attendance:**

During FY 2025-26 under review, 2 (two) Stakeholders Relationship Committee (SRC) Meetings were held, i.e. on 24<sup>th</sup> April, 2025 and 14<sup>th</sup> January, 2026. The requisite quorum was present at both the Meetings. The Company Secretary acts as the Secretary of the Stakeholders Relationship Committee.

The composition of the Stakeholders Relationship Committee and attendance at its Meetings is given hereunder:

Sr. No.	Name of the Member(s)	Position in the Committee	Category of Directorship	Attendance during FY 2025-26
1.	Mrs. Nita Dempo Mirchandani	Chairman	Independent Director	1 of 2
2.	Dr. Deep A. Lalvani	Member	Non - Executive Director	2 of 2
3.	Ms. Tanya H. Advani	Member	Non - Executive Director	2 of 2

The Secretarial Department of the Company and the Registrar to an issue & Share Transfer Agent (RTA) attend to all the grievances of the Shareholders, received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs (MCA), Registrar of Companies (ROC), etc.

We strive to ensure that the grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are also requested to furnish their updated e-mail addresses to facilitate prompt action.

The Minutes of each of the Stakeholders Relationship Committee Meetings are sent to the Board of Directors for their perusal.

Mrs. Nita Dempo Mirchandani, an Independent Director, is the Chairman of the Stakeholders’ Relationship Committee and she was present at the last Seventy Second (72<sup>nd</sup>) Annual General Meeting of the Company, held on 15<sup>th</sup> July, 2025 through Video Conferencing (VC).

**Compliance Officer:**

Mr. Vinayak M. Bhide, Company Secretary, has been designated by the Board of Directors, as the Compliance Officer.

Details of Shareholders complaints received & replied during FY 2025-26, and the status on pending complaint(s) as of 31<sup>st</sup> March, 2026 is given below:

Complaints pending as on 01 <sup>st</sup> April, 2025	Nil
Complaints received during the year	16
Complaints resolved during the year	16
Complaints pending as on 31 <sup>st</sup> March, 2026	Nil



The above table includes Complaints received by the Company from SEBI SCORES, Online Dispute Resolution Portal (ODR), through RTA and directly by the Company.

- The Investors can raise complaints in a centralized web-based complaints redressal system called “SCORES 2.0”. The Company uploads the action taken report (ATR) on the complaints raised by the Shareholders, on “SCORES 2.0”, which can be viewed by the Shareholders.
- The Securities & Exchange Board of India (SEBI), vide its Circular dated 31<sup>st</sup> July, 2023 (further updated as on 20<sup>th</sup> December, 2023), announced the introduction of a common Online Dispute Resolution Portal (“ODR Portal”), whereby the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of the Stock Exchanges and the Depositories (collectively referred to as Market Infrastructure Institutions (MIs)), by expanding their scope and by establishing a common ODR Portal, which harnesses online conciliation and online arbitration for resolution of disputes, arising in the Indian Securities Market.
- The complete Master Circular for Online Dispute Resolution, issued by SEBI, can be accessed on the website of the Company [https://adorwelding.com/wp-content/uploads/2023/11/Online-Resolution-of-Disputes-in-the-Indian-Securities-Market-as-per-SEBI-Circular-No-SEBIHOOIAEOIAE\\_IAD-1PCIR2023131-dated-July-31-2023.pdf](https://adorwelding.com/wp-content/uploads/2023/11/Online-Resolution-of-Disputes-in-the-Indian-Securities-Market-as-per-SEBI-Circular-No-SEBIHOOIAEOIAE_IAD-1PCIR2023131-dated-July-31-2023.pdf)
- The ODR Portal named “SMART ODR” can be accessed through the URL: <https://smartodr.in/login>
- The Statement of Directors’ Shareholding as of 31<sup>st</sup> March, 2026 is as under:

Sr. No.	Name of the Director(s)	Shareholding (No. of Shares held) as on 31 <sup>st</sup> March, 2026
1.	Mrs. Ninotchka Malkani Nagpal	2,87,375
2.	Mr. Aditya T. Malkani	3,12,023
3.	Dr. Deep A. Lalvani	22,288
4.	Mr. Ravin A. Mirchandani	9,296
5.	Ms. Tanya H. Advani	1,195
6.	Mrs. Nita Dempo Mirchandani	Nil
7.	Mr. Navroze S. Marshall	52,656
8.	Mr. Santosh J. Iyer	Nil
9.	Mr. Jitendra H. Panjabi	6,000
10.	Mr. Mihir Jayaraman	Nil

## 6) Corporate Social Responsibility (CSR) Committee

### Broad Terms of Reference / Functions of the Committee:

The Corporate Social Responsibility (CSR) Committee functions in accordance with the Charter, prepared as per Section 135 of the Act and approved by the Board of Directors and the terms of reference of CSR Committee broadly comprise the following:

- Formulating & recommending to the Board, a CSR policy, which shall indicate the activities, that can be undertaken by the Company, pursuant to Schedule VII to the Companies Act, 2013.
- Recommending the annual budget of the CSR expenditure / activities, which indicates the amount of expenditure, to be incurred on the CSR projects / programmes, every year.
- Monitoring the implementation of the CSR Policy of the Company, from time to time.
- Setting up a transparent system, to oversee the implementation of the CSR activities / projects / programmes.

- Informing Board, the projects, that can be considered as “ongoing projects” of the Company, at the end of every financial year, if any.
- Review the annexure as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 for the Annual Report on CSR activities, to be included in the Board’s Report.

CSR Policy is formulated and approved by the Board, as mandated under the provisions of Section 135 of the Companies Act, 2013. The CSR Policy & CSR activities / initiatives carried-out during the financial year (FY) 2025-26 are posted onto the Company’s website on the following web-link: <https://adorwelding.com/wp-content/uploads/2022/05/CSR-Policy-FY-2022-23.pdf>

**Composition, Number of Meetings held and Attendance:**

The Composition of the CSR Committee is in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

During FY 2025-26 under review, 3 (three) CSR Committee Meetings were held, i.e. on 24<sup>th</sup> April, 2025, 14<sup>th</sup> October, 2025 and 14<sup>th</sup> January, 2026. The requisite quorum was present at all the Meetings.

The Company Secretary acts as the Secretary of the CSR Committee.

The composition of the CSR Committee and attendance at its Meetings is given hereunder:

Sr. No.	Name of the Member(s)	Position in the Committee	Category of Directorship	Attendance during FY 2025-26
1.	Dr. Deep A. Lalvani	Chairman	Non-Executive Director	3 of 3
2.	Mrs. Nita Dempo Mirchandani	Member	Independent Director	2 of 3
3.	Mrs. N. Malkani Nagpal	Member	Executive Chairman	3 of 3

The highlights of each of the CSR Committee Meetings are informed / presented to the Board of Directors and discussed in the Board Meetings. Subsequently, the Minutes of the CSR Committee Meetings are also sent / circulated to the Board for its noting / records.

**7) Risk Management Committee**

**Broad Terms of Reference / Functions of the Committee:**

Pursuant to Regulation 21 of SEBI (LODR) Regulations, 2015, the Company has constituted a Risk Management Committee and has Risk Management Framework / Charter / Policy in place, the details of which are provided in the Directors’ report.

The Risk Management Committee (RMC) functions in accordance with the Charter prepared, considering provisions of Regulation 21 read with Part D (C) of Schedule II to SEBI (LODR) Regulation 2015, which is approved by the Board of Directors and the terms of reference of RMC broadly comprise the following:

- Formulating detailed Risk Management Policy, which includes the following:
  - a. A framework for identification of internal and external risks, specifically faced by the listed entity, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks in particular or any other risk, as may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.



- Ensuring appropriate methodology, processes and systems are in place, to monitor and evaluate risks, associated with the business of the Company.
- Monitoring & overseeing implementation of the Risk Management Policy, including evaluating the adequacy of the risk management systems.
- Reviewing the risk management policy, at least once in every 02 (two) years, by considering the changing industry dynamics and evolving complexity.
- Keeping the Board of Directors informed about the nature and content of its discussions, recommendations & actions, to be taken.
- Reviewing the appointment, removal & remuneration of the Chief Risk Officer (if appointed).

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

### Composition, Number of Meetings held and Attendance

During FY 2025-26 under review, 2 (two) Risk Management Committee meetings were held i.e. on 24<sup>th</sup> April, 2025 & 14<sup>th</sup> October, 2025. The requisite quorum was present at both the Meetings. The intervening period between 2 consecutive RMC meetings was well within the maximum allowed gap of 210 days.

The composition of the Risk Management Committee and the attendance at its Meetings, during FY 2025-26 is given hereunder:

Sr. No.	Name of the Member(s)	Position in the Committee	Category of Directorship	Attendance during FY 2025-26
1.	Mr. Jitendra H. Panjabi	Chairman	Independent Director	2 of 2
2.	Mrs. Ninotchka Malkani Nagpal	Member	Executive Chairman	2 of 2
3.	Mr. Surya Kant Sethia	Member	Chief Financial Officer (CFO)	2 of 2

A detailed Risk Management Policy is formulated & approved by the Board, as mandated under Regulation 21 of SEBI (LODR) Regulations, 2015. The Risk Management Policy is posted onto the Company's website at <https://adorwelding.com/wp-content/uploads/2021/07/Risk-Management-Policy.pdf>. The highlights of each RMC Meetings are informed / presented at the Board Meeting and key risks highlighted by RMC, are discussed thereat. Subsequently, the Minutes of RMC Meetings are also sent to the Board for its noting.

**8) Particulars of the Senior Management:**

**Details of Senior Management as on 31<sup>st</sup> March, 2026:**

<b>Sr. No.</b>	<b>Name of the Senior Management</b>	<b>Designation</b>
1.	Mr. Lajpat Yadav	Chief Operating Officer - India Welding Business
2.	Mr. P. Ravi Kumar	Head - (India M & R Business) & Customer Success
3.	Mr. Mustafa Faizullahbhoj	Head - International Operations
4.	Mr. Vineet H. Bansal	Head - India Welding Business & Customer Success
5.	Dr. Shrikant S. Suvarna	Head - Manufacturing & Supply Chain (Welding Consumables)
6.	Mr. Ulhas Pujari	Head - Manufacturing & Supply Chain (Welding & Cutting Equipment)
7.	Mr. Vinayak M. Bhide	Head- HR, Admin, Legal & Company Secretary
8.	Mr. Surya Kant Sethia	Chief Financial Officer (CFO)
9.	Mr. Krishnamurthy Suryanarayan	Head - Corporate Strategy
10.	Mr. Sachin H. Dobhada	Head - Research, Development & Quality (Welding Equipment)
11.	Mr. Sunanda K. Palit	Head - Product Strategy & Customer Experience
12.	Mr. Krishnakant Pandey (from 18 <sup>th</sup> November, 2025)	Head- Research & Development (Welding Consumables)
13.	Ms. Niki Singh	Head - Branding, Marketing & Communication
14.	Mr. Kiran Mane	Head - Flares & Process Equipment Division
15.	Mr. Laxmiprasad Bansod	Head - IT
16.	Mr. Sanjay Jain (from 03 <sup>rd</sup> September, 2025)	Head - Consumables Quality
17.	Mr. Sujit G. Barde (till 10 <sup>th</sup> September, 2025)	Head - Welding & Cutting Automation (WCA) Business
18.	Mr. Somnath Chakravarty (till 17 <sup>th</sup> November, 2025)	Head - Research, Development & Quality (Welding Consumables)
19.	Mr. Melville Ferns (till 31 <sup>st</sup> March, 2026)	VP - Strategic Business



9) Location & time of the last 03 (three) Annual General Meetings of the Company is given below:

Sr. No.	Financial Year	Date & Time	Venue	Details of Special Resolution Passed
1.	2024-25	15 <sup>th</sup> July, 2025 11:00 am	Through Video Conferencing	<ul style="list-style-type: none"> <li>To alter the Articles of Association (AoA) of the Company</li> <li>Approval of “Ador Employees Stock Option Plan / Scheme 2025” (“the Plan”) for the benefit of the employees of the Company (Present and Future)</li> <li>Approval of “Ador Employees Stock Option Plan / Scheme 2025” (“the Plan”) for the benefit of the employees of the Subsidiary(ies) of the Company (Present and Future)</li> </ul>
2.	2023-24	26 <sup>th</sup> July, 2024 11:00 am	Through Video Conferencing	<ul style="list-style-type: none"> <li>Re-Appointment of Mrs. Ninotchka Malkani Nagpal (DIN: 00031985), as the Whole-Time Director, designated as the Executive Chairman of the Company.</li> <li>Approval of payment of remuneration to the Executive Director, who is the Promoter &amp; / or Member of the Promoter Group in terms of Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015</li> <li>Re-appointment of Mrs. Nita Dempo Mirchandani (DIN: 01103973), as an Independent Director of the Company</li> <li>To appoint Mr. Santosh Janakiram Iyer (DIN: 06801226), as an Independent Director of the Company</li> <li>To appoint Mr. Jitendra Hiru Panjabi (DIN: 01259252), as an Independent Director of the Company.</li> </ul>
3.	2022-23	09 <sup>th</sup> August, 2023 11:00 am	Through Video Conferencing	<ul style="list-style-type: none"> <li>Re-Appointment of Mr. Aditya T. Malkani (DIN: 01585637), as the Managing Director of the Company</li> <li>Approval of payment of remuneration to the Executive Director, who is the Promoter &amp; / or Member of the Promoter Group in terms of Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015</li> </ul>

During the last 3 years, no resolutions have been rejected by the Shareholders.

**Extra-Ordinary General Meeting and / or NCLT Convened Meetings**

During the financial year under review, no Extra Ordinary General Meeting and / or NCLT Convened Meeting were held.

### Postal Ballot

During the financial year under review, no special resolution was passed through Postal Ballot.

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Annual Report.

The summary of outflow on account of Dividends & Dividend Tax for the last 10 (ten) years along with the percentage & type of Dividend paid is given below:

Sr. No	Financial Year	Dividend (%)	Type of Dividend	Dividend Outflow (Rs. in lakhs)	Dividend Tax Outflow (Rs. in lakhs)	Total Outflow (Rs. in lakhs)	Profit After Tax (PAT) (Rs. in lakhs)	% of Dividend & Tax Outflow to PAT
A	B	C	D	E	F	G = (E+F)	H	I = (G/H)%
1.	2024-25	200	Final	3,180.64	299.92	3,480.56	4,346.00	80.08
2.	2023-24	185	Interim	2,284.81	230.91	2,515.72	8,935.00	28.16
3.	2022-23	175	Final	2,155.19	224.54	2,379.73	5,929.00	40.14
4.	2021-22	125	Final	1,546.34	153.50	1,699.84	4,519.00	37.62
5.	2020-21	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6.	2019-20	65	Interim	883.90	181.73	1,065.63	2,877.00	37.04
7.	2018-19	65	Final	883.90	181.73	1,065.63	2,385.00	44.68
8.	2017-18	50	Final	679.92	138.42	818.34	1,856.00	44.09
9.	2016-17	50	Final	679.92	138.42	818.34	1,812.00	45.16
10.	2015-16	50	Final	679.92	138.42	818.34	2,264.76	36.13

### 10) Independent Directors Meeting and Familiarization Programme for the Independent Directors

The Independent Directors of the Company have been appointed in accordance with the provisions of Section 149 of the Companies Act, 2013 and applicable provisions of SEBI (LODR) Regulations, 2015.

Pursuant to Schedule IV to the Companies Act, 2013, every Independent Director has been issued a letter of Appointment, containing the terms & conditions of his / her appointment. The terms & conditions of appointment have been posted on the website of the Company at <https://adorwelding.com/wp-content/uploads/2025/07/Familiarization-Programme-for-Independent-Director-2.pdf>

#### 10.1) Independent Directors' Meeting:

Pursuant to the requirement of the Act and SEBI (LODR) Regulations, 2015, all Independent Directors of the Company met once during the financial year under review on 23<sup>rd</sup> February, 2026, without the attendance of any Non-independent Directors and Members of the Management, inter alia, to discuss the following:

- Evaluate / review the performance of Non-Independent Directors and the Board of Directors, as a whole.
- Evaluate / review the performance of the Executive Chairman of the Company, taking into consideration the views of other Non- Executive & Independent Directors.
- Assess the quality, quantity and timeline of flow of information between the Company Management and the Board, that / which is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors attended the meeting through the electronic mode of video conferencing. The Independent Directors thereafter briefed the Board on their suggestions / outcome of their meeting.

**Familiarization Program for the Independent Directors:**

Pursuant to Regulation 25(7) of SEBI (LODR) Regulations 2015, the Company carries out Familiarization Program for the Independent Directors w.r.t. nature of the industry, in which the Company operates, business model of the Company, etc., through which the Independent Directors are briefed on the affairs & operations of the Company and their roles / responsibilities thereon. The methodology of the Familiarization Program is uploaded on the Company's website at the following web link: [https://adorwelding.com/wp-content/uploads/2025/06/familiarisation\\_programme\\_for\\_independent\\_directors.pdf](https://adorwelding.com/wp-content/uploads/2025/06/familiarisation_programme_for_independent_directors.pdf)

**11) Materially significant Related Party Transactions (RPTs):**

All the transactions entered into with the Related Parties, as defined under the Act and Regulation 23 of SEBI (LODR) Regulations, 2015, during the financial year, were on arms' length basis and were in compliance with the requirements of the provisions of Section 188 of the Act. Related Party Transactions have been disclosed under significant accounting policies and notes, forming part of the Financial Statements in accordance with "IND AS". A statement, in a summary form, of transactions with Related Parties in the ordinary course of business and on arms' length basis is periodically placed before the Audit Committee, for its review and recommended to the Board, for its approval.

During FY 2025-26 under review, there were no materially significant Related Party Transactions (RPTs) of the Company, executed with its Promoters, Directors or the Senior Management Personnel or their relatives, as well as its subsidiaries, that had a potential conflict with the interest of the Company at large. All the transactions were on arms' length basis and had no potential conflict with the interest of the Company at large and were carried out on fair value basis.

**11.1) Policy for entering into Related Party Transactions:**

All the transactions entered into with the Related Parties, as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, during the financial year, were in the ordinary course of business and on arms' length basis & did not attract the provisions of Section 188 of the Companies Act, 2013. Further, necessary approval of Audit Committee, wherever applicable for transactions, was taken pursuant to SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2023, pertaining to the Industry Standards on "Minimum Information to be Provided to the Audit Committee and Shareholders for Approval of Related Party Transactions". There were no materially significant transactions with the related parties, during the financial year, that had potential conflict with the interests of the Company at large. Related party transactions are disclosed in Note No. 47 to the Financial Statements.

The Company has formulated "Related Party Transactions Policy", as required under the provisions of the Companies Act, 2013 & Regulation 23 (1) of SEBI (LODR) Regulations, 2015, and the same is uploaded on the Company's website at the following web link: <https://adorwelding.com/wp-content/uploads/2025/07/RPT-Materiality-Policy-2023-24.pdf>

A statement in summary form of transactions with related parties is placed before the Audit Committee & the Board for their review quarterly. Omnibus approvals are obtained for transactions, with RPTs, which are repetitive in nature. Transactions entered into, pursuant to the omnibus approvals, were placed before the Audit Committee in each meeting for its review, during the year.

**12) Subsidiary Companies:**

The minutes of the Board Meetings of the wholly owned subsidiary company i.e. 3D Future Technologies Pvt. Ltd. are shared with the Board of Directors on a quarterly basis. The financial statements of the subsidiary companies are presented to the Audit Committee.

The Company did not have any Material Subsidiary in the financial year 2025-26 and as of 31<sup>st</sup> March, 2026.

Pursuant to Regulation 16(1)(c) of SEBI (LODR) Regulations 2015, a Policy for determining 'material' subsidiaries has been adopted by the Company, and the same is uploaded on the Company's website at following web link: <https://adorwelding.com/wp-content/uploads/2025/06/Policy-for-determining-Material-Subsidiary.pdf>

**13) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or the Securities & Exchange Board of India (SEBI) or any Authority, on any matter related to capital markets during the last three (03) financial years:**

The Company has generally complied with all the known rules & regulations prescribed / notified / issued by the Stock Exchanges, where the shares of the Company are listed, the Securities & Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA) and all other statutory authorities relating to the capital markets during the last three (03) financial years and even earlier. There were no instances of levy of any penalties or strictures on the Company.

**14) Vigil Mechanism - Whistle Blower Policy:**

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has established Vigil Mechanism-cum-Whistle Blower Policy, to enable its Directors, Employees & Stakeholders to report the instances of any unethical / improper activity in the Company. The mechanism provides for adequate safeguards against victimization of employees, Directors & stakeholders, who use such mechanism. The said Policy is uploaded on the Company's website, on the following web link:

**For Stakeholders-**

<https://adorwelding.com/wp-content/uploads/2025/07/Mechanism-For-Whistle-Blower-For-Stakeholders11.pdf>

**For Directors & Employees-**

<https://adorwelding.com/wp-content/uploads/2025/07/WHISTLE-BLOWER-POLICY-FOR-DIRECTORS-EMPLOYEESv1.pdf>

No person has denied access to the Chairman of the Audit Committee, under the said Policy.

**15) Statutory Audit Fees:**

The Statutory Auditors of the Company, M/s. BSR & Co. LLP, Chartered Accountants, Mumbai are paid a total fees of Rs. 52.50 Lakhs plus out of pocket expenses at actuals and GST / Taxes, as applicable, at actuals, for carrying out the Statutory Audit, Limited Review, Tax Audit for FY 2025-26.

**Statutory Audit Fees of Subsidiary Company:**

The Statutory Auditors of 3D Future Technologies Pvt. Ltd. (wholly owned subsidiary), M/s. Patni Mandhana & Associates, Chartered Accountants, Mumbai are paid a total fees of Rs. 1.60 lakh plus out of pocket expenses at actuals and GST / Taxes, as applicable at actuals, for carrying out the Statutory Audit, and Tax Audit for FY 2025-26.

**16) Loans and advances**

No loans/advances in the nature of debt were given to firms/companies, in which Directors of the Company were / are interested.



## 17) Means of Communication

17.1) The Company regularly publishes its Quarterly / Half-yearly & Annual Financial Results in newspapers, viz. Business Standard (English) & Nav Shakti (Marathi) and simultaneously uploads them onto the website of the Company: <https://adorwelding.com/document-category/financial-results-financial-results/>. Hence, the financial results are not sent / posted to the shareholders residence. The Annual Report is e-mailed to those Shareholders, whose e-mail IDs are registered with the Company / RTA / DP and posted / sent / couriered to balance / other shareholders, who either do not have e-mail IDs or whose e-mail IDs are not registered with the Company / RTA / DP, (till 67<sup>th</sup> Annual Report for FY 2019-20) or who have specifically requested for a physical copy. A letter providing the web-link including the exact path for accessing the Annual report on the website of the company, is sent by post to the registered address of the shareholders, who have not registered their email address with the Company / RTA.

17.2) The Company has a designated e-mail id: investorservices@adorians.com exclusively for investor relation, and the same is prominently displayed on the Company's website www.adorwelding.com. A separate dedicated section under "Investor Services" tab, on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly / half yearly results and other relevant information of interest to the investors / public.

As a part of Green Initiative, the Members, who wish to receive the notices / documents through e-mail, may kindly intimate their e-mail addresses to the Company at investorservices@adorians.com

Schedule of investors & / or analysts meet, the presentation made to the institutional investors & / or to the analysts, audio / video recording & transcript of the analysts meet is intimated to / uploaded onto the website of the Stock Exchanges, within the prescribed time period, specified under SEBI (LODR) Regulations, 2015 and are also hosted on the Company's website.

The Management Discussion & Analysis (MDA) Report is an integral part of the Annual Report. (Refer **Annexure IV** to the Directors' Report).

## 17.3) General Shareholder Information

<b>Day, Date and Time of Annual General Meeting (AGM)</b>	Thursday, 23 <sup>rd</sup> July, 2026 at 11:30 am (IST)
<b>Venue of the Annual General Meeting</b>	through VC, pursuant to MCA circulars
<b>Financial Year (FY)</b>	01 <sup>st</sup> April, 2025 – 31 <sup>st</sup> March, 2026
<b>Cut-off date for e-voting</b>	Thursday, 16 <sup>th</sup> July, 2026
<b>Dividend payment date</b>	On or after Tuesday, 28 <sup>th</sup> July, 2026
<b>Financial Reporting Calendar for FY 2026–27</b>	Financial (unaudited) Reporting for the quarter ending June 2026 – by 14 <sup>th</sup> August, 2026
	Financial (unaudited) Reporting for the quarter ending September, 2026 – by 14 <sup>th</sup> November, 2026
	Financial (unaudited) Reporting for the quarter ending December, 2026 – by 14 <sup>th</sup> February, 2027
	Financial (audited) Reporting for the financial year ending March, 2027 – by 30 <sup>th</sup> May, 2027

**Investor Education and Protection Fund (IEPF):**

- During FY 2025-26, the unclaimed dividend amount of Rs. 9,61,885/- of Ador Welding Limited and Rs. 8,31,981/- of erstwhile Ador Fontech Limited, pertaining to Dividend for FY 2017-18, was transferred to IEPF.
- During FY 2025-26, about 14,515 Equity Shares of AWL (5,181 shares pertaining to erstwhile Ador Fontech Limited and 9,334 shares pertaining to Ador Welding Limited), on which dividend remained unclaimed for a period of 07 (seven) consecutive years, were transferred to IEPF Authority.
- Before transferring the unclaimed dividends to IEPF, letters are sent to those Members, whose unclaimed dividends were due for transfer, and newspaper advertisement is published to enable them to claim the dividends before the due date of such transfer. The details of unclaimed / unpaid dividends are available / posted / uploaded on the website of the Company.
- During FY 2026–27, approximately 12,447 equity shares of AWL (12,274 Equity Shares of Ador Welding Limited and 173 Equity Shares pertaining to erstwhile Ador Fontech Limited), on which dividends have remained unclaimed for seven consecutive years, will be liable for transfer to IEPF Authority on or before 25<sup>th</sup> September, 2026, unless the dividend is claimed on these shares, prior to the transfer date.
- Year wise amount of unpaid / unclaimed dividend lying in the unpaid Dividend account up to the financial year ended 31<sup>st</sup> March, 2026 and the corresponding shares, which are liable to be transferred to IEPF, is given below:

Sr. No.	Financial Year	Ador Welding Limited		erstwhile Ador Fontech Limited		Remark
		Amount of unclaimed dividend (Rs.)	No. of shares, on which dividend is unclaimed	Amount of unclaimed dividend (Rs.)	No. of shares, on which dividend is unclaimed	
1.	2024-25	88,52,270.00	4,95,256	NA	NA	If the dividend remains unclaimed for a period of 7 consecutive years (till 25 <sup>th</sup> September, 2026), then unclaimed dividend / corresponding shares will be transferred to IEPF
2.	2023-24	51,75,139.50	3,19,909	54,13,416.00	11,00,221	
3.	2022-23	16,11,325.00	99,356	22,29,190.00	5,12,068	
4.	2021-22	14,42,288.00	1,24,243	16,37,130.00	4,62,428	
5.	2020-21	NIL	NIL	10,10,484.40	5,00,352	
6.	2019-20	11,26,012.00	1,73,045	13,79,210.40	7,66,228	
7.	2018-19	10,54,924.50	1,62,261	7,89,246.50	2,25,499	

**Unpaid Fractional Proceeds:**

As on 31<sup>st</sup> March, 2026, an amount of Rs. 5,36,906.19 remains unpaid as fractional proceeds from the total aggregate proceeds generated on sale of shares, pursuant to the Amalgamation Scheme of erstwhile M/s. Ador Fontech Limited with Ador Welding Limited sanctioned by the Hon'ble NCLT, Mumbai Bench on 20<sup>th</sup> August, 2024. The Company is taking necessary steps to distribute the unpaid fractional proceeds to the respective shareholders, on receipt of request and subject to completion of the requisite compliance.



**In case the securities of the company are suspended from trading, reasons thereof:**

The securities of the Company were not suspended from trading during the year under review.

**Credit Rating:**

Pursuant to SEBI (LODR) Regulations, 2015, the details of credit rating obtained by the Company from CARE for all its outstanding instruments, as on 31<sup>st</sup> March, 2026 are enumerated below:

- Long Term Credit Facilities: CARE A+; Stable (Single A Plus; Outlook: Stable)
- Short Term Credit Facilities: CARE A1+ (A One Plus)

The detailed information of credit rating is uploaded on the website of the Company, at the following web-link:

[https://www.careratings.com/upload/CompanyFiles/PR/202601130105\\_Ador\\_Welding\\_Limited.pdf](https://www.careratings.com/upload/CompanyFiles/PR/202601130105_Ador_Welding_Limited.pdf)

**Listing:**

The Stock Exchanges, on which the Company's securities are listed and the Company's corresponding Scrip Code / symbol is as under:

Name of the Stock Exchange	Address	Scrip Code / Symbol
BSE Limited, Mumbai	Phiroze Jeejeebhoy Towers, 01 <sup>st</sup> Floor, Dalal Street, Fort, Mumbai - 400 001.	517041
The National Stock Exchange of India Limited (NSE), Mumbai	Exchange Plaza, C - 1, Block G, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051.	ADOR

**International Securities Identification Number (ISIN):**

ISIN is a unique 12 character alphanumeric code that identifies our securities globally. This number needs to be quoted in each transaction relating to the dematerialized equity shares of the Company. Your Company's ISIN number, for its equity shares, is INE045A01017.

**Annual Listing Fees and Custodial Fees:**

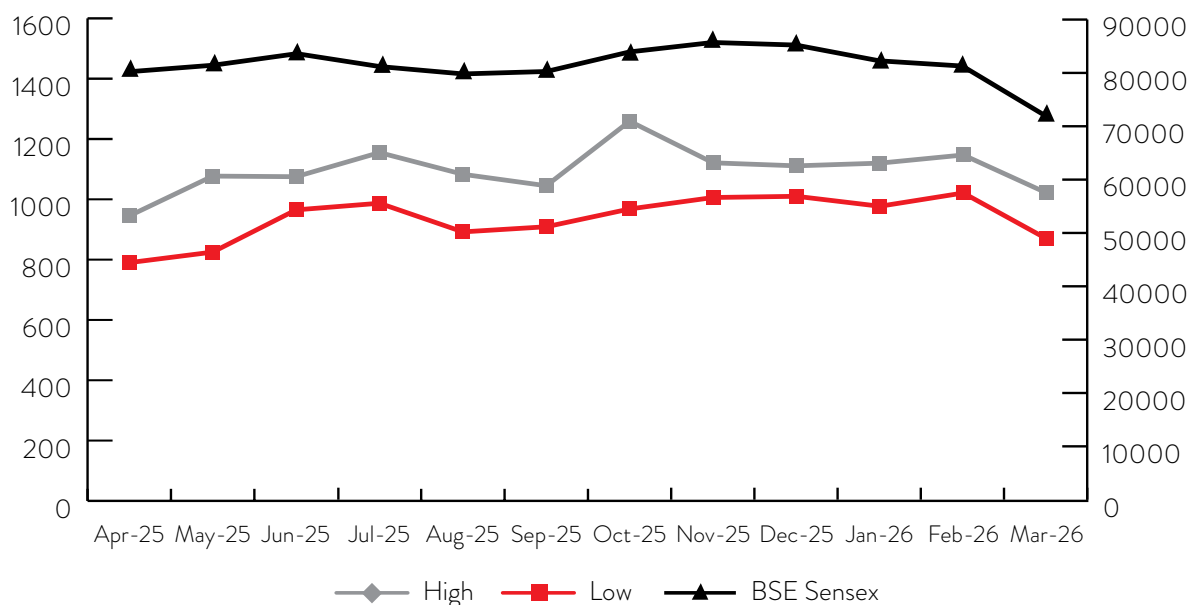
The annual listing fees and custodial fees for the financial year 2026-27 has been paid by the Company, within the stipulated timeline.

**Market Price Data:**

Market Price data, during each month of FY 2025-26, is given hereunder:

INDEX	BSE				NSE			
	Month	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades	High (Rs.)	Low (Rs.)	No. of Shares
April, 2025	944.50	790.00	19,959	4,398	935.00	788.00	2,30,472	34,761
May, 2025	1,076.95	825.30	14,325	3,421	1,046.05	824.00	3,45,515	32,859
June, 2025	1,075.00	965.30	28,026	4,216	1,076.90	966.10	3,08,412	36,075
July, 2025	1,155.00	987.00	36,402	4,493	1,157.20	987.90	4,40,495	45,981
August, 2025	1,082.60	891.90	17,006	3,594	1,088.00	880.00	3,23,913	52,799
September, 2025	1,045.00	909.00	16,823	2,742	1,049.00	904.30	1,86,304	25,414
October, 2025	1,258.85	968.00	97,595	8,276	1,260.00	964.45	16,50,812	1,27,688
November, 2025	1,121.10	1,006.20	10,601	1,612	1,127.00	1,005.50	3,02,299	28,199
December, 2025	1,111.20	1,010.00	8,313	1,187	1,115.00	1,010.00	3,06,804	25,363
January, 2026	1,120.00	977.00	20,901	2,818	1,120.00	970.10	4,50,023	43,923
February, 2026	1,147.30	1,020.85	12,325	1,885	1,145.00	1,020.00	2,70,628	33,874
March, 2026	1,059.85	869.20	14,894	2,420	1,054.90	870.00	2,50,718	29,312

**COMPANY SHARE PRICE WITH MONTHLY HIGH & LOW V/S BSE SENSEX**





### Registrar to an Issue & Share Transfer Agent:

The name of the Registrar to an Issue & Share Transfer Agent (RTA) of the Company is:

- M/s. MUFG Intime India Pvt. Ltd. (formerly known as M/s. Link Intime India Pvt. Ltd.)

The share transfer and other related work is handled by the Company's RTA at the following address:

- **M/s. MUFG Intime India Private Limited (formerly known as M/s. Link Intime India Pvt. Ltd.)**  
C 101, Embassy 247, L.B.S. Marg,  
Vikhroli (West), Mumbai – 400 083, Maharashtra, India  
Tel: +91 22 4918 6000  
Website: <https://in.mpms.mufig.com/>  
E-mail: [Investor.helpdesk@in.mpms.mufig.com](mailto:Investor.helpdesk@in.mpms.mufig.com)

### Share Transfer System:

Shares lodged for physical transfer (only in the nature of Transmission or Name Deletion or Transposition) with RTA of the Company are normally processed within a period of 15 days from the date of lodgment, provided the documents are in order / clear in all respects. All requests for de-materialization of shares are also processed and the confirmation is given by RTA to the depositories within 15 days. The Company Secretary and a couple of Senior Executives of the Company are empowered to approve the share transfers.

Grievances and other miscellaneous correspondence on / with respect to change of address, bank mandates, NECS etc. received from the Members, are generally processed by RTA of the Company, within 07 (seven) working days.

'SWAYAM' is a secured, user-friendly web-based application, developed by "M/s. MUFG Intime India Pvt Ltd. (formerly known as M/s. Link Intime India Pvt Ltd.)" our Registrar to an Issue and Share Transfer Agent, that empowers shareholders to effortlessly access various services. We request you to get registered and have first-hand experience of the portal.

This application can be accessed at <https://swayam.in.mpms.mufig.com/>, which has the following features:

- Effective Resolution of Service Request - Generate and Track Service Requests / Complaints, through SWAYAM.
- Track Corporate Actions like Dividend / Interest / Bonus / split etc.
- PAN-based investments - Provides access to linked PAN accounts, Company wise holdings and security valuations.
- Effortlessly Raise request for Unpaid Amounts.
- Self-service portal – for securities held in demat mode and physical securities, whose folios are KYC compliant.
- Statements - View entire holdings and status of corporate benefits.
- Two-factor authentication (2FA) at Login - Enhances security for investors.

Distribution of shareholding as on 31<sup>st</sup> March, 2026 is as under

Sr. No.	Range of the Shareholding	No. of Shareholders	% of Total Shareholders	No. of Shares Held	% of Total Shareholding
1.	1-100	29,359	80.74	6,41,634	3.69
2.	101-200	3,213	8.84	4,67,120	2.68
3.	201-500	2,655	7.30	7,82,075	4.49
4.	501-1,000	564	1.55	4,09,270	2.35
5.	1,001-5,000	435	1.20	8,83,386	5.08
6.	5,001-10,000	58	0.16	4,12,437	2.37
7.	10,001-1,00,000	64	0.18	19,23,466	11.05
8.	1,00,001 and above	14	0.04	1,18,83,427	68.28
	<b>Total</b>	<b>36,362</b>	<b>100</b>	<b>1,74,02,815</b>	<b>100.00</b>

Shareholding Pattern (category wise) as on 31<sup>st</sup> March, 2026

Sr. No.	Category	No. of Shares Held	% of Total Shareholding
1.	Promoters	93,55,104	53.76
2.	Mutual Funds	11,13,337	6.40
3.	Banks & Financial Institutions (FIs)	382	0.00
4.	Foreign Portfolio Investors	64,619	0.37
5.	NRIs	2,46,122	1.41
6.	Foreign nationals	1,182	0.01
7.	Trusts	1,037	0.01
8.	Investor Education and Protection Fund (IEPF)	3,49,701	2.01
9.	HUFs	5,79,146	3.33
10.	Private Corporate Bodies & LLPs	2,24,600	1.29
11.	Resident Individuals	42,10,135	24.19
12.	Clearing Members	7,002	0.04
13.	Alternate Investment Funds	10,78,977	6.20
14.	Suspense Escrow Demat Account	1,65,934	0.95
15.	Insurance Companies	5,387	0.03
16.	KMP	150	0.00
	<b>Total</b>	<b>1,74,02,815</b>	<b>100.00</b>

#### De-materialization of Shares and Liquidity:

- 1,70,84,570 Equity shares of the Company, representing about 98.17% (NSDL 83.94% & CDSL 14.23%) of the total shares of the Company, have been dematerialized as on 31<sup>st</sup> March, 2026.
- Trading in the shares of ADOR WELDING LIMITED is permitted only in de-materialized form with effect from 08<sup>th</sup> May, 2000 and the said shares are available for trading on both the depositories of India, i.e. M/s. National Securities Depository Ltd. (NSDL) & M/s. Central Depository Services (India) Ltd. (CDSL).



### Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Share Capital Audit, to reconcile the total admitted capital with M/s. National Securities Depository Limited (NSDL) and M/s. Central Depository Services (India) Limited (CDSL) with the total issued, subscribed, paid up and listed Share Capital. This audit is carried out in every quarter and the report thereon is submitted to the Stock Exchanges, where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Share Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and the total number of shares held in physical form.

### Statutory Compliance:

During FY 2025-26 under review, the Company has generally complied with all the applicable provisions, filed all returns, forms, etc. & furnished all the relevant particulars, as required under the Companies Act, 2013, to the extent notified and other allied Acts / Rules and the Securities & Exchange Board of India (SEBI) Regulations.

**Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and its impact on equity:** Nil

### Commodity price risk or foreign exchange risk and hedging activities:

The Company takes 'forward cover' of appropriate amount and hedges its FOREX exposure, whenever necessary / required. The Company does not hedge in commodity prices.

### Plant Locations:

The Company has the following manufacturing plants as of 31<sup>st</sup> March, 2026:

<b>Raipur Plant</b>	<b>Silvassa Plant</b>
Industrial Estate, Bilaspur Road, Birgaon, Raipur - 493 221, Chattisgarh, India	Survey No. 59/11/1, Khanvel Road, Opp. Gulf Oil, Masat, Silvassa - 396 230, UT of Dadra & Nagar Haveli, India
<b>Chinchwad Plant, Pune</b>	<b>Nagpur Plant</b>
Survey No. 147/2B, Akurdi, Near Khandoba Mandir, Chinchwad, Pune - 411 019, Maharashtra, India	S-60-61, MIDC Hingna Industrial Estate, Nagpur - 440 016, Maharashtra, India
<b>Bengaluru Plant 1</b>	<b>Bengaluru Plant 2</b>
No. 486, B-1, 14 <sup>th</sup> Cross, 3 <sup>rd</sup> Main 4 <sup>th</sup> Phase, Peenya Industrial Area, Bengaluru - 560 058, Karnataka, India	A-288, 6 <sup>th</sup> Main 2 <sup>nd</sup> Stage, Peenya Industrial Estate, Bengaluru - 560 058, Karnataka, India

### Address for Correspondence:

#### Ador Welding Limited

Ador House, 4<sup>th</sup> Floor, 6, K. Dubash Marg, Fort, Mumbai - 400 001-16, Maharashtra, India.

### Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of number of complaints filed, disposed-off, during the year and pending as on 31<sup>st</sup> March, 2026 have been provided in the Directors' Report, which are "Nil".

**Details of utilization of funds raised through preferential allotment or qualified institutions placement, as specified under Regulation 32 (7A) of the Listing Regulations:**

During the year under review, the Company has not raised any funds either through preferential allotment or qualified institutions placement, therefore disclosure of this information is not applicable to the Company.

**Disclosure on Compliance:**

The Company has complied with all the mandatory corporate governance requirements, under SEBI (LODR) Regulations, 2015. The Company confirms compliance with corporate governance requirements, specified in Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification**

As required under Regulation 17(8) of SEBI (LODR) Regulations, 2015 the CEO and CFO certificate signed by Mr. Aditya T. Malkani, Managing Director & Mr. Surya Kant Sethia, Chief Financial Officer on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for FY 2025 – 26 is annexed to this Report.

**Disclosure on Accounting treatment in preparation of Financial Statements:**

The Company has prepared financial statements in accordance with Indian Accounting Standards (“Ind AS”), notified under the Companies (Indian Accounting Standards) Rules, 2015 and the relevant / applicable amendment to the rules, issued thereafter.

**Disclosures with respect to Demat Suspense Account / Unclaimed Suspense Account**

As per Regulation 34(3) read with Schedule V of the Listing Regulations, the details of the shares in the Suspense Account are as follows:

- In accordance with the requirements of SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022, the Company has opened a Suspense Escrow Demat Account with a DP for transfer of its shares lying unclaimed for more than 120 days from the date of issue of Letter of Confirmation to the shareholders, in lieu of issuing physical share certificate(s), to enable them / him / her make a request to DP for dematerializing their shares.

Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the beginning of the year 2025-26	Number of Shareholders and number of shares transferred to suspense account during the year 2025-26	Number of Shareholders who approached listed entity for transfer of shares from suspense account during the year 2025-26;	Number of Shareholders and number of shares were transferred from suspense account during the year 2025-26	Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the end of the year 2025-26	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares
1 Shareholder and 150 Shares	2 Shareholders and 792 Shares	1 Shareholder and 50 Shares	1 Shareholder and 50 Shares	2 Shareholders and 892 Shares	Nil



- Pursuant to the scheme of amalgamation of erstwhile Ador Fontech Limited with Ador Welding Limited, the company has also opened Unclaimed Securities Suspense Escrow Demat Account to transfer the shares, which were held in physical form of erstwhile Ador Fontech Limited.

Aggregate Number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year 2025-26	Number of Shareholders and number of shares transferred during the year 2025-26 to suspense Escrow account	Number of shareholders who approached listed entity for transfer of shares from suspense Escrow account during the year 2025-26;	Number of shareholders and number of shares were transferred from suspense Escrow account during the year 2025-26	Aggregate number of shareholders and the outstanding shares in the suspense Escrow account lying at the end of the year 2025-26	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares
824 Shareholders and 1,79,643 Shares	Nil	37 Shareholders and 14,601 Shares*	37 Shareholders and 14,601 Shares*	600 Shareholders and 1,65,042 Shares	Nil

**Note:** \*includes 4,655 shares, pertaining to 43 Shareholders, transferred to IEPF, during the year, for which dividend was unpaid / unclaimed for a period of 7 consecutive years.

#### B) Non Mandatory Requirements:

- Chairman of the Board:**

The Company has an Executive Chairman and hence the requirement pertaining to reimbursement of expenses to a Non-Executive Chairman does not arise.

- Shareholders Rights:**

As the Company's financial results are published in English newspaper having a wide circulation all over India and in a Marathi newspaper widely circulated in Mumbai (Maharashtra), the same are not sent individually to the shareholders of the Company. The Company's quarterly / half yearly / annual Financial Results are posted onto the Company's website.

- Audit Qualifications:**

There are no qualifications in the Auditor's Report.

- Separate Posts for Chairman & CEO:**

The Company has separate posts of Chairman (Executive), being Mrs. Ninotchka Malkani Nagpal and CEO, the Managing Director (MD), being Mr. Aditya T. Malkani.

- Modified opinion(s) in the audit report:**

There are no modified opinions in the audit report for FY 2025-26.

- **Training of the Board Members:**

The necessary training is being provided to the Board Members, as & when required.

- **Reporting of the Internal Auditors:**

In accordance with the provisions of Section 138 of the Companies Act, 2013 M/s. Kirtane & Pandit, LLP., Chartered Accountants, Pune, were appointed as the Internal Auditors of the Company for the financial year 2025-26, to conduct the Internal Audit w.r.t. all its Plants, sales offices and Head (Registered) Office, as per the scope, approved by the Audit Committee. The internal auditor reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee, which reviews the audit reports and suggests necessary action, if any / required.

- **Disclosure of certain type of agreements binding on the Company**

There are no agreements impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

A certificate from a Company Secretary in practice stating / confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / the Ministry of Corporate Affairs (MCA) or any such statutory authority, is annexed herewith, as a part of the Report.

The Auditor's Certificate on Corporate Governance obtained from M/s. N. L. Bhatia & Associates, Practicing Company Secretaries (Firm Registration No. P1996MH055800) for compliance with SEBI (LODR) Regulations, 2015, is annexed to the Report.

**For and on behalf of the Board**

<p><b>Place:</b> Mumbai <b>Date:</b> 29<sup>th</sup> April, 2026</p>	<p>Dr. Deep A. Lalvani <b>Non-Executive Director</b> (DIN: 01771000)</p>	<p>Aditya T. Malkani <b>Managing Director</b> (DIN: 01585637)</p>
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**Declaration by the Managing Director pursuant to Regulation 34(3) & Schedule V – Part D of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

As the Managing Director of M/s. Ador Welding Limited and as required pursuant to Regulation 34(3) and Schedule V - Part D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Members of the Board of Directors and Senior Management Personnel of Ador Welding Limited have affirmed compliance with the Code of Conduct of the Board of Directors & Senior Management, adopted by the Company, for FY 2025-26.

**For and on behalf of the Board**

<p><b>Place:</b> Mumbai <b>Date:</b> 29<sup>th</sup> April, 2026</p>	<p>Aditya T. Malkani <b>Managing Director</b> (DIN: 01585637)</p>
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## CERTIFICATE ON CORPORATE GOVERNANCE

To

THE MEMBERS OF **ADOR WELDING LIMITED**

We have examined all the relevant records of **Ador Welding Limited** (“the Company”) for the purpose of certifying compliance of the conditions of the Corporate Governance, as stipulated in Regulation 17 to 27, clauses (b) to (i) and (t) of Sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) for the period from April 01, 2025 to March 31, 2026. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance, as stipulated in the said LODR Regulations.

We further state that such compliance is neither an assurance, as to the future viability of the Company nor the efficiency or effectiveness, with which the Management has conducted the affairs of the Company.

For **N. L. Bhatia & Associates**  
**Practising Company Secretaries**  
UIN: P1996MH055800  
PR No.: 6392/2025

Bharat Upadhyay  
**Partner**

**FCS: 5436**

**CP. No. 4457**

**UDIN: F005436H000233752**

**Date:** 29<sup>th</sup> April, 2026

**Place:** Mumbai

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To the Members of **M/s. ADOR WELDING LIMITED**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. ADOR WELDING LIMITED**, having **CIN: L70100MH1951PLC008647** and having registered office at Ador House, 6, K. Dubash Marg, Fort, Mumbai – 400 001 -16 (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company, as stated / listed below for the Financial Year ending on 31<sup>st</sup> March, 2026, have been debarred or disqualified from being appointed or continuing as Directors of the Company, by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA) or any such other Statutory / Regulatory Authority.

Sr. No.	Name of Director(s)	DIN	Date of appointment in the Company
1.	Ninotchka Malkani Nagpal	00031985	03/10/1997
2.	Aditya Tarachand Malkani	01585637	27/07/2007
3.	Dr. Deep Ashda Lalvani	01771000	27/07/2007
4.	Ravin Ajit Mirchandani	00175501	28/07/2006
5.	Tanya Halina Advani	08586636	19/11/2019
6.	Santosh Janakiram Iyer	06801226	28/07/2024
7.	Jitendra Hiru Panjabi	01259252	28/07/2024
8.	Nita Dempo Mirchandani	01103973	01/04/2020
9.	Mihir Jayaraman	08000077	09/11/2024
10.	Navroze Shiamak Marshall	00085754	21/05/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness, with which the Management has conducted the affairs of the Company.

For **Hemanshu Kapadia & Associates**  
Practicing Company Secretaries

Hemanshu Kapadia  
Proprietor

C.P. No. 2285

Membership No.: F3477

UDIN: F003477H000227228

PR No. 1620/2021

Place: Austin, USA

Date: 29<sup>th</sup> April, 2026



## ANNEXURE IV - TO THE DIRECTORS' REPORT

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

#### OVERVIEW

For over 74 years, the Company has provided end-to-end welding and cutting products and solutions across India and global markets, with a focus on delivering superior customer experience. The Company aims to build a sustainable organization that supports the welding community, creates employment, and generates stakeholder value, while addressing some of the challenges in this report's "Risk Factors" section.

#### INDUSTRY STRUCTURE & DEVELOPMENTS

The welding industry remains integral to India's manufacturing ecosystem, supporting sectors such as infrastructure, engineering, automotive, railways, defence, shipbuilding, energy and construction. With manufacturing contributing ~16–17% to GDP in FY26, the industry benefited from strong infrastructure spending, private investments, and domestic demand.

Despite global challenges like geopolitical tensions and supply chain disruptions, India maintained strong growth momentum. Demand remained robust for welding consumables, equipment, and automation solutions.

There is a clear shift toward advanced, technology-driven solutions such as robotic welding, digital power sources, mechanized systems, and laser applications. Investments in infrastructure, EVs, renewable energy, and smart manufacturing are expected to sustain long-term growth. Organized players with strong technical capabilities and nationwide reach are well positioned to benefit.

#### OPPORTUNITIES & THREATS

The industry is projected to grow at over 6% CAGR up to the year 2028, driven by infrastructure development, urbanization, and manufacturing growth.

##### Opportunities include:

- Rising demand for high-performance, technology-driven welding solutions

- Growth in automation, robotics, and smart manufacturing
- Expansion of aftermarket services (repairs, maintenance, spares)
- Government policies supporting domestic manufacturing and BIS compliance
- Skilled workforce availability

##### Key challenges include:

- Raw material price volatility (steel, ferro alloys, copper and energy costs)
- Intense competition from domestic and global players
- Supply chain disruptions and geopolitical risks
- Continuous need for technological investment

#### OUTLOOK, RISKS & CONCERNS

India's GDP growth for FY27 is expected at ~6.8–7%, supported by infrastructure spending, domestic consumption, and policy reforms. Government initiatives such as PLI schemes, National Infrastructure Pipeline, and PM Gati Shakti will continue to drive growth.

However, risks remain from geopolitical tensions, inflation, fiscal constraints, currency volatility, and climate-related disruptions. While growth is expected to remain stable, the environment will require cautious and agile management.

#### FINANCIAL PERFORMANCE

##### Income Statement:

- Revenue increased by ~2% to INR 1,13,545 lakhs (FY25: INR 1,11,683 lakhs)
- Welding segment revenue: INR 1,07,874 lakhs (growth YoY)
- Flare & process equipment: INR 5,671 lakhs (decline YoY)

- Profitability improved due to operational efficiencies and better product mix
- Other income: INR 1,964 lakhs (includes forex gains, interest, incentives)
- One-time reversal of INR 1,412 lakhs from earlier provisions (litigation settlement)
- ERP-driven systems ensure data integrity and real-time monitoring
- Strong compliance framework with regular reviews and corrective actions
- Digitized processes have improved operational efficiency and supply chain management

**Balance Sheet:**

- Working capital cycle: 93 days (FY25: 89 days)
- Company remains net debt-free
- Net Worth increased to INR 56,387 lakhs (FY25: INR 51,570 lakhs)
- Strong cash flows supported higher treasury investments

**INTERNAL CONTROL SYSTEMS**

The Company maintains robust internal controls aligned with the Companies Act, 2013, covering all key processes such as revenue, procurement, inventory, and financial reporting.

- Risk-based internal audit system overseen by the Audit Committee

**HUMAN RESOURCES**

HR initiatives in FY26 focused on building a high-performance, future-ready workforce.

- Strengthened performance management and employee engagement
- Continued investment in technical, behavioural, and leadership training
- Focus on employee wellbeing and inclusive culture
- Enhanced talent acquisition through campus and lateral hiring
- Increased digitization of HR processes

**Employee strength:** 839 as of 31<sup>st</sup> March 2026

**Disclaimer:**

The information and opinion expressed in this section of the Annual Report may contain certain forward looking statements, which the Management believes are true to the best of its knowledge, at the time of its preparation. The Company and the Management shall not be held liable for any loss, which may arise, as a result of any action taken on the basis of the information contained herein.

**For and on behalf of the Board**

**Place:** Mumbai  
**Date:** 29<sup>th</sup> April, 2026

Dr. Deep A. Lalvani  
**Non-Executive Director**  
(DIN: 01771000)

Aditya T. Malkani  
**Managing Director**  
(DIN: 01585637)



## ANNEXURE V - TO THE DIRECTORS' REPORT

### FORM NO. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

#### **Ador Welding Limited**

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **Ador Welding Limited** (hereinafter called the Company). Secretarial Audit was conducted in conformity with the auditing standards issued by the Institute of Company Secretaries of India ("the Auditing Standards") and the processes and practices followed during the conduct of Audit are aligned with the Auditing Standards to provide us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the process of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2026, has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2026 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. Foreign Exchange Management Act, 1999 & the rules and regulations made thereunder; **to the extent applicable**
4. The Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018 and amendments thereof and the Regulations and bye-laws framed thereunder;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 and amendments thereto ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the financial year**
  - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018;
  - f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
7. Other applicable Laws as per list attached as **'Annexure A'** to this report.

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI),
- b. Guidelines issued by MCA and SEBI relating to conducting the meetings (Board / General Shareholders Meetings) via Video Conferencing (VC) and Other Audio-Visual means (OAVM).

During the period under review, we observed that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Except with respect to circulation of draft minutes and signed minutes which shall be circulated within 15 days from the date of conclusion of the Meeting of Board or the Committee and within 15 days of signing of the Minutes respectively as per Secretarial Standards issued by ICSI. However, the directors have condoned the same by taking approval for 2 (two) additional weeks time for FY 2025-26 w.r.t. circulation of minutes in the Board Meeting dated 06<sup>th</sup> May, 2025.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and SEBI (LODR) Regulations, 2015.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 07 (seven) days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items, before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through, unanimously, at the Board Meeting and there are no dissenting members' views, which are required to be captured and recorded, as part of the minutes. **All the decisions have been taken with requisite majority in the General Meetings and the views expressed by the dissenting members, if any, are captured and recorded as part of the minutes.**

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, BIS matter remained pending judgment before the Magistrate Court, Bhiwandi.



**We further report that** the Company, at its Annual General Meeting held on 15<sup>th</sup> July, 2025 approved Ador Employee Stock Option Plan / scheme 2025 (“the plan”). The Plan subsequently received listing approval from both the stock exchanges i.e. BSE and NSE on 22<sup>nd</sup> August, 2025. Following this, a total of 29,500 stock options were granted to eligible employees on 22<sup>nd</sup> September, 2025, in accordance with the terms of the Plan.

**We further report that** the company has altered its Articles of Association by substituting the existing clause 104 (C) with the following:

- (i) No person shall be capable of being appointed as a Director of the Company, if at the time of his / her appointment he / she has attained the age of 70 years.
- (ii) A Director of the Company shall vacate his / her office immediately on attaining the age of 70 years.

For **M/s N. L. Bhatia & Associates**  
**Practising Company Secretaries**  
**UIN: P1996MH055800**  
**P/R No: 6392/2025**

Bharat Upadhyay  
**Partner**

**FCS: 5436**

**CP. No. 4457**

**UDIN: F005436H000233653**

**Place:** Mumbai

**Date:** 29<sup>th</sup> April, 2026

**'ANNEXURE A'****LIST OF OTHER APPLICABLE LAWS (including statutory amendments made thereto or amendments thereof for the time being in force):**

Other Laws applicable to the Company;

- a) Code on Occupational Safety, Health and Working Conditions, 2020
- b) Industrial Relations Code, 2020
- c) Code on Wages, 2019
- d) Code on Social Security, 2020
- e) Child Labour (P&R) Act 1986, & Rules.
- f) Air (Prevention and Control of Pollution) Act, 1981
- g) Water (Prevention and Control of Pollution) Act, 1974
- h) The Noise (Regulation and Control) Rules, 2000
- i) The Environment (Protection) Act, 1986
- j) Employees PF & Miscellaneous Provisions Act, 1952
- k) Legal Metrology Act, 2009
- l) Indian Contract Act, 1872
- m) The States Shops and Establishment Act
- n) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- o) Income tax Act, 1961
- p) The States Goods and Services Tax Act, 2017
- q) The Central Goods and Services Tax Act, 2017
- r) The Interstate Goods and Services Tax Act, 2017
- s) Any other Central and State Acts and rules made thereunder, as may be applicable



To,

The Members,

**Ador Welding Limited**

Our report of even date is to be read along with this letter.

- (1) Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records, based on our audit.
- (2) We have followed the auditing standards issued by the Institute of Company Secretaries of India (ICSI) and audit practices and processes, as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in the Secretarial records. We believe that the processes and practices, we have followed are aligned with Auditing Standards, issued by the Institute of Company Secretaries of India (ICSI), provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of the financial records and the Books of Accounts of the Company.
- (4) Wherever required, we have obtained the Management Representation about the compliance of the applicable Laws, Rules & Regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other Applicable Laws, Rules, Regulations, Standard is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **M/s N. L. Bhatia & Associates**  
**Practising Company Secretaries**  
UIN: P1996MH055800  
P/R No: 6392/2025

Bharat Upadhyay  
**Partner**

**FCS: 5436**

**CP. No. 4457**

**UDIN: F005436H000233653**

**Place:** Mumbai

**Date:** 29<sup>th</sup> April, 2026

## ANNEXURE VI - TO THE DIRECTORS' REPORT

Details pertaining to remuneration, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year (FY) 2025-26:

Sr. No.	Name of the Director(s)	Designation	Ratio
1.	Mrs. Ninotchka Malkani Nagpal	Executive Chairman	30.15
2.	Mr. Aditya T. Malkani	Managing Director	30.01
3.	Dr. Deep A. Lalvani	Director (Non-Executive)	1.93
4.	Mr. Ravin A. Mirchandani	Director (Non-Executive)	1.93
5.	Ms. Tanya H. Advani	Director (Non-Executive)	1.93
6.	Mrs. Nita Dempo Mirchandani	Director (Independent & Non-Executive)	2.14
7.	Mr. Navroze S. Marshall	Director (Independent & Non-Executive)	2.18
8.	Mr. Jitendra H. Panjabi	Director (Independent & Non-Executive)	2.20
9.	Mr. Santosh J. Iyer	Director (Independent & Non-Executive)	2.15
10.	Mr. Mihir Jayaraman	Director (Independent & Non-Executive)	2.04

- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year (FY) 2025-26:

Sr. No.	Name of the Directors / KMPs	Designation	% variance
1.	Mrs. Ninotchka Malkani Nagpal	Executive Chairman	11.42
2.	Mr. Aditya T. Malkani	Managing Director	10.42
3.	Dr. Deep A. Lalvani	Director (Non-Executive)	15.69
4.	Mr. Ravin A. Mirchandani	Director (Non-Executive)	15.69
5.	Ms. Tanya H. Advani	Director (Non-Executive)	15.69
6.	Mrs. Nita Dempo Mirchandani	Director (Independent & Non-Executive)	12.39
7.	Mr. Naroze S. Marshall	Director (Independent & Non-Executive)	11.90
8.	Mr. Jitendra H. Panjabi	Director (Independent & Non-Executive)	63.71
9.	Mr. Santosh J. Iyer	Director (Independent & Non-Executive)	65.31
10.	Mr. Mihir Jayaraman	Director (Independent & Non-Executive)	191.12
11.	Mr. Vinayak M. Bhide	Company Secretary (CS)	5.93
12.	Mr. Surya Kant Sethia	Chief Financial Officer (CFO)	6.37

- The percentage increase in the median remuneration of employees in FY 2025-26 over FY 2024-25: **10.26%**
- The number of permanent employees on the roll of the Company as on 31<sup>st</sup> March, 2026: **839**
- Average percentile increase already made in the salaries of employees other than the managerial personnel in FY 2025-26 and its comparison with the percentile increase in the managerial remuneration and justification there of and point out if there are any exceptional circumstances for increase in the managerial remuneration: - **The percentile increase in the remuneration of Non-Managerial cadre and Managerial cadre (excluding Whole-time Directors) is 60.03 percentile and 72.50 percentile respectively.**



6. Affirmation that the remuneration is as per the remuneration policy of the Company: **Yes, we affirm / confirm that the remuneration paid, during FY 2025-26, was as per the Remuneration Policy of the Company.**
7. The statement containing names of the top ten employees in terms of remuneration drawn and the particulars of employees, as required under Section 197(12) of the Companies Act 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forming part of this Report is open for inspection by the Members through electronic mode. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

**For and on behalf of the Board**

**Place:** Mumbai  
**Date:** 29<sup>th</sup> April, 2026

Dr. Deep A. Lalvani  
**Non-Executive Director**  
(DIN: 01771000)

Aditya T. Malkani  
**Managing Director**  
(DIN: 01585637)

## ANNEXURE VII - TO THE DIRECTORS' REPORT

### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

#### Basic Information:

Ador Welding Limited (“Ador”), formerly known as Advani-Oerlikon Limited, is a pioneer in the Indian welding industry. Since its establishment in the year 1951, Ador has played a vital role in India’s industrial and infrastructure development by offering a comprehensive range of high-quality welding consumables, equipment, and automation solutions. In addition, the Company has actively contributed to skill development within the sector.

Over the decades, Ador has continually expanded its welding expertise to serve a broad spectrum of industries, including high-end specialized applications, both in domestic and international markets. Guided by its vision of “**Creating the Best Welding Experience**”, Ador is committed to responsible and sustainable business practices that promote environmental stewardship and social responsibility. The Company embraces a holistic approach to growth by embedding environmental, social, and governance (ESG) considerations into its core business strategy—ensuring long-term value creation for all stakeholders. Ador believes that corporate performance should be measured through a balanced lens of economic, environmental, and social outcomes. Its core values are deeply rooted in the development of a sustainable business model that is driven from the top leadership and permeates all levels of the organization.

In alignment with the United Nations Sustainable Development Goals (UNSDGs), Ador has identified 09 (nine) priority SDGs for focused initiatives. These goals serve as a foundation for achieving its vision and reinforcing its commitment to responsible business conduct.

Ador’s Business Responsibility and Sustainability Report (BRSR) presents a transparent and comprehensive overview of the Company’s performance and its environmental & social impact. The report is prepared in accordance with the National Guidelines on Responsible Business Conduct (NGRBC), issued by the Ministry of Corporate Affairs (MCA), and is compliant with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Through its adherence to the 09 (nine) principles outlined in the NGRBC, Ador reaffirms its dedication to ethical, inclusive, and sustainable business practices.

#### Principles

- |   |  |   |
|---|--|---|
| <p><b>1</b> Ethics, Transparency and Accountability</p> | <p><b>2</b> Product Life Cycle Sustainability</p>          | <p><b>3</b> Employee Well-Being</p>     |
| <p><b>4</b> Stakeholder Engagement</p>                  | <p><b>5</b> Human Rights</p>                               | <p><b>6</b> Environment</p>             |
| <p><b>7</b> Policy Advocacy</p>                         | <p><b>8</b> Inclusive Growth and Equitable Development</p> | <p><b>9</b> Customer Value Creation</p> |



## SECTION A- GENERAL DISCLOSURES

### I. Details of the listed entity

I-1.	Corporate Identity Number (CIN) of the listed entity	L70100MH1951PLC008647
I-2.	Name of the listed entity	Ador Welding Limited (ADOR)
I-3.	Year of incorporation	22 <sup>nd</sup> October, 1951
I-4.	Registered office address	Ador House, 6, K. Dubash Marg, Fort, Mumbai, 400001-16, Maharashtra, India
I-5.	Corporate address	Ador House, 6, K. Dubash Marg, Fort, Mumbai, 400001-16, Maharashtra, India
I-6.	E-mail	investorservices@adorians.com
I-7.	Telephone	022-22842525 / 66239300
I-8.	Website	<a href="https://www.adorwelding.com/">https://www.adorwelding.com/</a>
I-9.	Financial year for which reporting is being done	1 <sup>st</sup> April, 2025 to 31 <sup>st</sup> March, 2026
I-10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited (BSE) 2. The National Stock Exchange of India Limited (NSE)
I-11.	Paid-up Capital	1,74,02,815 Equity Shares of Rs. 10/- each, fully paid up
I-12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.	<b>Name:</b> Mr. Aditya T. Malkani <b>Designation:</b> Managing Director <b>DIN:</b> 01585637 <b>Telephone Number:</b> 022-66239300 / 022-22842525
I-13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made in this report are on a Standalone basis and pertain only to Ador Welding Limited.
I-14.	Name of assurance provider	Not Applicable
I-15.	Type of assurance obtained	Not applicable

### II. Products/services

#### II-16. Details of business activities (accounting for 90% of the turnover):

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Electrode, wires, equipment, spares, cutting products & alloys	95
2	Manufacturing	Flares & process equipment	5

#### II-17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Welding Consumables	2592	75
2	Welding Equipment	2710	20

**III. Operations**

**III-18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of Plants	Number of Offices	Total
National	6	6	12
International	0	1	1

**III-19. Markets served by the entity:**

**a. Number of locations**

Locations	Number
National (No. of States)	36
International (No. of Countries)	15

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

The export contribution represents 13.29% of the total turnover.

**c. A brief on types of customers**

Since we (ADOR) are in the business of Metal welding and cutting, products are / used at such places, where metals are being shaped. ADOR serves a diverse range of domestic and international markets, with a strong presence across India and exports to various global regions including Middle East, Africa, and parts of Europe & America.

Ador caters to critical sectors such as:

- Manufacturing and Fabrication
- Infrastructure and Construction
- Oil & Gas
- Power Generation (including Thermal, Hydro, and Renewable Energy)
- Shipbuilding and Marine
- Automotive and Transportation
- Railways and Heavy Engineering
- Defense and Aerospace

Our customer base includes a broad spectrum ranging from large Public Sector Undertakings (PSUs) and Multinational Corporations to Small and Medium-sized Enterprises (SMEs). We work closely with EPC (Engineering, Procurement, and Construction) contractors, OEMs (Original Equipment Manufacturers), fabrication shops and maintenance service providers.

With a customer-centric approach, ADOR supports its clients not only through supply of high-quality welding consumables, equipment, and automation solutions but also by offering technical services, training, and application support to ensure operational efficiency and safety in critical applications.

We also cater to clients involved in activities of Welding and Cutting, who require automation in their processes for either welding or cutting application. e.g. – L&T, ISGEC, Railways etc.

In a nutshell, anyone who is involved in shaping Metals, we are their business partners in making it possible.



#### IV. Employees

##### IV-20. Details as at the end of Financial Year

###### a. Employees and workers (including differently abled):

No	Particulars	Total (A)	Male		Female	
			No (B)	(B/A)%	No (C)	(C/A)%
<b>Employees</b>						
1	Permanent (D)	519	468	90.17%	51	9.83%
2	Other than Permanent (E)	17	16	94.12%	1	5.88%
3	Total employees (D + E)	536	484	90.30%	52	9.70%
<b>Workers</b>						
1	Permanent (F)	320	316	98.75%	4	1.25%
2	Other than Permanent (G)	595	565	94.96%	30	5.04%
3	Total Workers (F + G)	915	881	96.28%	34	3.72%

###### b. Differently abled Employees and workers:

No	Particulars	Total (A)	Male		Female	
			No (B)	(B/A)%	No (C)	(C/A)%
<b>Differently Abled Employees</b>						
1	Permanent (D)	0	0	0.00%	0	0.00%
2	Other than Permanent (E)	0	0	0.00%	0	0.00%
3	Total differently abled employees (D + E)	0	0	0.00%	0	0.00%
<b>Differently Abled Workers</b>						
1	Permanent (F)	0	0	0.00%	0	0.00%
2	Other than Permanent (G)	0	0	0.00%	0	0.00%
3	Total Workers (F + G)	0	0	0.00%	0	0.00%

##### IV-21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No (B)	(B/A)%
Board of Directors	10	3	30.00%
Key Management Personnel	7	1	14.28%

##### IV-22. Turnover rate for permanent employees and workers. (Disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	(Turnover rate in current FY)			(Turnover rate in previous FY)			(Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.26%	22.68%	18.67%	14.35%	22.45%	14.84%	18.38%	37.65%	19.44%
Permanent Workers	10.44%	66.67%	11.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Note:** Permanent workers have been categorized for FY 2025–26, pursuant to the implementation of the New Labour Code, effective 21<sup>st</sup> November 2025.

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

**V-23. (a) Names of holding / subsidiary / associate companies / joint ventures.**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	J.B. Advani & Co. Private Limited	Holding Company	0	No
2	3D Future Technologies Private Limited	Subsidiary Company	100	No

**VI. CSR Details**

**VI-24. Provide the following CSR details**

- i) Whether CSR is applicable as per section 135 of Companies Act, 2013 - Yes
- ii) Turnover (in Rs.) - 1,13,545 Lakhs
- iii) Net worth (in Rs.) - 56,386 Lakhs

**VII. Transparency and Disclosures Compliances**

**VII-25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	0	0	Nil	0	0	Nil
Investors (other than shareholders)	Yes <a href="https://adorwelding.com/wp-content/uploads/2025/07/Mechanism-For-Whistle-Blower-For-Stakeholders11.pdf">https://adorwelding.com/wp-content/uploads/2025/07/Mechanism-For-Whistle-Blower-For-Stakeholders11.pdf</a>	0	0	Nil	0	0	Nil
Shareholders	Yes, the Company has empowered a Board level Stakeholders Relationship Committee ('SRC') to examine and redress complaints from/ by shareholders. The status of complaints is reported to the entire Board on a quarterly basis. SRC meets at least twice a year and as & when required to resolve shareholders grievances. Most of the grievances received through electronic communications are attended within a period of seven days and for postal communication within a period of twelve days from the date of receipt of such grievances. <a href="https://adorwelding.com/wp-content/uploads/2022/11/Investor-Grievance-Redressal-Policy.pdf">https://adorwelding.com/wp-content/uploads/2022/11/Investor-Grievance-Redressal-Policy.pdf</a>	16	0	Nil	10	0	Nil



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes, the grievances of the employees and workers are redressed through emails, open forum meetings and also through vigil mechanism. <a href="https://adorwelding.com/wp-content/uploads/2021/07/Whistle-Blower-for-Employees-Directors2019.pdf">https://adorwelding.com/wp-content/uploads/2021/07/Whistle-Blower-for-Employees-Directors2019.pdf</a>	0	0	Nil	0	0	Nil
Customers	Yes, all the grievances received through various available channels are registered and tracked through the Complaint CRM system. Once the complaint is registered, it is tracked through a unique number. The grievance is resolved through one-on-one interaction with the customer either telephonically or physically. Upon the final resolution of the grievance, feedback is taken through call / response sheet / feedback form.	1296	0	Nil	1426	0	Nil
Value Chain partners	Yes, the complaints pertaining to the Value Chain Partners are redressed through one-on-one interaction.	0	0	Nil	0	0	Nil
Others	Nil	0	0	Nil	0	0	Nil

**VII-26. Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format**

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy Management	Opportunity	Product manufacturing is energy-intensive operation, and efficient energy management initiatives help the company optimize its energy consumption and thereby significantly aid in cost savings, lowering the energy consumption and GHG footprint of our organization. To achieve this, we have integrated several energy-efficient techniques, such as utilizing more efficient machines, and automatic systems in our processing units and installing solar panels, etc. These measures help us maintain low energy consumption, while promoting sustainability.	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	GreenHouse Gas Emissions	Risk	Considering the nature of our business operations, a high energy requirement and consequent high greenhouse gas (GHG) emissions are inherent to some extent. Furthermore, we anticipate more stringent GHG policies, i.e. all-inclusive tracking and reporting practices, capping emissions, etc. could become mandatory in coming years. While we understand the need to manage and reduce this high emissions, we also anticipate that failure to align with evolving GHG policies could result in substantial penalties and reputational damage.	At Ador, we track and publish our Scope 1 and Scope 2 emissions. We also remain vigilant regarding upcoming policies and advancements in GHG tracking and public disclosure. Hence, we are strategizing to develop a comprehensive mitigation plan encompassing Scope 3, along with other Scopes, and develop targets for GHG emission reduction.	Negative
3	Water Management	Opportunity	Our production process at Consumable Plants is water intensive, hence effective water management is crucial for our operations. Water scarcity poses a notable risk, impacting business continuity and profitability. However, efficient water management gives us an opportunity to enhance efficiency and cut costs. Through substantial investments in water management systems such as ZLD and STP, we've improved our water utilization, resulting in decreased costs and reduced water footprint	-	Positive
4	Air-pollution	Risk	Air emissions pose a risk, as it can contribute to local and regional emission concentrations. Moreover, non-compliance, if any, with regulatory requirements set by regional and national government boards, could have adverse impacts on both health and the environment, potentially resulting in compensatory and reputational damage to the Company. Additionally, this could pose a risk to our license to operate.	We conduct regular monitoring of our emissions and maintain strict processes to ensure that our operations adhere to industry best practices, with a focus on minimizing our environmental impact. Additionally, we hold ISO 14001 certification, underscoring our commitment to environmental stewardship.	Negative



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Workforce health and safety	Risk	Given the nature of our business, it is imperative to establish rigorous protocols and procedures for health & safety to prevent injuries, accidents, and potential legal or reputational ramifications.	We strictly follow the prescribed health and safety protocols. We conduct routine training sessions to ensure our workforce is well prepared to navigate such circumstances.	Negative
6	Materials Sourcing	Risk	Our supply chain is susceptible to various risks associated with critical materials used in the production process. These materials are often specialized and, in many instances, have limited alternatives. Instances of unavailability, transportation challenges, or supply disruptions could lead to price escalation and even slow down production processes. Therefore, addressing this issue is of paramount importance.	Over the years, we have successfully diversified our supply chain to reduce dependency on a single supplier and have ensured a more resilient supply chain. Furthermore, we continuously monitor market trends and product demand and pro-actively take the procurement decision to address potential challenges. Lastly as a part of our governance ethics, we foster strong, transparent, and effective communications with our value chain.	Negative
7	Supply chain Management	Risk	Ador has a complex supply chain, encompassing numerous stakeholders throughout sourcing, production, and disposal phases of our products, making it susceptible to frequent disruptions.	Our supply chain management practices are robust and transparent, characterized by thorough due diligence to identify risks and vulnerabilities. Moreover, we assess the majority of our downstream supply chain, based on key environmental, social, and governance (ESG) parameters, ensuring the smooth flow of value downstream.	Negative

## SECTION B- MANAGEMENT AND PROCESS DISCLOSURES

### Policy and management processes

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether your entity’s policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
1. b. Has the policy been approved by the Board? (Yes/No)	Yes	No	No	Yes	Yes	No	No	Yes	No
1.c. Web Link of the Policies, if available	Conflict of Interest Policy Code of Conduct for Directors & Senior Management Anti Corruption and Anti Bribery Policy Policy on Diversity of Board	Supplier Code of Conduct Supply Chain Management Policy	EHS Policy Equal Opportunity Policy POSH Policy	Whistle Blower for Stakeholders IGR Policy	Human Rights Policy Equal Opportunity Policy	Environmental Policy	NA	CSR Policy	Data Privacy Management Policy
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Name of the national and international codes/ certifications/ labels (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	OHSAS, BIS, ISO 14001, and Corporate Governance Code, are adopted and mapped at the applicable principle.						NA	OHSAS, BIS, ISO 14001, and Corporate Governance Code, are adopted and mapped at the applicable principle.	
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>The company is in the process of setting goals and targets focusing on ESG Key Performance indicators related to:</p> <ul style="list-style-type: none"> <li>• Water Management: Achieve Zero Liquid Discharge (ZLD) across all plants</li> <li>• Energy: Increase share of renewable energy</li> <li>• Health &amp; Safety: Maintain zero fatalities</li> <li>• Gender Diversity: Improve women representation in workforce</li> <li>• Ethics &amp; Compliance: Expand training on POSH, Code of Conduct, and Whistle-blower policies, Committed to sustainable practices, environmental protection, energy efficiency, and resource conservation.</li> </ul>								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company will be focusing on sustainability initiatives & will be setting goals and targets in the year 2027. Going forward the performance against each goal and targets will be reviewed periodically by the Management.								

**Governance, leadership and oversight**

<p>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</p>	<p>The Company believes in Sustainability and endeavours to balance its concerns for the environment and people with efficient and profitable operations. It is committed to minimizing its carbon footprint and is undertaking several measures focused on energy efficiency and emissions reduction. The Company also seeks to ensure satisfaction of all its stakeholders. Besides focusing on the holistic well-being of its employees, through various Health &amp; Safety initiatives and providing continuous learning &amp; development opportunities, the Company also places importance on the development of communities around its manufacturing units.</p>
<p>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</p>	<p>Mr. Aditya T. Malkani Managing Director DIN: 01585637</p>
<p>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</p>	<p>No. The Board is responsible for decision making on all sustainability related issues. There is no separate Committee for the same.</p>

10. Details of Review of NGRBCs by the Company: Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
<p>Performance against above policies and follow up action</p>	<p>All NGRBC related policies are reviewed by the Managing Director.</p>									<p>Periodically</p>								
<p>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</p>	<p>The Company complies with all the known applicable statutory provisions of relevant statutes.</p>									<p>Quarterly</p>								



11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

S. No	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	No	No	No	No	No	No	No	No	No

12. If answer to question (1) above is No i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA						No	NA	
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA						Yes	NA	
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA						No	NA	
It is planned to be done in the next financial year (Yes/No)	NA						No	NA	
Any other reason (please specify)	NA						We ensure to make all our policies transparent and subject to regulatory framework. However, there is no specific policy mentioning this.		NA

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1** Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

### Essential Indicators

**EI-1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	5	The board members are provided with an in-depth perspective on business, innovations, operations, financials, and capital (Capex) management processes, etc. Topics, such as Corporate Governance, Companies Act, SEBI Regulations, and Environmental & Safety matters are also discussed during the meetings. These meetings ensure strategic alignment amongst Board Members, enhance governance and accountability, and aim to improve performance and the long-term sustainability and growth of the Company.	100.00%
Key Managerial Personnel	5	The executive and management team members, including KMPs, are provided with an in-depth perspective on business, innovations, operations, financials, and capital (Capex) management processes, etc. Topics, such as Corporate Governance, Companies Act, SEBI Regulations, and Environmental & Safety matters are also discussed during the meetings. These meetings ensure strategic alignment amongst Board Members, enhance governance and accountability, and aim to improve performance and the long-term sustainability and growth of the Company.	100.00%
Employees other than BoD and KMPs	21	New joinee induction, Health & Safety, Personal & Team Productivity Enhancement, Workmen Development Program, Stress Management & Work Life Balance, POSH, Performance Management, Sales Training, Better productivity improvement, and Health & safety awareness, Understanding of Policies and workplace rules, skill development & upgradation	72.71%
Workers	5	Conducted training on 5S Methodology, POSH, workplace safety, electrical safety, material handling, forklift/stacker operations, PPE usage, and hazardous waste awareness. Mock drills were also carried out to enhance safety awareness, compliance, and emergency preparedness. The training improved workers' awareness of safety practices, enhanced their ability to identify and mitigate workplace hazards, promoted safe equipment handling, and strengthened emergency response preparedness. It also contributed to a more organized, compliant, and productive work environment.	81.18%

**Note:** The variation in employees other than BoD & KMPs training, compared to the previous year, is attributable to the training programs being conducted in a phased manner, based on operational requirements and employee training calendars.



**EI-2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):**

**Monetary**

Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

**Non-Monetary**

Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

**EI-3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.**

S. No.	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
1	NA	NA

**EI-4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. We strictly prohibit our employees, agents and intermediaries from engaging in any illegal or inappropriate payments or benefits, either directly or indirectly, that may be perceived as an attempt to gain undue advantages for our business operations. The Company has Anti-Bribery and Anti-Corruption Policy ('ABAC Policy') to outline guiding principles and adequate procedures to prevent any activity or conduct relating to bribery, facilitation payments or corruption. The policy is available on the Company's website at:

<https://adorwelding.com/wp-content/uploads/2025/07/Anti-Bribery-and-Anti-Corruption-Policy.pdf>

**EI-5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Category	Current Financial Year	Previous Financial Year
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

**EI-6. Details of complaints with regard to conflict of interest:**

Category	Current Financial Year		Previous Financial Year	
	Number - 2025-26	Remarks - 2025-26	Number - 2024-25	Remarks - 2024-25
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

**EI-7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable

**EI-8. Number of days of accounts payables ((Accounts payable × 365) / Cost of goods/services procured) in the following format:**

Particulars	Current Financial Year	Previous Financial Year
Number of days of accounts payables	99.62	62.35

**EI-9. Open-ness of business - Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	21.33%	25.08%
	b. Number of trading houses where purchases are made from	469	411
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	88.86%	88.77%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	67.82%	65.57%
	b. Number of dealers / distributors to whom sales are made	437	438
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	37.29%	33.24%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	4.23%	4.64%
	b. Sales (Sales to related parties / Total Sales)	0.50%	0.24%
	c. Loans & advances (to related parties / total loans & advances)	0.00%	64.65%
	d. Investments (in related parties / total investments)	0.00%	0.00%

**Note:** During the previous financial year (FY 2024-25), an Inter-Corporate Deposit (ICD) was extended to a wholly owned subsidiary and accordingly disclosed under Related Party Transactions (RPTs) as “Loans and Advances to Related Parties”.

During the current financial year (FY 2025-26), an ICD amounting to INR 2.36 Crore was extended to wholly owned subsidiary; however, since the said amount has been fully provided for, it has not been classified or reported under “Loans and Advances” in the financial statements for the year ended 31<sup>st</sup> March 2026 (FY 2025-26).



### Leadership Indicators

LI-1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.

S. No.	Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	0	-	0

LI-2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has Code of Conduct for the Board of Directors and Senior Management Personnel, which provides clear guidelines for avoiding and disclosing actual or potential conflicts of interest with the Company. The Company receives annual declaration from its Directors and Senior Management Personnel in the entities they are interested in, if any, and ensures requisite approvals, as required under the applicable laws, are taken prior to entering into transactions with each of these entities. The policy is available on the Company's website at <https://adorwelding.com/wp-content/uploads/2025/01/Code-of-Conduct-for-Directors-Senior-Managerial-Personnels-1.pdf>

**PRINCIPLE 2** Businesses should provide goods and services in a manner that is sustainable and safe

### Essential Indicators

EI-1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	4.94%	6.75%	Battery-operated machine RHINO-S launched with solar-powered charging facility. Auxiliary power unit (e.g., grinding) added to RHINO-S and RHINO-E. CHAMP ARC 201 upgraded with CE marking, ensuring enhanced safety compliance. Weldos introduced to enable analysis and optimization of gas consumption, welding efficiency, manpower utilisation, and welder skill development. RHINO-D CC/CV range developed with water-cooled engine, ensuring sound levels are compliant with CPCB IV norms.
Capex	40.18%	86.74%	Development of solar panels and related circuitry. External laboratory testing of CHAMP ARC 201 for CE marking compliance. Development of rubber and punching tooling for Weldos and RHINO-D CC/CV range.

**Note:** Upon a comprehensive review of the underlying financial data, Ador identified that certain qualifying capital expenditure line items had not been mapped to the relevant disclosure requirements in the previous reporting period. The restated figure reflects a more complete and accurate representation of the Company's capital investments in environmental and social initiatives.

EI-2.a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No

**EI-2.b. If yes, what percentage of inputs were sourced sustainably?**

Not Applicable

**EI-3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life for the following:**

Category	Description
(a) Plastics (including packaging)	Used laminated corrugated boxes to eliminate the need for additional plastic wrapping. Replaced thermocol with EPE foam for improved sustainability. Maximized the use of corrugated boxes to reduce reliance on wooden packaging. Used silicone rubber instead of glass epoxy in the highest-selling model, Champ T400. Ensured sale of scrap materials to authorized scrap dealers for recycling.
(b) E-waste	Reduced the number of PCBs by standardizing and using common boards (e.g., a shared PCB for the PWM controller and isolator). Ensured disposal of scrap through sale to authorized vendors.
(c) Hazardous waste	Used RoHS-compliant materials, ensuring that no hazardous chemicals are introduced in the process. Disposed of waste in accordance with CPCB norms, by handing it over to authorized hazardous waste recyclers. Transferred waste to approved third-party agencies for proper disposal. Ensured all hazardous waste is handled and disposed of strictly, as per CPCB or SPCB guidelines.
(d) Other waste	Powder-coated MS sheets have been replaced with GI sheets to improve efficiency and sustainability. Wire harness material usage has been reduced through optimized design. Scrap materials are disposed of by selling them to authorized scrap dealers.

**EI-4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, Extended Producer Responsibility (EPR) is applicable to the entity’s activities. All manufacturing plants are duly registered with the respective State Pollution Control Boards, and the waste collection plan is aligned with the EPR plan submitted to the concerned Pollution Control Boards.

**Leadership Indicators**

**LI-1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

S. No.	N I C Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
1	Not Applicable					

**LI-2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

S. No.	Name of Product / Service	Description of the risk / concern	Action Taken
1	Not Applicable		



**LI-3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

S. No.	Indicate input material	Recycled or re-used input material to total material	
		FY 2025-26	FY 2024-25
1	Steel	0.00%	0.00%
2	RMD / Chemicals	0.00%	0.00%
3	Wire	0.00%	0.00%
4	Chemical	0.00%	0.00%
5	Packing	0.00%	0.00%

**LI-4. Of the products and packaging reclaimed at end of life of products, disclose the amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format.**

	FY2025-26			FY2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA					
NA						
E-waste						
Hazardous waste						
Other waste						

**LI-5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

S. No.	Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
1		Not Applicable

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

### Essential Indicators

**EI-1.a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	(B / A)%	Number (C)	(C / A)%	Number (D)	(D / A)%	Number (E)	(E / A)%	Number (F)	(F / A)%
<b>Permanent Employees</b>											
Male	468	468	100.00%	468	100.00%	0	0.00%	468	100.00%	0	0.00%
Female	51	51	100.00%	51	100.00%	51	100.00%	0	0.00%	0	0.00%
<b>Total</b>	<b>519</b>	<b>519</b>	<b>100.00%</b>	<b>519</b>	<b>100.00%</b>	<b>51</b>	<b>9.83%</b>	<b>468</b>	<b>90.17%</b>	<b>0</b>	<b>0.00%</b>
<b>Other than permanent Employees</b>											
Male	16	16	100.00%	16	100.00%	0	0.00%	16	100.00%	0	0.00%
Female	1	1	100.00%	1	100.00%	1	100.00%	0	0.00%	0	0.00%
<b>Total</b>	<b>17</b>	<b>17</b>	<b>100.00%</b>	<b>17</b>	<b>100.00%</b>	<b>1</b>	<b>5.88%</b>	<b>16</b>	<b>94.12%</b>	<b>0</b>	<b>0.00%</b>

**Note:** Employees other than permanent employees include fixed-term employees (FTEs), who have been categorized separately for FY 2025-26.

**EI-1.b. Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	(B / A)%	Number (C)	(C / A)%	Number (D)	(D / A)%	Number (E)	(E / A)%	Number (F)	(F / A)%
<b>Permanent Workers</b>											
Male	316	316	100.00%	316	100.00%	0	0.00%	316	100.00%	0	0.00%
Female	4	4	100.00%	4	100.00%	4	100.00%	0	0.00%	0	0.00%
<b>Total</b>	<b>320</b>	<b>320</b>	<b>100.00%</b>	<b>320</b>	<b>100.00%</b>	<b>4</b>	<b>1.25%</b>	<b>316</b>	<b>98.75%</b>	<b>0</b>	<b>0.00%</b>
<b>Other than permanent Workers</b>											
Male	565	29	5.13%	28	4.96%	0	0.00%	0	0.00%	0	0.00%
Female	30	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Total</b>	<b>595</b>	<b>29</b>	<b>4.87%</b>	<b>28</b>	<b>4.71%</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>

**Note:** The reduction in the number of workers covered under health insurance and other welfare-related benefits during FY 2025-26, compared with the previous year, is primarily attributable to changes in workforce composition and the rationalization of contractual workers’ deployment during the reporting period.

**EI-1.c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

Particulars	Current Financial Year	Previous Financial Year
Cost incurred on wellbeing measures as a % of total revenue of the company	0.12%	0.14%

**Note:** The employee wellbeing expenditure as a percentage of total revenue for FY 2024-25 has been restated following a review and reconciliation of the underlying data for that period.

**EI-2. Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	No. of employees covered as a % of total employees. (CY)	No. of workers covered as a % of total workers. (CY)	Deducted and deposited with the authority (Y/N/N.A.). (CY)	No. of employees covered as a % of total employees. (PY)	No. of workers covered as a % of total workers. (PY)	Deducted and deposited with the authority (Y/N/N.A.). (PY)
PF	98.51%	63.61%	Y	99.77%	89.91%	Y
Gratuity	100.00%	41.31%	Y	99.77%	59.06%	Y
ESI	0.00%	26.45%	Y	4.10%	7.75%	Y
Others – please specify	-	-	NA	-	-	NA

**EI-3. Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, although the Company currently does not have any employees or workers with disabilities in active employment, most of its premises, including factory locations, are accessible to differently abled individuals. However, Head Office and certain sales offices are presently not fully accessible to differently-abled.



This limitation may be attributed to factors such as:

- Legacy infrastructure: Older buildings not originally designed with accessibility features such as ramps, elevators, or accessible restrooms
- Leased premises constraints: Limited scope for structural modifications in rented office spaces
- Space limitations: Inadequate layout or floor space to incorporate accessibility features

**EI-4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. The Policy is available on the Company's website at:

<https://adorwelding.com/wp-content/uploads/2025/07/Equal-Opportunity-Policy.pdf>

**EI-5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100.00%	96.67%	100.00%	100.00%
Female	100.00%	50.00%	100.00%	100.00%
<b>Total</b>	100.00%	91.18%	100.00%	100.00%

**EI-6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the Company has mechanism to redress grievances, namely Whistle Blower Policy. The concern can also be raised through email. All concerns are investigated by a team of investigators and appropriate action is taken.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

**EI-7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	(B / A)%	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	(D / C)%
Total Permanent Employees	519	0	0.00%	853	0	0.00%
Male	468	0	0.00%	802	0	0.00%
Female	51	0	0.00%	51	0	0.00%
Total Permanent Workers	320	0	0.00%	0	0	0.00%
Male	316	0	0.00%	0	0	0.00%
Female	4	0	0.00%	0	0	0.00%

**EI-8. Details of training given to employees and workers:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	(B / A)%	No. (C)	(C / A)%		No. (E)	(E / D)%	No. (F)	(F / D)%
<b>Employees</b>										
Male	484	337	69.63%	266	54.96%	802	455	56.73%	391	48.75%
Female	52	52	100.00%	17	32.69%	51	5	9.80%	22	43.14%
<b>Total</b>	<b>536</b>	<b>389</b>	<b>72.57%</b>	<b>283</b>	<b>52.80%</b>	<b>853</b>	<b>460</b>	<b>53.93%</b>	<b>413</b>	<b>48.42%</b>
<b>Workers</b>										
Male	881	475	53.92%	618	70.15%	640	69	10.78%	69	10.78%
Female	34	7	20.59%	9	26.47%	44	4	9.09%	4	9.09%
<b>Total</b>	<b>915</b>	<b>482</b>	<b>52.68%</b>	<b>627</b>	<b>68.52%</b>	<b>684</b>	<b>73</b>	<b>10.67%</b>	<b>73</b>	<b>10.67%</b>

**EI-9. Details of performance and career development reviews of employees and workers:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	(B / A)%	Total (C)	No. (D)	(D / C)%
<b>Employees</b>						
Male	484	463	95.66%	802	781	97.38%
Female	52	51	98.08%	51	49	96.08%
<b>Total</b>	<b>536</b>	<b>514</b>	<b>95.90%</b>	<b>853</b>	<b>830</b>	<b>97.30%</b>
<b>Workers</b>						
Male	881	314	35.64%	640	0	0.00%
Female	34	4	11.76%	44	0	0.00%
<b>Total</b>	<b>915</b>	<b>318</b>	<b>34.75%</b>	<b>684</b>	<b>0</b>	<b>0.00%</b>

**EI-10.a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes. The Company conducts regular health check-ups for staff and employees and maintains certified systems under ISO 14001, EMS, and ISO 45001 (formerly OHSAS). In line with its Environment, Health and Safety Policy, an Occupational Health and Safety Management System is implemented across all manufacturing facilities in accordance with ISO 45001:2018.

A strong safety culture is promoted through regular training programs, along with structured SOPs, inspections, meetings, and audits. The system applies to all employees, contract workers, and visitors across all departments and shifts, covering both routine and non-routine activities, all types of hazards, and providing mechanisms to report unsafe acts, conditions, and near misses.

**EI-10.b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company conducts regular hazard identification and risk assessment activities, supported by workplace inspections, HIRA, aspect-impact registers, incident and accident analysis, checklists, and safety audits. An Environment, Health and Safety Policy is in place, applicable across all operating locations, defining mandatory safety parameters for all sites.

Hazard identification and risk assessment are systematically carried out for both routine and non-routine activities using established tools and procedures, including HIRA, MAC (Manual Handling Assessment



Chart), Fire Risk Assessment, and HSEM 4004 hazard identification and risk analysis sheets. The system is strengthened through SOPs, Permit to Work, Management of Change (MOC), and periodic safety audits and inspections.

Employees and workers are actively involved through training programs, toolbox talks, and reporting mechanisms for hazards, incidents, and near misses, ensuring continuous improvement in workplace safety and risk mitigation.

**EI-10.c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes, the Company has established a structured and proactive system for identifying, reporting, and mitigating work-related hazards across both manufacturing and non-manufacturing locations. This system is designed to ensure a safe working environment and continuous improvement in occupational health and safety practices.

Corrective and preventive actions are implemented to mitigate risks, and workers are empowered with Stop Work Authority to immediately remove themselves from unsafe conditions. The hazard identification, risk assessment, and risk control process is conducted proactively, including before introducing new or revised activities or procedures.

Risk analysis is regularly reviewed after implementing updated control measures to ensure residual risk remains within acceptable levels. Employees are further trained through safety training programs and toolbox talks to identify hazards and respond appropriately.

**EI-10.d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, Ador is committed to health and well-being of all its employees and workers across its operating locations. To support this commitment, the following health and medical welfare measures have been implemented:

**Regular Health Checkups:** At all the plants of the Company, we have a visiting doctor, who conducts routine health assessments, including specialized checks, such as eye examinations.

**Emergency Medical Support:** The Company has established partnerships with local hospitals near its facilities / factories, to ensure timely medical attention in the event of emergencies at all plant locations.

**Health Insurance Coverage:** Comprehensive Medclaim Insurance Cover is provided to all the employees, ensuring access to quality medical care.

**Accident Insurance:** In addition to Medclaim, all employees and workers are covered under the Company's accident insurance policy, offering financial protection in case of workplace or personal accidents.

**EI-11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.00	0.00
	Workers	0.47	0.00
Total recordable work-related injuries	Employees	0	0
	Workers	1	0
No. of fatalities	Employees	0	0
	Workers	1	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0
Number of Permanent Disabilities	Employees	0	0
	Workers	0	0

**EI-12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

In line with the Company’s Environment, Health and Safety Policy, there are various measures taken to ensure access to a safe and healthy work-place to all employees and workers, such as follows:

1. The Company ensures a safe and healthy workplace in line with its EHS Policy, through a structured approach.
2. Hazard Identification and Risk Analysis (HSME 4004) is conducted for all processes.
3. An Occupational Health and Safety Management System based on ISO 45001 is implemented across all plants.
4. Regular training, including induction, first aid, fire-fighting, and emergency response, is provided to employees and workers.
5. Monthly safety committee meetings are conducted to review and improve safety practices.
6. PPE, proper housekeeping, and regular inspections (including air and noise monitoring) are maintained.
7. Health initiatives and reporting mechanisms support employee well-being and timely hazard resolution.

**EI-13. Number of Complaints on the following made by employees and workers:**

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

**EI-14. Assessments for the year:**

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100.00%
Working Conditions	100.00%

**EI-15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Corrective actions implemented include enhanced employee safety training, upgraded safety equipment, regular safety audits, an improved incident reporting system, and measures to address identified workplace hazards. Additionally, health and wellness initiatives have been strengthened, with active leadership involvement to promote a strong safety culture across the organization. Investigation is conducted in case any incident is reported using various methodology to identify the root cause. The investigation team presents corrective and preventive measures, which are reviewed at various levels by the local management and central teams.

**Leadership Indicators**

**LI-1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, the Company has extended Group Term Liability (GTL) insurance to all its “on roll” employees, whereas Group Personal Accident (GPA) is provided to all its employees including workers.

**LI-2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The entity ensures adherence to statutory compliances related to workers, such as timely wage payment and Provident Fund. In case of non-compliances, stringent actions are taken against defaulter business partner.



As per the business agreements / contracts and purchase orders, all vendors are obliged to make necessary statutory payments timely. The Company regularly verifies the payment made by vendors to various government authorities towards statutory payments internally or through third party audits. With such reviews, the Company internally rates the vendors on their compliance status.

**LI-3. Provide the number of employees or workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in EI-11 above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.**

	Total no. of affected employees/ workers	No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment		
	FY2025-26	FY2024-25	FY2025-26	FY2024-25
Employees	0	0	0	0
Workers	0	0	0	0

**LI-4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes, The Company provides clear feedback, support, and guidance to the employees to enable them to improve their performance and give them a chance to demonstrate that they can meet the required standards. The Company motivates the employees on their learning and growth curve and supports them in all possible means. Further, critical employees having the intent to work and if required by the Company are provided with extensions and onboarded as consultants. Mediclaim insurance is provided to retiring employees up to the age of 70 years.

**LI-5. Details on assessment of value chain partners:**

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0.00%
Working Conditions	0.00%

**LI-6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Value chain partners were instructed to strengthen PPE usage, workplace housekeeping, and compliance with safety procedures. Safety training, toolbox talks, and induction programs were conducted for contract workers, while safety inspections and compliance reviews for high-risk activities were increased. Identified observations and non-conformities are tracked through corrective actions and follow-up reviews to ensure effective closure.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**EI-1. Describe the processes for identifying key stakeholder groups of the entity.**

To identify key stakeholder groups of an entity, stakeholders are categorized based on their immediate impact on the entity's operations. This identification process currently recognizes both internal and external stakeholder groups. These groups are defined as Shareholders, Employees & Workers and Value Chain Partners. Value Chain Partners include vendors, distributors, customers & communities.

**EI-2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement
1	Shareholders	No	Annual General Meeting, Shareholders Meeting, Email, Letters, Website	Annual, periodic	Feedback on Operations & Performance
2	Investors (other than shareholders)	No	Investors / Analysts Meetings, Email	Half yearly	Feedback on Operations & Performance
3	Employees and Workers	No	Policies, Circulars, Emails, Calls, MD's Communication / Town Hall	Regular	Employee Engagement
4	Value Chain Partners	No	E-mail, surveys	Annually	Feedback
5	Communities	No	CSR initiatives & interventions	On-going	Local development & touching the lives of people

**Leadership Indicators**

**LI-1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations are provided to the Board.**

Consultation with stakeholders regarding economic, environmental, and social topics is an ongoing process led by our leadership, who engages with stakeholders regularly through various platforms. We have instituted a Corporate Social Responsibility (CSR) Committee at the Board level, which periodically reviews its progress.

Furthermore, shareholders have the opportunity to interact with all the Board Members annually during the Annual General Meeting, which serves as a direct channel for stakeholder feedback and concerns. We also conduct Investors Meet about twice in a year and stakeholders are free to write to us in case of any issues. This approach ensures we maintain a pulse on stakeholder needs and enhances our accountability.

**LI-2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, the Company actively engages with various stakeholders to obtain relevant expertise, feedback, and support in addressing environmental and social concerns. It has established systems and processes to identify, prioritize, and address stakeholder needs consistently across its businesses. The Company remains committed to enhancing quality of life, creating long-term value for society, and contributing to a sustainable future.

**LI-3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Company continuously identifies disadvantaged, vulnerable, and marginalized stakeholders, wherever possible. For any new project or expansion, stakeholder engagement is undertaken proactively, particularly through Corporate Social Responsibility (CSR) initiatives. The concerns of such stakeholder groups are addressed through targeted CSR programs. Additionally, the Company provides free or subsidized welding training to economically challenged individuals.



## PRINCIPLE 5 Businesses should respect and promote human rights

### Essential Indicators

EI-1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	(B / A)%	Total (C)	No. of employees / workers covered (D)	(D / C)%
<b>Employees</b>						
Permanent	519	390	75.14%	853	733	85.93%
Other than permanent	17	0	0.00%	0	0	0.00%
<b>Total Employees</b>	<b>536</b>	<b>390</b>	<b>72.76%</b>	<b>853</b>	<b>733</b>	<b>85.93%</b>
<b>Workers</b>						
Permanent	320	241	75.31%	0	0	0.00%
Other than permanent	595	483	81.18%	684	684	100.00%
<b>Total Workers</b>	<b>915</b>	<b>724</b>	<b>79.13%</b>	<b>684</b>	<b>684</b>	<b>100.00%</b>

**Note:** Training related to the Prevention of Sexual Harassment (POSH) policy and other organizational policies was conducted for employees to ensure awareness, understanding, and compliance with the company's guidelines, code of conduct, and workplace standards. The sessions were aimed at promoting a safe, respectful, and ethically compliant work environment across the organization.

EI-2. Details of minimum wages paid to employees, in the following format:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	(B / A)%	No. (C)	(C / A)%		No.(E)	(E / D)%	No.(F)	(F / D)%
<b>Employees</b>										
Permanent	519	0	0.00%	519	100.00%	853	0	0.00%	853	100.00%
Male	468	0	0.00%	468	100.00%	802	0	0.00%	802	100.00%
Female	51	0	0.00%	51	100.00%	51	0	0.00%	51	100.00%
Other than Permanent	17	0	0.00%	17	100.00%	0	0	0.00%	0	0.00%
Male	16	0	0.00%	16	100.00%	0	0	0.00%	0	0.00%
Female	1	0	0.00%	1	100.00%	0	0	0.00%	0	0.00%
<b>Workers</b>										
Permanent	320	0	0.00%	320	100.00%	0	0	0.00%	0	0.00%
Male	316	0	0.00%	316	100.00%	0	0	0.00%	0	0.00%
Female	4	0	0.00%	4	100.00%	0	0	0.00%	0	0.00%
Other than Permanent	595	366	61.51%	229	38.49%	684	443	64.77%	241	35.23%
Male	565	345	61.06%	220	38.94%	640	406	63.44%	234	36.56%
Female	30	21	70.00%	9	30.00%	44	37	84.09%	7	15.91%

**Note:** Employees other than permanent employees include fixed-term employees (FTEs), who have been categorized separately for FY 2025-26. Certain activities are carried out on a job-work or piece-rate basis, where maintaining an accurate count of workers is not practicable. Accordingly, such workers have not been included in the above-mentioned worker count.

**EI-3. a. Details of remuneration/salary/wages, in the following format: Median remuneration/wages:**

Particulars / Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	16,25,000	3	16,15,000
Key Managerial Personnel	5	1,57,19,723	0	-
Employees other than BoD and KMPs	478	10,33,677	51	7,94,444
Workers	881	2,47,656	34	2,29,086

**Note:** Key Managerial Personnel here exclude Directors who are also KMPs, to avoid counting them twice (they are already shown under Board of Directors).

**EI-3. b. Provide information on Gross wages paid to females by the entity, in the following format:**

Particulars	Current Financial Year	Previous Financial Year
Gross wages paid to females as % of total wages	7.80%	9.15%

**EI-4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, Ador has established a comprehensive Human Rights policy to address and manage human rights impacts, issues, and related matters, managed by Head HR & the team. The Company has implemented a robust Grievance Redressal mechanism to effectively address employee grievances concerning the Company’s policies and work environment. In addition to this, Ador has formulated a dedicated policy focused on preventing forced labor, sexual harassment and discrimination ensuring ethical recruitment practices, safeguarding data security and maintaining a safe and respectful workplace. Any reported incidents are thoroughly investigated by the Internal Complaints Committee, underscoring Ador’s commitment to maintaining a workplace free from human rights violations. The Head - HR and HR Team members at the respective office / factory are responsible for addressing human rights impacts or issues caused or contributed to, by the business. Policy link- <https://www.adorwelding.com/wp-content/uploads/2023/05/Human-Rights-Policy.pdf>

**EI-5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Human rights principles, as enshrined in the United Nations Global Compact (“UNGC”), are embedded in our core values and system. We have framework that focuses on good governance, our commitment to abiding by each law, ensuring timely payment of employee salaries and providing equal opportunities, without exception. Grievances are routed to Human Resource Function. Necessary action is taken in line with underlying policies and regulations, applicable to the workplace. Also, we have Internal Complaints Committee (ICC) under POSH Policy to redress the grievances, if any. Employees are encouraged to share their concerns with their reporting manager or the members of the Senior Management. Employees can reach out independently to the Human Resource department, if they so choose to. The Company has an open-door approach, wherein any employee, irrespective of hierarchy, has access to the senior management.


**EI-6. Number of Complaints on the following made by employees and workers:**

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour/Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

**EI-7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	Current Financial Year	Previous Financial Year
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0.00%	0.00%
Complaints on POSH upheld	0	0

**EI-8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has Prevention of Sexual Harassment Policy (POSH) and a committee is set up for prevention of adverse consequences for the complainant. The Company has zero tolerance for sexual harassment at the workplace and has adopted a comprehensive policy on preventing, prohibiting and redressing sexual harassment of women in the workplace. We have established an Internal Committee (IC) in compliance under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. All employees and workers undergo awareness sessions / workshops on the subject. Posters with contact information of Presiding Officer / Chairman of IC are displayed prominently in office and factory premises for employees/ visitors. Members of IC are responsible for conducting inquiries related to such complaints, if any. The IC members conduct Quarterly meetings to keep abreast of new developments in related law and micro-learning sessions. Throughout the process, IC will safeguard the identities of all parties involved, as well as the contents of complaints and inquiry proceedings.

**EI-9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, all business agreements and contracts entered into by the Company generally include clauses ensuring compliance with applicable regulatory requirements, including human rights. Appropriate due diligence is carried out before finalizing any agreement or contract.

**EI-10. Assessments for the year:**

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100.00%
Forced/involuntary labour	100.00%
Sexual harassment	100.00%
Discrimination at workplace	100.00%
Wages	100.00%
Others – please specify	NA

**EI-11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

There was no issue or concern relating to child labour, forced labour, sexual harassment complaint, discrimination at workplace and wages less than the statutory limit. The Company monitors compliance periodically.

**Leadership Indicators**

**LI-1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

The Company is of the belief that it has upheld the basic principles of human rights in all its dealings. The Company regularly creates awareness amongst its employees on the Code of Conduct, through various initiatives.

**LI-2. Details of the scope and coverage of any human rights due-diligence conducted.**

Training and awareness programmes and robust legal & regulatory compliance monitoring at all levels happens through our Safety Audit on periodical basis. Human Rights due diligence will be conducted in FY 2026-27.

**LI-3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, even though the Company has no employee or worker with a disability in active employment, the premises of the company, including the factory premises, are accessible to differently abled employees and workers, except head office & sales offices.

**LI-4. Details on assessment of value chain partners:**

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	0.00%
Discrimination at workplace	0.00%
Child labour	0.00%
Forced/involuntary labour	0.00%
Wages	0.00%
Others – please specify	NA

**LI-5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at LI-4 above.**

Not Applicable


**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**
**Essential Indicators**

EI-1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26	FY 2024-25
<b>From renewable sources</b>		
Total electricity consumption (A)	2210.97	2019.00
Total fuel consumption (B)	0.00	0.00
Energy consumption through other sources (C)	0.00	0.00
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>2210.97</b>	<b>2019.00</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	57116.45	57890.27
Total fuel consumption (E)	21129.48	22225.60
Energy consumption through other sources (F)	0.00	0.00
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>78245.93</b>	<b>80115.87</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>80456.90</b>	<b>82134.87</b>
<b>Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)</b>	<b>0.71 GJ / Lakh</b>	<b>0.72 GJ / Lakh</b>
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)</b>	<b>14.41 GJ / Lakh USD</b>	<b>14.70 GJ / Lakh USD</b>
<b>Energy intensity in terms of physical output</b>	<b>4.769 GJ / Number of Static Welding Equipment</b>	<b>4.779 GJ / Number of Static Welding Equipment</b>

**Note:** The prior year (FY 2024-25) figures have been restated to ensure consistency in methodology across both reporting periods. The remaining in this disclosure are attributable to improvements in our monitoring and data recording practices.

EI-1. Indicate if any independent assessment/evaluation/assurance for energy has been conducted by an external agency. If Yes, provide the name of the agency:

NA

EI-2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the entity does not have any facilities under PAT Scheme.

**EI-3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2025-26	FY 2024-25
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0.00	0.00
(ii) Groundwater	26091.00	29970.13
(iii) Third party water	28134.88	26590.83
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>54225.88</b>	<b>56560.96</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>36121.88</b>	<b>37513.83</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	<b>0.31 KL / Lakh</b>	<b>0.33 KL / Lakh</b>
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)</b>	<b>6.47 KL / Lakh USD</b>	<b>6.71 KL / Lakh USD</b>
<b>Water intensity in terms of physical output</b>	<b>2.14 KL / Number of Static Welding Equipment</b>	<b>2.18 KL / Number of Static Welding Equipment</b>

**Note:** Previous year (FY 2024-25) water consumption values have been restated to ensure consistency with the current year’s methodology and to reflect improved completeness of site-level data.

**EI-3. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes. The Bengaluru plant has undergone an independent assessment by an external agency, Eco Green Solution Ltd.

**EI-4. Provide the following details related to water discharged: Water discharge by destination and level of treatment (in kilolitres)**

Parameter	FY 2025-26	FY 2024-25
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(ii) To Groundwater		
- No treatment	0.00	0.00
With treatment – please specify level of treatment	14451.00 Secondary Level of Treatment	13970.13 Secondary Level of Treatment
(iii) To Seawater		
- No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iv) Sent to third-parties		
- No treatment	3551.00	3470.00
With treatment – please specify level of treatment	102.00 Secondary treatment and third-party filtration	1607.00 Secondary treatment and third-party filtration
(v) Others		
- No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
<b>Total water discharged (in kilolitres)</b>	<b>18104.00</b>	<b>19047.13</b>



**Note:** The previous year (FY 2024-25) water discharge figures have been restated to incorporate a more accurate measurement of discharge volumes and their categorization by destination.

**EI-4. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. -**

Yes. The Bengaluru plant has undergone an independent assessment by an external agency, Eco Green Solution Ltd.

**EI-5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, we have installed Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP) for water treatment, and the treated water is utilized for gardening purposes. Water, being an important environmental resource, is conserved and recycled across all manufacturing units through various sustainability initiatives, thereby ensuring Zero Liquid Discharge (ZLD). Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP) are in place to treat wastewater, and the treated water is reused for gardening purposes. Additionally, a ZLD system has also been implemented.

**EI-6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	Current Financial Year	Previous Financial Year
NO <sub>x</sub>	mg/m <sup>3</sup>	25.7425	26.4800
SO <sub>x</sub>	mg/m <sup>3</sup>	14.4775	12.3425
Particulate matter (PM)	mg/m <sup>3</sup>	38.1925	43.4525
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify in the remark section	-	-	-

**Note:** The figures for the previous financial year (FY 2024-25) have been restated to align with the refined methodology adopted in the current year, wherein air emission concentrations are computed as the average across all operational sites.

**EI-6. Indicate if any independent assessment/evaluation/assurance for Air emissions has been conducted by an external agency. If Yes, provide the name of the agency:**

No independent assessment for Air Emissions was conducted through an external agency during the financial year 2025-26 for the Silvassa and Raipur plants. However, such assessments were undertaken for the Bengaluru plant through EHSRDS Environmental Health and Safety Research and Development Center LLP, for the Chinchwad plant through Green EnviroSAFE, and for the Nagpur plant through MITCON Consultancy & Engineering Services Limited.

Further, the said assessment is not applicable to Head Office and other area (sales) offices.

**EI-7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2) in MTCO<sub>2</sub>e, in the following format:**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	TCO <sub>2</sub> e	1257.450773	1565.576839
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	TCO <sub>2</sub> e	11269.98136	11690.61817
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b>	<b>TCO<sub>2</sub>e / rupee of turnover</b>	<b>0.110 TCO<sub>2</sub>e / Lakh</b>	<b>0.118 TCO<sub>2</sub>e / Lakh</b>
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>	<b>TCO<sub>2</sub>e / rupee of turnover</b>	<b>2.24 TCO<sub>2</sub>e / Lakh USD</b>	<b>2.33 TCO<sub>2</sub>e / Lakh USD</b>
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	<b>TCO<sub>2</sub>e / rupee of turnover</b>	<b>0.74 TCO<sub>2</sub>e / Number of Static Welding Equipment</b>	<b>0.76 TCO<sub>2</sub>e / Number of Static Welding Equipment</b>

**EI-7. Indicate if any independent assessment/evaluation/assurance for GHG Emissions (Scope 1 and 2) has been conducted by an external agency. If Yes, provide the name of the agency: -**

No independent assessment for GHG Emissions (Scope 1 & 2) was conducted through an external agency during the financial year 2025–26 for the Nagpur, Silvassa, Raipur, and Chinchwad plants. However, Bengaluru plant undertook such an assessment through EHSRDS Environmental Health and Safety Research and Development Center LLP. Further, the said assessment is not applicable to Head Office and other area (Sales) offices.

**EI-8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes. We (Ador) have taken up a few initiatives that help in reducing its greenhouse gas emissions. Solar panels have been installed at our plants for captive generation, which lowers our dependency of grid electricity and the related emissions. We have also worked on making our welding equipment more energy-efficient, such as the solar-charged RHINO-S and the water-cooled machines, which consume less energy in operation. These are part of our regular efforts on energy conservation, and we keep reviewing such opportunities from time to time.

**EI-9 Provide details related to waste management by the entity for the Current Financial Year:**

Parameter	FY 2025-26	FY 2024-25
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	79.3000	76.3260
E-waste(B)	1.1870	0.7170
Bio-medical waste (C)	0.00	0.00
Construction and demolition waste (D)	0.00	450.0000
Battery waste (E)	2.1540	0.2880
Radioactive waste (F)	0.00	0.00
Other Hazardous waste.Please specify, if any. (G)	41.7200	34.3570
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1141.0900	1229.5150
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>1265.4510</b>	<b>1791.203</b>



Parameter	FY 2025-26	FY 2024-25
Waste intensity per rupee of turnover (Total Waste Generated / Revenue from operations)	0.0111 MT / Lakh	0.0160 MT /Lakh
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Waste Generated / Revenue from operations adjusted for PPP)	0.2267 MT / Lakh USD	0.3205 MT / Lakh USD
Waste intensity in terms of physical output (Total Waste Generated / Physical Output)	0.08 MT / Number of Static Welding Equipment	0.10 MT / Number of Static Welding Equipment
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste - Plastic</b>		
(i) Recycled	41.5000	40.6260
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total Plastic Waste Recycled, Re-used and other recovery operations</b>	<b>41.5000</b>	<b>40.6260</b>
<b>Category of waste - E-Waste</b>		
(i) Recycled	1.1870	0.7100
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total E-Waste Recycled, Re-used and other recovery operations</b>	<b>1.1870</b>	<b>0.7100</b>
<b>Category of waste - Bio-medical waste</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total Bio-medical Waste Recycled, Re-used and other recovery operations</b>	<b>0.0000</b>	<b>0.0000</b>
<b>Category of waste - Construction and demolition waste</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total Construction Waste Recycled, Re-used and other recovery operations</b>	<b>0.0000</b>	<b>0.0000</b>
<b>Category of waste - Battery waste</b>		
(i) Recycled	1.3440	0.1000
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total Battery Waste Recycled, Re-used and other recovery operations</b>	<b>1.3440</b>	<b>0.1000</b>
<b>Category of waste - Radioactive waste</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total Radioactive Waste Recycled, Re-used and other recovery operations</b>	<b>0.0000</b>	<b>0.0000</b>

Parameter	FY 2025-26	FY 2024-25
<b>Category of waste - Other Hazardous waste</b>		
(i) Recycled	3.7900	1.3100
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total Other Hazardous Waste Recycled, Re-used and other recovery operations</b>	<b>3.7900</b>	1.3100
<b>Category of waste - Other Non-Hazardous waste</b>		
(i) Recycled	364.8000	429.9350
(ii) Re-used	0.7000	0
(iii) Other recovery operations	0	0
<b>Total Other Non-hazardous Waste Recycled, Re-used and other recovery operations</b>	<b>365.5000</b>	429.9350
<b>Total</b>	<b>413.3210</b>	472.7810
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste - Plastic</b>		
(i) Incineration	0.0000	0.0000
(ii) Landfilling	0.0000	0.0000
(iii) Other disposal operations	37.8000	35.7000
<b>Total Plastic Waste Incineration, Landfilling and other disposal operations</b>	<b>37.8000</b>	35.7000
<b>Category of waste - E-Waste</b>		
(i) Incineration	0.0000	0.0000
(ii) Landfilling	0.0000	0.0000
(iii) Other disposal operations	0.0000	0.0000
<b>Total E-waste Waste Incineration, Landfilling and other disposal operations</b>	<b>0.0000</b>	0.0000
<b>Category of waste - Bio-medical Waste</b>		
(i) Incineration	0.0000	0.0000
(ii) Landfilling	0.0000	0.0000
(iii) Other disposal operations	0.0000	0.0000
<b>Total Bio-medical Waste Incineration, Landfilling and other disposal operations</b>	<b>0.0000</b>	0.0000
<b>Category of waste - Construction and demolition waste</b>		
(i) Incineration	0.0000	0.0000
(ii) Landfilling	0.0000	450.0000
(iii) Other disposal operations	0.0000	0.0000
<b>Total Construction Waste Incineration, Landfilling and other disposal operations</b>	<b>0.0000</b>	450.0000
<b>Category of waste - Battery</b>		
(i) Incineration	0.0000	0.0000
(ii) Landfilling	0.0000	0.0000
(iii) Other disposal operations	0.8100	0.1880
<b>Total Battery Waste Incineration, Landfilling and Other disposal operations</b>	<b>0.8100</b>	0.1880



Parameter	FY 2025-26	FY 2024-25
<b>Category of waste - Radioactive</b>		
(i) Incineration	0.0000	0.0000
(ii) Landfilling	0.0000	0.0000
(iii) Other disposal operations	0.0000	0.0000
<b>Total Radioactive Waste Incineration, Landfilling and Other disposal operations</b>	<b>0.0000</b>	0.0000
<b>Category of waste - Other Hazardous waste. Please specify, if any</b>		
(i) Incineration	0.0000	0.0000
(ii) Landfilling	0.0000	0.1600
(iii) Other disposal operations	37.9300	33.0600
<b>Total Other Hazardous Waste Incineration, Landfilling and Other disposal operations</b>	<b>37.9300</b>	33.2200
<b>Category of waste - Other Non-hazardous waste generated</b>		
(i) Incineration	0.0000	0.0000
(ii) Landfilling	0.0000	0.0000
(iii) Other disposal operations	775.5900	799.5800
<b>Total Other Non-hazardous Waste Incineration, Landfilling and Other disposal operations</b>	<b>775.5900</b>	799.5800
<b>Total</b>	<b>852.1300</b>	1318.6880

**Note:** As part of an internal review and monitoring of operational data, Ador has refined its waste disclosures for the previous financial year (FY 2024-25). A waste stream at the Nagpur plant was reclassified from 'Other Non-hazardous' to 'Other Hazardous' waste to more accurately reflect its nature, and the associated quantity was updated from 557.00 MT to 0.57 MT to align with verified plant-level records.

**EI-9. Indicate if any independent assessment/evaluation/assurance for Waste has been conducted by an external agency. If Yes, provide the name of the agency:**

No

**EI-10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

1. The Company follows waste segregation at source into hazardous and non-hazardous categories and maintains proper monitoring and records.
2. The Company has implemented a Scrap Policy and obtained necessary consent for hazardous waste management as per applicable rules.
3. Plastic waste and MS scrap are disposed of through authorized scrap vendors/recyclers.
4. ETP sludge, spent oil, waste oil, and oil-soaked cotton waste are disposed of through authorized agencies, as per Hazardous Waste Rules.
5. Separate color-coded bins and dedicated storage areas are maintained for hazardous waste segregation and disposal.
6. Regular training is provided to workers on handling and disposal of hazardous waste.
7. SOPs for scrap reduction and regular machine upkeep have been implemented to minimize waste generation.

El-11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Not Applicable		

El-12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

S. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	Not Applicable					

El-13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Not Applicable			

### Leadership Indicators

LI-1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

- (i) Name of the area  
Not applicable, as none of our sites fall under water stress areas.
- (ii) Nature of operations  
Not Applicable



(iii) Water withdrawal, consumption and discharge in areas of water stress (in kilolitres) for the current year:  
Water withdrawal, and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0.00	0.00
(ii) Groundwater	0.00	0.00
(iii) Third party water	0.00	0.00
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
Total volume of water withdrawal(in kilolitres)	0.00	0.00
Total volume of water consumption (in kilolitres)	0.00	0.00
Water intensity per rupee of turnover (Water consumed / turnover)	0.00	0.00
Water intensity (optional) – the relevant metric may be selected by the entity. KL / of	0.00	0.00
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water		
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	0.00	0.00

LI-1. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

No. Not Applicable

LI-2. Please provide details of total Scope 3 emissions (MTCO2E) & its intensity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	0	0
Total Scope 3 emissions per rupee of turnover	0	0
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	0	0

**LI-2. Indicate if any independent assessment/evaluation/assurance for GHG Emissions (Scope 3) has been conducted by an external agency. If Yes, provide the name of the agency:**

Not Applicable

**LI-3. With respect to the ecologically sensitive areas reported at EI-11 above, provide details of the significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.**

Not Applicable

**LI-4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Ultrasonic wire washing machine installed in Bengaluru Plant	An ultrasonic wire washing machine has been installed at Bengaluru plant to improve wire cleaning efficiency and product quality. The system uses ultrasonic technology to effectively remove contaminants, while reducing manual intervention, water consumption, and chemical usage. However, the machine is not yet fully utilized.	The ultrasonic wire washing machine helps conserve water and reduces effluent discharge by minimizing water and chemical consumption during the cleaning process, thereby supporting environmental sustainability initiatives.

**LI-5. Does the entity have a business continuity and disaster management plan? If yes, please give details in 100 words or input web link.**

Yes. A Business Continuity and Disaster Management Plan (BCP & DMP) is implemented to ensure continuity of operations and minimize the impact of unforeseen disruptions such as natural disasters, fire incidents, equipment breakdowns, cyber threats, supply chain interruptions, and other emergencies. The framework includes risk assessment, emergency response procedures, backup and recovery systems, data protection measures, and defined roles and responsibilities for crisis management. It also covers supply chain continuity through alternate sourcing and logistics arrangements, information continuity through data backup and cybersecurity controls, and customer continuity through uninterrupted communication and service support. Regular reviews, mock drills, preventive maintenance, and employee awareness programs are conducted to strengthen preparedness and ensure effective response and recovery during emergency situations.

**LI-6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

There has not been any noticeable / known adverse effect or impact on Environment from our Value Chain partners. We believe that they are all aware of the Environmental and Safety norms and must be adhering to the same.

**LI-7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

0.5%

**LI-8. How many Green Credits have been generated or procured?**

- a. Generated by the listed entity - None
- b. Procured by the top ten (in terms of value of purchases and sales, respectively) value chain partners - NA



**PRINCIPLE 7** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### Essential Indicators

**EI-1.a.** Number of affiliations with trade and industry chambers/ associations.

4 (Four)

**EI-1.b.** List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National/International)
1	Bombay Chamber of Commerce and Industry (BCCI)	State
2	Association of Welding Products Manufacturers (AWPM)	National
3	Indian Institute of Welding (IIW)	National
4	Maharashtra Chamber of Commerce, Industry & Agriculture (MACCIA)	State

**EI-2.** Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

S. No.	Name of authority	Brief of the case	Corrective action taken
1	Not applicable		

### Leadership Indicators

**LI-1.** Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board	Web Link, if available
1	NIL				

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

**EI-1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

S. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	Not Applicable					

**EI-2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the Financial Year (In INR)
1	Not Applicable					

**EI-3. Describe the mechanisms to receive and redress grievances of the community.**

We did not get / experience any grievance from the Community during the year. At present, there is no such mechanism in place in / with the Company. However, we may plan on developing a mechanism to resolve any community grievances in future, if required.

**EI-4. Input material sourced from suppliers (by value):**

Category	Current Financial Year	Previous Financial Year
Directly sourced from MSMEs/ small producers	28.54%	24.76%
Sourced directly from/ within India	79.61%	85.97%

**EI-5. Job creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost. (Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)**

Location	Current Financial Year	Previous Financial Year
Rural	0%	0%
Semi-Urban	1.39%	1.37%
Urban	19.11%	18.33%
Metropolitan	79.50%	80.30%

**Leadership Indicators**

**LI-1. If any Social Impact Assessments have been reported in EI-1, please provide details of actions taken to mitigate any negative social impacts identified:**

S. No.	Details of negative social impact identified	Corrective action taken
1	Not applicable	



LI-2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
1		Not applicable	

LI-3.a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

Not Applicable

LI-3.b. From which marginalized /vulnerable groups do you procure?

Not Applicable

LI-3.c. What percentage of total procurement (by value) does it constitute?

Not Applicable

LI-4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
1	Not Applicable	No	No	Not Applicable

LI-5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

S. No.	Name of authority	Brief of the Case	Corrective action taken
1	Not Applicable	Not Applicable	Not Applicable

LI-6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Financial support extended for education of tribal students of Class 10	16	100%
2	50 blind folding sticks and umbrellas were distributed to visually impaired individuals	50	100%
3	Renovation and civil works of the staff room and control room, along with the installation of CCTV cameras at Advani Oerlikon Government Higher Secondary School, Birgaon, Raipur.	-	-
4	Lunch Boxes distribution & Meritorious Award for academic achievement at Advani Oerlikon Govt. Higher Secondary School Birgaon, Raipur	1	0
5	Additional Salary to School teachers at Advani Oerlikon Higher Secondary School, Birgaon, Raipur	13	0
6	Education, Women Empowerment, Skill Development & Healthcare Activities	-	-

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
7	Financial support was provided for Cancer Treatment of Ms. Fatima Madki	1	0
8	Financial support to disabled individuals and children and Women Empowerment by providing 2 Wheelchair and 5 Sewing machines	7	0
9	Kishori Vikas - Leadership Training Program for empowering tribal girls, promoting gender quality and education focus development.	124	100%
10	Educational support for Amrapali School	29	0
11	Financial support was provided for Medical Treatment of Ms. Diyam Manish Kumar	1	0
12	Project Udaan 2.0 - Financial Support for empowering poor and underprivileged youth of the Country with quality and employment opportunities	17	100%
13	SETU Project - Empowering rural adolescent girls in Raigad and Aurangabad districts by enhancing socio-emotional well-being, decision-making skills, and awareness of health, nutrition, and financial literacy.	11	100%
14	Support for operational and welfare expenses of children	25	0
15	Financial support was provided for Medical Treatment of Ms. Debjani	1	0
16	Sponsorship of 25 benches at Swami Vivekanand School and financial assistance for educational activities of economically disadvantaged students.	75	0
17	Financial support for education of underprivileged students at Jaigopal Garodia Rashtrorathana Vidyalaya, Kalyan Nagar, Bengaluru	13	100%
18	Financial support for educational tour of Government Gujarat Primary School, Masat (Silvassa)	-	-
19	Kolhapur Medical and Healthcare Camp organized - educational and healthcare material distribution to government school students.	-	-
20	Financial support for construction of shed at Rani Durgavati Girls Hostel, Randha	-	-
21	One (1) month Mid Day meal of 300 underprivileged students at Shri Yogeshwarananda English Primary and High School	300	0
22	Financial support for Computers and Education of visually impaired students at Dnyanjyoti Niwasi Andh Vidyalaya & Jr. college	118	100%
23	Financial support for construction work of the boys hostel at Kalashram Project	100	0
24	Financial support for washing machine, moped two-wheeler, and other essentials for women	-	0
25	Financial support for food items to ensure regular nourishment and care of children residing at Srujanalaya Hostel	-	0
26	Sponsorship to Ajay Bhosale, a national-level swimmer, for performance development and participation at the international level.	1	0
27	Financial Support for 13 computers at school	-	0



## PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

#### EI-1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

**Consumer Complaints resolution:** A well-established system, viz. Customer Care Centre (CCC) is in place for dealing with customer feedback and complaints. Customers are provided with various options to connect with the Company through the Zendesk platform, WhatsApp, e-mails, telephone, website, social media, feedback forms, etc. All complaints are appropriately addressed, and efforts are taken to resolve them on time. Around 75% of the complaints were related to application issues (lack of knowledge of the customer / their welder). The application issues were all addressed and resolved within a maximum of 48 hours through online consultation or physical visits by technical experts from the related plants. All the complaints are efficiently received by our cross-functional teams (plant Customer Care/plant QC team/plant production / TDC {R&D} team) along with our service team. Further, we conduct regular meetings with customer representatives to understand the nature of difficulties faced by our customers. Based on the feedback of representatives, we suggest welding parameters specific to the customer's job, providing a demonstration to the welders at the customer's premises, as well as replacing a specific lot, if required, in order to satisfactorily resolve the complaints. Corrective & preventive actions are taken and shared with the customers as well.

**Consumer Feedback:** We do have a system in place to get feedback from our customers, which is through our Sales and Service teams. A feedback sheet is sent to the customers to give their views/feedback on our services, including product quality, cost, and timely delivery, amongst other things.

In the said feedback sheet, the customer can rate our services on a scale from "poor to excellent" and has to also mention their expectations, if any. In addition to this, we also carry out surveys through electronic media from time to time to get customer feedback. Upon receipt of feedback, the same is analyzed, and a suitable action plan is formed for improvements. We have not carried out any consumer survey/consumer satisfaction survey in the last Financial Year 2025-26.

#### EI-2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	60.66%
Safe and responsible usage	57.80%
Recycling and/or safe disposal	57.80%

#### EI-3. Number of consumer complaints in respect of the following:

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NIL	0	0	NIL
Advertising	0	0	NIL	0	0	NIL
Cyber-security	0	0	NIL	0	0	NIL
Delivery of essential services	0	0	NIL	0	0	NIL
Restrictive Trade Practices	0	0	NIL	0	0	NIL
Unfair Trade Practices	0	0	NIL	0	0	NIL
Others	0	0	NIL	0	0	NIL

**EI-4. Details of instances of product recalls on account of safety issues:**

Category	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

**EI-5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes. The policy is available. You can access it through the following link: <https://www.adorwelding.com/wp-content/uploads/2023/10/Data-Privacy-Management-Policy.pdf>

**EI-6. Provide details of any corrective actions taken or underway on issues relating to any of the following:**

i. Advertising; ii. Delivery of essential services; iii. Cyber security and data privacy of customers; iv. Re-occurrence of instances of product recalls v. penalty / action taken by regulatory authorities on safety of products / services.

Currently, there are no corrective actions taken or underway related to advertising, delivery of essential services, cyber security and data privacy of customers, reoccurrence of instances of product recalls, or penalties/actions taken by regulatory authorities on the safety of products/services. There have been no such incidents reported.

**EI-7. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches  
Nil
- b. Percentage of data breaches involving personally identifiable information of customers  
Nil
- c. Impact, if any, of the data breaches  
Nil



## Leadership Indicators

**LI-1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

<https://adorwelding.com/>

<https://adorwelding.com/ador-international/>

**LI-2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Instructions about safe & responsible usage are available in each operational manual of the products, and the information it contains about General Precautions & dos -don'ts w.r.t. the following:

- Welding sparks
- Fumes
- Burns
- Explosions
- Gas Cylinders
- Pressure regulators
- Electric Shock
- Radiations
- Electric & Magnetic field information
- Disposal of Electronic/electrical Equipment -hazardous, non-hazardous
- Commissioning & usage process (step-wise) is available in the operation & instruction manual.

**LI-3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services**

Regular circulars through Corporate Marketing office are sent on emails - about risk disruption / discontinuation of essential services, if any.

**LI-4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, we diligently adhere to all the guidelines stipulated by the Legal Metrology Act and ensure that accurate & compliant product information is displayed. Additionally, we prioritize transparency and consumer trust by providing comprehensive details beyond legal requirements, wherever feasible. While we have not conducted any surveys regarding consumer satisfaction pertaining to our major products /services or significant operating locations, we do have a grievance mechanism in place. Stakeholders can raise their complaints or write to us on any other issues, to our dedicated email address: [care@adorians.com](mailto:care@adorians.com) / [cmo@adorians.com](mailto:cmo@adorians.com).

Yes. We do take customer feedback on the performance of our product.

## ANNEXURE VIII - TO THE DIRECTORS' REPORT

### DISCLOSURE PURSUANT TO REGULATION 14 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021, AS ON 31<sup>ST</sup> MARCH, 2026

As on March 31, 2026, the Company has the following Scheme:

“Ador Employees Stock Option Plan (ESOP) 2025”

Accordingly, the disclosures pertaining to stock options granted by the Company under the aforesaid Scheme and as required under the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are provided herein below:

Sr. No.	Particulars	Details
A.	Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the ‘Guidance note on accounting for employee share-based payments’, issued in that regard from time to time.	Refer Note No.59 forming part of the standalone financial statements and Note No. 59 of the consolidated financial statements for the financial year 2025-26. Please note that the said disclosure is provided in accordance with the Indian Accounting Standards (Ind AS) 102 – Share Based Payment.
B.	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with ‘Accounting Standard 20 - Earnings Per Share’ issued by the Central Government or any other relevant accounting standards, as issued from time to time.	Refer Note No. 52 forming part of the standalone financial statements and Note No. 52 of the consolidated financial statements for the financial year 2025-26. Please note that the said disclosure is provided in accordance with the Indian Accounting Standards (Ind AS) 33 – Earnings per share.
C.	<b>Details on ESOS</b>	
i)	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including:	
a)	Date of shareholders’ approval	15 <sup>th</sup> July, 2025
b)	Total number of options approved under ESOS	3,40,000
c)	Vesting requirements	Options granted under this ADOR - ESOP 2025 shall vest within a specified time period or on achievement of certain performance milestones, subject to a minimum Vesting Period of one (1) year, as determined by the Compensation Committee and as specified in the Letter of Grant issued to the Option Grantee.  For grant in FY 2025-26, the vesting period is four years and vests at the rate of 25% each year.
d)	Exercise price or pricing formula	The exercise price shall be such price, as determined by the Compensation Committee from time to time, in accordance with the Applicable Laws and as evidenced in the Letter of Grant, unless subsequently modified by the Compensation Committee.  For the grant in FY 2025-26, exercise price is equal to the Face Value, i.e., INR 10/-.



Sr. No.	Particulars	Details
	e) Maximum term of options granted	4 years
	f) Source of shares (primary, secondary or combination)	Primary
	g) Variation in terms of options	During the year, no amendment / modification / variation has been made in terms of options granted by the Company.
ii)	Method used to account for ESOS -Intrinsic or fair value	The Stock option plans of the Company are classified as equity settled transaction, based on the constructive obligation for settlement of option in equity. The cost of equity-settled transactions is determined by the fair value at the date, when the grant is made using a black Scholes model in accordance with Ind AS 102.  That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense
iii)	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost, so computed and the employee compensation cost that shall have been recognised, if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company.	Not applicable
iv)	Option movement during the year:	
	Number of options outstanding at the beginning of the period	Nil
	Number of options granted during the year	29,500
	Number of options forfeited / lapsed during the year	Not applicable
	Number of options vested during the year	NA
	Number of options exercised during the year	NA
	Number of shares arising, as a result of exercise of options	NA
	Money realized by exercise of options (INR), if scheme is implemented directly by the company	NA
	Loan repaid by the Trust during the year from exercise price received	NA
	Number of options outstanding at the end of the year	29,500
	Number of options exercisable at the end of the year	Zero
v)	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options, whose exercise price either equals or exceeds or is less than the market price of the stock.	Weighted-average exercise price of options: INR 10/- Weighted-average fair values of options: INR 917.25

Sr. No.	Particulars	Details
vi)	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to - a) Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Details with respect to the grants made to the Senior management personnel and employee(s), who were granted Options amounting to 5% or more during the year, shall be made available to the Members based on a request received by the Company at investorservices@adorians.com
vii)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
	a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	<ul style="list-style-type: none"> <li>• Share Price: INR 1,013.95</li> <li>• Weighted average exercise price – INR 10/-</li> <li>• Expected Volatility – 39.45%</li> <li>• Expected option life – 4.98 Years</li> <li>• Expected Dividends – 2.30%</li> <li>• Risk free interest rate – 6.26%</li> </ul>
	b) the method used and the assumptions made to incorporate the effects of expected early exercise;	Not applicable, as there is no early exercise option.
	c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Expected volatility is a measure of the amount by which a price is expected to fluctuate during a period. The measure of volatility used in option pricing models is the annualised standard deviation of the continuously compounded rates of return on the share over a period of time. The volatility assumption was estimated based on the historical price fluctuations of the Company’s shares over the relevant period. The selected period reflects the expected life of the options, and appropriate adjustments have been made to ensure consistency with market conditions at the date of grant.
	d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition	NA

**For and on behalf of the Board**

**Place:** Mumbai  
**Date:** 29<sup>th</sup> April, 2026

Dr. Deep A. Lalvani  
**Non-Executive Director**  
(DIN: 01771000)

Aditya T. Malkani  
**Managing Director**  
(DIN: 01585637)



## ANNEXURE IX - TO THE DIRECTORS' REPORT

### COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,

The Members,

**ADOR WELDING LIMITED**

**Sub:** Secretarial Auditors' Certificate on compliance of Employee Stock Option Plans (ESOP) implemented by ADOR WELDING LIMITED pursuant to requirement of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations")

We, **N L Bhatia & Associates**, Company Secretaries in Practice, have been appointed as the Secretarial Auditor of the Company, by the Members of **ADOR WELDING LIMITED** (hereinafter referred to as 'the Company') vide a resolution passed in its Annual General Meeting held on July 15, 2025, having CIN **L70100MH1951PLC008647** and having its registered office at **Ador House, 6, K. Dubash Marg, Fort, Mumbai, 400001-16, Maharashtra, India**. This Certificate is issued under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "SEBI SBEB Regulations").

#### **Management Responsibility:**

The Board of Directors and the Nomination & Remuneration Committee is responsible for formulation and implementation of the Scheme in compliance with SEBI SBEB Regulations and the special resolutions passed by the Shareholders' of the Company.

The Management is responsible for preparation and maintenance of all accounting and other relevant supporting records and documents relating to the Scheme including the design, implementation and maintenance of internal controls on the implementation of the Employee Stock Options Plan(s) in compliance with SEBI SBEB Regulations.

#### **Verification:**

Pursuant to the requirements of SEBI SBEB Regulations, it is our responsibility to obtain reasonable assurance and form an opinion, as to whether the Scheme is in compliance with SEBI SBEB Regulations and the Shareholder resolutions.

For the purpose of verifying the compliance of the Regulations, we, the undersigned have examined the following:

1. Scheme(s) received from/ furnished by the Company;
2. Articles of Association and Memorandum of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors/ Committee thereof;
4. Shareholders resolution passed at the General Meeting;

5. Minutes of the meetings of the Nomination & Remuneration Committee;
6. Relevant Accounting Standards, as applicable;
7. Valuation report;
8. Detailed terms and conditions of the scheme, as approved by the Nomination & Remuneration Committee;
9. Disclosure by Board of Directors pursuant to Sub-regulation 14 read with part F of schedule I of SEBI (SBEB) Regulation, 2021;
10. Relevant provisions of SEBI SBEB Regulations, Companies Act, 2013 and Rules made thereunder.

**Certification:**

In our opinion and to the best of our knowledge and according to the verifications, as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the **“ADOR WELDING LIMITED” – Employee Stock Option Scheme 2025 (ESOP 2025)** in accordance with the applicable provisions of SEBI SBEB Regulations and Resolution(s) of the Company in the General Meeting(s).

**Assumption & Limitation of Scope and Review:**

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This Certificate provided to the Company solely for the purpose of being placed before the shareholders of the Company at the forthcoming Annual General Meeting, to be held on 23<sup>rd</sup> July, 2026 and is not intended to be, and should not be used, for any other purpose, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **N L Bhatia & Associates**  
**Practicing Company Secretaries**  
**UIN: P1996MH055800**  
**P/R No: 6392/2025**

Bharat Upadhyay  
**Partner**  
**FCS: 5436**  
**CP No.: 4457**  
**UDIN: F005436H000233785**

**Date:** 29<sup>th</sup> April, 2026  
**Place:** Mumbai



## **Independent Auditor's Report**

**To the Members of Ador Welding Limited**

**Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the standalone financial statements of Ador Welding Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Key Audit Matter**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Revenue Recognition

See Note 31 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>The company generates revenue from sale of goods (welding products) and fixed-price long term contracts.</p> <p>Revenue from sale of welding products is recognized when control over the goods is transferred to the customer and when there are no remaining unfulfilled performance obligations. The point at which control transfers varies depending on the terms agreed with customers – such as upon dispatch, delivery or formal customer acceptance. This requires a detailed analysis of each contract to determine the timing of revenue recognition. An inappropriate assessment could result in revenue being recognised before the control has transferred.</p> <p>The Company considers revenue as a key measure for evaluation of performance. Consequently, timing of revenue recognition from sale of welding products is identified as a key audit matter as there could be incentive or external pressure to meet expectations resulting in revenue being overstated or recognized before transfer of goods.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• Assessed consistency of the Company’s revenue recognition accounting policies with applicable accounting standards;</li> <li>• Evaluated the design and implementation, and tested the operating effectiveness of key internal controls over revenue recognition, including operating effectiveness of general information technology (IT) controls and key IT application controls;</li> <li>• Selected revenue transactions recorded during the year using statistical sampling and, for the samples selected, checked the underlying documents such as [invoices, shipping documents and evaluated relevant contractual terms], to assess whether revenue is recorded in the accounting period in which the revenue recognition criteria are met.</li> <li>• Based on lead time for delivery, selected revenue transactions recorded close to the year end and subsequent to the year end, using statistical sampling, to examine whether revenue has been recognised in the accounting period in which the revenue recognition criteria are met; and</li> <li>• Tested journal entries relating to revenue recognised during the year, based upon specified risk-based criteria, to identify any unusual or irregular items.</li> </ul>

## Other Information

The Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the the Company’s annual report, but does not include the financial statements and auditor’s report thereon. The the Company’s annual report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

### **Management's and Board of Directors' Responsibilities for the Standalone Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and 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 is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 standalone financial statements.

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 statements, 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 Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone financial statements 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 statements, including the disclosures, and whether the standalone financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

The standalone financial statements of the Company for the year ended 31 March 2025 were audited by the predecessor auditor who had expressed an unmodified opinion dated 06 May 2025.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.



- e. On the basis of the written representations received from the directors between 01 April 2026 to 10 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- B. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 41 to the standalone financial statements.
  - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 60 to the standalone financial statements.
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 65(v) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 65(vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 64 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

Additionally, except where audit trail was not enabled in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**  
**Chartered Accountants**  
**Firm's Registration No.:**101248W/W-100022

Amar Sunder  
**Partner**  
**Membership No.:** 078305  
**ICAI UDIN:**26078305GIAYVW3200

**Place:** Mumbai  
**Date:** 29 April 2026



## Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Ador Welding Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Right-of-use Assets and Investment Properties.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment, Right-of-use Assets and Investment Properties by which all property, plant and equipment, right-of-use assets and investment properties are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment, right-of-use assets and investment properties were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Amount in INR Lakhs					
Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held-indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Land	62.00	Ador Fontech Limited	No	4 years	The title deeds are held in the name of Ador Fontech Limited which has subsequently been amalgamated with the Company
Right of use Assets	464.86	Ador Fontech Limited	No	4 years	The title deeds are held in the name of Ador Fontech Limited which has subsequently been amalgamated with the Company

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to firms or limited liability partnership during the year. The Company has made investments in companies and other parties (mutual funds), has granted interest bearing unsecured loan to a company and interest free unsecured loans to other parties (employees) in respect of which the requisite information is as below. The Company has not provided any guarantee or security or granted any loans, secured, or advances in the nature of loans, secured or unsecured, to companies or other parties.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loan to a company and any other entity (employees) as below:

Particulars	Amount in INR Lakhs	
	Loans	
Aggregate amount during the year		
Subsidiary*#		236.00
Others		26.83
Balance outstanding as at balance sheet date		
Subsidiary*#		Nil
Others		101.00

\*As per the Companies Act, 2013

# Refer note no. 17 and 57(2) of standalone financial statements

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us in our opinion the investments made, and the terms and conditions of the grant of unsecured loans are, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of interest bearing unsecured loans given, is repayable on demand. As informed to us, the Company has not demanded repayment of the loan and the loans has been fully impaired during the year. Thus, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular. In the case of interest free unsecured loans given to other parties (employees), in our opinion the repayment of principal has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.



- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related party as defined in Clause (76) of Section 2 of the Companies Act, 2013 (“the Act”):

	Amount in INR Lakhs	
	All Parties	Related Party
Aggregate of loans		
- Repayable on demand	236	236
<b>Total</b>	<b>236</b>	<b>236</b>
<b>Percentage of loans to the total loans</b>	<b>89.79%</b>	<b>89.79%</b>

- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 (‘the Act’). In respect of the investments made and loans given by the Company, in our opinion the provisions of Section 185 and 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii)(a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in a few cases of other statutory dues (Profession Tax).

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Excise duty, Value Added Tax, Sales Tax, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Amount in INR Lakhs					
Name of the statute	Nature of the dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,318.38	12.55	AY 2013-14, 2014-15, AY 2018-19, 2020-21, AY 2021-22 and AY 2023-24 AY 2021- 22 and AY 2023-24	Comissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	608.55	Nil	AY 2019- 20	Bombay High Court
Income Tax Act, 1961	Income Tax	16.96	Nil	AY 2012- 13	Additional Comissioner of Income Tax
Customs Act, 1962	Custom Duty	45.53	45.53	FY 2016- 17	Custom, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Custom Duty	8.22	Nil	FY 2019- 20	Principal Commissioner of Customs
The Central Excise Act, 1944	Excise Duty	21.12	1.00	FY 1998-99 and FY 2008-09	Custom, Excise and Service Tax Appellate Tribunal
The Central Excise Act, 1944	Excise Duty	2.18	0.96	FY 2006- 07	Assistant Commissioner
The Central Excise Act, 1944	Excise Duty	13.40	0.50	FY 2003- 04	Commissioner Excise
The Central Excise Act, 1944	Excise Duty	899.00	Nil	April-2012 to Mar-2017	Bombay High Court
Central Sales tax Act and Local Sales Tax Acts of various statutes	Sales Tax	18.07	9.21	FY 1987-88 and FY 1992-93	High court
Central Sales tax Act and Local Sales Tax Acts of various statutes	Sales Tax	35.16	Nil	FY 2003-04 and FY 2005-05	Joint Commissioner-Sales Tax
Central Sales tax Act and Local Sales Tax Acts of various statutes	Sales Tax	483.45	Nil	FY 2009-10 and FY 2015-16	Joint Commissioner (VAT)
Central Sales tax Act and Local Sales Tax Acts of various statutes	Sales Tax	4.78	0.74	July 2017 to March 2019	Commissioner-Appeals
Central Sales tax Act and Local Sales Tax Acts of various statutes	Sales Tax	34.38	1.56	FY 2017-18, FY 2018-19 and FY 2019-20	Joint Commissioner-Appeals



Amount in INR Lakhs

Name of the statute	Nature of the dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where dispute is pending
Central Sales tax Act and Local Sales Tax Acts of various statutes	Sales Tax	79.17	41.83	FY 2016-17	Deputy Commissioner- Appeals
Goods and Service Tax Act, 2017	Goods and Service Tax Act	3.81	2.99	FY 2017-18 to FY 2019-20	Joint Commissioner- Appeals
BIS Act, 2016	Certain imported inventory which has been detained by the Bureau of Indian Standards (BIS)	3,643.00	Nil	FY 2023-24	DDG (West)

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans during the year and the term loans obtained in the previous periods were fully utilised in the respective periods. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary (as defined under the Act).

- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as defined in the regulations made by the Reserve Bank of India). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.



(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in the Company's annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**  
**Chartered Accountants**  
**Firm's Registration No.:**101248W/W-100022

Amar Sunder  
**Partner**  
**Membership No.:** 078305  
**ICAI UDIN:**26078305GIAYVW3200

**Place:** Mumbai  
**Date:** 29 April 2026

## **Annexure B to the Independent Auditor's Report on the standalone financial statements of Ador Welding Limited for the year ended 31 March 2026**

**Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Opinion**

We have audited the internal financial controls with reference to financial statements of Ador Welding Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and



operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

For **B S R & Co. LLP**  
**Chartered Accountants**  
**Firm's Registration No.:**101248W/W-100022

Amar Sunder  
**Partner**  
**Membership No.:** 078305  
**ICAI UDIN:**26078305GIAYVW3200

**Place:** Mumbai  
**Date:** 29 April 2026

**STANDALONE BALANCE SHEET AS AT 31 MARCH 2026**

Particulars	Notes	(Rs. in lakhs)	
		As at 31 March 2026	As at 31 March 2025
<b>Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	2	18,032	17,384
(b) Right-of-use assets	3	1,244	1,150
(c) Capital work-in-progress	4	316	411
(d) Investment properties	5	1,073	1,028
(e) Intangible assets	6	8	33
(f) Financial assets			
(i) Investments	7	1,639	809
(ii) Other financial assets	8	3,425	843
(g) Income tax assets (net)	9	1,546	1,407
(h) Deferred tax assets (net)	10	1,912	1,447
(i) Other non-current assets	11	645	903
<b>Total Non-current assets</b>		<b>29,840</b>	<b>25,415</b>
<b>(2) Current assets</b>			
(a) Inventories	12	15,162	12,632
(b) Financial assets			
(i) Investments	13	3,093	2,384
(ii) Trade receivables	14	23,185	19,235
(iii) Cash and cash equivalents	15	4,226	3,011
(iv) Bank balances other (iii) above	16	5,013	3,677
(v) Loans	17	101	495
(vi) Other financial assets	18	715	626
(c) Other current assets	19	2,473	2,346
<b>Total Current assets</b>		<b>53,968</b>	<b>44,406</b>
<b>Total Assets</b>		<b>83,808</b>	<b>69,821</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	20	1,740	1,740
(b) Other equity		54,647	49,830
<b>Total equity</b>		<b>56,387</b>	<b>51,570</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	58	84
(ii) Lease liabilities	44	146	77
(iii) Other financial liabilities	22	54	43
(b) Provisions	23	1,999	922
(c) Other non-current liabilities	24	2	3
<b>Total Non-current liabilities</b>		<b>2,259</b>	<b>1,129</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	25	27	25
(ii) Lease liabilities	44	64	54
(iii) Trade payables	26		
Total outstanding dues to micro and small enterprises		1,922	1,571
Total outstanding dues to creditors other than micro and small enterprises		17,384	10,782
(iv) Other financial liabilities	27	3,606	2,600
(b) Other current liabilities	28	1,327	829
(c) Provisions	29	758	1,261
(d) Current tax liabilities (net)	30	74	-
<b>Total Current liabilities</b>		<b>25,162</b>	<b>17,122</b>
<b>Total equity and liabilities</b>		<b>83,808</b>	<b>69,821</b>

Material accounting policies. 1  
 The accompanying notes form an integral part of the standalone financial statements.  
 This is the standalone balance sheet referred to in our report of even date.

For B S R & Co. LLP  
 Chartered Accountants  
 Firm Registration No: 101248W/W-100022  
 Amar Sunder  
 Partner  
 Membership No.: 078305

Vinayak M. Bhide  
 Head - HR, Admin., Legal  
 and Company Secretary  
 Membership No.: F5063

Surya Kant Sethia  
 Chief Financial Officer

Aditya T. Malkani  
 Managing Director  
 DIN : 01585637

Deep A. Lalvani  
 Non-Executive Director  
 DIN : 01771000

Place : Mumbai  
 Date : 29 April 2026

For and on behalf of the Board of Directors  
 Ador Welding Limited  
 CIN- L70100MH1951PLC008647  
 Place : Mumbai  
 Date : 29 April 2026



## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2026

Particulars	Notes	(Rs. in lakhs)	
		Year ended 31 March 2026	Year ended 31 March 2025
<b>I. Income</b>			
(a) Revenue from operations	31	1,13,545	1,11,683
(b) Other income	32	1,964	2,023
<b>Total Income</b>		<b>1,15,509</b>	<b>1,13,706</b>
<b>II. Expenses</b>			
(a) Cost of materials consumed	33	61,809	66,079
(b) Purchase of stock-in-trade	34	9,562	7,171
(c) Changes in inventories of finished goods, work-in-progress, stock-in-trade and right to recover returned goods	35	(640)	(931)
(d) Employee benefits expenses	36	11,574	10,809
(e) Finance costs	37	220	452
(f) Depreciation and amortisation expense	2,3,5,6	1,930	1,790
(g) Onerous cost and liquidated Damages	60	2,482	-
(h) Impairment reversal on trade receivables	61	(1,412)	-
(i) Other expenses	38	18,024	18,172
<b>Total Expenses</b>		<b>1,03,549</b>	<b>1,03,542</b>
<b>III. Profit before exceptional items and tax (I-II)</b>		<b>11,960</b>	<b>10,164</b>
<b>IV. Exceptional items</b>	57	<b>(831)</b>	<b>(4,310)</b>
<b>V. Profit before tax (III-IV)</b>		<b>11,129</b>	<b>5,854</b>
<b>VI. Tax expenses</b>	39		
(a) Current tax		3,295	2,656
(b) Deferred tax		(446)	(1,148)
<b>Total tax expense (net)</b>		<b>2,849</b>	<b>1,508</b>
<b>VII. Profit for the year (V-VI)</b>		<b>8,280</b>	<b>4,346</b>
<b>VIII. Other comprehensive income</b>	40		
Items that will not be reclassified to profit and loss			
(a) Re-measurement of net defined benefit liability		(75)	(110)
(b) Income tax relating to above item		19	28
<b>Other comprehensive income</b>		<b>(56)</b>	<b>(82)</b>
<b>IX. Total comprehensive income for the year (VII+VIII)</b>		<b>8,224</b>	<b>4,264</b>
<b>X. Earnings per equity share (Face value of Rs. 10/-)</b>	52		
Basic Earnings Per Share		47.58	24.98
Diluted Earnings Per Share		47.53	24.98

Material accounting policies.

1

The accompanying notes form an integral part of the standalone financial statements.

This is the standalone statement of profit and loss referred to in our report of even date.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022  
Amar Sunder  
Partner  
Membership No.: 078305

Vinayak M. Bhide  
Head - HR, Admin., Legal  
and Company Secretary  
Membership No.: F5063

Surya Kant Sethia  
Chief Financial Officer

Aditya T. Malkani  
Managing Director  
DIN : 01585637

For and on behalf of the Board of Directors  
**Ador Welding Limited**  
CIN - L70100MH1951PLC008647

Deep A. Lalvani  
Non-Executive Director  
DIN : 01771000

Place : Mumbai  
Date : 29 April 2026

Place : Mumbai  
Date : 29 April 2026

**STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2026**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>(A) Cash flow from operating activities</b>		
Profit before tax	11,129	5,854
<b>Adjustment for:</b>		
Provision / liabilities no longer required now written back	(67)	(17)
Depreciation and amortisation expense	1,930	1,790
Impairment Loss on trade receivables	25	87
Loss allowances on trade receivables	211	500
Impairment reversal on trade receivables ( refer note 61)	(1,412)	
Impairment loss on Inventories	854	373
Equity settled shared based payments	74	-
Inventory written off	16	70
Property, plant and equipment impaired	36	204
Finance costs	209	428
Gain on sale of investments (net)	(10)	(19)
Interest expense on lease liabilities	11	11
Net loss/(gain) on sale of property, plant & equipment	(1)	1
Fair value change of financial asset measured at FVTPL	(8)	(202)
Interest income	(928)	(726)
Rental income from investment properties	(182)	(176)
Unrealised (Gain)/Loss on foreign exchange (net)	-	(32)
Exceptional Items (refer note 57)	831	3,174
<b>Operating cash flow before working capital changes</b>	<b>12,718</b>	<b>11,320</b>
Working Capital adjustments		
(Increase)/Decrease in inventories	(3,400)	1,391
(Increase)/Decrease in trade receivables	(3,944)	(1,693)
(Increase)/Decrease in other assets, including financial assets	(377)	858
Increase/(Decrease) in Trade payables	8,449	3,917
Increase/(Decrease) in other liabilities, including financial liabilities	1,584	479
<b>Cash generated from operating activities</b>	<b>15,030</b>	<b>16,272</b>
Income taxes paid	(3,357)	(2,358)
<b>Net cash generated from operating activities (A)</b>	<b>11,673</b>	<b>13,914</b>
<b>(B) Cash flow from investing activities</b>		
Acquisition of property, plant and equipment (including capital work-in-progress, capital advances and creditors for capital goods)	(2,216)	(4,123)
Purchase of investments	(2,093)	(1,513)
Proceeds from sale of property, plant and equipment	71	171
Proceeds from sale of investments	638	2,443
Interest income received	589	591
Rental income from investment properties	182	176
Inter Corporate Deposit given to wholly owned subsidiary	(236)	(350)
Fixed deposits matured	2,904	670
Fixed deposits placed	(6,507)	-
<b>Net cash used in investing activities (B)</b>	<b>(6,668)</b>	<b>(1,935)</b>



Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>(C) Cash flow from financing activities (Refer Note 56 - Net debt reconciliation)</b>		
Finance costs paid other than lease liabilities (Refer Note (c) below)	(209)	(428)
Finance cost paid on lease liabilities (Refer Note (c) below)	(11)	(11)
Repayment of principal portion of lease liabilities (Refer Note (c) below)	(65)	(83)
Repayment of vehicle loans (Refer Note (c) below)	(24)	(21)
Dividend paid	(3,481)	(4,616)
(Repayment) of / Proceeds from borrowings (Refer Note (c) below)	-	(4,177)
<b>Net cash used in financing activities (C)</b>	<b>(3,790)</b>	<b>(9,336)</b>
<b>(D) Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,215</b>	<b>2,643</b>
Cash and cash equivalents at the beginning of the year	3,011	368
<b>Cash and cash equivalents at the end of the year [Refer note 15]</b>	<b>4,226</b>	<b>3,011</b>

#### Notes to the standalone cash flow statement

- (a) The Company has elected to present cash flows from operating activities using the indirect method.
- (b) Components of cash and cash equivalents:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Cash on hand	4	12
Fixed Deposit with banks (original maturity of less than 3 months)	2,000	2,100
Balances with banks in current accounts	2,222	899
<b>Total</b>	<b>4,226</b>	<b>3,011</b>

- (c) Reconciliation of movements of liabilities to cash flows arising from financing activities (Refer Note No 56)

Material accounting policies.

1

The accompanying notes form an integral part of the standalone financial statements.

This is the standalone cash flow statement referred to in our report of even date.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022  
Amar Sunder  
Partner  
Membership No.: 078305

Vinayak M. Bhide  
Head - HR, Admin., Legal  
and Company Secretary  
Membership No.: F5063

Surya Kant Sethia  
Chief Financial Officer

Aditya T. Malkani  
Managing Director  
DIN : 01585637

For and on behalf of the Board of Directors  
**Ador Welding Limited**  
CIN- L70100MH1951PLC008647

Deep A. Lalvani  
Non-Executive Director  
DIN : 01771000

Place : Mumbai  
Date : 29 April 2026

Place : Mumbai  
Date : 29 April 2026

## STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT AND FOR THE YEAR ENDED 31 MARCH 2026

### A) Equity share capital (Refer note 20)

Particulars	Number of shares	Amount (Rs. in lakhs)
<b>Issued, subscribed and paid up:</b>		
As at 31 March 2024	1,35,98,467	1,360
Changes in equity share capital during the year (Refer note 5 to part B below)	38,04,348	380
As at 31 March 2025	1,74,02,815	1,740
Changes in equity share capital during the year	-	-
<b>As at 31 March 2026</b>	<b>1,74,02,815</b>	<b>1,740</b>

### B) Other equity

Particulars	Reserves and surplus						Total
	General reserve	Capital redemption reserve	Capital reserve	ESOP Outstanding reserve	Share Pending Issuance	Retained earning	Total
Balance as at 1 April 2024	24,215	223	460	-	380	23,183	48,461
<b>Total comprehensive income for the year ended 31 March 2025</b>							
Profit for the year	-	-	-	-	-	4,346	4,346
Other comprehensive income for the year	-	-	-	-	-	(82)	(82)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	<b>4,264</b>	<b>4,264</b>
Transfer from retained earnings to general reserve	632	-	-	-	-	(632)	-
<b>Transactions with owners of the Company</b>							
<b>Contribution and Distribution</b>							
Shares issued during the year	-	-	-	-	(380)	-	(380)
Dividends	-	-	-	-	-	(2,515)	(2,515)
<b>Total Transactions with owners of the Company</b>	-	-	-	-	<b>(380)</b>	<b>(2,515)</b>	<b>(2,895)</b>



Particulars	Reserves and surplus						(Rs. in lakhs)
	General reserve	Capital redemption reserve	Capital reserve	ESOP Outstanding reserve	Share Pending Issuance	Retained earning	Total
Balance as at 31 March 2025	24,847	223	460	-	-	24,300	49,830
<b>Total comprehensive income for the year ended 31 March 2026</b>							
Profit for the year	-	-	-	-	-	8,280	8,280
Other comprehensive income for the year	-	-	-	-	-	(56)	(56)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	<b>8,224</b>	<b>8,224</b>
Transfer from retained earnings to general reserve	434	-	-	-	-	(434)	-
<b>Transactions with owners of the Company</b>							
<b>Contribution and Distribution</b>							
Equity settled share based payments	-	-	-	74	-	-	74
Dividends	-	-	-	-	-	(3,481)	(3,481)
<b>Total Transactions with owners of the Company</b>	-	-	-	74	-	(3,481)	(3,407)
<b>Balance as at 31 March 2026</b>	<b>25,281</b>	<b>223</b>	<b>460</b>	<b>74</b>	<b>-</b>	<b>28,609</b>	<b>54,647</b>

## Nature and purpose of the reserves

### (1) General reserve

The general reserve is a distributable reserve maintained by the Company to be utilised in accordance with the Act.

### (2) Capital redemption reserve

The Capital redemption reserve has been created on/during buy back of equity shares and it is a non-distributable reserve.

### (3) Capital reserve

The Capital reserve of INR 140 lakhs has been created on the difference between the consideration for acquisition of Ador Welding Academy Private Limited (AWAPL) and the amount of share capital and security premium of AWAPL as per Ind AS 103 (Appendix C), Business combinations of entities under common control.

The Capital reserve of INR 320 lakhs has been created on the difference between the consideration for acquisition of Ador Fontech Limited (ADFL) and the amount of share capital and security premium of ADFL as per Ind AS 103 (Appendix C), Business combinations of entities under common control.

**(4) ESOP outstanding reserve**

Share option outstanding account represents reserve in respect of equity settled share options granted to the Company’s employees in pursuance of the Employee Stock Option Plan.

**(5) Share Pending Issuance**

Shares pending issuance represent equity shares to be issued as consideration for acquisition of Ador Fontech Limited (ADFL). During the previous year, the Company has issued 3,804,348 shares to shareholders of erstwhile ADFL.

**(6) Retained earnings**

The Retained earnings pertain to the accumulated earnings made by the Company over the years.

Material accounting policies. 1

The accompanying notes form an integral part of the standalone financial statements.

This is the standalone statement of changes in equity referred to in our report of even date.

For **B S R & Co. LLP**  
**Chartered Accountants**  
**Firm Registration No:** 101248W/W-100022  
 Amar Sunder  
**Partner**  
**Membership No.:** 078305  
  
**Place :** Mumbai  
**Date :** 29 April 2026

Vinayak M. Bhide  
**Head - HR, Admin., Legal  
 and Company Secretary**  
**Membership No.:** F5063

Surya Kant Sethia  
**Chief Financial Officer**

Aditya T. Malkani  
**Managing Director**  
**DIN :** 01585637

For and on behalf of the Board of Directors  
**Ador Welding Limited**  
**CIN-** L70100MH1951PLC008647  
 Deep A. Lalvani  
**Non-Executive Director**  
**DIN :** 01771000  
  
**Place :** Mumbai  
**Date :** 29 April 2026



## Note 1 - Material accounting policies to the standalone financial statements for the year ended 31 March 2026

### I. Corporate Information

Ador Welding Limited ('the Company')(CIN- L70100MH1951PLC008647) was incorporated in 1951 and is one of India's leading player in the field of Welding Products, Technologies and Services. The Company is also engaged in providing customized solutions for multi-disciplinary projects and contracts related to refineries, oil and gas, petrochemicals, fertilizers, steel plants, pharma, water and other chemical process industries. The Company is a public limited company and domiciled in India and its shares are listed on two recognised stock exchanges in India- the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange (India) Limited (NSE). The registered and corporate office of the Company is situated at Ador House, 6, K. Dubash Marg, Fort, Mumbai.

### II. Material Accounting Policies

Below is list of material accounting policies applied by the Company in the preparation of its financial statements.

#### (a) Basis of Preparation

##### (i) Statement of Compliance:

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

The standalone financial statements are approved for issue by the Company's Board of Directors on April 29, 2026.

##### (ii) Basis of measurement

The financial statements for the year ended 31 March 2026 have been prepared on an accrual basis and a historical cost convention, except for items which are measured on an alternative basis on each reporting date:

- (a) Derivative Financial instruments measured at FVTPL.
- (b) Non derivative financial instruments at FVTPL.
- (c) Fair Value of plan assets less the present value of the defined benefit obligation, (Refer note 1(II)n for accounting policy).

Fair value is the price that would be received on sale of asset or paid on transfer of liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Accounting policies and methods of computation followed in the financial statements are same as compared with the annual financial statements for the year ended 31 March 2025, except for adoption of new standard or any pronouncements effective from 1 April 2025

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

#### Current and non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

**(b) Use of judgements and estimates**

The preparation of financial statements in conformity with Ind AS, which requires management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

**(i) Critical estimates**

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

**Useful lives of Property plant and equipment (PPE), investment property and Intangible assets**

Property, plant and equipment represent a significant proportion of the asset base of the Company. Depreciation is provided as per the Straight Line Method over the estimated useful lives of assets. The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same (except for vehicles as disclosed in note 1(II)d)) as those prescribed in Schedule II to the Act. - Refer note 1(II)(c)(d),(e) and (f).

**Defined benefit obligation**

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty. The assumptions used are disclosed in Note 46.

**Fair value measurements of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the standalone balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets wherever possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. - Refer note 1(II)(h).

**Revenue from fixed price long term contracts (Flares & Process Equipment)**

The Company's management estimate the cost to complete for each project and recognition of anticipated losses of the projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget. The process requires monitoring controls including financial and operational controls and identifying major risks faced by the Company and developing and implementing initiative to manage those risks. The Company's management is confident that the costs to complete the project are fairly estimated.

**Impairment of investments in subsidiaries**

Determining whether the investments in subsidiaries are impaired requires an estimate in the value in use of investments. The Company reviews its carrying value of investments carried at cost (net of impairment,



if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. In considering the value in use, the management have anticipated the future market conditions and other parameters that affect the operations of these entities.

## (ii) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements: This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

### Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

### Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent assets are neither recognised nor disclosed in the financial statements.

### Valuation of deferred tax assets / liabilities

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Significant judgment is involved in arriving at the deferred tax assets and liabilities, which is based on the Company's current operations and projections for the future. - Refer note 1(II)(o).

### Assessment of Lease term

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**(c) Property plant and equipment**

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost, net of accumulated depreciation (other than freehold land) and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Capitalisation of costs in the carrying amount of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the Company. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by the Company are recognized in the Statement of profit and loss. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Standalone Statement of Profit & Loss for the period in which such expenses are incurred.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their carrying value or fair value less cost of sales and are shown separately in the standalone financial statements. Any expected loss is recognised immediately in the Standalone Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment, which are carried at cost, are recognised in the Standalone Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight-line method based on useful life as estimated by the management and aligned to Schedule II to the Companies Act, 2013 in order to reflect the actual usage of assets. Depreciation on assets acquired under finance lease is spread over the lease period or useful life, whichever is shorter. Estimated useful lives of assets are as follows:

<b>Assets Category</b>	<b>Management estimate of useful life</b>	<b>Useful life as per Schedule II</b>
Buildings	30-60 years	30-60 years
Plant and equipments (including computer)	8-15 years	8-15 years
Electrical installation	10 years	10 years
Furniture and fixtures	8-10 years	8-10 years
Office equipment	5 years	5 years
Vehicles	4-10 years	8-10 years

Capital work-in-progress comprises of property, plant and equipment that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

Gains or losses arising from derecognition of property, plant and equipments are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & Loss under ‘Other expenses’ or ‘Other income’ when the asset is derecognized.



The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed, and adjusted if appropriate. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets.

#### **Transition to Ind AS**

The cost property, plant and equipment at 1 April 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

#### **(d) Non-current assets classified as assets held for sale:**

Non-current assets, or disposal Companies comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal Companies, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal Company is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets which continue to be measured in accordance with the company's other accounting policies. Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held for sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and equity-accounted investee is no longer equity accounted. Non-current assets classified as held-for-sale and the assets of a disposal Company classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal Company classified as held for sale are presented separately from other liabilities in the balance sheet.

#### **(e) Intangible Assets (including intangible assets under development)**

##### **Initial recognition and measurement**

Intangible assets acquired separately are measured on initial recognition at cost. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use.

Following initial recognition, other intangible assets and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

##### **Subsequent measurement (amortisation and useful lives)**

Intangible assets are amortised on a straight-line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Computer Software, E learning module and website are amortised over a period of three years. The amortisation expense on intangible assets with finite life is recognised in the Standalone statement of profit and loss under the head Depreciation and amortization expense.

##### **Derecognition**

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the retirement

or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Standalone Statement of Profit and Loss.

**Transition to Ind AS**

The cost of intangible assets at 1 April 2016, the Company’s date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

**(f) Investment properties**

**Initial recognition and measurement**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the entity, is classified as Investment Property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed, when incurred. When part of an Investment property is replaced, the carrying amount of the replaced part is derecognised.

**Derecognition**

Investment property is derecognised either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Transfers are made to (or from) investment property only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

**Depreciation**

Depreciation is provided on a pro-rata basis on the straight-line method, based on useful life as estimated by the management and aligned to Schedule II to the Companies Act, 2013 in order to reflect the actual usage of assets. Estimated useful lives of assets are as follows:

<b>Assets Category</b>	<b>Useful Life (in Years)</b>	<b>Basis of Determination of useful life</b>
Buildings	30-60 years	Assessed to be in line with schedule II to the Act

**Transition to Ind AS**

The cost of investment properties at 1 April 2016, the Company’s date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

**(g) Impairment of non-financial assets**

The carrying amount of the non-financial assets are reviewed at each Standalone Balance Sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised, whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its fair value less disposal cost and its value in use. Impairment loss is recognised in the statement of profit and loss.



After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation, if there were no impairment.

#### (h) Investments and other financial assets

##### Classification:

The Company classifies its financial assets in the following measurement categories:

- (i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (ii) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in standalone statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model, in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

##### Initial recognition and measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### Subsequent measurements

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which the Company classifies its debt instruments:

- (i) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in standalone statement of profit and loss, when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- (ii) **Fair value through other comprehensive income (FVTOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income

(FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in standalone statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to standalone statement of profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- (iii) **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in standalone statement of profit and loss and presented net in the standalone statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### Impairment of financial assets

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Trade receivables;
- ii) Financial assets measured at amortised cost (other than trade receivables).

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. Further, individual credit risk assessment is also undertaken by the Company to identify significant increase in credit risk or is credit impaired. Basis such individual credit risk assessment, a Company may provide for a loss allowance.

Financial assets classified as amortised cost (refer (ii) above), subsequent to initial recognition, are assessed for evidence of impairment at end of each reporting period basis monitoring of whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding looking information. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL. ECL allowance recognised (or reversed) during the period is recognised as expense (or income) in the Standalone Statement of Profit and Loss under the head 'Other expenses'.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

### Write - off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

**De-recognition of financial assets:**

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
- substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

**(i) Cash and cash equivalents**

Cash and cash equivalents comprise of the cash on hand and at bank and current investments with an original maturity of three months or less. Cash and cash equivalents consist of cash in hand, balances with bank which are unrestricted for withdrawal and usage and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management. Cash and cash equivalents consist of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For this purpose, "short-term" means investments having original maturities of three months or less from the date of investment.

**(j) Borrowings and other financial liabilities**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or at amortised cost (Borrowings and payables), as appropriate. All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings including bank overdrafts.

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- i) Financial liabilities at fair value through profit or loss;
- ii) Financial liabilities at amortised cost

**Financial liabilities at fair value through profit or loss**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Standalone Statement of Profit and Loss

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

**Financial Liabilities at amortised cost**

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Standalone Statement of Profit and Loss when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as "Finance Costs" in the Standalone Statement of Profit and Loss. This category generally applies to interest bearing borrowings.

**Derecognition**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

**Offsetting of financial instrument**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Derivative financial instruments**

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**(k) Inventories**

Inventories are stated at lower of cost and net realisable value. Cost is determined using the 'average cost' method. The cost of finished goods and work in progress comprises raw material, packing materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses

**(l) Revenue recognition**

**(A)** Revenue from contracts with customers is recognised when the entity satisfies a performance obligation by transferring a promised good or service to customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Amounts disclosed as revenue are net of returns, trade allowances, rebates and discounts, goods and service tax and applicable taxes, which are collected on behalf of the government or on behalf of third parties.

**i) Sale of welding product**

Revenue from contracts with customers involving sale of goods is recognized at a point in time when control of the goods has been transferred at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods, and there are no unfulfilled obligation that could affect the customer's acceptance of the products and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. The point of time of transfer of control to customers depends on the terms of the trade such as:

Free on Board (FoB) - At the time of loading on carriage. Transfer of control happens when the goods are loaded onboard the vessel at the port of shipment.

Cost, Insurance & Freight (CIF) - Transfer of control happens when goods arrive at port of destination.



Delivery Duty Paid (DDP) - Transfer of control happens at named place when the goods are ready for unloading.

**ii) Revenue from fixed price long term contracts (Flares & Process Equipment)**

Performance obligation in case of revenue from long - term contracts is satisfied over the period of time and the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of output method as mentioned in IND AS 115. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. The Company monitors estimates of total contract revenue and costs on a regular basis throughout the contract period. The cumulative impact of any change in estimates of the contract value or cost is reflected in the period in which the changes become known.

**iii) Sale of services**

Revenue from services is recognised when the services are rendered in accordance with the specific terms of contract and when collectability of the resulting receivable is reasonably assured.

**iv) Right to recover the product**

When a contract provides a customer with a right to recover the products within a specified period, the Company estimates the expected returns using a historical experience similar to the expected value method under Ind AS 115.

At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Company has a right to recover the product when customers exercise their right of return. Consequently, the Company recognises a right to recover the products as asset under inventories as (Right to recover returned good) and a corresponding adjustment to cost of materials consumed. The Company uses its accumulated historical experience to estimate the percentage of returns at plant level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years. The Company updates its estimates of provision for sales return (and the corresponding change in the transaction price) at the start of each reporting period. For goods expected to be returned, the Company presented a refund liability (under Provisions) and an asset for the right to recover returned good (under inventories) from a customer separately in the balance sheet.

**v) Contract Assets and Liability**

Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. The timing of the transfer of control varies depending on individual terms of the sales agreements.

**(B) Other operating revenue****Export Incentive**

Duty drawback and Remission of Duties and Taxes on Export Products (RoDTEP) is accounted when reasonable assurance to receive such revenue is established and the Company has complied with the conditions associated with the incentive scheme.

**(m) Other income**

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**(n) Employee Benefits**

**Provident fund:** Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes, as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

**Gratuity fund:** The Company provides for gratuity, a defined benefit plan (the “Gratuity Plan”) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment.

The Company’s liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial gains / losses arising on the measurement of defined benefit obligation are credited / charged to other comprehensive income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service (‘past service cost’ or ‘past service gain’) or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**Superannuation fund:** Contribution towards superannuation fund for certain employees is made to Ador Welding Employees Superannuation Fund Trust administered by the Company. The benefit is classified as a “Defined Contribution Schemes” as the Company does not carry any further obligation, apart from the contribution made on a monthly basis.

**Employees state insurance scheme:** The Company makes contribution to state plans namely Employees State Insurance Scheme and has no further obligation beyond making the payment to them.

**Compensated absences:** Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. The Company’s net obligation in respect of other long-term employee benefit of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the year. That benefit is discounted to determine its present value. The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise.



The obligations are presented as current liabilities in the balance sheet if the Company does not have the right at the end of the reporting period to defer the settlement for at least twelve months after the reporting date

**Termination benefits:** Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

#### (o) Income taxes

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Standalone Statement of profit and loss, except when they relate to item that are recognised in Other comprehensive income or directly in Equity, in which case, the current and deferred tax are also recognised in Other comprehensive income or directly in Equity respectively.

##### (i) Current tax

The current income tax includes income tax payable by the Company, computed in accordance with the tax laws applicable in the jurisdiction in which the Company operates. Advance tax and provision for current income tax are presented in the Balance sheet after offsetting the advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

##### (ii) Deferred tax

Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of recognition and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognised to the extent that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow or part of deferred income tax assets to be utilised. At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

#### (p) Leases (as a Lessee):

The Company's lease asset classes primarily consist of leases for leashold land, ownership premises and computers. The Company assesses whether a contract is or contains a lease, at inception of a contract. A

contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Standalone Balance Sheet and lease payments have been classified as financing cash flows.

#### **(q) Foreign currency transactions**

The functional and presentation currency of the Company is Indian rupee.

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance sheet date and exchange gain or loss arising on settlement and restatement are recognised in the Standalone Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

#### **(r) Provisions, contingent liabilities and contingent assets**

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.



Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized

Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

#### **Onerous contracts**

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract.

#### **(s) Earnings per share**

Basic earning per share is computed by dividing net profit after tax (excluding other comprehensive income) by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing net profit after tax (excluding other comprehensive income) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

#### **(t) Share based payment**

The Company has granted Equity settled share based payments to employees which are measured at fair value at grant date.

The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under “ESOP Outstanding”.

The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes).

No expense is recognised for options that do not ultimately vest because non market performance and/ or service conditions have not been met.

The dilutive effect, if any of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### **(u) Provision for warranty**

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing on the basis of the past experience of the Company. It is expected that this expenditure will be incurred over the contractual warranty period.

**(v) Research and development**

Expenditure on research activities is recognised in profit or loss as incurred.

Capitalised development expenditure is an internally generated intangible asset. Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

**(w) Recent Pronouncements**

The Ministry of Corporate Affairs has vide notification dated 7 May 2025 and 13 August 2025, notified Companies (Indian Accounting Standards) Amendment Rules, 2025 which amends certain accounting standards, and are effective 1 April 2025.

This table lists the recent changes to the Accounting Standards that are required to be applied by an entity with an annual reporting period beginning on 1 April 2025.

**Ind AS 21, The Effects of Changes in Foreign Exchange Rates**

The amendment defines 'exchangeability', requiring entities to assess exchangeability at the measurement date for a specific purpose, and mandating that entities estimate a spot exchange rate when a currency is non-exchangeable.

Companies are now required to disclose:

- a) nature and financial implications of the currency's lack of exchangeability
- b) spot exchange rates used and methods used to estimate them
- c) risks associated with the inability to exchange the currency
- d) affected transactions, assets, and liabilities

**Ind AS 1, Presentation of Financial Statements**

- A liability was earlier classified as current if the entity did not have an unconditional right to defer settlement for at least 12 months after the reporting date. Under the amendment, the requirement for the right to be unconditional has been removed. Instead, the entity must show that a substantive right to defer settlement exists at the reporting date.
- If a breach of a material covenant occurs on or before the reporting date but the lender agrees after the reporting date and before approval of the financial statements not to demand repayment, the liability is not classified as current, but the entity must provide Ind AS 107 breach disclosures.
- Companies must also disclose information about non-current liabilities subject to future covenants in the notes to the financial statements.
- The amendments to Ind AS 1 are applied retrospectively for annual periods beginning on or after 1 April 2025.



### Ind AS 107 – Financial Instruments: Disclosures and Ind AS 7 – Statement of Cash Flows

- New disclosure requirements apply to supplier finance arrangements where:
  - ↳ A finance provider pays suppliers on behalf of the company.
  - ↳ The company pays on the same or a later date.
  - ↳ The company receives extended terms or suppliers receive early-payment benefits.
- Required disclosures include:
  - a. Terms and conditions of the arrangements.
  - b. At beginning and end of the reporting period:
    - i. Carrying amounts and balance-sheet line items of liabilities under these arrangements.
    - ii. Liabilities already paid to suppliers by finance providers.
    - iii. Payment-due-date ranges for these liabilities and comparable trade payables.
  - c. Type and effect of non-cash changes (e.g., exchange differences, business combinations).
    - Entities must also disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement.
    - Supplier finance arrangements are now explicitly included in Ind AS 107 as examples for quantitative liquidity risk disclosures.

### **(X) Standards issued but not yet effective**

#### **Ind AS 1 - Presentation of Financial Statements**

If a covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current, even if the lender subsequently agrees not to demand repayment. It is classified as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided—by the reporting date—a grace period extending at least 12 months beyond that date, during which the breach can be rectified and repayment cannot be demanded, the liability is classified as non-current. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

**Note 2 - Property, plant and equipment (PPE)**

Description	Freehold land	Buildings [Refer notes (a)]	Factory Building	Plant and equipments (including computers)	Electrical installations	Furniture and fixtures	Office equipment	Vehicles	(Rs. in lakhs)
									Total
<b>Gross carrying value</b>									
As at 01 April 2024	1,112	8,332	1,110	18,168	1,531	1,161	375	1,443	33,232
Additions	351	2,161	-	2,299	246	565	129	265	6,016
Adjustments	-	-	-	(3)	-	-	-	-	(3)
Transfer to Investment Properties [Refer note (b) as below]	-	-	-	-	-	-	-	-	-
Deductions	-	186	-	540	50	121	34	324	1,255
As at 31 March 2025	1,463	10,307	1,110	19,924	1,727	1,605	470	1,384	37,990
Additions	-	405	84	1,745	114	43	40	193	2,624
Transfer to Investment Properties [Refer note (b) as below]	-	(169)	-	-	-	-	-	-	(169)
Adjustments	-	-	-	-	-	-	-	-	-
Deductions	-	13	-	238	39	53	78	129	550
<b>As at 31 March 2026</b>	<b>1,463</b>	<b>10,530</b>	<b>1,194</b>	<b>21,431</b>	<b>1,802</b>	<b>1,595</b>	<b>432</b>	<b>1,448</b>	<b>39,895</b>
Accumulated depreciation									
As at 01 April 2024	-	3,286	750	13,258	1,111	729	291	570	19,995
Depreciation charge	-	316	16	839	72	104	35	193	1,575
Deductions	-	74	-	491	45	99	32	223	964
Transfer to Investment Properties [Refer note (b) as below]	-	-	-	-	-	-	-	-	-
As at 31 March 2025	-	3,528	766	13,606	1,138	734	294	540	20,606
Depreciation charge	-	356	17	956	83	115	48	207	1,782
Deductions	-	4	-	218	37	47	64	74	444
Transfer to Investment Properties [Refer note (b) as below]	-	81	-	-	-	-	-	-	81
<b>As at 31 March 2026</b>	<b>-</b>	<b>3,799</b>	<b>783</b>	<b>14,344</b>	<b>1,184</b>	<b>802</b>	<b>278</b>	<b>673</b>	<b>21,863</b>
Net carrying value									
As at 31 March 2025	1,463	6,779	344	6,318	589	871	176	844	17,384
<b>As at 31 March 2026</b>	<b>1,463</b>	<b>6,731</b>	<b>411</b>	<b>7,087</b>	<b>618</b>	<b>793</b>	<b>154</b>	<b>774</b>	<b>18,032</b>

During the year, with a view to refining the presentation of Property, Plant and Equipment (PPE), the Company internally regrouped:

- a) research and development related assets to respective asset category; and
- b) Ownership premises to Buildings.

In order to enhance inter-period comparability of information, the Company has regrouped the comparative information on the same basis.

**Notes:-**

(a) Includes:

- (i) Rs. 0.01 lakh (31 March 2025: Rs. 0.01 lakh) being the aggregate value of shares in Co-operative housing societies.
- (ii) Rs. 4 lakhs (31 March 2025: Rs. 4 lakhs) for tenements in an association of apartment owners.

(b) During the Current year:

- (i) Buildings having gross carrying amount of Rs. 169 lakhs and accumulated depreciation of Rs 81 lakh have been transferred to “Investment Properties” as the Company has stopped business activities from the office and leased out the premises.

(c) The Company has pledged certain assets against borrowing limits (refer note 53 for details).

(d) The vehicles are hypothecated against the vehicle loans. Refer note 21 for further details.

(e) The title deeds of all immovable properties (other than properties where the Company is the lessee and lease arrangements are duly exercised in favour of the lessee) are held in the name of the Company except as below:

Description of Property	Gross carrying value	Whether in the name of promoter, director or their relative or employee	Held in the name of	Property held since	Reason for not being held in name of Company
Freehold Land Plot No - 486, B-1, IV Phase, Peenya Industrial Area, Nallakadarahalli Village, Yeshwanthpur Hobli, Bangalore, North Taluk	62	No	Ador Fontech Limited	Effective Merger date: April 1, 2022	Note 1

**Note 1** - The Title of asset transferred, pursuant to the scheme of amalgamation, and the Company is in process of being transferred in the name of the Company.

**Note 3 - Right-of-use asset [Refer note 44]**

Description	(Rs. in lakhs)			
	Freehold Land	Buildings	Plant and equipments (including computers)	Total
<b>Gross carrying value</b>				
As at 01 April 2024	1,096	114	150	1,360
Additions	-	-	64	64
Deductions	-	-	-	-
As at 31 March 2025	1,096	114	214	1,424
Additions	<b>28</b>	<b>76</b>	<b>67</b>	<b>171</b>
Deductions	-	-	-	-
<b>As at 31 March 2026</b>	<b>1,124</b>	<b>190</b>	<b>281</b>	<b>1,595</b>
<b>Accumulated amortisation</b>				
As at 01 April 2024	44	66	67	177
Amortisation charge	17	38	42	97
As at 31 March 2025	61	104	109	274
Amortisation charge	<b>17</b>	<b>10</b>	<b>50</b>	<b>77</b>
<b>As at 31 March 2026</b>	<b>78</b>	<b>114</b>	<b>159</b>	<b>351</b>
<b>Net carrying value</b>				
As at 31 March 2025	1,035	10	105	1,150
<b>As at 31 March 2026</b>	<b>1,046</b>	<b>76</b>	<b>122</b>	<b>1,244</b>

**Notes:-**

- (a) The Company incurred Rs. 570 lakhs in the year ended 31 March 2026 (31 March 2025: Rs. 460 lakhs) towards expenses relating to short-term leases and leases of low value assets. The total cash outflow for leases is Rs. 646 lakhs for the year ended 31 March 2026 (31 March 2025: Rs. 554 lakhs), including cash outflow of short-term leases and leases of low value assets. Interest on lease liabilities is Rs. 11 lakhs for the year 31 March 2026 (31 March 2025: Rs. 11 lakhs). [Refer note 37 and note 44]
- (b) The title deeds of all immovable properties (other than properties where the Company is the lessee and lease arrangements are duly exercised in favour of the lessee) are held in the name of the Company except as below

Description of Property	Gross carrying value	Whether in the name of promoter, director or their relative or employee	Held in the name of	Property held since	Reason for not being held in name of Company
Right of use Asset	465	No	Ador Fontech Limited	Effective Merger date: April 1, 2022	Note 1

**Note 1** - Agreement is executed in the name of the Company “Ador Fontech Limited” which then got merged with Ador Welding limited and all its assests and liabilities were taken over by the target company until 31 March 2022. The merger became effective from 01st April 2022 and since then it is recorded in the books of AWL. The lease is not under dispute.



#### Note 4 - Capital work-in-progress (CWIP)

Particulars	As at 31 March 2026	(Rs. in lakhs)
		As at 31 March 2025
Opening balance	411	2,537
Add : Additions during the year	2,532	2,491
Less : Capitalised during the year	(2,624)	(4,617)
<b>Total</b>	<b>316</b>	<b>411</b>

#### a) CWIP ageing schedule

Particulars	Amount in CWIP as at 31 March 2026				(Rs. in lakhs)
	Less than 1 year	1-2 years	2-3 years	Above 3 years	Total
	Projects in progress	314	2	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>314</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>316</b>

Particulars	Amount in CWIP as at 31 March 2025				(Rs. in lakhs)
	Less than 1 year	1-2 years	2-3 years	Above 3 years	Total
	Projects in progress	151	228	32	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>151</b>	<b>228</b>	<b>32</b>	<b>-</b>	<b>411</b>

**Note:** There are no projects in PPE, which are overdue or has exceeded its cost compared to its original plan as at 31 March, 2026 and 31 March, 2025.

**Note 5 - Investment properties**

Description	Freehold land	Buildings	(Rs. in lakhs)
			Total
<b>Gross carrying value (at deemed cost)</b>			
As at 01 April 2024	15	1,709	1,724
Deductions	-	18	18
Transfer from PPE	-	-	-
As at 31 March 2025	15	1,691	1,706
Transfer from PPE	-	<b>88</b>	<b>88</b>
<b>As at 31 March 2026</b>	<b>15</b>	<b>1,779</b>	<b>1,794</b>
<b>Accumulated depreciation</b>			
As at 01 April 2024	-	639	639
Depreciation charge	-	44	44
Deductions	-	5	5
As at 31 March 2025	-	678	678
Depreciation charge	-	<b>43</b>	<b>43</b>
<b>As at 31 March 2026</b>	<b>-</b>	<b>721</b>	<b>721</b>
<b>Net carrying value</b>			
As at 31 March 2025	15	1,013	1,028
<b>As at 31 March 2026</b>	<b>15</b>	<b>1,058</b>	<b>1,073</b>

During the year, with a view to refining the presentation of Investment properties, the Company internally regrouped ownership premises to Buildings (including note (a) for fair value of investment properties). In order to enhance inter-period comparability of information, the Company has regrouped the comparative information on the same basis.

**(a) Fair Value of Investment properties\***

Description	Freehold land	Buildings	(Rs. in lakhs)
			Total
As at 31 March 2025	9,504	4,818	14,322
<b>As at 31 March 2026</b>	<b>9,570</b>	<b>6,159</b>	<b>15,729</b>

\*Estimation of fair value

During the year, valuations of the Investment properties is performed by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value measurement is based on comparable sales approach. The fair value measurement is categorised in level 3 of fair value hierarchy.

The fair valuation is based on current prices in the active market of similar properties. The main inputs used for valuation are quantum, area, location, demand, quality of construction, age of building and trend of fair market etc.

**(b) Information regarding income and expenditure of Investment properties :**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Rental income derived from investment properties	182	176
Direct operating expenses (including repairs and maintenance) for properties generating rental income	(32)	(22)
<b>Profit arising from investment properties before depreciation</b>	<b>150</b>	<b>154</b>
Less: Depreciation	(43)	(44)
<b>Profit arising from investment properties</b>	<b>107</b>	<b>110</b>

- (c) The Company has no restrictions on the reliability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- (d) Building having gross carrying amount of Rs. 169 lakhs and accumulated depreciation of Rs 81 lakh has been transferred to “Investment Properties” as the Company has stopped business activities from the office and leased out the premises.
- (e) Investment property comprises a number of Freehold land and Buildings that are leased to third parties. Each of the leases have agreement period upto 15 years with lock in period of 12 months or less. Subsequent renewals are negotiated with the lessee. Further information about these leases is included in Note 44.

**Note 6 - Intangible assets**

Description	(Rs. in lakhs)		
	Computer Software	E learning Module	Total
<b>Gross carrying value</b>			
As at 1 April 2024	912	11	923
Additions	-	-	-
Deductions	58	-	58
As at 31 March 2025	854	11	865
Additions	-	-	-
Deductions	-	-	-
<b>As at 31 March 2026</b>	<b>854</b>	<b>11</b>	<b>865</b>
<b>Accumulated amortisation</b>			
As at 1 April 2024	800	11	811
Amortisation charge	76	-	76
Deductions	55	-	55
As at 31 March 2025	821	11	832
Amortisation charge	25	-	25
Deductions	-	-	-
<b>As at 31 March 2026</b>	<b>846</b>	<b>11</b>	<b>857</b>
<b>Net carrying value</b>			
As at 31 March 2025	33	-	33
<b>As at 31 March 2026</b>	<b>8</b>	<b>-</b>	<b>8</b>

**Note 7 - Investment (Non-current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Investment in equity instruments</b>		
<b>Investment in unquoted equity shares valued at cost, fully paid up</b>		
Investment in subsidiary company in India :		
3D Future Technologies Private Limited (Wholly owned subsidiary) (1,12,80,528 No. of shares of Rs. 10 per share)	1,725	1,725
Less: Provision for diminution in the value of investment in wholly owned subsidiary	(1,725)	(1,725)
<b>Total (A)</b>	-	-
<b>Investment in non-convertible debentures/bonds/government securities</b>		
<b>Investment in quoted debentures/bonds valued at amortised cost, fully paid up</b>		
HDFC Bank Limited (31 March 2026 - 40 units (31 March 2025 - 40 units)) having Face value of Rs. 10 Lakhs each	416	391
Aditya Birla Finance Limited (31 March 2026 - 15,000 units (31 March 2025 - 15,000 units)) having Face value of Rs. 0.01 Lakhs each	156	151
Piramal Enterprises Limited (31 March 2026 - 100 units (31 March 2025 - 100 unit) having Face value of Rs. 1 Lakhs each	-	100
MAS Financial Services (31 March 2026 - 50 units (31 March 2025 - 50 unit) having Face value of Rs. 1 Lakhs each	-	49
Tata Capital Limited 29 Sep 2031 - 7.10% (31 March 2026 - 15 unit (31 March 2025 - Nil units)) having Face value of Rs. 10 Lakhs each	153	-
Mahindra and Mahindra Financial Services Limited 17 Nov 2031- 7.45% (31 March 2026 - 30 unit (31 March 2025 - Nil units)) having Face value of Rs. 10 Lakhs each	307	-
HDB Financial Services Limited 10 May 2027 - 8.3324% (31 March 2026 - 100 unit (31 March 2025 - Nil units)) having Face value of Rs. 1 Lakhs each	109	-
Bajaj Finance Limited 18 April 2031 - 7.020% (31 March 2026 - 11 unit (31 March 2025 - Nil units)) having Face value of Rs. 10 Lakhs each	116	-
Aditya Birla Finance Limited 18 Nov 2032 - 8.12% (31 March 2026 - 17 unit (31 March 2025 - Nil units)) having Face value of Rs. 10 Lakhs each	181	-
Tata Capital Ltd 2028 7.95% (31 March 2026 - 10,10,896 unit (31 March 2025 - Nil units)) having Face value of Rs. 5 Rs. each	51	-
9.60% Tourism Finance Corporation Limited Bonds_2028 (31 March 2026: 2 units, 31 March 2025: 2 units) having Face value of Rs. 10 Lakhs each	20	-
9.65% Tourism Finance Corporation Limited Bonds_2033 (31 March 2026: 1 unit, 31 March 2025: 1 unit) having Face value of Rs. 10 Lakhs each	10	-
<b>Total (B)</b>	1,519	691



Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>(B) Investment in quoted government securities</b>		
<b>Investment in government securities valued at amortised cost, fully paid up</b>		
6.83% GOI Loan (31 March 2026 - 1,20,000 units (31 March 2025 - 1,20,000 units)) having Face value of Rs. 100 each	120	118
<b>Total (C)</b>	120	118
<b>Total (A+B+C)</b>	1,639	809
Aggregate amount of quoted investments	1,639	809
Market value of quoted investments*	1,639	839
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

\*This includes interest accrued but not due of Rs Nil lakhs (March 31, 2025: Rs 30 lakhs)

#### Note 8 - Other financial assets (Non-current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Security deposit	372	351
Fixed deposits with banks (Original and remaining maturity for more than 12 months)	2,532	-
Fixed deposits held as lien by bank against bank guarantees	521	492
<b>Total</b>	3,425	843

#### Note 9 - Income tax assets (net)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Income tax assets (net of provision for taxation)	1,546	1,407
<b>Total</b>	1,546	1,407

#### Notes:

(a) The following table provides the details of income tax assets and liabilities:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Income tax assets	16,457	14,556
Provision of income tax	14,911	13,149
<b>Net balances</b>	1,546	1,407

**Note 10 - Deferred tax assets (net)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Deferred tax assets on account of:</b>		
Employee benefits	538	403
Loss Allowance for credit impairment	741	1,036
Section 43B Disallowance	22	10
Provision for diminution in value of investment and intercorporate deposit given to wholly owned subsidiary+Inventory provision	1,160	892
Provision for Liquidated damages	400	-
Section 35DD (Allowance for merger related expenses)	107	142
Derivative Liability (forward exchange contracts)	14	-
Lease liabilities	53	8
	<b>3,035</b>	<b>2,491</b>
<b>Deferred tax liabilities on account of:</b>		
Property, plant and equipment and intangible assets	965	914
Right of use assets	42	-
Financial asset measured at FVTPL	116	130
	<b>1,123</b>	<b>1,044</b>
<b>Deferred tax assets (net)</b>	<b>1,912</b>	<b>1,447</b>

**Note 11 - Other non-current assets**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Capital advances considered good [Refer note (a) below]	168	414
Capital advances credit impaired [Refer note (a) below]	27	27
Less : Impairment allowance	(27)	(27)
<b>Sub-Total (A)</b>	<b>168</b>	<b>414</b>
Balances with government authorities considered good	465	464
Balances with government authorities credit impaired	1,052	1,021
Less : Impairment allowance	(1,052)	(1,021)
<b>Sub-Total (B)</b>	<b>465</b>	<b>464</b>
Prepaid expenses (C)	12	25
<b>Total (A+B+C)</b>	<b>645</b>	<b>903</b>

**(a) Capital advances include:**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Plant & Machinery	26	309
Building	53	105
Land	115	27
Less : Provision for capital advances	(27)	(27)
<b>Total</b>	<b>168</b>	<b>414</b>



## Note 12 - Inventories

(Valued at lower of cost or net realisable value)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Raw materials, components and packing material	6,531	5,199
Work-in-progress	812	1,388
Finished goods * #	5,950	3,448
Stock-in-trade #	1,406	1,264
Stores, spares, parts, scrap etc.	250	470
Right to recover returned good	213	863
<b>Total</b>	<b>15,162</b>	<b>12,632</b>

\*# Inventory write downs/provision for impairment are accounted, considering the nature of inventory, ageing, and net realisable value. Write-downs/Provision for impairment of inventories to net realisable value amounted to Rs. 874 lakhs (31 March 2025: Rs. 443 lakhs). These write down/provision for impairment were recognised as an expense during the year and included in the 'Changes in inventories of finished goods, work-in-progress, stock-in-trade and right to recover returned goods' in the Standalone Statement of Profit and Loss. The above inventories have been reduced by 876 lakhs (31 March 2025: Rs. 373 lakh) as a result of written down/Provision for impairment of inventories to net realisable value.

The written down related to raw material is accounted in cost of material consumed, whereas written down related to finished goods, work in progress, stock in trade are accounted in changes in inventories of finished goods, work-in-progress, stock-in-trade and right to recover returned goods.

\*Certain imported inventory amounting to Rs. 336 lakhs, which has been detained by the Bureau of Indian Standards (BIS). The Company had filed an application with the Bureau of Indian Standards (BIS) Authorities for compounding of an alleged Offence under Section 33 of the BIS Act, 2016 on 05 May 2023. The Company received an order dated 15 June 2023 allowing the Compounding application, subject to payment of compounding amount of INR 3,643 lakhs under the BIS Act, 2016 and BIS Rules, 2018. As the Compounding amount was unfair, arbitrary and unreasonable, the Company had filed a Writ Petition in the Hon'ble Bombay High Court. The matter was heard by the Hon'ble Bombay High Court and was remanded back to the Appellate Authority of BIS for fresh re-assessment. Refer note 41 for further details. Provision for impairment of inventory includes provision towards such detained inventories of Rs. 336 lakhs.

Refer note 53 for details on Inventory pledged as security against borrowings of the Company.

The above includes goods in transit as under:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Raw materials, components and packing material	1,481	-
Stock-in-trade	651	-
Stores, spares, parts, scrap etc.	15	-
<b>Total</b>	<b>2,147</b>	<b>-</b>

**Note 13 - Investments (Current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>(A) Investment in mutual funds (Quoted)</b>		
<b>Investments measured mandatorily at fair value through profit or loss (FVTPL)</b>		
<b>Axis Strategic Bond Fund - Growth - Direct Plan</b> (31 March 2026: 641,195.42 units, 31 March 2025: 641,195.42 units)	206	192
<b>HDFC Credit Risk Debt Fund - growth - direct plan</b> (31 March 2026: 749,799.09 units, 31 March 2025: 749,799.09 units)	204	190
<b>HDFC Short Term Debt fund - Growth - Direct plan</b> (31 March 2026: 486,028.23 units, 31 March 2025: 486,028.23 units)	167	157
<b>ICICI Prudential Medium Term Bond fund - Growth - Direct plan</b> (31 March 2026: 399,964.54 units, 31 March 2025: 399,964.54 units)	206	192
<b>ICICI Prudential Short Term Fund - Growth - Direct plan</b> (31 March 2026: 249,850.95 units, 31 March 2025: 249,850.69 units)	171	160
<b>Kotak Bluechip Fund - Growth - Direct plan</b> (31 March 2026: 42,587.01 units, 31 March 2025: 42,587.01 units)	254	259
<b>Kotak Medium Term fund - Growth - Direct plan</b> (31 March 2026: 491,699.74 units, 31 March 2025: 491,699.74 units)	130	121
<b>Mirae Asset Focused Fund - Growth - Direct Plan</b> (31 March 2026: 437.819 units, 31 March 2025: 506,294.33 units)	0	128
<b>Mirae Asset Large Cap Fund - Growth - Direct plan</b> (31 March 2026: 121,533.18 units, 31 March 2025: 121,533.18 units)	137	143
<b>SBI Focused Equity Fund - Growth - Direct plan</b> (31 March 2026: Nil units, 31 March 2025: 40,104.67 units)	-	146
<b>Aditya Birla sunlife floating rate fund - growth - direct plan</b> (31 March 2026: 4,048.08 units; 31 March 2025: 4,048.08 units)	15	14
<b>Aditya Birla sunlife arbitrage fund - growth - direct plan</b> (31 March 2026: 25,184.98 units; 31 March 2025: 25,184.98 units)	8	7
<b>Aditya Birla sunlife arbitrage fund - growth - regular plan</b> (31 March 2026: 191,405.59 units; 31 March 2025: 191,405.59 units)	53	50
<b>SBI Magnum low duration fund - growth plan</b> (31 March 2026: 602.52 units; 31 March 2025: 602.52 units)	22	21
<b>Bandhan Banking &amp; PSU Debt Fund - Regular Plan - Growth</b> (31 March 2026: 35,493.51 units; 31 March 2025: 35,493.51 units)	9	9
<b>Aditya Birla sunlife equity hybrid 95 fund - growth - direct plan</b> (31 March 2026: 1,245.13 units; 31 March 2025: 1,245.13 units)	20	20



Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>HDFC Corporate bond fund - growth - regular plan</b> (31 March 2026: 43,871.77 units; 31 March 2025: 43,871.77 units)	15	14
<b>Parag Parikh Flexi Cap Fund - Direct Plan</b> (31 March 2026: 304,766.92 units; 31 March 2025: 304,766.92 units)	261	261
<b>HDFC Liquid Fund Direct Growth</b> (31 March 2026: 695.99 units; 31 March 2025: Nil units)	38	-
<b>HDFC Overnight Fund - Growth - Direct Plan</b> (31 March 2026: Nil units; 31 March 2025: 804.77 units)	-	30
<b>HDFC Corporate bond fund - growth - direct plan</b> (31 March 2026: 7,760.21 units, 31 March 2025: 7,760.21 units)	3	3
<b>ICICI Floating Interest Fund - Growth - Regular Plan</b> (31 March 2026: 57,156.93 units, 31 March 2025: 57,156.93 units)	253	237
<b>SBI Balanced Advantage Fund- Direct Growth</b> (31 March 2026: 14,86,631 units; 31 March 2025: Nil units)	233	-
<b>ICICI Purdential Balanced Advantage Fund DP Growth</b> (31 March 2026: 2,88,037.22 units; 31 March 2025: Nil units)	232	-
<b>ICICI Purdential Equity &amp; Debt Fund DP Growth</b> (31 March 2026: 54,676.74 units; 31 March 2025: Nil units)	228	-
<b>HDFC Balanced Advantage fund - Direct Plan - Growth Option</b> (31 March 2026: 43,489.47 units; 31 March 2025: Nil units)	228	-
<b>Investment in mutual funds (A)</b>	<b>3,093</b>	2,354
<b>(B) Investment in bonds (Unquoted)</b>		
<b>Investment in unquoted bonds valued at amortised cost, fully paid up 9.60% Tourism Finance Corporation Limited Bonds_2028</b> (31 March 2026: 2 units, 31 March 2025: 2 units) having Face value of Rs. 10 Lakhs each	-	20
<b>9.65% Tourism Finance Corporation Limited Bonds_2033</b> (31 March 2026: 1 unit, 31 March 2025: 1 unit) having Face value of Rs. 10 Lakhs each	-	10
<b>Investment in bonds (B)</b>	-	30
<b>Total (A+B)</b>	<b>3,093</b>	2,384
Aggregate amount of investments and its market value		
Quoted	3,093	2,354
Unquoted	-	30

During the year, with a view to refining the presentation of “Investments (Current)”, the Company has reclassified Investment in bonds from “Investments (Current)” in Note 13 to “Investments (Non-Current)” in Note 7. The Company has not reclassified comparative figures of Investment in bonds “Investments (Current)” amounting to Rs 30 lakhs as these are not considered material.

**Note 14 - Trade receivables**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Trade receivables other than related party	23,532	20,769
Receivables from related parties (Refer note 47)	135	58
Trade receivables - credit impaired	1,335	1,426
Less : Loss allowances	(1,817)	(3,018)
<b>Total</b>	<b>23,185</b>	<b>19,235</b>

**Break-up:**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Secured, considered good [Refer note (a) below]	2,023	2,190
Unsecured, considered good [Refer note (b) below]	21,644	18,637
Unsecured, credit impaired	1,335	1,426
Less : Loss allowances	(1,817)	(3,018)
<b>Total</b>	<b>23,185</b>	<b>19,235</b>

**Break up of Loss allowances**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good [Refer note (b) below]	482	1,592
Unsecured, credit impaired	1,335	1,426
<b>Total</b>	<b>1,817</b>	<b>3,018</b>

**Trade Receivable ageing schedule as at 31 March 2026**

Particulars	(Rs. in lakhs)						
	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	9,290	10,985	1,076	245	152	162	21,910
(ii) Undisputed Trade Receivables – credit impaired	-	45	-	152	164	960	1,321
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	1,757	1,757
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	14	14
<b>Total</b>	<b>9,290</b>	<b>11,030</b>	<b>1,076</b>	<b>397</b>	<b>316</b>	<b>2,893</b>	<b>25,002</b>
Less: Loss allowances							(1,817)
<b>Total</b>							<b>23,185</b>



The amount of trade receivables for which the company has assessed credit risk on an individual basis is INR 25,002 and the amount of loss allowance recognized for such trade receivables is INR 1,335.

Trade Receivable aging schedule as at 31 March 2025

Particulars	(Rs. in lakhs)						Total
	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	8,209	9,486	373	433	128	1,008	19,637
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	1,190	1,190
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	1,426	1,426
<b>Total</b>	<b>8,209</b>	<b>9,486</b>	<b>373</b>	<b>433</b>	<b>128</b>	<b>3,624</b>	<b>22,253</b>
Less: Loss allowances							(3,018)
<b>Total</b>							<b>19,235</b>

#### Notes:

- Secured by letter of credit issued by customers through their respective banks in favour of the Company.
- Refer note 50(A) for information on credit risk and details regarding past dues receivables and, movement in allowance for credit impairment.
- No amount is due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member except as disclosed in note no. 47.
- Refer note 53, for details on trade receivables pledged as security against the borrowings of the Company.
- No expense was recognised during current year ( 31 March 2025 : Nil ) in respect of bad debt due from related parties.
- For trade receivables, the Company applies a simplified approach in calculating Expected Credit Loss (ECL). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Further, individual credit risk assessment is also undertaken by the Company to identify significant increase in credit risk or is credit impaired. Basis such individual credit risk assessment, a Company also provides for a loss allowance.

**Note 15 - Cash and cash equivalents**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balances with banks in current accounts	2,222	899
Fixed Deposits with bank (original maturity of less than 3 months)	2,000	2,100
Cash on hand	4	12
<b>Total</b>	<b>4,226</b>	<b>3,011</b>

**Note:** There are no repatriation restrictions with regard to cash and cash equivalents as at 31 March 2026 and 31 March 2025.

**Note 16 - Bank balances other than cash and cash equivalents**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
In unpaid dividend and shares accounts [Refer note (a) & (b) below]	323	263
Fixed deposit with banks (Original maturity for more than 3 months but less than 12 months)	4,690	3,414
<b>Total</b>	<b>5,013</b>	<b>3,677</b>

During the year, with a view to refining the presentation of “Bank balances other than cash and cash equivalents”, the Company has reclassified interest accrued but not due on fixed deposits from “Other financial assets (Current)” in Note 18 to “Bank balances other than cash and cash equivalents” in above note. The Company has not reclassified comparative figures of interest accrued but not due on fixed deposits “Other financial assets (Current)” amounting to Rs 165 lakhs as these are not considered material.

**Note:**

- (a) There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31 March 2026 and 31 March 2025.
- (b) There are restrictions in the balances in Unpaid Dividend and share accounts.



**Note 17 - Loans (Current)**  
**Unsecured, considered good (unless otherwise stated)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
ICD to related parties (Refer Note 47 and 57)	2,001	1,765
Less: Provision for diminution in value of ICD*	(2,001)	(1,445)
<b>Sub-total</b>	-	320
Loans to employees (Unsecured, considered good)	101	175
<b>Total</b>	<b>101</b>	<b>495</b>

\* During the current year, the Company has recognised an impairment of Rs. 556 lakhs on ICD given to 3D Future Technologies Private Limited (3DFT). The total impairment recognised on ICD given is Rs 2,001 lakhs.

**Note:** Disclosures required as per Section 186 (4) of Companies Act, 2013 of Companies Act, 2013 as per the standalone financial statement:

**(A) Amount of loans outstanding from Subsidiaries**

Particulars	Outstanding as at		Maximum amount outstanding during the year	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
<b>(i) Wholly owned Subsidiary</b>				
Unsecured, Considered Impaired				
3D Future Technologies Private Limited (Interest rate: 9%) (has utilised the loan for general corporate purposes)	2,001	1,765	2,001	1,765

(b) Loan given during the year to related parties are repayable on demand. No amounts were demanded for repayment.

**Note 18 - Other financial assets (Current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Security deposits	445	353
Interest accrued but not due on fixed deposits and bonds/debentures	-	195
Other receivables	270	78
<b>Total</b>	<b>715</b>	<b>626</b>

**Note 19 - Other current assets**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Contract assets	77	77
Less: Loss allowance	(77)	(77)
<b>Sub-total</b>	-	-
Advance to suppliers	1,422	1,230
Prepaid expenses	303	319
Export incentive receivable	18	25
Input tax credit receivable	706	765
Other receivables	24	7
<b>Total</b>	<b>2,473</b>	<b>2,346</b>

**Note 20 - Equity share capital**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Authorised shares</b>		
43,000,000 (31 March 2025: 43,000,000) equity shares of Rs. 10/- each	4,300	4,300
<b>Issued, subscribed and fully paid-up shares</b>		
17,402,815 (31 March 2025: 17,402,815 ) equity shares of Rs. 10/- each fully paid up	1,740	1,740
<b>Total</b>	<b>1,740</b>	<b>1,740</b>

**Note 20 a- Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:**

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	(Rs. in lakhs)	No. of shares	(Rs. in lakhs)
<b>Equity shares</b>				
Shares outstanding at the beginning of the year	1,74,02,815	1,740	1,35,98,467	1,360
Add: Shares issued during the year*	-	-	38,04,348	380
<b>Shares outstanding at the end of the year</b>	<b>1,74,02,815</b>	<b>1,740</b>	<b>1,74,02,815</b>	<b>1,740</b>

\*Refer Statement of changes in equity (note 5 to part B below) for details of shares issued.



### Note 20 b- Rights, preferences and restrictions

The Company has only one class of shares referred to as equity shares having a par (face) value of Rs. 10 per share. Each and every shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all the preferential amounts, in proportion to their shareholding.

### Note 20 c- Shares held by holding Company

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares held	% of holding	No. of shares held	% of holding
<b>Equity shares of Rs. 10/- each</b>				
J. B. Advani & Company Private Limited	<b>78,71,370</b>	<b>45.23%</b>	78,71,370	45.23%

### Note 20 d- Details of shares held by shareholders holding more than 5% of aggregate shares in the Company

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares held	% of holding	No. of shares held	% of holding
<b>Equity shares of Rs. 10/- each</b>				
J. B. Advani & Company Private Limited	<b>78,71,370</b>	<b>45.23%</b>	78,71,370	45.23%
Claurus Capital	<b>10,10,121</b>	<b>5.80%</b>	7,98,905	4.59%
<b>Total</b>	<b>88,81,491</b>	<b>51.03%</b>	86,70,275	49.82%

**Note 20 e - Details of shares held by promoters**

Name of Promoter	As at 31 March 2026						As at 31 March 2025					
	No. of shares held at the beginning of the year	Change in the no. of shares during the year (Purchase/ (Sold))*	No. of shares held at the end of the year	Percentage of total shares	Percentage change during the year#		No. of shares held at the beginning of the year	Change in the no. of shares during the year (Purchase/ (Sold))*	No. of shares held at the end of the year	Percentage of total shares	Percentage change during the year#	
J B Advani And Company Private Limited	78,71,370	-	78,71,370	45.23%	0.00%		68,00,531	10,70,839	78,71,370	45.23%	15.75%	
Aruna B. Advani	3,93,414	-	3,93,414	2.26%	0.00%		2,95,480	97,934	3,93,414	2.26%	33.14%	
Aditya T. Malkani	3,12,023	-	3,12,023	1.79%	0.00%		1,23,198	1,88,825	3,12,023	1.79%	153.27%	
(Late) A. T. Mirchandani	80,458	(80,458)	-	0.00%	(100.00%)		64,430	16,028	80,458	0.46%	24.88%	
N. Malkani Nagpal	2,87,375	-	2,87,375	1.65%	0.00%		1,99,952	87,423	2,87,375	1.65%	43.72%	
Michelle Gulu Malkani	88,297	-	88,297	0.51%	0.00%		79,200	9,097	88,297	0.51%	11.49%	
Rajbir Tarachand Malkani	1,30,442	-	1,30,442	0.75%	0.00%		67,417	63,025	1,30,442	0.75%	93.49%	
Priyadarshini Lambert	34,050	-	34,050	0.20%	0.00%		49,050	(15,000)	34,050	0.20%	(30.58%)	
Vimla A. Lalvani	31,782	-	31,782	0.18%	0.00%		19,490	12,292	31,782	0.18%	63.07%	
Ravin A. Mirchandani	9,296	-	9,296	0.05%	0.00%		8,002	1,294	9,296	0.05%	16.17%	
Deep A. Lalvani	13,134	9,154	22,288	0.13%	69.70%		4,419	8,715	13,134	0.08%	197.22%	
Reshma A. Lalvani	16,722	-	16,722	0.10%	0.00%		6,180	10,542	16,722	0.10%	170.58%	
Shirin Aditya Malkani	39,956	-	39,956	0.23%	0.00%		19,463	20,493	39,956	0.23%	105.29%	
Tanya Halina Advani	1,195	-	1,195	0.01%	0.00%		-	1,195	1,195	0.01%	100.00%	
Tania Mirchandani	16,304	80,458	96,762	0.56%	493.49%		-	16,304	16,304	0.09%	100.00%	
Pravena K Mathur	20,132	-	20,132	0.12%	0.00%		1,350	18,782	20,132	0.12%	1391.26%	
<b>Total</b>	<b>9,345,950</b>	<b>9,154</b>	<b>9,355,104</b>	<b>53.76%</b>			<b>77,38,162</b>	<b>16,07,788</b>	<b>93,45,950</b>	<b>53.70%</b>		

# The percentage change is calculated as change during the year divided by shares held at the beginning of the year.



**Note 20 f-** The Company has not issued any bonus shares or shares for consideration other than cash, nor has there been any buyback of shares during the five years immediately preceding 31 March 2026, except for the shares issued to the shareholders of the erstwhile Ador Fontech Limited pursuant to the scheme of amalgamation (refer below for note for further details).

\*It includes 1,511,062 number of shares issued pursuant to the scheme of amalgamation of Ador Fonetch Limited with Ador Welding Limited, details of which are as under:

<b>Name of Promoter</b>	<b>Issued pursuant to merger</b>
J B Advani And Company Private Limited	10,01,446
Aruna B. Advani	97,934
Aditya T. Malkani	1,72,440
(Late) A. T. Mirchandani	16,028
N. Malkani Nagpal	82,684
Michelle Gulu Malkani	9,097
Rajbir Tarachand Malkani	56,665
Vimla A. Lalvani	3,556
Ravin A. Mirchandani	1,294
Deep A. Lalvani	4,322
Reshma A. Lalvani	10,542
Shirin Aditya Malkani	19,773
Tanya Halina Advani	195
Tania Mirchandani	16,304
Pravena K Mathur	18,782
<b>Total</b>	<b>15,11,062</b>

31 March 2026 - Nil (31 March 2025: 3,804,348) equity shares of INR 10 each have been allotted as fully paid up pursuant to amalgamation of Ador Fonetch Limited with Ador Welding Limited.

**Note 20 g-** Terms attached to stock options granted/ share purchase plan to employees are described in Note 59 regarding share-based payments.

**Note 21 - Borrowing (Non-current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Secured Term Loan from Bank		
Vehicle Loan	58	84
<b>Total</b>	<b>58</b>	<b>84</b>

Vehicle Loan taken for 2 vehicles from Bank of Baroda will be matured by December 2028 and carries floating rate of interest based on RBI Repo rate plus Credit risk premium. These are repayable monthly based on EMI.

Vehicle Loan taken for 1 vehicle from Mercedes-Benz Financial Services will be matured by June 2027 and carries rate of interest of 8.57%. These are repayable monthly based on EMI and final payment being bullet payment.

The above loans are hypothecated against the vehicles having a gross block of Rs. 216 lakhs (31 March, 2025 : 216 lakhs) and written-down value of Rs. 64 lakh as at 31 March, 2026 (31 March, 2025 : 96 lakhs).

**Note 22 - Other financial liabilities (Non-current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Rent deposit	42	25
Rent deposit from related parties [Refer note 47]	12	18
<b>Total</b>	<b>54</b>	<b>43</b>

**Note 23 - Provisions (Non-current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Provision for employee benefits</b>		
Gratuity [Refer note 46 (II)]	1,589	922
Compensated absences [Refer note 46 (III)]	410	-
<b>Total</b>	<b>1,999</b>	<b>922</b>

**Note 24 - Other non-current liabilities**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Revenue received in advance (Refer note 55)	2	3
<b>Total</b>	<b>2</b>	<b>3</b>



### Note 25 - Borrowings (Current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Secured Borrowings</b>		
<b>From banks</b>		
Current maturities of Long term borrowing - Vehicle Loan	27	25
<b>Total</b>	<b>27</b>	<b>25</b>

#### Note:

(i) Refer note 53 for the amount of assets given as security for borrowings.

### Note 26 - Trade payables

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Dues to micro and small enterprises other than related parties [Refer note (a) below]	1,391	1,291
Amounts due to micro and small enterprises - related parties (Refer note 47 (III))	531	280
Total outstanding dues of creditors other than micro and small enterprises	17,384	10,782
<b>Sub-total</b>	<b>19,306</b>	<b>12,353</b>
<b>Total</b>	<b>19,306</b>	<b>12,353</b>

During the year, with a view to refining the presentation of “Trade Payables”, the Company has reclassified “Accrued expenses” to “Total outstanding dues of creditors other than micro and small enterprises” in above note. In order to enhance inter-period comparability of information, the Company has reclassified the comparative information on the same basis.

### Trade Payable ageing schedule as at 31 March 2026

Particulars	(Rs. in lakhs)				Total
	Outstanding for following periods from the date of invoice				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed - MSME	1,920	-	-	-	1,920
Undisputed - Others	11,761	83	29	1,202	13,075
Disputed dues - MSME	-	-	1	-	1
Disputed dues - Others	-	-	-	-	-
	<b>13,681</b>	<b>83</b>	<b>30</b>	<b>1,202</b>	<b>14,996</b>
Accrued expenses (Undisputed - Others and not due)					4,310
<b>Total</b>	<b>13,681</b>	<b>83</b>	<b>30</b>	<b>1,202</b>	<b>19,306</b>

Trade Payable ageing schedule as at 31 March 2025

Particulars	Outstanding for following periods from the date of invoice				(Rs. in lakhs)
	Less than 1	1-2 years	2-3 years	More than 3	Total
	year			years	
Undisputed - MSME	1,559	11	-	1	1,571
Undisputed - Others	8,400	31	11	1,183	9,625
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	9,959	42	11	1,184	11,196
Accrued expenses (Undisputed - Others and not due)					1,157
<b>Total</b>	<b>9,959</b>	<b>42</b>	<b>11</b>	<b>1,184</b>	<b>12,353</b>

Notes :

(a) The Company has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act). The disclosure pursuant to the said Act is as under:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Principal amount due remaining unpaid to supplier as at the end of accounting year	1,922	1,571
Interest due remaining unpaid to supplier as at the end of accounting year	3	6
Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	3	6
Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23	-	-

This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the Company.



### Note 27 - Other financial liabilities (Current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Deposits:		
(a) Rent deposit*	3	6
(b) From distributors	425	418
(c) From others	51	53
Employee benefits payable	1,504	1,019
Unclaimed dividend	317	263
Creditors for capital goods	158	64
Derivative Liability at FVTPL (Forward exchange contract)	57	-
Other payables :		
(a) to related parties (Refer note 47)**	146	109
(b) to others***	945	668
<b>Total</b>	<b>3,606</b>	<b>2,600</b>

\* It includes rent deposit from Holding Company amounting to Rs 2 lakhs.

\*\* Other payable includes payable to related parties in the nature of director commission payable to independent directors, chairperson and whole time directors (executive and non-executive).

\*\* It includes retention money of contractors and payable to superannuation fund.

### Note 28 - Other current liabilities

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Advances received from distributors (on behalf of customers) (Refer note 55)	12	12
Advance received from customers (Refer note 55)	705	203
Statutory dues	608	612
Revenue received in advance (Refer note 55)	2	2
<b>Total</b>	<b>1,327</b>	<b>829</b>

**Note 29 - Provisions (Current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Provision for employee benefits</b>		
Gratuity [Refer note 46(II)]	107	229
Provision for Compensated absences [Refer note 46(III)]	33	452
<b>Other provisions [Refer note (a), (b) and (c) below]</b>		
Provision for warranties [Refer note (a) and (b) below]	282	318
Provision for Refund Liability [Refer note (a) and (c) below]	336	262
<b>Total</b>	<b>758</b>	<b>1,261</b>

**Notes:**
**(a) Movement in provision:**

Particulars	(Rs. in lakhs)	
	Provision for warranties	Provision for Refund liability
As at 1 April 2024	217	286
Additional provision recognised	318	262
Amount charged against provisions during the year	(217)	(286)
As at 31 March 2025	318	262
<b>Additional provision recognised</b>	<b>282</b>	<b>336</b>
<b>Amount charged against provisions during the year</b>	<b>(318)</b>	<b>(262)</b>
<b>As at 31 March 2026</b>	<b>282</b>	<b>336</b>

(b) Provision of Rs. 282 lakhs (31 March 2025: Rs. 318 lakhs) has been recognised for expected warranty claims on welding equipment and goods traded during the current financial year. It is expected that all these expenditures will be incurred in next financial year.

(c) Provision of Rs 336 lakhs (31 March 2025: 262 lakhs) has been recognised for expected sales return. This provision is expected to be utilised in next financial year.

**Note 30 - Current tax liabilities, (net)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Provision for income tax (Refer note below)	74	-
<b>Total</b>	<b>74</b>	<b>-</b>

**Note:** For the year ended March 31, 2026, Provision for Income tax Rs. 3,295 lakhs and advance tax Rs. 3,221 lakhs.



### Note 31 - Revenue from operations

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Sale of goods (Refer note (a) below and Refer note 47)		
Domestic	96,013	93,112
Export	15,095	15,335
Sale of services	1,674	2,755
Other operating revenue:		
Sale of scrap and others	513	481
Duty drawback and export incentive	250	-
<b>Total</b>	<b>113,545</b>	<b>111,683</b>

During the year, with a view to refining the presentation of “Revenue from operations”, the Company has reclassified “Duty drawback and export incentive” from “Other income” in Note 32 to “Revenue from operations” in above note. The Company has not reclassified comparative figures of “Duty drawback and export incentive” from “Other income” amounting to Rs 308 lakhs as these are not considered material.

#### Note:

(a) Refer note 55 for information on Revenue from contracts with customers under Ind AS 115.

### Note 32 - Other income

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Interest income on financial asset measured at amortised cost:		
(i) Fixed deposits with banks	406	308
(ii) Interest on loan to related parties/ wholly owned subsidiary	161	134
(iii) Overdue amount from customers	242	113
(iv) Others	119	91
Interest on Income Tax refund	-	80
Realised gain on financial assets measured at fair value through profit or loss (FVTPL)	10	19
Rental income from investment properties (Refer note 45 and 47)	182	176
Duty drawback and export incentive	-	308
Profit on sale of property, plant and equipment (net)	1	-
Foreign currency fluctuation gain (net)	569	434
Provisions/ liabilities no longer required now written back (Refer note (a))	67	17
Fair value change of financial asset measured at FVTPL	8	202
Insurance claims received	43	25
Miscellaneous income	156	116
<b>Total</b>	<b>1,964</b>	<b>2,023</b>

During the year, with a view to refining the presentation of “Other Income”, the Company has reclassified “Duty drawback and export incentive” from “Other income” in Note 32 to “Revenue from operations” in Note 31. The Company has not reclassified comparative figures of “Duty drawback and export incentive” from “Other income” amounting to Rs 308 lakhs as these are not considered material.

**Note 33 - Cost of raw materials consumed**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Opening stock	5,199	7,790
Add: Purchases	63,141	63,488
Less: Closing stock	(6,531)	(5,199)
<b>Total</b>	<b>61,809</b>	<b>66,079</b>

**Note 34 - Purchase of stock-in-trade**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Welding products	3,981	4,477
Welding accessories	5,581	2,694
<b>Total</b>	<b>9,562</b>	<b>7,171</b>

**Note 35 - Changes in inventories of finished goods, work-in-progress, stock-in-trade and right to recover returned goods**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>At the beginning of the Year</b>		
Finished goods	4,311	3,709
Stock-in-trade	1,264	816
Work-in-progress	1,388	1,507
Right to recover returned goods	-	6,032
<b>At the end of the Year</b>		
Finished goods	5,245	4,311
Stock-in-trade	1,406	1,264
Work-in-progress	739	1,388
Right to recover returned goods	213	6,963
<b>(Increase)/decrease in inventory</b>		
Finished goods	(934)	(602)
Stock-in-trade	(142)	(448)
Work-in-progress	649	119
Right to recover returned goods	(213)	-
<b>Total (Increase)/decrease in inventory</b>	<b>(640)</b>	<b>(931)</b>
<b>Total</b>	<b>(640)</b>	<b>(931)</b>



### Note 36 - Employee benefits expenses

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	9,800	9,048
Equity settled share based payment	74	-
Contribution to provident and other funds		
Contribution to provident and other funds [Refer note 46(I)]	594	562
Contribution to gratuity [Refer note 46(II)]	280	261
Staff welfare expenses	826	938
<b>Total</b>	<b>11,574</b>	<b>10,809</b>

### Note 37 - Finance costs

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense on financial liabilities at amortised cost*	206	428
Interest expense on lease liabilities [Refer note 44]	11	11
Other borrowing costs	3	13
<b>Total</b>	<b>220</b>	<b>452</b>

\*During the year, with a view to refining the presentation of “Finance costs”, the Company has regrouped “Interest on supplies” to “Interest expense on financial liabilities at amortised cost” in above note. In order to enhance inter-period comparability of information, the Company has regrouped the comparative information on the same basis.

**Note 38 - Other expenses**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Manufacturing and other expenses [Refer note 38(a)]	7,541	7,337
Electricity expenses	24	21
Rent [Refer note 44]	570	460
Freight	3,699	3,536
Legal and professional fees	1,000	991
Insurance	157	134
Information Technology Costs	447	-
Repairs and maintenance - others	194	180
Travelling, conveyance and vehicle expenses	1,069	1,266
Telephone, postage and telegram	217	234
Rates and taxes	148	175
Advertisement and sales promotion expenses	473	384
Commission	323	386
Bad debts written off (net)	25	87
Loss allowances*	211	500
Donations	-	1
Loss on sale of property, plant and equipment (net)	-	1
Property, plant and equipment written off	36	204
Printing and stationery	73	115
Auditors remuneration [Refer note 38(b)]	62	56
Corporate social responsibility [Refer note 58]	219	179
Selling and distribution incentive	274	250
Housekeeping and security charges	430	380
Bank charges	142	165
Miscellaneous expenses	690	1,130
<b>Total</b>	<b>18,024</b>	<b>18,172</b>

\*During the year, with a view to refining the presentation of “Other expenses”, the Company has regrouped “Provision for doubtful deposits, advances and contract assets” to “Loss allowances” in above note. In order to enhance inter-period comparability of information, the Company has regrouped the comparative information on the same basis.


**Note 38 (a)- Manufacturing and other expenses**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Consumption of stores, spare parts and scraps	1,026	1,303
Power and fuel	1,802	1,847
Repairs to machinery	143	218
Repairs to building	89	139
Payment to contract labours	1,468	1,476
Job work charges	2,371	1,546
Other manufacturing expenses	642	808
<b>Total</b>	<b>7,541</b>	<b>7,337</b>

**Note 38 (b)- Auditors' remuneration (excluding taxes)**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Statutory audit fees (including limited review fees)	52	49
Tax audit fees	5	5
Certification	1	1
Reimbursement of out of pocket expenses	4	1
<b>Total</b>	<b>62</b>	<b>56</b>

**Note 39 - Income Tax expenses / (credit)**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Current tax</b>		
Current tax for the year	3,295	2,656
<b>Deferred tax</b>		
Attributable to: Origination and reversal of temporary difference	(446)	(1,148)
<b>Total</b>	<b>2,849</b>	<b>1,508</b>

Notes :

(a) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in Standalone Profit and Loss Account is as follows for 31 March 2026 and 31 March 2025:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Profit before tax as per books	11,129	5,854
Applicable income tax rate	25.17%	25.17%
Estimated income tax expenses	2,801	1,473
<b>Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income:</b>		
Non-deductible expenses (Corporate social responsibility)	17	54
Tax on income at different tax rates	(8)	(19)
<b>Reported income tax expenses</b>	<b>2,810</b>	<b>1,508</b>

(b) Deferred tax related to the following:

Particulars	As at 31 March 2026	(Rs. in lakhs)			
		Recognised through profit and loss and OCI**	As at 31 March 2025	Recognised through profit and loss and OCI**	As at 1 April 2024
<b>Deferred tax assets on account of:</b>					
Employee benefits*	538	135	403	49	354
Loss for credit impairment	741	(295)	1,036	124	912
Section 43B Disallowance	22	12	10	10	-
Lease Liabilities	53	45	8	3	5
Provision for impairment	1,160	268	892	892	-
Provision for Liquidated damages	400	400	-	-	-
Section 35DD (Allowance for merger related expenses)	107	(35)	142	138	4
Derivative Liability (forward exchange contracts)	14	14	-	-	-
Provision for warranties	-	-	-	(12)	12
<b>Total deferred tax assets</b>	<b>3,035</b>	<b>544</b>	<b>2,491</b>	<b>1,204</b>	<b>1,287</b>



Particulars	(Rs. in lakhs)				
	As at 31 March 2026	Recognised through profit and loss and OCI**	As at 31 March 2025	Recognised through profit and loss and OCI**	As at 1 April 2024
<b>Deferred tax liabilities on account of:</b>					
Property, Plant and equipment and intangible assets	965	51	914	(3)	917
Right of use assets	42	42	-	-	-
Financial asset measured at FVTPL	116	(14)	130	31	99
<b>Total deferred tax liabilities</b>	<b>1,123</b>	<b>79</b>	<b>1,044</b>	<b>28</b>	<b>1,016</b>
<b>Deferred tax assets/(liabilities) (net)</b>	<b>1,912</b>	<b>465</b>	<b>1,447</b>	<b>1,176</b>	<b>271</b>

\*Employee benefits movement includes INR 19 lakhs (March 31, 2026) (March 31, 2025 - INR 28 lakhs) of deferred tax assets recognised through OCI.

**\*\*Amount recognised in other comprehensive income**

Particular	As at 31 March 2026			As at 31 March 2025		
	Before tax	Tax Benefit	Net of Tax	Before tax	Tax Benefit	Net of Tax
<b>Item that will not be reclassified to Profit and loss</b>						
Re-measurement of net defined benefit liability	(75)	19	(56)	(110)	28	(82)

**Note 40 - Other comprehensive income**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Items that will not be reclassified to profit or loss</b>		
Re-measurement of net defined benefit liability	(75)	(110)
Income tax effect on above	19	28
<b>Total</b>	<b>(56)</b>	<b>(82)</b>

**Note 41 - Contingent Liabilities not provided for :**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>A. Claims against the company not acknowledged as debt:</b>		
- Disputed sales tax as the matters are in appeal (advance paid 31 March 2026: Rs 57 lakhs; 31 March 2025: Rs 82 lakhs)	659	771
- Disputed excise duties as the matters are in appeal (advance paid 31 March 2026: Rs 901 lakhs; 31 March 2025:Rs 901 Lakhs)	936	936
- Disputed income tax as the matters are in appeal (advance paid 31 March 2026: Rs 13 lakhs; 31 March 2025: Rs. 13 lakhs)	1,576	1,576
- Custom Duty refund (advance paid 31 March 2026: Rs 46 lakhs; 31 March 2025: Rs. 54 lakhs)	46	54
<b>B. Guarantees* :</b>		
- Bank guarantees Bank guarantees of Rs. Nil (31 March 2025: Rs. 2,808 lakhs) have been issued to various customers as performance gurantee, Rs. Nil (31 March 2025: Rs. 200 lakhs) issued for securing supplies of materials and services and Rs. Nil (31 March 2025: Rs. 729 lakhs) to various agencies including government as security. The Company does not anticipate any liability on these guarantees.	-	3,800
<b>C. Other money for which the company is contingently liable :</b>		
- Inventory * The Company had filed an application with the Bureau of Indian Standards (BIS) Authorities for compounding of an alleged Offence under Section 33 of the BIS Act, 2016 on 05 May 2023. The Company received an order dated 15 June 2023 allowing the Compounding application, subject to payment of compounding amount of INR 3,643 lakhs under the BIS Act, 2016 and BIS Rules, 2018. As the Compounding amount was unfair, arbitrary and unreasonable, the Company had filed a Writ Petition in the Hon'ble Bombay High Court. The matter was heard by the Hon'ble Bombay High Court and was remanded back to the Appellate Authority of BIS for fresh re-assessment. As the facts of this matter and the internal assessment remain unchanged, no provision has been made in the books as of 31 March 2026.	3,643	3,643
- Other matters	421	421

\*Bank guarantees that do not meet the definition of contingent liabilities has been excluded from the above note.

Future cash outflows in respect of above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities. The Management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognised in the financial statements.



### Note 42 - Estimated amount of contracts remaining to be executed

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
On Capital account and not provided for (net of advances and CWIP)	1,038	90

### Note 43 - Borrowings secured against current assets :

Disclosure of current assets secured and filed with the banker against borrowings availed

Quarter Ended	Name of Bank	Particulars of securities provided	(Rs. in lakhs)					
			FY 2025-26			FY 2024-25		
			As per books of account	Reported to Bank	Amount of difference (Refer note (a) below)	As per books of account	Reported to Bank	Amount of difference (Refer note (a) below)
June	Various Banks*	Working capital **	17,174	17,174	-	19,820	20,354	(534)
September	Various Banks*	Working capital **	18,888	18,888	-	21,586	21,586	-
December	Various Banks*	Working capital **	16,001	16,001	-	19,510	19,510	-
March	Various Banks*	Working capital **	19,041	19,041	-	19,515	19,591	(77)

\*HDFC Bank, ICICI Bank, IDFC Bank and Kotak Mahindra Bank

\*\* Trade Receivables + Inventories + contract asset - Trade Payables

Note: (a) M&R Division (erstwhile Ador Fontech Limited) considered certain additional items, as part of working capital, which were reclassified in financial statements, as per merged entity's disclosures requirements.

**Note 44- Leases: Ind AS 116**

The Company’s lease asset primarily consist of Freehold land, Buildings and Plant and equipments (including computers) used in its operations. The Company has recognized right-of-use assets and lease liabilities amounting to Rs. 172 lakhs (31 March 2025: Rs. 64 lakhs) and Rs. 143 lakhs (31 March 2025: Rs. 64 lakhs) respectively. During the year ended March 31, 2026, the Company has recognized interest expense on lease amounting to Rs. 11 lakhs (31 March 2025: Rs. 11 lakhs) and depreciation on right-of-use assets amounting to Rs. 77 lakhs (31 March 2025: Rs. 97 lakhs).

The weighted average incremental borrowing rate applied to lease liabilities is 7.17% p.a. (31 March 2025: 8.10% p.a).

**Right-of-use assets:**

Additional information on the right-of-use assets by class of assets are as follows

Particulars	Gross carrying value	Accumulated depreciation [Refer note (a) below]	(Rs. in lakhs)
			Net carrying value
<b>As at 31 March 2026</b>			
Freehold Land	1,124	78	1,047
Buildings	190	114	76
Plant and equipments (including computers)	281	159	122
<b>Total</b>	<b>1,595</b>	<b>351</b>	<b>1,245</b>
<b>As at 31 March 2025</b>			
Freehold Land	1,096	61	1,035
Buildings	114	104	10
Plant and equipments (including computers)	214	109	105
<b>Total</b>	<b>1,424</b>	<b>274</b>	<b>1,150</b>

The following is the movement in Right-of-use assets for the year ended:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	1,424	1,360
Additions during the year [Refer note (b) below]	171	64
Deductions during the year	-	-
<b>Gross carrying value</b>	<b>1,596</b>	<b>1,424</b>
Less: Accumulated depreciation [Refer note (a) below]	<b>(351)</b>	<b>(274)</b>
<b>Net carrying value</b>	<b>1,245</b>	<b>1,150</b>



### Lease liabilities:

Lease liabilities are presented in the balance sheet are as follows:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Non-current lease liabilities	146	77
Current lease liabilities	64	54
<b>Total</b>	<b>210</b>	<b>131</b>

The following is the movement in lease liabilities for the year ended:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	131	150
Additions during the year [Refer note (b) below]	143	64
Deductions during the year	-	-
Interest expense on lease liabilities accrued during the year [Refer note (c) below]	11	11
Revaluation of lease liability	-	1
Payment of interest on lease liabilities	(11)	-
Payment of lease liabilities	(65)	(94)
<b>Total</b>	<b>210</b>	<b>131</b>

### Notes:

- The depreciation expense on Right-of-use assets is included under “Depreciation and amortization expense” in the standalone statement of Profit and Loss.
- During the current year in Right-of-use assets and lease liabilities, there is addition of Rs 172 lakhs towards freehold land, buildings and computers.
- During the current year in lease liabilities, there is addition of Rs 144 lakhs towards buildings and computers.
- The accrued finance cost on lease liabilities is included under “Finance cost” in the standalone statement of Profit and Loss.

### Cash flow from leases

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Cash payments for the principal and interest portion of lease liability within financing activities	65	94
Short-term lease payments are not included in the measurement of lease liability from operating activities	570	460
<b>Total</b>	<b>635</b>	<b>554</b>

The Company has opted not to recognise lease liability for short term leases (leases of expected term of 12 months or less). The Company has taken short term leases with a lease term of 12 months or less and the aggregate amount of operating lease rent debited to standalone statement of profit and loss during the year is Rs. 570 lakhs (31 March 2025: Rs 460 lakhs). [Refer note 38]

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is as follows:

Particulars	(Rs. in lakhs)	
	Minimum lease payment	
	As at 31 March 2026	As at 31 March 2025
Amount due within one year	77	61
Amount due from one to five years	160	84
Amount due from five years and above	-	-
Undiscounted lease liabilities	237	145
Financing component	(27)	(14)
Closing balance of lease liabilities	210	131

#### Note 45- Rental income from investment properties

The investment properties are leased to tenants under operating leases. Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. The aggregate amount of rent credited to standalone statement of profit and loss account during the year is Rs.182 lakhs (31 March 2025: Rs. 176 lakhs). [Refer note 32]

Particulars	(Rs. in lakhs)	
	Minimum lease Rental Income (Undiscounted Amount)	
	As at 31 March 2026	As at 31 March 2025
Amount due within one year	201	158
Amount due from one year to two years	160	125
Amount due from two to three years	57	77
Amount due from three to four years	92	15
Amount due from four to five years	72	6
Amount due from five years and above	34	40
<b>Total</b>	<b>616</b>	<b>421</b>



## Note 46 - Employee benefits

As per Indian Accounting Standard-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

### Brief description of the plans:

The Company has various schemes for employee benefits such as provident fund, superannuation and gratuity. In case of funded schemes, the funds are administered through trustees/ appropriate authorities. The Company's defined contribution plans are superannuation, employees state insurance and provident fund as the Company has no further obligation beyond making the contributions. The Company's defined benefit plans consists of gratuity only. The employees of the Company are entitled to compensated absences as per the Company's policy.

#### I. Defined Contribution Plan:

- (i) Superannuation fund
- (ii) Provident fund
- (iii) Employees State Insurance fund

During the year, the Company has recognised the following amounts in the Standalone Statement of profit and loss\*:

	(Rs. in lakhs)	
Contribution to Defined contribution plan, recognized as expense for the year is as under:	Year ended 31 March 2026	Year ended 31 March 2025
Employer's Contribution to Superannuation	119	102
Employer's contribution to provident fund	473	456
Employer's Contribution to Employees state insurance fund	2	4
<b>Total</b>	<b>594</b>	<b>562</b>

\* included in Note 36- 'Employee benefits expenses'

#### II. Defined Benefit Plan :

##### Contribution to Gratuity fund (funded scheme):

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:-

	(Rs. in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
<b>(i) Actuarial assumptions</b>		
Discount rate (per annum)	6.45%	6.80%
Salary escalation rate (per annum)	8.50%	8.50%
<b>Attrition rate</b>		
21 years to 44 years (per annum)	16.00%	16.00%
45 years and above (per annum)	8.00%	8.00%
The estimates of future salary increases, considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as, supply and demand factors in the employment market.		
Mortality rate during employment	<b>Indian Assured Lives Mortality (2012-14) Ult.</b>	Indian Assured Lives Mortality (2012-14) Ult.

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>(ii) Assets information:</b>		
The plan assets for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') as per the investment pattern stipulated for pension and Company Schemes fund by Insurance Regulatory and Development Authority (IRDA) Regulations.		
<b>(iii) Changes in the present value of defined benefit obligation</b>		
Present value of obligation at the beginning of the year	1,737	1,538
Current service cost	200	149
Past service cost	216	58
Interest on defined benefit obligation	105	89
<b>Remeasurements during the period due to:</b>		
Actuarial loss/(gain) arising from change in financial assumptions	38	59
Actuarial loss/(gain) arising from change in demographic assumptions	-	(13)
Actuarial loss/(gain) arising on account of experience changes	28	67
Liabilities assumed/(settled)	-	-
Benefits paid	(100)	(210)
<b>Present Value of obligation at the end of the year</b>	<b>2,224</b>	<b>1,737</b>
<b>(iv) Changes in the Fair value of Plan Assets</b>		
Fair value of plan assets at beginning of the year	586	643
Interest on plan assets	31	35
<b>Remeasurements during the period due to:</b>		
Actual return on plan assets less interest on plan assets	(10)	3
Contributions by employer	21	115
Benefits paid	(100)	(210)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>528</b>	<b>586</b>
<b>(v) Assets and liabilities recognised in the balance sheet</b>		
Present value of the defined benefit obligation at the end of the year	2,224	1,737
Less: Fair value of plan assets at the end of the year	(528)	(586)
Net liability recognised	1,696	1,151
<b>Recognised under provisions [Refer note 23 and note 29]</b>		
Non current provisions	1,589	922
Current provisions	107	229
<b>(vi) Expenses recognised in the Standalone Statement of Profit and Loss</b>		
Current Service Cost	200	149
Interest on net defined benefit liability	74	54
Past service cost.	216	58
<b>Net gratuity cost recognised in current year</b>	<b>490</b>	<b>261</b>
Included in note 36 'Employee benefits expenses'		



Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>(vii) Expenses recognised in other comprehensive income</b>		
<b>Remeasurements during the period due to:</b>		
Actuarial (gain) / loss arising from change in financial assumptions	38	59
Actuarial loss/(gain) arising from change in demographic assumptions	-	(13)
Actuarial loss/(gain) arising on account of experience changes	28	67
Actuarial loss/(gain) arising on account of Actual return on plan assets less interest on plan assets	10	(3)
<b>Net cost recognised in other comprehensive income</b>	<b>76</b>	<b>110</b>

The weighted duration of the defined benefit obligation is 5.14 years as at 31 March, 2026 (31 March 2025 - 6.03 years). Contribution expected for next one year is Rs. 16,229,922 (31 March 2025 - Rs. 22,229,922).

#### (viii) Sensitivity Analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	31 March 2026		31 March 2025	
	Discount Rate	Salary escalation rate	Discount Rate	Salary escalation rate
Impact of increase in 50 bps on DBO	(2.50%)	2.27%	(2.93%)	3.03%
Impact of decrease in 50 bps on DBO	2.64%	(2.20%)	3.10%	(2.90%)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

#### (ix) Maturity Pattern:

Maturity Profile	(Rs. in lakhs)	
	31 March 2026	31 March 2025
Expected benefits for year 1	540	427
Expected benefits for year 2	228	266
Expected benefits for year 3	287	146
Expected benefits for year 4	234	248
Expected benefits for year 5	183	160
Expected benefits for year 6	226	126
Expected benefits for year 7	158	146
Expected benefits for year 8	151	109
Expected benefits for year 9	112	104
Expected benefits for year 10 and above	1041	798

#### Note:

1. The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

### III. Compensated absences

- (i) An amount of Rs. 2 lakhs (31 March 2025: Rs 47 lakhs) has been recognised as an expense in the standalone statement of profit and loss account and included in “Salaries, wages and bonus” under Note 36 “Employee benefits expenses”.
- (ii) An amount of Rs. 59 lakhs (31 March 2025: Rs Nil ) has been recognised as an exceptional items on account of past service cost pursuant to change in definition of wages due to new labour code. Refer note 57 for further details.
- (iii) Balance sheet reconciliation

Particulars	(Rs. in lakhs)	
	Compensated absences	
	Year ended 31 March 2026	Year ended 31 March 2025
Liability as per actuarial valuation	443	452

The liabilities are split between different categories of plan participants as follows:

Defined Benefit obligations and employer contributions (Active members)	Gratuity	Compensated Absences
<b>As at 31 March 2026</b>	<b>825</b>	<b>825</b>
As at 31 March 2025	848	848

### Risk Exposure - Asset Volatility

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.



### Note 47 - Related Party Disclosure:

As per Ind AS 24 “Related party Disclosures”, disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

#### (I) List of related parties and relationship:

Relationship	Name of the Persons / Company
(i) Holding Company:	J. B. Advani & Company Private Limited
(ii) Wholly Owned Subsidiary:	3D Future Technologies Private Limited
(iii) Fellow subsidiaries:	Ador Powertron Limited (Subsidiary of J. B. Advani & Company Private Limited)
(iv) Key Management Personnel:	Mrs. Ninotchka Malkani Nagpal - Executive Chairman
	Mr. Aditya Tarachand Malkani - Managing Director (Executive)
	Dr. Deep A. Lalvani - Director (Non-executive)
	Mr. Ravin A. Mirchandani - Director (Non-executive)
	Mrs. Tanya H. Advani - Director (Non-executive)
	Mrs. Nita Dempo Mirchandani - Director (Independent & Non-executive)
	Mr. Piyush K. Gupta - Director (Till 27-07-2024) (Independent & Non-executive)
	Mr. Rakesh N. Sapru - Director (Till 27-07-2024) (Independent & Non-executive)
	Mr. K. Digvijay Singh - Director (Till 27-07-2024) (Independent & Non-executive)
	Mr. Gaurav M. Lalwani - Director (Till 10-11-2024) (Independent & Non-executive)
	Mr. Navroze S. Marshall - Director (Independent & Non-executive)
	Mr. Jitendra H. Punjabi (From 28-07-2024) (Independent & Non executive)
	Mr. Mihir Jayaram (From 09-11-2024) (Independent & Non-executive)
	Mr. Santosh Iyer (From 28-07-2024) (Independent & Non-executive)
	Mr. Vinayak M. Bhide - Head - HR, Admin, Legal and Company Secretary
	Mr. Suryakant Sethia - Chief Financial Officer
Mr. Lajpat Yadav (From 07-05-2025)- Chief Operating Officer (COO- IWB)	
Mr. Krishnamurthy Suryanarayan (From 07-05-2025)- Head - Corporate Strategy	
Mr. Mustafa Faizullahoy (From 07-05-2025)- Head - International Operations	

## (II) Transactions during the year:

Description of the nature of transactions	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Sale of Fixed assets (excluding GST)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	1	-
- Key management personnel		
Mr. D. A. Lalvani - Director (Non-executive)	-	5
Ms. Aruna B. Advani (Relative of KMP)	-	6
	-	11
<b>Sale of goods (excluding GST)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	487	224
- Fellow subsidiaries		
Ador Powertron Limited	1	-
	489	224
<b>Purchase of goods and services received (excluding GST)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	3,095	2,858
- Fellow subsidiaries		
Ador Powertron Limited	4	2
	3,099	2,860
<b>Rent received (excluding GST)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	36	36
- Fellow subsidiaries		
Ador Powertron Limited	1	1
- Wholly Owned Subsidiary Company		
3D Future Technologies Private Limited*	1	25
	38	62
<b>Recovery of expenses (received)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	13	11
	13	11
<b>Reimbursement of expenses (paid)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	16	12
	16	12



Description of the nature of transactions	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Interest on Inter-corporate Deposit (ICD) given</b>		
- Wholly Owned Subsidiary Company		
3D Future Technologies Private Limited	162	134
	162	134
<b>ICD Given</b>		
- Wholly Owned Subsidiary Company		
3D Future Technologies Private Limited	236	350
	236	350
<b>Dividend paid</b>		
- Holding Company		
J. B. Advani & Company Private Limited	1,574	1,811

### (III) Key management personnel compensation

Description of the nature of transactions	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Short term benefit paid	1,096	658
Post employment benefit	106	112
Share-based payments	18	-
	1,220	770

### (IV) Amount outstanding at the year end:

Description of the nature of transactions	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Trade receivables</b>		
- Holding Company		
J. B. Advani & Company Private Limited	134	58
- Wholly owned Subsidiary Company		
3D Future Technologies Private Limited	-	-
- Fellow subsidiaries		
Ador Powertron Limited	1	-
	135	58
<b>Rent deposit payable</b>		
- Holding Company		
J. B. Advani & Company Private Limited	17	17
- Wholly owned Subsidiary Company		
3D Future Technologies Private Limited *	0	4
- Fellow subsidiaries		
Ador Powertron Limited*	-	-
	17	21

Description of the nature of transactions	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Inter-Corporate Deposit</b>		
- Wholly owned Subsidiary Company		
3D Future Technologies Private Limited	-	320
	-	320
<b>Investment in subsidiary company in India</b>		
- Wholly owned Subsidiary Company		
3D Future Technologies Private Limited	-	-
<b>Trade payables</b>		
- Holding Company		
J. B. Advani & Company Private Limited	531	280
- Fellow subsidiaries		
Ador Powertron Limited	3	-
	534	280
<b>Key management personnel</b>		
Employee benefits payable	22	-
Other payable (Commission payable)	146	134

\* Amounts below Rs 0.50 lakh have been rounded off.

#### Notes:

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- Terms and conditions of outstanding balances with related parties:**

#### Trade Receivables:

Trade receivables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these receivables. The amounts are recoverable within 30 days to 45 days from the reporting date (31 March 2025: 30 days to 45 days from the reporting date). For the year ended 31 March 2026, the entity has not recorded any impairment on receivables due from related parties (31 March 2025: Nil)

#### Trade Payables:

Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 45 days from the reporting date (31 March 2025: 45 days from the reporting date).

#### Inter-Corporate Deposit:

Inter-Corporate Deposit outstanding are unsecured, carries 9% interest and require settlement in cash. The ICD has been given to enable subsidiary carry out the general business operations. The amounts are repayable on demand. The Company has recognised provision for diminution in value of ICD amounting to Rs. 556 lakhs for the year ended March 31, 2026 (March 31, 2025: Rs 1,446 lakhs).

#### Investment in subsidiary company in India:

Investment in subsidiary company in India includes 100% equity investment made in wholly owned subsidiary (3D Future Technologies Private Limited). The investment has been made to expand business opportunity in the 3D Printing Dental Health Care Market in India. The said amount has been fully impaired in the previous year."



### Other payable:

Other payable includes director commission payable to independent directors, chairperson and whole time directors (executive and non-executive) calculated as per section 197 of the Companies Act, 2013. This will require settlement in cash.

### Rent deposit payable:

Rent deposit payable includes rental deposit received for investment properties given on lease. These are interest free deposit and require settlement in cash at the expiry of the agreement.

## Note 48 - Segment reporting

The Company's chief operating decision maker (CODM) examines the Company's performance and has identified two reportable segments of its business:

- (i) Welding
- (ii) Flares & Process Equipment

The above operating segments have been identified considering:

- (i) The internal financial reporting systems
- (ii) The nature of the products/ process
- (iii) The organisation structure as well as differential risks and returns of these segments.

### Types of products and services in each business segment:

Business Segment	Description
a) Welding	<p>The division specializes in supplying electrodes, wires, equipment, spares, cutting products, alloys, and agency-related items. It focuses on delivering value-added solutions across a wide range of applications, including reclamation, fusion, surfacing, spraying, and environmental solutions.</p> <p>Additionally, the division offers a comprehensive portfolio of integrated services designed to enhance the operational life and performance of industrial components, ensuring improved efficiency, reliability, and cost-effectiveness for customers.</p>
b) Flares & Process Equipment	<p>Flares &amp; Process Equipment division is a multi-disciplined SBU that provides services like design, manufacture, erection &amp; commissioning, mechanical, electrical and instrumentation of process packages, process equipment and flare system &amp; components from Chinchwad plant.</p>

Revenue and expenses have been accounted on the basis of their relationship to the operating activities of the segment. Expenses, which related to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Income" and "Unallocable Expenses" respectively. Assets and Liabilities, which related to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Assets / Liabilities". Inter-segment transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods.

**A) Business segment**

Particulars	(Rs. in lakhs)					
	Year ended 31 March 2026			Year ended 31 March 2025 (Refer note 3)		
	Total	Inter Segment	Revenue from external customer	Total	Inter Segment	Revenue from external customer
<b>1. Segment revenue</b>						
Welding	1,07,888	(14)	1,07,874	1,03,654	(363)	1,03,291
Flares & Process Equipment	5,671	-	5,671	8,392	-	8,392
<b>Total revenue</b>	<b>1,13,559</b>	<b>(14)</b>	<b>1,13,545</b>	<b>1,12,046</b>	<b>(363)</b>	<b>1,11,683</b>
<b>2. Segment result</b>						
<b>(a) Segment Profit/(Loss) before tax and exceptional items</b>						
Welding			16,430			14,050
Flares & Process Equipment**			(2,306)			(1,630)
Other unallocable expenses net of unallocable income			(2,141)			(2,035)
			11,983			10,385
<b>(b) Exceptional items (net) profit / (loss)</b>						
Welding			(207)			(479)
Flares & Process Equipment			(23)			-
Other unallocable expenses net of unallocable income			(601)			(3,831)
			(831)			(4,310)
<b>(c) Segment Profit/ (Loss) before tax</b>						
Welding			16,223			13,571
Flares & Process Equipment			(2,329)			(1,630)
Other unallocable expenses net of unallocable income			(2,742)			(5,866)
<b>Total Segment Profit/(Loss) before tax</b>			<b>11,152</b>			<b>6,075</b>
Interest and finance charges (unallocable)			(23)			(221)
<b>Profit / (Loss) before tax</b>			<b>11,129</b>			<b>5,854</b>
Tax (expenses) /credit			(2,849)			(1,508)
<b>Net profit /(loss) after tax</b>			<b>8,280</b>			<b>4,346</b>
<b>3. Capital expenditure</b>						
Welding			2,388			4,995
Flares & Process Equipment			144			21
Unallocated			92			1,000
<b>Total capital expenditure</b>			<b>2,624</b>			<b>6,016</b>
<b>4. Depreciation and amortisation</b>						
Welding			1,552			1,437
Flares & Process Equipment			92			92
Unallocated			286			261
<b>Total depreciation and amortisation</b>			<b>1,930</b>			<b>1,790</b>


**\*\*Segment Results of Flares & Process Equipment include Other material items of Income and Expenses:**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Onerous cost and liquidated Damages	2,482	-
Impairment reversal on trade receivables	(1,412)	-

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025 (Refer note 3)
<b>Other information</b>		
<b>Segment assets</b>		
Welding	56,988	52,594
Flares & Process Equipment	6,009	7,651
Unallocable corporate assets	20,811	9,576
<b>Total assets</b>	<b>83,808</b>	<b>69,821</b>
<b>Segment liabilities</b>		
Welding	20,753	14,663
Flares & Process Equipment	5,086	2,481
Unallocable corporate liabilities	1,582	1,107
<b>Total liabilities</b>	<b>27,421</b>	<b>18,251</b>
<b>Capital employed</b>		
Welding	36,235	37,931
Flares & Process Equipment	923	5,170
Unallocable corporate assets net of unallocable corporate liabilities	19,229	8,469
<b>Total capital employed</b>	<b>56,387</b>	<b>51,570</b>

**Reconciliations between Segment revenue and Company's revenue from operations**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025 (Refer note 3)
Total Segment revenue	1,13,559	1,12,046
Less: Inter Segment revenue	(14)	(363)
<b>Revenue from operations</b>	<b>1,13,545</b>	<b>1,11,683</b>

**Reconciliations between Segment Profit / (Loss) before tax and Company's profit/ (loss) before tax**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025 (Refer note 3)
Segment Profit / (Loss) before tax (Welding and Flares & Process Equipment)	13,894	11,941
Unallocable corporate expenses/(incomes)		
Employee benefit expenses	(1,760)	(1,544)
Other expenses	(1,190)	(1,103)
Depreciation and amortisation expense	(272)	(252)
Finance costs	(23)	(221)
Other income	1,081	864
Exceptional items	(601)	(3,831)
Total Unallocable corporate expenses/(incomes)	(2,765)	(6,087)
<b>Company's profit/ (loss) before tax</b>	<b>11,129</b>	<b>5,854</b>

**Reconciliations between Segment Total assets and Company's Total assets**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025 (Refer note 3)
Segment Total asset (Welding and Flares & Process Equipment)	62,997	60,245
Unallocable corporate assets		
Non-current assets other than non-current financial assets, Deferred tax assets (net), Income tax assets (net)	2,110	2,175
Non current financial assets	4,250	882
Deferred tax assets (net)	1,912	749
Income tax assets (net)	1,546	1,194
Investments (Current)	3,093	2,391
Current assets other than investments(current)	7,900	2,185
Total Unallocable corporate assets	20,811	9,576
<b>Company's Total assets</b>	<b>83,808</b>	<b>69,821</b>



### Reconciliations between Segment Total liabilities and Company's Total liabilities

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025 (Refer note 3)
Segment Total Liabilities (Welding and Flares & Process Equipment)	25,839	17,144
Unallocable corporate liabilities		
Non-current liabilities other than provision	247	204
Current liabilities other than Current tax liabilities (net) and provision	1,056	734
Provisions	205	169
Current tax liabilities (net)	74	-
Total Unallocable corporate liabilities	1,582	1,107
<b>Company's Total assets</b>	<b>27,421</b>	<b>18,251</b>

### B) Geographical segment

#### Revenue from external customers:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025 (Refer note 3)
Within India	98,450	96,348
Outside India	15,095	15,335
<b>Total</b>	<b>1,13,545</b>	<b>1,11,683</b>

Domestic Segment includes sales and services rendered to customers in India.

Overseas Segment includes sales and services rendered to customers located outside in India.

#### Non-current assets:

The following are the details of the carrying amount of non current assets, which do not include deferred tax assets, income tax assets, financial assets and investments, of the geographical area in which the assets are located:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Within India	21,280	20,876
Outside India	38	33
<b>Total</b>	<b>21,318</b>	<b>20,909</b>

### C) Other disclosures

- The Company is currently focused on TWO business segments : Welding and Flares & Process Equipment. The Company's organisational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.
- The Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.
- As a result of the Chief Operating Decision Maker's review mechanism, the Company has reorganized its segment reporting for the year ended 31 March, 2026 as below:
  - Segment "Welding" is combination of erstwhile segment "Products" and "Maintenance & Reclamation (M&R)".
  - Segment "Services" has been renamed as "Flares & Process Equipment".

Prior year's / periods amounts have been restated to align with the above changes.
- No single external customer represents 10% or more of the Company's revenue from operations for the year ended 31 March 2026 and 31 March 2025.

### Note 49 - Fair value measurements

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		(Rs. in lakhs)						
March 31, 2026		Carrying amount			Fair value			
Particulars	Note	Mandatorily at FVTPL	Financial assets at amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>								
Investments		3,093	-	3,093	3,093	-	-	3,093
<b>Total</b>		<b>3,093</b>	<b>-</b>	<b>3,093</b>				
<b>Financial assets measured at amortised cost</b>								
Investments		-	1,639	1,639	1,639	-	-	1,639
Other non-current financial assets		-	3,425	3,425	-	3,425	-	3,425
Trade receivables		-	23,185	23,185	-	-	-	-
Cash and cash equivalents		-	4,226	4,226	-	-	-	-
Other bank balances		-	5,013	5,013	-	-	-	-
Loans		-	101	101	-	-	-	-
Other current financial assets		-	715	715	-	-	-	-
<b>Total</b>		<b>-</b>	<b>38,304</b>	<b>38,304</b>				



(Rs. in lakhs)								
March 31, 2026		Carrying amount			Fair value			
Particulars	Note	Mandatorily at FVTPL	Financial assets at amortised cost	Total	Level 1	Level 2	Level 3	Total2
<b>Financial liabilities measured at fair value</b>								
Derivative Liability at FVTPL (Forward exchange contract)		57	-	57	-	57	-	57
<b>Total</b>		<b>57</b>	<b>-</b>	<b>57</b>				
<b>Financial liabilities measured at amortised cost</b>								
Borrowings Non-current		-	58	58	-	58	-	58
Other non-current financial liabilities		-	54	54	-	54	-	54
Borrowings current		-	27	27	-	-	-	-
Trade payables		-	19,306	19,306	-	-	-	-
Other current financial liabilities		-	3,549	3,549	-	-	-	-
<b>Total</b>		<b>-</b>	<b>22,994</b>	<b>22,994</b>				

(Rs. in lakhs)								
March 31, 2025		Carrying amount			Fair value			
Particulars	Note	Mandatorily at FVTPL	Financial assets at amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>								
Investments		2,384	-	2,384	2,384	-	-	2,384
<b>Total</b>		<b>2,384</b>	<b>-</b>	<b>2,384</b>				
<b>Financial assets measured at amortised cost</b>								
Investments		-	809	809	809	-	-	809
Other non-current financial assets		-	843	843	-	843	-	843
Trade receivables		-	19,235	19,235	-	-	-	-
Cash and cash equivalents		-	3,011	3,011	-	-	-	-
Other bank balances		-	3,677	3,677	-	-	-	-
Loans		-	495	495	-	-	-	-
Other current financial assets		-	626	626	-	-	-	-
<b>Total</b>		<b>-</b>	<b>28,696</b>	<b>28,696</b>				

		(Rs. in lakhs)						
March 31, 2025		Carrying amount			Fair value			
Particulars	Note	Mandatorily at FVTPL	Financial assets at amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial liabilities measured at amortised cost</b>								
Borrowings Non-current		-	84	84	-	84	-	84
Other non-current financial liabilities		-	43	43	-	43	-	43
Borrowings current		-	25	25	-	-	-	-
Trade payables		-	12,353	12,353	-	-	-	-
Other current financial liabilities		-	2,600	2,600	-	-	-	-
<b>Total</b>		-	15,105	15,105				

## I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgments and estimates made in determining the fair values of the financial instruments that are

- (a) recognised and measured at fair value and,
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

## II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

The fair values for Security deposits, loan to employees and deposits are based on discounted cash flows using a discount rate determined considering the borrowing rate charged by the bank on the loan facility availed.



### Financial instruments measured at fair value (Level 2)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.	Not Applicable	Not Applicable
Borrowings	Discounted cash flows: Considers the present value of expected payments, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.	Not Applicable	Not Applicable
Other non-current financial assets	Discounted cash flows: Considers the present value of expected cashflow, discounted using a risk-adjusted discount rate.	Not Applicable	Not Applicable
Other non-current financial liabilities	Discounted cash flows: Considers the present value of expected payments, discounted using a incremental borrowing rate.	Not Applicable	Not Applicable

### Note 50- Financial risk management

The company is exposed primarily to credit quality, fluctuations in foreign currency exchange rates and liquidity management which may adversely impact the fair value of its financial assets and liabilities. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the Company. The Company's principal financial assets include loans, investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments in mutual funds and bonds.

#### A) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms and obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and credit worthiness of the customer on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables, loans, cash and bank balances and bank deposits.

To manage credit risk, the Company follows a policy of advance payment or credit period upto 30 to 120 days to customers based on their credit profile. In case of foreign receivables, majority of the sales are made either against advance payments or by way of letter of credit. The credit limit policy is

established considering the current economic trends of the industry in which the company is operating. Also, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision for credit impairment is recognised accordingly.

Bank balances are held with only high rated banks and majority of other security deposits are placed majorly with government agencies.

**a. Trade receivables**

Customer credit risk is managed in accordance with the Company's established policies, procedures, and controls.

An impairment analysis is conducted at each reporting date using a provision matrix based on the transaction date to measure expected credit losses. This calculation incorporates probability-weighted outcomes and considers reasonable and supportable information available at the reporting date, including historical data, current conditions, and forecasts of future economic circumstances. The maximum exposure to credit risk at the reporting date corresponds to the carrying value of each class of financial assets. The Company assesses the concentration of credit risk related to trade receivables as low, given that its customer base is diversified across multiple industries and geographics, with customers operating in largely independent markets.

**b. Other Financial assets**

**Cash and cash equivalents and other bank balances**

The Company held cash and cash equivalents and other bank balances of INR 9,239 lakhs at 31 March 2026 (31 March 2025: INR 6,688 lakhs). The cash and cash equivalents and other bank balances are held with bank and financial institution.

Impairment on cash and cash equivalents and other bank balances has been measured on a 12- month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The Company uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for debt securities.

The amount of impairment allowance at 31 March 2026 is Nil (31 March 2025: Nil).

**Loans/ICD**

All of the Company's loans at amortised cost are considered to have low credit risk (except as mentioned below), and the loss allowance, if any, is limited to 12 months' expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term.

The ICD given to wholly owned subsidiary has been fully impaired given the recurring business losses of subsidiary. Refer Note 57 for further details.

**Investment in Mutual Funds, Non-convertible debentures/bonds/government securities**

The Company limits its exposure to credit risk by generally investing in liquid securities and Non-Convertible Debentures/bonds/government securities only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter parties.



The table below provides details regarding past dues receivables and contract assets as at each reporting date:

	(Rs. in lakhs)					
	Not due	0-12 months	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31 March 2026</b>						
Gross Carrying amount of - trade receivables and contract assets (Un-disputed) (A)*	9,290	12,106	397	316	1,198	23,307
Loss allowances - trade receivables and contract assets (Un-disputed) (B)*	23	166	211	281	1,199	1,880
Weighted average loss allowance (%)	0%	1%	53%	89%	100%	8%
Gross Carrying amount of - trade receivables and contract assets (Disputed)** (C)	-	-	-	-	1,771	1,771
Loss allowances - trade receivables and contract assets (D)	-	-	-	-	14	14
Weighted average loss allowance (%)**	100%	100%	100%	100%	1%	1%
Gross Carrying amount of - trade receivables and contract assets (E=A+C)	9,290	12,106	397	316	2,969	25,078
Loss allowances - trade receivables and contract assets (F=B+D)	23	166	211	281	1,213	1,894
Weighted average loss allowance (%)	0%	1%	53%	89%	41%	8%
<b>As at 31 March 2025</b>						
Gross Carrying amount of - trade receivables and contract assets (Un-disputed) (A)*	8,209	9,859	433	128	1,085	19,714
Loss allowances - trade receivables and contract assets (Un-disputed) (B)*	12	180	286	118	1,074	1,593
Weighted average loss allowance (%)	0%	2%	66%	92%	99%	8%
Gross Carrying amount of - trade receivables and contract assets (Disputed) (C)	-	-	-	-	2,616	2,616
Loss allowances - trade receivables and contract assets (D)	-	-	-	-	1,426	1,426
Weighted average loss allowance (%)	100%	100%	100%	100%	55%	55%
Gross Carrying amount of - trade receivables and contract assets (E=A+C)	8,209	9,859	433	128	3,701	22,331
Loss allowances - trade receivables and contract assets (F=B+D)	12	180	286	118	2,500	3,096
Weighted average loss allowance (%)	0%	2%	66%	92%	68%	14%

\* This includes contract assets of Rs. 77 lakhs (March 31, 2025: Rs 77 lakhs), for which loss allowance of INR 77 lakhs (March 31, 2025: Rs. 77 lakhs) has been recognised in books.

### Reconciliation of loss allowance provision

Particulars	(Rs. in lakhs)		
	Loss allowance		
	Trade Receivables*	Contract Assets	Loans**
<b>Loss allowance on 1 April 2024</b>	2,597	-	-
Net remeasurement of loss allowance	421	77	1,445
<b>Loss allowance on 31 March 2025</b>	3,018	77	1,445
Net remeasurement of loss allowance	(1,176)	-	556
Amount written off	(25)	-	-
<b>Loss allowance on 31 March 2026</b>	<b>1,817</b>	<b>77</b>	<b>2,001</b>

\*The decrease in loss allowance is due to recovery of old receivables (Refer note 32).

\*\*Refer note 57 for the provision recognised for ICD given to wholly owned subsidiary.

The Company's exposure to credit risk for trade receivables and contract assets by geographic region was as follows.

Particulars	(Rs. in lakhs)	
	As at March 31, 2026	As at March 31, 2025
India	17,941	14,688
Gulf Cooperation Council (GCC) region	4,967	4,152
Others	277	395
<b>Total</b>	<b>23,185</b>	<b>19,235</b>

The Company's exposure to credit risk for trade and finance lease receivables and contract assets by type of counterparty was as follows.

Particulars	(Rs. in lakhs)	
	As at March 31, 2026	As at March 31, 2025
Distributors	11,999	8,947
End user	11,186	10,288
<b>Total</b>	<b>23,185</b>	<b>19,235</b>

### B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and liquid and large cap schemes of mutual funds and non-convertible debentures which carry no/low mark to market risks.



The maturity profile of the Company's financial liabilities based on contractual undiscounted payment at each reporting date is :

(Rs. in lakhs)

As at 31 March 2026						
Particulars	Carrying value	Less than 1 year	1 - 2 years	2 -5 years	More than 5 years	Total
<b>Non Derivative Financial Liabilities - Non-current</b>						
Borrowings	58	-	58	10	-	68
Other non-current financial liabilities	54	-	45	7	2	54
<b>Non Derivative Financial Liabilities - Current</b>						
Borrowings	27	27	-	-	-	27
Trade payables	19,306	19,306	-	-	-	19,306
Other current financial liabilities	3,549	3,549	-	-	-	3,549
<b>Financial Liabilities - Derivative financial liabilities</b>						
Derivative Liability at FVTPL (Forward exchange contract)	57	57	-	-	-	57
<b>Total</b>	<b>23,051</b>	<b>22,939</b>	<b>103</b>	<b>17</b>	<b>2</b>	<b>23,061</b>

(Rs. in lakhs)

As at 31 March 2025						
Particulars	Carrying value	Less than 1 year	1 - 2 years	2 -5 years	More than 5 years	Total
<b>Non Derivative Financial Liabilities - Non-current</b>						
Borrowings	84	-	27	57	-	84
Other non-current financial liabilities	43	-	-	49	-	49
<b>Non Derivative Financial Liabilities - Current</b>						
Borrowings	25	25	-	-	-	25
Trade payables	12,353	12,353	-	-	-	12,353
Other current financial liabilities	2,600	2,600	-	-	-	2,600
<b>Total</b>	<b>15,105</b>	<b>14,978</b>	<b>27</b>	<b>106</b>	<b>-</b>	<b>15,111</b>

### C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk. The company's exposure to market risk is primarily on account of foreign currency risk and price risk.

#### (i) Foreign currency risk

The Company is exposed to foreign exchange risk on their receivables, payables and bank balances which are held in USD, AED, KWD, CNY and EUR. The fluctuation in the exchange rate of INR relative to USD, AED, KWD, CNY and EUR may have a material impact on the Company's assets and liabilities.

In respect of the foreign currency transactions, the Company believes some of the exposures which is kept open will be offsetted by the corresponding receivables and payables (in the nature of natural hedge). For the remaining unhedged net outstanding amount, the Company believes it will not have material impact on its financial performance/position.

The Company's exposure to unhedged foreign currency risk at the end of reporting period are as under:

Particulars	(Rs. in lakhs)					
	As at 31 March 2026					
	USD	AED	KWD	EUR	CNY	Total
<b>Financial assets</b>						
Trade receivables	2,574	-	1,757	62	-	4,393
Bank balances	281	12	-	-	-	293
<b>Total exposure to foreign currency risk (assets)</b>	<b>2,854</b>	<b>12</b>	<b>1,757</b>	<b>62</b>	<b>-</b>	<b>4,686</b>
<b>Financial liabilities</b>						
Trade payables	357	-	1,190	100	4	1,651
<b>Total exposure to foreign currency risk (liabilities)</b>	<b>357</b>	<b>-</b>	<b>1,190</b>	<b>100</b>	<b>4</b>	<b>1,651</b>

#### Exposure to currency risk

Particulars	(Rs. in lakhs)					
	As at 31 March 2026					
	USD	AED	KWD	EUR	CNY	Total
Total exposure to foreign currency risk (assets) (A)	2,854	12	1,757	62	-	4,686
Total exposure to foreign currency risk (liabilities) (B)	(357)	-	(1,190)	(100)	(4)	(1,651)
<b>Net transaction exposure (C = A+B)</b>	<b>2,497</b>	<b>12</b>	<b>567</b>	<b>(38)</b>	<b>(4)</b>	<b>3,035</b>
Forward exchange contracts (D)	1,632	-	-	-	-	1,632
<b>Gross Foreign currency exposure (E=C+D)</b>	<b>4,130</b>	<b>12</b>	<b>567</b>	<b>(38)</b>	<b>(4)</b>	<b>4,667</b>



Particulars	(Rs. in lakhs)					
	As at 31 March 2025					
	USD	AED	KWD	EUR	CNY	Total
<b>Financial assets</b>						
Trade receivables	3,978	-	1,198	-	-	5,176
Bank balances	43	10	-	-	-	53
Total exposure to foreign currency risk (assets)	4,021	10	1,198	-	-	5,229
<b>Financial liabilities</b>						
Trade payables	301	-	1,198	50	-	1,549
Lease liabilities	-	9	-	-	-	9
<b>Total exposure to foreign currency risk (liabilities)</b>	<b>301</b>	<b>9</b>	<b>1,198</b>	<b>50</b>	<b>-</b>	<b>1,558</b>

#### Exposure to currency risk

Particulars	(Rs. in lakhs)					
	As at 31 March 2025					
	USD	AED	KWD	EUR	CNY	Total
Total exposure to foreign currency risk (assets) (A)	4,021	10	1,198	-	-	5,229
Total exposure to foreign currency risk (liabilities) (B)	(301)	(9)	(1,198)	(50)	-	(1,558)
<b>Net transaction exposure (C = A+B)</b>	<b>3,720</b>	<b>1</b>	<b>-</b>	<b>(50)</b>	<b>-</b>	<b>3,671</b>
Forward exchange contracts (D)	-	-	-	-	-	-
<b>Gross Foreign currency exposure (E=C+D)</b>	<b>3,720</b>	<b>1</b>	<b>-</b>	<b>(50)</b>	<b>-</b>	<b>3,671</b>

#### Sensitivity Analysis

Sensitivity Analysis for investment in equity share is measured at fair value is not applicable since the fair value and carrying amount is Nil. Both in current year and previous year.

The following table demonstrates the sensitivity in USD, EUR, AED, CNY and KWD with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

Currencies	(Rs. in lakhs)			
	As at 31 March 2026		As at 31 March 2025	
	Effect on Profit before tax	Effect on Post-tax equity	Effect on Profit before tax	Effect on Post-tax equity
5 % appreciation	152	114	183	(137)
5 % depreciation	(152)	(114)	(183)	137

**(ii) Price Risk**

The Company is exposed to price risk from its investment in mutual fund and bonds classified in the balance sheet at fair value through profit or loss. The financial instrument carrying price risk is INR 3,093 lakhs (March 31, 2025: 2,384 lakhs).

To manage its price risk arising from the investment, the Company has invested in the mutual funds and bonds after considering the risk and return profile of the said investments i.e. the debt profile of the investments indicates that the amount has been invested in creditworthy instruments and equity investment is made after considering the past performance record of the mutual fund.

**Sensitivity Analysis**

Particulars	(Rs. in lakhs)			
	As at 31 March 2026		As at 31 March 2025	
	Effect on Profit before tax	Effect on Post-tax equity	Effect on Profit before tax	Effect on Post-tax equity
Impact on profit before tax for 5% increase in NAV/ Price	155	116	119	89
Impact on profit before tax for 5% decrease in NAV/ Price	(155)	(116)	(119)	(89)

**Note 51 - Capital Management**

The Company’s objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits to other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders. The Company monitors its capital by using gearing ratio, which is net debt divided by total equity. Net debt includes interest bearing loans, lease liabilities, interest payable net off cash and cash equivalents. Total equity comprises of Equity share capital, General reserve, Capital redemption reserve, Capital reserve and Retained earnings.

**A. The capital composition is as follows:**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
(a) Net debt [Refer note (56)]*	-	-
(b) Equity	56,387	51,570
(c) Gearing ratio (a/b)	-	-

\* Net debt of the Company is Nil as on March 31, 2026 (refer note 56).

**B. Dividends**

Particulars	(Rs. in lakhs)	
	For FY 2025-26	For FY 2024-25
<b>(a) Proposed dividend</b>		
Final Dividend declared - Rs. 23 per share for each fully paid up share for 31 March 2026 (31 March 2025 - Rs. 20 per share for each fully paid up share)	4,003	3,481



### Note 52 - Earnings per share

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Net Profit after tax for the year (Rs. in lakhs)	8,280	4,346
<b>Net profit attributable to equity shareholders (Rs. in lakhs)</b>	<b>8,280</b>	4,346
<b>Nominal value per equity share (Rs.)</b>		
Total number of equity shares outstanding at the end of the year	17,402,815	17,402,815
Weighted Average Number of equity shares for calculating basic earning per share	17,402,815	17,402,815
<b>Basic Earnings Per Share (Rs.)</b>	<b>47.58</b>	24.98
Weighted Average Number of equity shares for calculating basic earning per share	17,402,815	17,402,815
Add: Weighted average number of potential equity shares on account of shares issuance	15,269	-
Weighted Average Number of equity shares for calculating diluted earning per share	17,418,084	17,402,815
<b>Diluted Earnings Per Share (Rs.)</b>	<b>47.53</b>	24.98
Face Value per Share (Rs.)	10	10

### Note 53 - Non-current assets pledged as security and pari passu charge created on current assets

The carrying amounts of Assets of Company pledged as security for current borrowings including unutilised credit facilities:

Particulars (HDFC Bank)	As at 31 March 2026	(Rs. in lakhs) As at 31 March 2025
<b>Current Assets (Pari passu charge created on current assets)</b>		
<b>Financial Assets</b>		
Investments	3,093	2,384
Trade Receivables	23,185	19,235
Cash and cash equivalents	4,226	3,011
Other bank balances	5,013	3,677
Loans	101	495
Other financial assets	715	626
<b>Non Financial Assets</b>		
Inventories	15,162	12,632
Other current assets	2,473	2,346
<b>Total Current Assets (Pari passu charge created on current assets)</b>	<b>53,968</b>	44,406
<b>Non Current Assets</b>		
Plant and Machinery	7,087	3,378
Land and building at Silvassa plant	2,487	2,487
Land and building at Chinchwad plant	-	1,898
Other moveable fixed assets	-	443
<b>Total Non-Current Assets Pledged as security</b>	<b>9,574</b>	8,206
<b>Total assets pledged as security and pari passu charge created on current assets</b>	<b>63,542</b>	52,612

Particulars (IDFC Bank)	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Current Assets (Pari passu charge created on current assets)</b>		
<b>Financial Assets</b>		
Investments	3,093	2,384
Trade Receivables	23,185	19,235
Cash and cash equivalents	4,226	3,011
Other bank balances	5,013	3,677
Loans	101	495
Other financial assets	715	626
<b>Non Financial Assets</b>		
Inventories	15,162	12,632
Other current assets	2,473	2,346
<b>Total Current Assets (Pari passu charge created on current assets)</b>	<b>53,968</b>	<b>44,406</b>
<b>Non Current Assets</b>		
Land and building at Chinchwad plant	1,898	1,898
<b>Total Non-Current Assets Pledged as security</b>	<b>1,898</b>	<b>1,899</b>
<b>Total assets pledged as security and pari passu charge created on current assets</b>	<b>55,866</b>	<b>46,305</b>

Working capital facilities with ICICI Bank and Kotak Mahindra Bank are unsecured.

**Note 54** - Revenue expenditure incurred during the year on research and development amounts to Rs. 911 lakhs (31 March 2025: Rs. 888 lakhs) (including depreciation Rs. 38 lakhs (31 March 2025: Rs. 34 lakhs) and capital expenditure thereof amounts to Rs. 25 lakhs (31 March 2025: Rs. 43 lakhs).

**Note 55- Revenue from contracts with customers: Ind AS 115**

The Company is engaged in providing welding Products Technologies and Services, maintenance & reclamation related products and services and customized solutions for multi-disciplinary projects and contracts related to refineries, oil and gas, petrochemicals, fertilizers, steel plants, pharma, water and other chemical process industries. Trade receivables are non-interest bearing and generally on payment terms of advance to 120 days of credit period.

The Company determines revenue recognition through the following steps:

1. Identification of the contract, or contracts, with a customer.
2. Identification of the performance obligations in the contract.
3. Determination of the transaction price.
4. Allocation of the transaction price to the performance obligations in the contract.
5. Recognition of revenue when, or as, we satisfy a performance obligation.

**a) Disaggregated revenue information**

The Company has two reportable segments of its business :

- (i) Welding
- (ii) Flares & Process Equipment



The Company's revenue disaggregated by pattern of revenue recognition for the year ended 31 March 2026 and 31 March 2025 are as follows:

Sr. No	Particulars	(Rs. in lakhs)	
		Year ended 31 March 2026	Year ended 31 March 2025
<b>1</b>	<b>Goods and services transferred at a point in time</b>		
	(i) Welding	1,07,111	89,110
	(ii) Maintenance and Reclamation*	-	13,700
<b>2</b>	<b>Goods and services transferred over time</b>		
	(iii) Flares & Process Equipment	5,671	8,392
	Other operating revenues		
	Sale of scraps and others	513	481
	Duty drawback and export incentive	250	-
	<b>Total</b>	<b>113,545</b>	<b>111,683</b>

\*From the current year management has decided to look at maintenance and reclamation combined with welding and hence current year figures are NIL.

b) (i) Contract balances information

Particulars	(Rs. in lakhs)	
	Contract Assets (Refer note (ii) below)	Contract Liabilities (Refer note (ii) below)
Balance as at 1 April 2024	114	575
Net Increase/(decrease)	(114)	57
Balance as at 1 April 2025	-	632
Revenue recognised during the year	-	(620)
Contract liability recognised during the year	-	709
<b>Balance as at 31 March 2026</b>	<b>-</b>	<b>721</b>

(ii) Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

1. The significant changes in contract Assets includes contracts for which invoicing/provision has been done/ created during the year for an amount of Rs. Nil lakhs (31 March 2025: Rs. 77 lakhs). Further Rs. 77 lakhs was invoiced during the previous year.
2. The significant changes in contract liabilities includes customer and distributors advance during the year increased by Rs 89 lakhs (31 March 2025 increased by Rs. 57 lakhs ). This will be recognised as revenue which is expected to occur over the next one year.
3. The Company has recognised revenue from contract liabilities amounting to Rs. 620 lakhs (March 31, 2025: Rs 563 lakhs).

(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price as on 31 March 2026 and 31 March 2025 as follows:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Revenue as per contracted price	1,13,881	1,11,945
Adjustments:		
Sales return	(336)	(262)
<b>Revenue from contract with customers</b>	<b>1,13,545</b>	<b>1,11,683</b>

**c) Performance obligations**

The following aggregated amounts of transaction prices relate to the performance obligations from existing fixed price long term contracts (Flares & Process equipment ) that are unsatisfied or partially unsatisfied as on 31 March 2026 and 31 March 2025:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Revenue expected to be recognised (over next 1 year)	2,048	6,717
<b>Total</b>	<b>2,048</b>	<b>6,717</b>

**Note 56- Net debt reconciliation of movements of liabilities to cash flows arising from financing activities**

Particulars	Cash and cash equivalents	Borrowings	Lease liability	Interest Payable	(Rs. in lakhs)
					Total
Net (debt) / cash and cash equivalents as at 1 April 2024	368	(4,307)	(150)	(13)	(4,102)
Cash flows	2,643	-	-	-	2,643
Repayment of / (Proceeds) from borrowing	-	4,198	-	-	4,198
Non cash movement : Acquisitions/ disposals/revaluation/reclassification	-	-	(64)	-	(64)
Leases	-	-	83	-	83
Finance costs recognised	-	-	(11)	(441)	(452)
Finance costs paid	-	-	11	454	465
Net (debt) / cash and cash equivalents as at 31 March 2025	3,011	(109)	(131)	-	2,771
Cash flows	1,215	-	-	-	1,215
Repayment of / (Proceeds) from borrowing	-	24	-	-	24
Non cash movement : Acquisitions/ disposals/revaluation/reclassification	-	-	(143)	-	(143)
Leases	-	-	65	-	65
Finance costs recognised	-	-	(11)	(209)	(220)
Finance costs paid	-	-	11	209	220
<b>Net (debt) / cash and cash equivalents as at 31 March 2026</b>	<b>4,226</b>	<b>(85)</b>	<b>(210)</b>	<b>-</b>	<b>3,931</b>


**Note 57- Exceptional items :**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>1. Impact on account of new Labour Codes</b> On November 21, 2025, the Government of India introduced four Labour Codes—Code on Wages, 2019, Industrial Relations Code, 2020, Code on Social Security, 2020, and Occupational Safety, Health and Working Conditions Code, 2020—replacing 29 labour laws. The Company recognized an incremental impact of INR 275 lakhs due to revised wage definitions affecting gratuity and leave encashment, based on guidance from the Institute of Chartered Accountants of India. This one-time impact is disclosed as an Exceptional Item.	(275)	-
<b>2. Provision for diminution in the value of investment in and intercorporate deposit given to wholly owned subsidiary company :</b> During the current year, the management had carried out an impairment assessment for loan given to its subsidiary and accordingly recognized a provision towards diminution in the value of ICD amounting to INR 556 lakhs. During the previous year, the management had carried out an impairment assessment of the recoverable value of its investment in and loan given to its subsidiary and accordingly recognized a provision of INR 1,725 lakhs towards diminution in the value of equity investment and INR 1,446 lakhs towards diminution in the value of ICD which has been recognised as an exceptional item	(556)	(3,171)
<b>3. Merger expenses</b> The Company has recognised INR 706 lakhs towards legal and professional fees, along with applicable stamp duty required for the transfer of immovable assets from the transferor company (erstwhile Ador Fontech Limited) to the transferee company (Ador Welding Limited), pursuant to the merger.	-	(706)
<b>4. Employee benefit expenses</b> The Company has paid INR 379 Lakhs towards rewards & recognition, considering long service tenure & contribution to few employees of M&R Division (erstwhile Ador Fontech Limited).	-	(379)
<b>5. Obsolete inventory related provision</b> The Company has recognised a provision of INR 100 lakhs, for the diminution in value of inventories, which had become obsolete or unusable due to market conditions and their physical state.	-	(100)
<b>6. Profit on sale of Flat</b> The Company has sold its Flat situated at Kochi and the profit on sale has been recognised as an exceptional item.	-	46
<b>Total</b>	<b>(831)</b>	<b>(4,310)</b>

**Note 58- Corporate Social Responsibility :**

The Company has formed a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013. The Company was required to spend Rs.217.16 lakhs (after setoff of Rs. 1.84 lakhs excess spent of previous year) as per Section 135(5). However, the Company has spent Rs. 219.89 lakhs on the activities mentioned in Schedule VII to the Companies Act, 2013. The Company had spent Rs. 2.73 lakh excess in the current financial year (FY 2025-26) and hence eligible for set off, against next financial year obligation.

**Details of CSR spent during the financial year 2025-26:**

Where the company covered under section 135 of the companies act, the following shall be disclosed with regard to CSR activities:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
(i) Amount required to be spent by the Company during the year	219	179
(ii) Amount approved by the Board to be spent during the year.	220	179
(iii) Amount of expenditure incurred	220	181
(iv) Shortfall at the end of the year	-	-
(v) Total of previous years shortfall	-	-
(vi) Reason for shortfall	NA	NA

(vii) Nature of amount spent during financial year 2025-26 is detailed below: -

CSR project or activity identified	Sector in which project is covered	Projects or programs	(Rs. in lakhs)
			Amount spent: direct or through implementing agency
Promoting Education and Healthcare	Promoting Education and Healthcare	Educational support extended to tribal students of Class 10	1
Promoting health care including preventive health care	Promoting health care including preventive health care	50 Blind folding sticks and umbrellas distributed to the visually impaired	0
Promoting Education	Promoting Education	Gents teacher staff room and control room civil and renovation work at Advani Oerlikon Govt. Higher Secondary School Birgaon, Raipur	35
Promoting Education	Promoting Education	Milton Lunch Boxes distribution & Meritorious Award for academic achievement at Advani Oerlikon Govt. Higher Secondary School Birgaon, Raipur	1
Promoting Education	Promoting Education	Additional Salary to School teachers at Advani Oerlikon Higher Secondary School, Birgaon, Raipur	7



CSR project or activity identified	Sector in which project is covered	Projects or programs	(Rs. in lakhs)
			Amount spent: direct or through implementing agency
Promoting Education, Women Empowerment & Healthcare	Promoting Education, Women Empowerment & Healthcare	Education, Women Empowerment, Skill Development & Healthcare Activities through Ador Foundation	150
Promoting health care	Promoting health care	Financial support was provided for Cancer Treatment of Ms. Fatima Madki	0
Promoting health care and Women Empowerment	Promoting health care and Women Empowerment	Financial support to disabled individuals and children and Women Empowerment by providing 2 Wheelchair and 5 Sewing machines	1
Promoting Education, women empowerment	Promoting Education, women empowerment	Kishori Vikas - Leadership Training Program for empowering tribal girls.	0
Promoting Education	Promoting Education	Educational support for Amrapali School	0
Promoting health care	Promoting health care	Financial support was provided for Medical Treatment of Mr. Diyam Manish Kumar	1
Promoting Healthcare	Promoting Healthcare	Project Udaan 2.0 - Financial Support for empowering poor and underprivileged youth of the Country with quality and employment opportunities	1
Promoting Healthcare and Education	Promoting Healthcare and Education	SETU Project- to empower rural adolescent girls in the Raigad and Aurangabad districts by enhancing their socio-emotional well-being, decision-making skills, health and nutrition knowledge, and financial literacy	1
Promoting health care	Promoting health care	Support for operational and welfare expenses of children, including residential care, food, education support, healthcare and basic necessities	0
Promoting health care	Promoting health care	Financial support was provided for Medical Treatment of Ms. Debjani	0
Promoting Education	Promoting Education	Sponsoring 25 benches at Swami Vivekanand School, Providing Financial Assistance for Educational Activities of financially challenged students	1

CSR project or activity identified	Sector in which project is covered	Projects or programs	(Rs. in lakhs)
			Amount spent: direct or through implementing agency
Promoting Education	Promoting Education	Financial support for education of underprivileged students at Jaigopal Garodia Rashtrotthana Vidyalaya, Kalyan Nagar, Bengaluru	4
Promoting Education	Promoting Education	Financial support for educational tour of Government Gujarat Primary School, Masat (Silvassa)	0
Promoting Healthcare and Education	Promoting Healthcare and Education	Kolhapur Medical and Healthcare Camp organized - educational and healthcare material distribution to government school students.	1
Livelihood enhancement projects	Livelihood enhancement projects	Financial support for construction of shed at Rani Durgavati Girls Hostel, Randha	3
Livelihood enhancement project, Eradicating hunger, poverty and malnutrition	Livelihood enhancement project, Eradicating hunger, poverty and malnutrition	1 month Mid Day meal of 300 underprivileged students at Shri Yogeshwarananda English Primary and High School	1
Promoting Education	Promoting Education	Financial support for Computers and Education of visually impaired students	3
Livelihood enhancement projects	Livelihood enhancement projects	Financial support for construction work of the boys hostel at Kalashram Project	3
Promoting Livelihood and women empowerment	Promoting Livelihood and women empowerment	Financial support for washing machine, moped two-wheeler, and other essentials for women	2
Livelihood enhancement projects	Livelihood enhancement projects	Financial support for food items to ensure regular nourishment and care of children residing at Srujanalaya Hostel	1
Promoting Sports	Promoting Sports	Sponsorship to Ajay Bhosale, a national-level swimmer, for performance development and participation at the international level	1
Promoting Education	Promoting Education	Financial Support for 13 computers at school at Mubarka School	3

**Note :****Amount spent during the year on:**

Particulars	(Rs. In lakhs)	
	FY 2025-26	FY 2024-25
i) Construction / Acquisition of any assets	-	-
ii) Purpose other than (i) above	220	181
<b>Total</b>	<b>220</b>	<b>181</b>

**Excess amount spent**

Particulars	(Rs. In lakhs)	
	March 31, 2026	March 31, 2025
Opening Balance	2	-
Amount required to be spent during the year	219	179
Amount spent during the year	220	181
Closing Balance	3	2

**Note 59 - SHARE BASED PAYMENTS****A. Description of share-based payment arrangements**

The Company has the following share-based payment arrangements:

**Share option plans (equity-settled)**

On July 15, 2025 the Company established share option plan (“Ador Employee Stock Option Plan 2025”) that entitle the employees to purchase shares in the Company. The plan was approved by the Board of Directors on May 6, 2025 and by Shareholders on July 15, 2025 for issuance of stock option to eligible employees of the Company. Under this plan, holders of vested options are entitled to purchase shares at face value (INR 10 per share). The number of options granted under plan will vest when either time based or time and performance based vesting condition are met (as per grant letter). Further, all the options granted have a vesting condition of 25% every year over a period of 4 years and have an exercise life of 3 years from the date of vesting.

Pursuant to the said plan, Stock options convertible into 29,500 equity shares each were granted to eligible employee at an exercise price of INR 10/- per option.

**B. Measurement of fair values**

The fair value of employee share options has been measured using Black-Scholes option pricing model.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity settled share based payment plans are as follows:

Particulars	Ador Employee Stock Option Plan 2025	Ador Employee Stock Option Plan 2025	Ador Employee Stock Option Plan 2025	Ador Employee Stock Option Plan 2025
Number of options	7375	7375	7375	7375
Vesting period	End of year 1	End of year 2	End of year 3	End of year 4
Grant Date	22-Sep-25	22-Sep-25	22-Sep-25	22-Sep-25
Share price at grant date (INR)	1013.95	1013.95	1013.95	1013.95
Exercise price (INR)	10	10	10	10
Fair Value of options (INR)	948.62	927.39	906.64	886.34
Expected term to maturity (in years)	2.5	3.5	4.5	5.5
Expected volatility (%)	36.90%	37.50%	40.44%	42.94%
Dividend yield (%)	2.30%	2.30%	2.30%	2.30%
Risk free interest rate on government bonds (%)	5.99%	6.19%	6.37%	6.47%
Method of settlement	Equity Settled	Equity Settled	Equity Settled	Equity Settled

Weighted average remaining life of ESOPs outstanding at the end of the year is 4.98 years (31 March 2025: Nil)

The options outstanding at 31 March 2026 had an exercise price of Rs 10 (31 March 2025: Rs 10)

**C. Reconciliation of outstanding share options**

The number and weighted-average exercise prices (refer note B above) of share option under the share option plan are as follows:

Particulars	No. of share options	Weighted average exercise price
Outstanding as of April 1, 2025	-	-
Granted during the year	29,500	INR 10/-
Exercised during the year	-	-
Forfeited during the year	-	-
<b>Outstanding as of March 31, 2026</b>	<b>29,500</b>	<b>INR 10/-</b>
<b>Expired as of March 31, 2026</b>	<b>-</b>	<b>-</b>
<b>Exercisable as of March 31, 2026</b>	<b>-</b>	<b>-</b>



#### D. Breakup of employee share options (ESOP) expenses

Particulars	No. of shares
KMP	7,300
Employees other than KMP	22,200
<b>Outstanding as of March 31, 2026</b>	<b>29,500</b>

#### E. Expense recognised in standalone statement of profit & loss is INR 74 lakhs ( 31 March 2025: Nil)

##### Note 60 - Onerous cost and Liquidated Damages

During the financial year 2022–23, the Company (Flares & Process Equipment) commenced a turnkey project targeted for completion by June 2025. While the project has encountered certain delays due to a combination of operational and external challenges, the Company remains committed to its successful execution and is actively engaging with stakeholders to mitigate potential impacts.

In line with applicable accounting standards and guided by the principles of prudence, the Company has recognised a provision of Rs. 983 lakhs towards estimated cost overruns and Rs. 1,499 lakhs towards potential liquidated damages.

These provisions have been taken on a one-time basis to allow the management to focus on its core business. The Company continues to pursue all available measures to optimise project overrun costs and delivery timelines.

##### Note 61 - Impairment reversal on trade receivables

The Company had executed a project in Kuwait during FY 2020–21, the receivables from which were under litigation and accordingly provided for as doubtful. During the current year, the Company has recovered Rs. 1,412 lakhs from said doubtful receivables. Accordingly, the provision created in earlier year has been reversed.

**Note 62- Disclosure of Ratios:**

Sr. No.	Nature of Ratio	Description		As at 31 March 2026 Ratio	As at 31 March 2025 Ratio	% change from Previous year	Reason for change more than 25%:
		Nominator	Denominator				
1	Current Ratio	Current Asset	Current Liabilities	2.14	2.59	-17%	N.A.
2	Debt - Equity Ratio	Borrowings	Shareholder's Equity	0.00	0.00	(29%)	Decrease in on account of EMI payments for vehicle loans.
3	Debt Service Coverage Ratio	Profit After Tax (before exceptional Item)+Depreciation +Interest on borrowing	Interest on borrowings	54.60	49.59	10%	The improvement in on account of reduction in borrowings on account of efficient working capital management.
4	Return on Equity Ratio	Profit After Tax (before exceptional Item)	Average Shareholders Equity	17%	17%	2%	N.A.
5	Inventory turnover ratio	Cost of Goods sold	Average Inventory	5.09	5.34	-5%	N.A.
6	Trade Receivables turnover ratio	Revenue from operations	Average Trade receivables	5.35	6.01	(11%)	N.A.
7	Trade payables turnover ratio	Credit purchases	Average trade payables	5.30	7.86	(33%)	The improvement in on account of efficient working capital management.
8	Net capital turnover ratio	Revenue from operations	Working Capital	3.94	4.09	-4%	N.A.
9	Net profit ratio	Profit After Tax (before exceptional Item)	Revenue from Operations	8%	8%	4%	N.A.
10	Return on Capital employed	Earning Before Interest and Tax(before exceptional item)	Capital employed (Net worth + Total debt )	22%	21%	5%	N.A.
11	Return on investment.	Return on investment	Average Investment	3%	5%	(39%)	The decrease is primarily due to a higher allocation to fixed income instruments and lower returns from equity instruments amid subdued market conditions.



**Note 63** - The Company has registered all charges or satisfaction with Registrar of Companies during current year and previous year.

**Note 64** - The Board has recommended a final dividend for the financial year 2025-26 (@ Rs. 23 per share, i.e. 230% of the face value of Rs.10 each. It is not recognised as a liability as at 31 March 2026

**Note 65-**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (viii) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.
- (ix) None of the entities in the Company have been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (x) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (xi) The Company has not entered into any scheme of arrangement which has an accounting impact on current financial year.

**Note 66** - Amounts below Rs 0.50 lakh have been rounded off.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

Amar Sunder  
Partner  
Membership No.: 078305

Place : Mumbai  
Date : 29 April 2026

Vinayak M. Bhide  
Head - HR, Admin., Legal  
and Company Secretary  
Membership No.: F5063

Surya Kant Sethia  
Chief Financial Officer

Aditya T. Malkani  
Managing Director  
DIN : 01585637

For and on behalf of the Board of Directors  
**Ador Welding Limited**  
CIN- L70100MH1951PLC008647

Deep A. Lalvani  
Non-Executive Director  
DIN : 01771000

Place : Mumbai  
Date : 29 April 2026

## Independent Auditor's Report

To the Members of Ador Welding Limited

Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Ador Welding Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### Basis for Opinion

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

### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## Revenue Recognition

See Note 31 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>The group generates revenue from sale of goods (welding products) and fixed-price long term contracts.</p> <p>Revenue from sale of welding products is recognized when control over the goods is transferred to the customer and when there are no remaining unfulfilled performance obligations. The point at which control transfers varies depending on the terms agreed with customers – such as upon dispatch, delivery or formal customer acceptance. This requires a detailed analysis of each contract to determine the timing of revenue recognition. An inappropriate assessment could result in revenue being recognised before the control has transferred.</p> <p>The Group considers revenue as a key measure for evaluation of performance. Consequently, timing of revenue recognition from sale of welding products is identified as a key audit matter as there could be incentive or external pressure to meet expectations resulting in revenue being overstated or recognized before transfer of goods.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• Assessed consistency of the Group’s revenue recognition accounting policies with applicable accounting standards;</li> <li>• Evaluated the design and implementation, and tested the operating effectiveness of key internal controls over revenue recognition, including operating effectiveness of general information technology (IT) controls and key IT application controls;</li> <li>• Selected revenue transactions recorded during the year using statistical sampling and, for the samples selected, checked the underlying documents such as [invoices, shipping documents and evaluated relevant contractual terms], to assess whether revenue is recorded in the accounting period in which the revenue recognition criteria are met;</li> <li>• Based on the lead time for delivery, selected revenue transactions recorded close to the year end and subsequent to the year end, using statistical sampling, to examine whether revenue has been recognised in the accounting period in which the revenue recognition criteria are met; and</li> <li>• Tested journal entries relating to revenue recognised during the year, based upon specified risk-based criteria, to identify any unusual or irregular items.</li> </ul>

## Other Information

The Holding Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Group’s annual report, but does not include the financial statements and auditor’s report thereon. The Group’s annual report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Group's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

### **Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements 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 statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company 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 Company 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 are responsible for overseeing the financial reporting process of each company.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 statements.

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 consolidated financial statements, 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 Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entity or business activity within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph no. b. of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

- a. The consolidated financial statements of the Group for the year ended 31 March 2025 were audited by the predecessor auditor who had expressed an unmodified opinion dated 06 May 2025.
- b. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 313.65 lakhs as at 31 March 2026, total revenues (before consolidation adjustments) of Rs. 470.48 lakhs and net cash outflows (before consolidation adjustments) amounting to Rs. 11.55 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial

statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of such subsidiary, as was audited by other auditors, as noted in the "Other Matters" paragraph no. b., we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Holding Company between 01 April 2026 and 10 April 2026 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiary, as noted in the "Other Matters" paragraph no. b.:



- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer Note 41 to the consolidated financial statements.
- b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 60 to the consolidated financial statements in respect of such items as it relates to the Group.
- c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2026.
- d.
  - (i) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements has been audited under the Act has represented to us and the other auditors of such subsidiary company that, to the best of their knowledge and belief, as disclosed in the Note 64(v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements has been audited under the Act has represented to us and the other auditors of such subsidiary company that, to the best of their knowledge and belief, as disclosed in the Note 64(vi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 63 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks and that performed by the respective auditors of the subsidiary company incorporated in India whose financial statements have been audited under the Act, the Holding Company and its subsidiary company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of such subsidiary company did not come across any instance of audit trail feature being tampered with.

Additionally, except where audit trail was not enabled in the previous years, the audit trail has been preserved by the Holding Company and its subsidiary company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the report of the statutory auditors of such subsidiary company incorporated in India which was not audited by us, the remuneration paid/payable during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**  
**Chartered Accountants**  
**Firm's Registration No.:**101248W/W-100022

Amar Sunder  
**Partner**  
**Membership No.:** 078305  
**ICAI UDIN:** 26078305WQDYXU1101

**Place:** Mumbai  
**Date:** 29 April 2026



## Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Ador Welding Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, has unfavourable remarks given by its auditors in his report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1.	3D Future Technologies Private Limited	U74999MH2015PTC261114	Subsidiary	Clauses (vii)(b) and (xvii)

For **B S R & Co. LLP**  
**Chartered Accountants**  
**Firm's Registration No.:**101248W/W-100022

Amar Sunder  
**Partner**  
**Membership No.:** 078305  
**ICAI UDIN:** 26078305WQDYXU1101

**Place:** Mumbai  
**Date:** 29 April 2026

## **Annexure B to the Independent Auditor's Report on the consolidated financial statements of Ador Welding Limited for the year ended 31 March 2026**

**Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Opinion**

In conjunction with our audit of the consolidated financial statements of Ador Welding Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion and based on the consideration of report of the other auditors on internal financial controls with reference to financial statements of subsidiary company, as was audited by the other auditors, the Holding Company and such company incorporated in India which is its subsidiary company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's



judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary company in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**  
**Chartered Accountants**  
**Firm's Registration No.:**101248W/W-100022

Amar Sunder  
**Partner**  
**Membership No.:** 078305  
**ICAI UDIN:** 26078305WQDYXU1101

**Place:** Mumbai  
**Date:** 29 April 2026

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2026

Particulars	Notes	(Rs. in lakhs)	
		As at 31 March 2026	As at 31 March 2025
<b>Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	2	18,085	17,449
(b) Right-of-use assets	3	1,243	1,150
(c) Capital work-in-progress	4	316	411
(d) Investment properties	5	1,074	1,028
(e) Intangible assets	6	8	37
(f) Financial assets			
(i) Investment	7	1,638	809
(ii) Other financial assets	8	3,425	845
(g) Income tax assets (net)	9	1,546	1,407
(h) Deferred tax assets (net)	10	983	974
(i) Other non-current assets	11	645	903
<b>Total Non-current assets</b>		<b>28,963</b>	<b>25,012</b>
<b>(2) Current assets</b>			
(a) Inventories	12	15,187	12,674
(b) Financial assets			
(i) Investments	13	3,093	2,384
(ii) Trade receivables	14	23,197	19,266
(iii) Cash and cash equivalents	15	4,231	3,028
(iv) Bank balances other (iii) above	16	5,020	3,683
(v) Loans	17	101	175
(vi) Other financial assets	18	715	626
(c) Other current assets	19	2,676	2,545
<b>Total Current assets</b>		<b>54,220</b>	<b>44,381</b>
<b>Total Assets</b>		<b>83,183</b>	<b>69,393</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	20	1,740	1,740
(b) Other equity		53,705	48,969
<b>Total equity</b>		<b>55,445</b>	<b>50,709</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	58	84
(ii) Lease liabilities	44	146	77
(iii) Other financial liabilities	22	54	43
(b) Provisions	23	2,015	934
(c) Other non-current liabilities	24	126	194
<b>Total Non-current liabilities</b>		<b>2,399</b>	<b>1,332</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	25	27	25
(ii) Lease liabilities	44	64	55
(iii) Trade payables	26		
Total outstanding dues to micro and small enterprises		1,924	1,574
Total outstanding dues to creditors other than micro and small enterprises		17,449	10,886
(iv) Other financial liabilities	27	3,615	2,607
(b) Other current liabilities	28	1,416	928
(c) Provisions	29	770	1,277
(d) Current tax liabilities (net)	30	74	-
<b>Total Current liabilities</b>		<b>25,339</b>	<b>17,352</b>
<b>Total equity and liabilities</b>		<b>83,183</b>	<b>69,393</b>

Material accounting policies.

The accompanying notes form an integral part of the consolidated financial statements.  
This is the consolidated balance sheet referred to in our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No: 101248W/W-100022

Amar Sunder

Partner

Membership No.: 078305

Vinayak M. Bhide  
Head - HR, Admin., Legal  
and Company Secretary  
Membership No.: F5063

Surya Kant Sethia  
Chief Financial Officer

Aditya T. Malkani  
Managing Director  
DIN : 01585637

Deep A. Lalvani  
Non-Executive Director  
DIN : 01771000

Place : Mumbai  
Date : 29 April 2026

For and on behalf of the Board of Directors  
Ador Welding Limited  
CIN - L70100MH1951PLC008647  
Place : Mumbai  
Date : 29 April 2026



## STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2026

Particulars	Notes	(Rs. in lakhs)	
		Year ended 31 March 2026	Year ended 31 March 2025
<b>I. Income</b>			
(a) Revenue from operations	31	1,14,001	1,12,268
(b) Other income	32	1,816	1,880
<b>Total Income</b>		<b>1,15,817</b>	<b>1,14,148</b>
<b>II. Expenses</b>			
(a) Cost of materials consumed	33	61,948	66,286
(b) Purchase of stock-in-trade	34	9,564	7,173
(c) Changes in inventories of finished goods, work-in-progress, stock-in-trade and right to recover returned goods	35	(640)	(931)
(d) Employee benefits expenses	36	11,757	11,061
(e) Finance costs	37	220	454
(f) Depreciation and amortisation expense	2,3,5,6	1,947	1,822
(g) Onerous cost and liquidated Damages	60	2,482	-
(h) Impairment reversal on trade receivables	61	(1,412)	-
(i) Other expenses	38	18,176	18,486
<b>Total Expenses</b>		<b>1,04,042</b>	<b>1,04,351</b>
<b>III. Profit before exceptional items and tax (I-II)</b>		<b>11,775</b>	<b>9,797</b>
<b>IV. Exceptional items</b>	57	<b>(275)</b>	<b>(1,139)</b>
<b>V. Profit before tax (III-IV)</b>		<b>11,500</b>	<b>8,658</b>
<b>VI. Tax expenses</b>	39		
(a) Current tax		3,295	2,656
(b) Deferred tax		7	(3)
<b>Total tax expense (net)</b>		<b>3,302</b>	<b>2,653</b>
<b>VII. Profit for the year (V-VI)</b>		<b>8,198</b>	<b>6,005</b>
<b>VIII. Other comprehensive income</b>	40		
Items that will not be reclassified to statement of profit and loss			
(a) Re-measurement of net defined benefit liability		(69)	(106)
(b) Income tax relating to above item		17	27
Other comprehensive income		(52)	(79)
<b>IX. Total Comprehensive income for the year (VII+VIII)</b>		<b>8,146</b>	<b>5,926</b>
<b>X. Earnings per equity share (Face value of Rs. 10/-)</b>	52		
Basic Earnings Per Share		47.11	34.51
Diluted Earnings Per Share		47.06	34.51

Material accounting policies.

1

The accompanying notes form an integral part of the consolidated financial statements.

This is the consolidated statement of profit and loss referred to in our report of even date.

For BSR & Co. LLP

Chartered Accountants

Firm Registration No: 101248W/W-100022

Amar Sunder

Partner

Membership No.: 078305

Place : Mumbai

Date : 29 April 2026

Vinayak M. Bhide  
Head - HR, Admin., Legal  
and Company Secretary  
Membership No.: F5063

Surya Kant Sethia  
Chief Financial Officer

Aditya T. Malkani  
Managing Director  
DIN : 01585637

For and on behalf of the Board of Directors

Ador Welding Limited

CIN- L70100MH1951PLC008647

Deep A. Lalvani  
Non-Executive Director  
DIN : 01771000

Place : Mumbai

Date : 29 April 2026

**STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31 MARCH 2026**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>(A) Cash flow from operating activities</b>		
Profit before tax	11,500	8,658
<b>Adjustment for:</b>		
Provision / liabilities no longer required now written back	(53)	(17)
Depreciation and amortisation expense	1,948	1,822
Impairment Loss on trade receivables	31	113
Loss allowances on trade receivables	211	504
Impairment reversal on trade receivables ( refer note 61)	(1,412)	-
Impairment loss on Inventories	854	373
Equity settled shared based payments	74	-
Inventory written off	16	70
Property, plant and equipment impaired	36	204
Finance costs	371	428
Gain on sale of investments (net)	(10)	(19)
Interest expense on lease liability	11	13
Net loss/(gain) on sale of property, plant & equipment	(1)	1
Fair value change of financial asset measured at FVTPL	(8)	(202)
Interest income	(928)	(593)
Rental income from investment properties	(182)	(151)
Unrealised (Gain)/Loss on foreign exchange (net)	-	(32)
Exceptional Items (refer note 57)	275	4
<b>Operating profit before working capital changes</b>	<b>12,732</b>	<b>11,176</b>
<b>Adjustments for changes in working capital</b>		
(Increase)/Decrease in inventories	(3,383)	1,406
(Increase)/Decrease in trade receivables	(3,926)	(1,652)
(Increase)/Decrease in other assets, including financial assets	(376)	837
Increase/(Decrease) in Trade payables	8,411	3,930
Increase/(Decrease) in other liabilities, including financial liabilities	1,485	372
<b>Cash generated from operating activities</b>	<b>14,943</b>	<b>16,069</b>
Income tax paid	(3,357)	(2,358)
<b>Net cash generated from operating activities (A)</b>	<b>11,586</b>	<b>13,711</b>
<b>(B) Cash flow from investing activities</b>		
Acquisition of property, plant and equipment (including capital work-in-progress, capital advances and creditors for capital goods)	(2,217)	(4,127)
Purchase of investments	(2,093)	(1,513)
Proceeds from sale of property, plant and equipment	73	171
Proceeds from sale of investments	638	2,443
Interest income received	428	458
Rental income from investment properties	182	151
Inter Corporate Deposit given to wholly owned subsidiary	-	-
Fixed deposits matured	2,904	680
Fixed deposits placed	(6,508)	-
<b>Net cash used in investing activities (B)</b>	<b>(6,593)</b>	<b>(1,737)</b>



Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>(C) Cash flow from financing activities</b>		
Finance costs paid other than lease liabilities (Refer Note (c) below)	(209)	(428)
Finance cost paid on lease liabilities (Refer Note (c) below)	(11)	(13)
Repayment of principal portion of lease liabilities (Refer Note (c) below)	(65)	(95)
Repayment of vehicle loans (Refer Note (c) below)	(24)	(21)
Dividend paid	(3,481)	(4,616)
(Repayment) of / Proceeds from borrowings (Refer Note (c) below)	-	(4,177)
<b>Net cash used in financing activities (C)</b>	<b>(3,790)</b>	<b>(9,350)</b>
<b>(D) Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,203</b>	<b>2,624</b>
Cash and cash equivalents at the beginning of the year	3,028	404
<b>Cash and cash equivalents at the end of the year [Refer note 16]</b>	<b>4,231</b>	<b>3,028</b>

#### Notes to the consolidated cash flow statement

- (a) The Group has elected to present cash flows from operating activities using the indirect method.  
 (b) Components of cash and cash equivalents:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Cash on hand	4	12
Fixed Deposits with bank (original maturity of less than 3 months)	2,000	2,100
Balances with banks in current accounts	2,227	916
<b>Total</b>	<b>4,231</b>	<b>3,028</b>

- (c) Reconciliation of movements of liabilities to cash flows arising from financing activities (Refer Note No 56)

Material accounting policies. 1

The accompanying notes form an integral part of the consolidated financial statements.

This is the consolidated cash flow statement referred to in our report of even date.

For **B S R & Co. LLP**  
 Chartered Accountants  
 Firm Registration No: 101248W/W-100022

Amar Sunder  
 Partner  
 Membership No.: 078305

Place : Mumbai  
 Date : 29 April 2026

Vinayak M. Bhide  
 Head - HR, Admin., Legal  
 and Company Secretary  
 Membership No.: F5063

Surya Kant Sethia  
 Chief Financial Officer

Aditya T. Malkani  
 Managing Director  
 DIN : 01585637

For and on behalf of the Board of Directors  
**Ador Welding Limited**  
 CIN- L70100MH1951PLC008647

Deep A. Lalvani  
 Non-Executive Director  
 DIN : 01771000

Place : Mumbai  
 Date : 29 April 2026

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT AND FOR THE YEAR ENDED 31 MARCH 2026

### A) Equity share capital (Refer note 20)

Particulars	Number of shares	Amount (Rs. in lakhs)
<b>Issued, subscribed and paid up:</b>		
As at 31 March 2024	1,35,98,467	1,360
Changes in equity share capital during the year (Refer note 5 to part B below)	38,04,348	380
As at 31 March 2025	1,74,02,815	1,740
Changes in equity share capital during the year	-	-
<b>As at 31 March 2026</b>	<b>1,74,02,815</b>	<b>1,740</b>

### B) Other equity

Particulars	Reserves and surplus						Total
	General reserve	Capital redemption reserve	Capital reserve	ESOP Outstanding reserve	Share Pending Issuance	Retained earning	
Balance as at 1 April 2024	24,215	223	460	-	380	20,663	45,941
<b>Total comprehensive income for the year ended 31 March 2025</b>							
Profit for the year	-	-	-	-	-	6,005	6,005
Other comprehensive income for the year	-	-	-	-	-	(79)	(79)
<b>Total comprehensive income for the year</b>						<b>5,925</b>	<b>5,925</b>
Transfer from retained earnings to general reserve	633	-	-	-	-	(633)	-
<b>Transactions with owners of the Company</b>							
<b>Contribution and Distribution</b>							
Shares issued during the year	-	-	-	-	(380)	-	(380)
Dividends	-	-	-	-	-	(2,518)	(2,518)
<b>Total Transactions with owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(380)</b>	<b>(2,518)</b>	<b>(2,898)</b>



Particulars	(Rs. in lakhs)						Total
	Reserves and surplus						
	General reserve	Capital redemption reserve	Capital reserve	ESOP Outstanding reserve	Share Pending Issuance	Retained earning	
<b>Balance as at 31 March 2025</b>	<b>24,848</b>	<b>223</b>	<b>460</b>	<b>-</b>	<b>-</b>	<b>23,437</b>	<b>48,969</b>
<b>Total comprehensive income for the year ended 31 March 2026</b>							
Profit for the year	-	-	-	-	-	8,198	8,198
Other comprehensive income for the year	-	-	-	-	-	(52)	(52)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,146</b>	<b>8,146</b>
Transfer from retained earnings to general reserve	434	-	-	-	-	(434)	-
<b>Transactions with owners of the Company</b>							
<b>Contribution and Distribution</b>							
Equity settled share based payments	-	-	-	74	-	-	74
Dividends	-	-	-	-	-	(3,484)	(3,484)
<b>Total Transactions with owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74</b>	<b>-</b>	<b>(3,484)</b>	<b>(3,410)</b>
<b>Balance as at 31 March 2026</b>	<b>25,282</b>	<b>223</b>	<b>460</b>	<b>74</b>	<b>-</b>	<b>27,665</b>	<b>53,705</b>

## Nature and purpose of the reserves

### (1) General reserve

The general reserve is a distributable reserve maintained by the Group to be utilised in accordance with the Act.

### (2) Capital redemption reserve

The Capital redemption reserve has been created on/during buy back of equity shares and it is a non-distributable reserve.

### (3) Capital reserve

The Capital reserve of INR 140 lakhs has been created on the difference between the consideration for acquisition of Ador Welding Academy Private Limited (AWAPL) and the amount of share capital and security premium of AWAPL as per Ind AS 103 (Appendix C), Business combinations of entities under common control.

The Capital reserve of INR 320 lakhs has been created on the difference between the consideration for acquisition of Ador Fontech Limited (ADFL) and the amount of share capital and security premium of ADFL as per Ind AS 103 (Appendix C), Business combinations of entities under common control (Refer note 61).

**(4) ESOP outstanding reserve**

Share option outstanding account represents reserve in respect of equity settled share options granted to the Holding Company’s employees in pursuance of the Employee Stock Option Plan.

**(5) Share Pending Issuance**

Shares pending issuance represent equity shares to be issued as consideration for acquisition of Ador Fontech Limited (ADFL). During the previous year, the group has issued 3,804,348 shares to shareholders of erstwhile ADFL.

**(6) Retained earnings**

The Retained earnings pertain to the accumulated earnings made by the Group over the years.

Material accounting policies. 1

The accompanying notes form an integral part of the consolidated financial statements.

This is the consolidated statement of changes in equity referred to in our report of even date.

For **B S R & Co. LLP**  
**Chartered Accountants**  
**Firm Registration No:** 101248W/W-100022  
 Amar Sunder  
**Partner**  
**Membership No.:** 078305  
  
**Place :** Mumbai  
**Date :** 29 April 2026

Vinayak M. Bhide  
**Head - HR, Admin., Legal  
 and Company Secretary**  
**Membership No.:** F5063

Surya Kant Sethia  
**Chief Financial Officer**

Aditya T. Malkani  
**Managing Director**  
**DIN :** 01585637

For and on behalf of the Board of Directors  
**Ador Welding Limited**  
**CIN-** L70100MH1951PLC008647  
 Deep A. Lalvani  
**Non-Executive Director**  
**DIN :** 01771000  
  
**Place :** Mumbai  
**Date :** 29 April 2026



## Note 1 - Material accounting policy information to the financial statements for the year ended 31 March 2026

### I. Corporate Information

Ador Welding Limited ('the Group') (CIN- L70100MH1951PLC008647) was incorporated in 1951 and is one of India's leading player in the field of Welding Products, Technologies and Services. The Group is also engaged in providing customized solutions for multi-disciplinary projects and contracts related to refineries, oil and gas, petrochemicals, fertilizers, steel plants, pharma, water and other chemical process industries. The Group is a public limited Group and domiciled in India and its shares are listed on two recognised stock exchanges in India- the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange (India) Limited (NSE). The registered and corporate office of the Group is situated at Ador House, 6, K. Dubash Marg, Fort, Mumbai.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the 'Group') for the year ended 31 March 2026.

### II. Material Accounting Policies

Below is list of material accounting policies applied by the Group in the preparation of its financial statements.

#### (a) Basis of Preparation

##### (i) Statement of Compliance:

These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

The consolidated financial statements are approved for issue by the Group's Board of Directors on April 29, 2026.

##### (ii) Basis of measurement

The financial statements for the year ended 31 March 2026 have been prepared on an accrual basis and a historical cost convention, except for the following items which are measured on an alternative basis on each reporting date:

(a) Derivative Financial instruments measured at FVTPL.

(b) Non derivative financial instruments at FVTPL

(c) Fair Value of plan assets less the present value of the defined benefit obligation (Refer note 1(II)(o) for accounting policy).

Fair value is the price that would be received on sale of asset or paid on transfer of liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Accounting policies and methods of computation followed in the financial statements are same as compared with the annual financial statements for the year ended 31 March 2025, except for adoption of new standard or any pronouncements effective from 1 April 2025

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

**Current and non-current classification**

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

**(b) Principles of Consolidation**

The Consolidated financial statements have been prepared on the following basis:

Subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases. The acquisition method of accounting is used to account for business combination by the Group. The Group combines the separate financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiary has been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

**(c) Use of judgements and estimates**

The preparation of financial statements in conformity with Ind AS, which requires management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

**(i) Critical estimates**

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

Useful lives of Property plant and equipment (PPE), investment property and Intangible assets  
Property, plant and equipment represent a significant proportion of the asset base of the group. Depreciation is provided as per the Straight Line Method over the estimated useful lives of assets. The Group depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same (except for vehicles as disclosed in note 1(II)(d) as those prescribed in Schedule II to the Act. - Refer note 1(II)(d),(f) and (g).

**Defined benefit obligation**

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty. The assumptions used are disclosed in Note 50.



### **Fair value measurements of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets wherever possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. - Refer note 1(II)(i).

### **Revenue from fixed price long term contracts (Flares & Process Equipment)**

The Group's management estimate the cost to complete for each project and recognition of anticipated losses of the projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget. The process requires monitoring controls including financial and operational controls and identifying major risks faced by the Group and developing and implementing initiative to manage those risks. The Group's management is confident that the costs to complete the project are fairly estimated.

### **Impairment of investments in subsidiaries**

Determining whether the investments in subsidiaries are impaired requires an estimate in the value in use of investments. The Group reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. In considering the value in use, the management have anticipated the future market conditions and other parameters that affect the operations of these entities.

## **(ii) Judgements**

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

### **Provision for income tax and deferred tax assets**

The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

### Contingencies

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Group. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent assets are neither recognised nor disclosed in the financial statements.

### Assessment of Lease term

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

### (d) Property plant and equipment

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their carrying value or fair value less cost of sales and are shown separately in the Consolidated financial statements. Any expected loss is recognised immediately in the Consolidated Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment, which are carried at cost, are recognised in the Consolidated Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight-line method based on useful life as estimated by the management and aligned to Schedule II to the Companies Act, 2013 in order to reflect the actual usage of assets. Depreciation on assets acquired under finance lease is spread over the lease period or useful life, whichever is shorter. Estimated useful lives of assets are as follows:

<b>Assets Category</b>	<b>Management estimate of useful life</b>	<b>Useful life as per Schedule II</b>
Buildings	30-60 years	30-60 years
Plant and equipments (including computer)	8-15 years	8-15 years
Electrical installation	10 years	10 years
Furniture and fixtures	8-10 years	8-10 years
Office equipment	5 years	5 years
Vehicles	4-10 years	8-10 years

Capital work-in-progress comprises of property, plant and equipment that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.



Gains or losses arising from derecognition of property, plant and equipments are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & Loss under 'Other expenses' or 'Other income' when the asset is derecognized.

The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed, and adjusted if appropriate. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets.

#### **Transition to Ind AS**

The cost property, plant and equipment at 1 April 2016, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

#### **(e) Non-current assets classified as held for sale:**

Non-current assets, or disposal Group comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal Group, are generally measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment loss on a disposal Group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets which continue to be measured in accordance with the group's other accounting policies. Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held for sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and equity-accounted investee is no longer equity accounted.

Non-current assets classified as held-for-sale and the assets of a disposal Group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal Group classified as held for sale are presented separately from other liabilities in the balance sheet

#### **(f) Intangible Assets (including intangibles under development)**

##### **Initial recognition and measurement**

Intangible assets acquired separately are measured on initial recognition at cost. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Following initial recognition, other intangible assets and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

##### **Subsequent measurement (amortisation and useful lives)**

Intangible assets are amortised on a straight-line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Computer Software, E learning module and website are amortised over a period of three years. The amortisation expense on intangible assets with finite life is recognised in the consolidated statement of profit and loss under the head Depreciation and amortization expense.

### Derecognition

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

### Transition to Ind AS

The cost of intangible assets at 1 April 2016, the Group’s date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

## (g) Investment properties

### Initial recognition and measurement

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the entity, is classified as Investment Property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed, when incurred. When part of an Investment property is replaced, the carrying amount of the replaced part is derecognised.

### Derecognition

Investment property is derecognised either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Transfers are made to (or from) investment property only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

### Depreciation

Depreciation is provided on a pro-rata basis on the straight-line method, based on useful life as estimated by the management and aligned to Schedule II to the Companies Act, 2013 in order to reflect the actual usage of assets. Estimated useful lives of assets are as follows:

Assets Category	Useful Life (in Years)	Basis of Determination of useful life
Buildings	30-60 years	Assessed to be in line with schedule II to the Act

### Transition to Ind AS

The cost of investment properties at 1 April 2016, the Group’s date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.



#### **(h) Impairment of non-financial assets**

The carrying amount of the non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised, whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its fair value less disposal cost and its value in use. Impairment loss is recognised in the statement of profit and loss.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation, if there were no impairment.

#### **(i) Investments and Other financial assets**

##### **Classification**

The Group classifies its financial assets in the following measurement categories:

- (i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (ii) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model, in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

##### **Initial recognition and measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### **Subsequent measurement**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which the Group classifies its debt instruments:

- (i) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statement of profit and loss, when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- (ii) **Fair value through other comprehensive income (FVTOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- (iii) **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

#### Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Trade receivables;
- ii) Financial assets measured at amortised cost (other than trade receivables).

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. Further, individual credit risk assessment is also undertaken by the Group to identify significant increase in credit risk or is credit impaired. Basis such individual credit risk assessment, a Group may provide for a loss allowance.

Financial assets classified as amortised cost (refer (ii) above), subsequent to initial recognition, are assessed for evidence of impairment at end of each reporting period basis monitoring of whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding looking information. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL. ECL allowance recognised (or reversed) during the period is recognised as expense (or income) in the Consolidated Statement of Profit and Loss under the head 'Other expenses'.



Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.”

#### **Write - off**

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

#### **De-recognition of financial assets**

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

#### **(j) Cash and cash equivalents**

Cash and cash equivalents comprise of the cash on hand and at bank and current investments with an original maturity of three months or less. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. Cash and cash equivalents consist of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For this purpose, “short-term” means investments having original maturities of three months or less from the date of investment

#### **(k) Borrowings and other financial liabilities**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or at amortised cost (Borrowings and payables), as appropriate. All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Group’s financial liabilities include trade and other payables and borrowings including bank overdrafts

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- i) Financial liabilities at fair value through profit or loss;
- ii) Financial liabilities at amortised cost

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Consolidated Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

#### **Financial Liabilities at amortised cost**

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated Statement of Profit and Loss when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as “Finance Costs” in the consolidated Statement of Profit and Loss. This category generally applies to interest bearing borrowings.

#### **Derecognition**

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

#### **Offsetting of financial instrument**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **Derivative financial instruments**

The Group uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### **(l) Inventories**

Inventories are stated at lower of cost and net realisable value. Cost is determined using the ‘average cost’ method. The cost of finished goods and work in progress comprises raw material, packing materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

### **(m) Revenue recognition**

(A) Revenue from contracts with customers is recognised when the entity satisfies a performance obligation by transferring a promised good or service to customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Amounts disclosed as revenue are net of returns, trade allowances, rebates and discounts, goods and service tax and applicable taxes, which are collected on behalf of the government or on behalf of third parties.



**i) Sale of welding product**

Revenue from contracts with customers involving sale of goods is recognized at a point in time when control of the goods has been transferred at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods, and there are no unfulfilled obligation that could affect the customer's acceptance of the products and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. The point of time of transfer of control to customers depends on the terms of the trade such as: Free on Board (FoB) - At the time of loading on carriage. Transfer of control happens when the goods are loaded onboard the vessel at the port of shipment. Cost, Insurance & Freight (CIF) - Transfer of control happens when goods arrive at port of destination. Delivery Duty Paid (DDP) - Transfer of control happens at named place when the goods are ready for unloading.

**ii) Revenue from fixed price long term contracts (Flares & Process Equipment)**

Performance obligation in case of revenue from long - term contracts is satisfied over the period of time and the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of output method as mentioned in IND AS 115. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. The Group monitors estimates of total contract revenue and costs on a regular basis throughout the contract period. The cumulative impact of any change in estimates of the contract value or cost is reflected in the period in which the changes become known.

**iii) Sale of services**

Revenue from services is recognised when the services are rendered in accordance with the specific terms of contract and when collectability of the resulting receivable is reasonably assured.

**iv) Right to recover the product**

When a contract provides a customer with a right to right to recover the product within a specified period, the Group estimates the expected returns using a historical experience similar to the expected value method under Ind AS 115.

At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Group has a right to recover the product when customers exercise their right of return. Consequently, the Group recognises a right to recover the product as asset under inventories as (right to recover return goods) and a corresponding adjustment to cost of materials consumed. The Group uses its accumulated historical experience to estimate the percentage of returns at plant level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years. The Group updates its estimates of provision for sales return (and the corresponding change in the transaction price) at the start of each reporting period. For goods expected to be returned, the Group presented a refund liability (under Provision) and an asset for the right to recover returned goods (under inventories) from a customer separately in the balance sheet.

#### v) Contract Assets and Liability

Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

Contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. The timing of the transfer of control varies depending on individual terms of the sales agreements.

#### (B) Other Operating Revenue

##### Export Incentive

Duty drawback and Remission of Duties and Taxes on Export Products (RoDTEP) is accounted when reasonable assurance to receive such revenue is established and the Group has complied with the conditions associated with the incentive scheme.

#### (n) Other income

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

#### (o) Employee Benefits

**Provident fund:** Contribution towards provident fund for employees is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as "Defined Contribution Schemes", as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

**Gratuity fund:** The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial gains / losses arising on the measurement of defined benefit obligation are credited / charged to other comprehensive income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**Superannuation fund:** Contribution towards superannuation fund for certain employees is made to Ador Welding Employees Superannuation Fund Trust administered by the Group. The benefit is classified as a "Defined Contribution Schemes" as the Group does not carry any further obligation, apart from the contribution made on a monthly basis.



Employees state insurance scheme: The Group makes contribution to state plans namely Employees State Insurance Scheme and has no further obligation beyond making the payment to them

**Compensated absences:** Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. The Group's net obligation in respect of other long-term employee benefit of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the year. That benefit is discounted to determine its present value. The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the Group does not have the right at the end of the reporting period to defer the settlement for at least twelve months after the reporting date

**Termination benefits:** Termination benefits are expensed at the earlier of when the group can no longer withdraw the offer of those benefits and when the group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

**(p) Income taxes**

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of profit and loss, except when they relate to item that are recognised in Other comprehensive income or directly in Equity, in which case, the current and deferred tax are also recognised in Other comprehensive income or directly in Equity respectively.

**(i) Current income tax**

The current income tax includes income tax payable by the Group, computed in accordance with the tax laws applicable in the jurisdiction in which the Group operates. Advance tax and provision for current income tax are presented in the Balance sheet after offsetting the advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

**(ii) Deferred tax**

Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of recognition and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognised to the extent that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow or part of deferred tax assets to be utilised. At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

**(q) Leases (as a Lessee):**

The Group's lease asset classes primarily consist of leases for Land and Buildings. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straightline basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**(r) Foreign currency transactions**

The functional and presentation currency of the Group is Indian rupee.

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance sheet date and exchange gain or loss arising on settlement and restatement are recognised in the Statement of Profit and Loss.



Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

**(s) Provisions, contingent liabilities and contingent assets**

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized

Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

**Onerous contracts**

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract.

**(t) Earnings per share**

Basic earning per share is computed by dividing net profit after tax (excluding other comprehensive income) by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing net profit after tax (excluding other comprehensive income) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

**(u) Share based payment**

The Group has granted Equity settled share based payments to employees which are measured at fair value at grant date.

The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under “ESOP Outstanding”.

The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes).

No expense is recognised for options that do not ultimately vest because non market performance and/or service conditions have not been met.

The dilutive effect, if any of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**(v) Provision for warranty**

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing on the basis of the past experience of the Group. It is expected that this expenditure will be incurred over the contractual warranty period.

**(w) Research & Development**

Expenditure on research activities is recognised in profit or loss as incurred.

Capitalised development expenditure is an internally generated intangible asset. Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

**(x) Recent Pronouncements**

The Ministry of Corporate Affairs has vide notification dated 7 May 2025 and 13 August 2025, notified Companies (Indian Accounting Standards) Amendment Rules, 2025 which amends certain accounting standards, and are effective 1 April 2025.

This table lists the recent changes to the Accounting Standards that are required to be applied by an entity with an annual reporting period beginning on 1 April 2025 to the extent applicable for the company.

**Ind AS 21, The Effects of Changes in Foreign Exchange Rates**

The amendment defines 'exchangeability', requiring entities to assess exchangeability at the measurement date for a specific purpose, and mandating that entities estimate a spot exchange rate when a currency is non-exchangeable.

Companies are now required to disclose:

- a) nature and financial implications of the currency's lack of exchangeability
- b) spot exchange rates used and methods used to estimate them
- c) risks associated with the inability to exchange the currency
- d) affected transactions, assets, and liabilities



### Ind AS 1, Presentation of Financial Statements

- A liability was earlier classified as current if the entity did not have an unconditional right to defer settlement for at least 12 months after the reporting date. Under the amendment, the requirement for the right to be unconditional has been removed. Instead, the entity must show that a substantive right to defer settlement exists at the reporting date.
- If a breach of a material covenant occurs on or before the reporting date but the lender agrees after the reporting date and before approval of the financial statements not to demand repayment, the liability is not classified as current, but the entity must provide Ind AS 107 breach disclosures.
- Companies must also disclose information about non-current liabilities subject to future covenants in the notes to the financial statements.
- The amendments to Ind AS 1 are applied retrospectively for annual periods beginning on or after 1 April 2025.

### Ind AS 107 – Financial Instruments: Disclosures and Ind AS 7 – Statement of Cash Flows

- New disclosure requirements apply to supplier finance arrangements where:
  - ↳ A finance provider pays suppliers on behalf of the Group.
  - ↳ The Group pays on the same or a later date.
  - ↳ The Group receives extended terms or suppliers receive early-payment benefits.
- Required disclosures include:
  - a. Terms and conditions of the arrangements.
  - b. At beginning and end of the reporting period:
    - i. Carrying amounts and balance-sheet line items of liabilities under these arrangements.
    - ii. Liabilities already paid to suppliers by finance providers.
    - iii. Payment-due-date ranges for these liabilities and comparable trade payables.
  - c. Type and effect of non-cash changes (e.g., exchange differences, business combinations).
    - Entities must also disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement.
    - Supplier finance arrangements are now explicitly included in Ind AS 107 as examples for quantitative liquidity risk disclosures.

### (y) Standards issued but not yet effective

#### Ind AS 1 - Presentation of Financial Statements

If a covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current even if the lender subsequently agrees not to demand repayment. It is classified as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided—by the reporting date—a grace period extending at least 12 months beyond that date, during which the breach can be rectified and repayment cannot be demanded, the liability is classified as non-current. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

**Note 2 - Property, plant and equipment**

Description	(Rs. in lakhs)									
	Freehold land	Buildings [Refer notes (a)]	Factory Building	Plant and equipments (including computers)	Electrical installations	Furniture and fixtures	Office equipment	Vehicles	Total	
<b>Gross carrying value</b>										
As at 01 April 2024	1,112	8,332	1,110	18,487	1,533	1,185	437	1,443	33,639	
Additions	351	2,161	-	2,299	247	565	133	265	6,021	
Adjustments	-	-	-	(4)	-	-	-	-	(4)	
Deductions	-	186	-	540	50	121	34	324	1,255	
Transfer to Investment Property [Refer note (b) as below]	-	-	-	-	-	-	-	-	-	
As at 31 March 2025	1,463	10,307	1,110	20,242	1,730	1,629	536	1,384	38,401	
Additions	-	405	84	1,745	114	43	40	193	2,626	
Transfer to Investment Property [Refer note (b) as below]	-	(169)	-	-	-	-	-	-	(169)	
Deductions	-	13	-	238	39	53	78	129	550	
<b>As at 31 March 2026</b>	<b>1,463</b>	<b>10,530</b>	<b>1,194</b>	<b>21,749</b>	<b>1,805</b>	<b>1,619</b>	<b>498</b>	<b>1,448</b>	<b>40,308</b>	
<b>Accumulated depreciation</b>										
As at 01 April 2024	-	3,286	751	13,511	1,112	748	346	570	20,324	
Depreciation charge	-	316	16	851	72	105	39	193	1,592	
Deductions	-	74	-	490	46	99	31	223	963	
Transfer to Investment Property [Refer note (b) as below]	-	-	-	-	-	-	-	-	-	
As at 31 March 2025	-	3,528	767	13,872	1,137	754	353	540	20,953	
Depreciation charge	-	356	17	966	84	116	50	207	1,796	
Deductions	-	4	-	218	37	47	64	74	444	
Transfer to Investment Property	-	81	-	-	1	-	-	-	82	
<b>As at 31 March 2026</b>	<b>-</b>	<b>3,799</b>	<b>784</b>	<b>14,620</b>	<b>1,183</b>	<b>823</b>	<b>339</b>	<b>673</b>	<b>22,223</b>	
<b>Net carrying value</b>										
As at 31 March 2025	1,463	6,779	343	6,370	592	875	182	844	17,449	
<b>As at 31 March 2026</b>	<b>1,463</b>	<b>6,731</b>	<b>410</b>	<b>7,129</b>	<b>622</b>	<b>796</b>	<b>158</b>	<b>775</b>	<b>18,085</b>	

During the year, with a view to refining the presentation of Property, Plant and Equipment (PPE), the Group internally regrouped:

- a) research and development related assets to respective asset category; and
- b) Ownership premises to Buildings.

In order to enhance inter-period comparability of information, the Group has regrouped the comparative information on the same basis.

**Notes:-**

(a) Includes:

- (i) Rs. 0.01 lakh (31 March 2025: Rs. 0.01 lakh) being the aggregate value of shares in Co-operative housing societies.
- (ii) Rs. 4 lakhs (31 March 2025: Rs. 4 lakhs) for tenements in an association of apartment owners.

(b) During the current year:

- (i) Buildings having gross carrying amount of Rs. 169 lakhs and accumulated depreciation of Rs 81 lakh have been transferred to “Investment Properties” as the Holding Company has stopped business activities from the office and leased out the premises.

(c) The Group has pledged certain assets against borrowing limits (refer note 53 for details).

(d) The vehicles are hypothecated against the vehicle loans. Refer note 21 for further details.

(e) The title deeds of all immovable properties (other than properties where the Holding Company is the lessee and lease arrangements are duly exercised in favour of the lessee) are held in the name of the Holding Company except as below:

Description of Property	Gross carrying value	Whether in the name of promoter, director or their relative or employee	Held in the name of	Property held since	Reason for not being held in name of Company
Freehold Land Plot No - 486, B-1, IV Phase, Peenya Industrial Area, Nallakadaranahalli Village, Yeshwanthpur Hobli, Bangalore, North Taluk	62	No	Ador Fontech Limited	Effective Merger date: April 1, 2022	Note 1

**Note 1** - The Title of asset transferred, pursuant to the scheme of amalgamation, to the Holding Company, is in process of being transferred in the name of the Holding Company.

**Note 3 - Right-of-use asset [Refer note 44]**

Description	(Rs. in lakhs)			
	Freehold Land	Building	Plant and equip-ments (including computers)	Total
<b>Gross carrying value</b>				
As at 01 April 2024	1,096	127	150	1,373
Additions	-	-	64	64
Adjustments	-	12	-	12
Deductions	-	(19)	-	(19)
As at 31 March 2025	1,096	120	214	1,430
<b>Additions</b>	<b>28</b>	<b>76</b>	<b>67</b>	<b>171</b>
<b>As at 31 March 2026</b>	<b>1,124</b>	<b>196</b>	<b>281</b>	<b>1,601</b>
<b>Accumulated amortisation</b>				
As at 01 April 2024	44	67	67	178
Amortisation charge	17	43	42	102
As at 31 March 2025	61	110	109	280
<b>Amortisation charge</b>	<b>17</b>	<b>11</b>	<b>51</b>	<b>78</b>
<b>As at 31 March 2026</b>	<b>78</b>	<b>121</b>	<b>160</b>	<b>358</b>
<b>Net carrying value</b>				
As at 31 March 2025	1,035	10	105	1,150
<b>As at 31 March 2026</b>	<b>1,046</b>	<b>75</b>	<b>121</b>	<b>1,243</b>

**Notes:-**

(a) The Group Company incurred Rs. 572 lakhs in the year ended 31 March 2026 (31 March 2025: Rs. 460 lakhs) towards expenses relating to short-term leases and leases of low value assets. The total cash outflow for leases is Rs. 638 lakhs for the year ended 31 March 2026 (31 March 2025: Rs. 568 lakhs), including cash outflow of short-term leases and leases of low value assets. Interest on lease liabilities is Rs. 11 lakhs for the year 31 March 2026 (31 March 2025: Rs. 13 lakhs). [Refer note 37 and note 44]

Description of property	Gross carrying value (Rs. In Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company. Also indicate if in dispute
Right of use Asset	465	Ador Fontech Limited	No	01-Apr-22	Agreement is executed in the name of the Company “Ador Fontech Limited” which then got merged with Ador Welding limited and all its assests and liabilities were taken over by the target company until 31 March 2022. The merger became effective from 01st April 2022 and since then it is recorded in the books of AWL. The lease is not under dispute.



#### Note 4 - Capital work-in-progress (CWIP)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Opening balance	411	2,537
Add : Additions during the year	2,532	2,491
Less : Capitalised during the year	(2,626)	(4,617)
<b>Total</b>	<b>316</b>	<b>411</b>

#### a) CWIP ageing schedule

Particulars	Amount in CWIP as at 31 March 2026				Total
	Less than 1 year	1-2 years	2-3 years	Above 3 years	
	Projects in progress	314	2		
Projects temporarily suspended					-
<b>Total</b>	<b>314</b>	<b>2</b>	-	-	<b>316</b>

Particulars	Amount in CWIP as at 31 March 2025				Total
	Less than 1 year	1-2 years	2-3 years	Above 3 years	
	Projects in progress	151	228	32	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>151</b>	<b>228</b>	<b>32</b>	-	<b>411</b>

**Note:** There are no projects in PPE, which are overdue or has exceeded its cost compared to its original plan as at 31 March, 2026 and 31 March, 2025.

**Note 5 - Investment properties**

Description	(Rs. in lakhs)		
	Freehold land	Buildings	Total
<b>Gross carrying value (at deemed cost)</b>			
As at 01 April 2024	15	1,709	1,724
Deductions	-	18	18
As at 31 March 2025	15	1,691	1,706
Transfer from PPE	-	<b>88</b>	<b>88</b>
<b>As at 31 March 2026</b>	<b>15</b>	<b>1,779</b>	<b>1,794</b>
<b>Accumulated depreciation</b>			
As at 01 April 2024	-	639	639
Depreciation charge	-	44	44
Deductions	-	5	5
As at 31 March 2025	-	677	677
Depreciation charge	-	<b>43</b>	<b>43</b>
<b>As at 31 March 2026</b>	<b>-</b>	<b>720</b>	<b>720</b>
<b>Net carrying value</b>			
As at 31 March 2025	15	1,013	1,028
<b>As at 31 March 2026</b>	<b>15</b>	<b>1,059</b>	<b>1,074</b>

During the year, with a view to refining the presentation of Investment properties, the Group internally regrouped ownership premises to Buildings (including note (a) for fair value of investment properties). In order to enhance inter-period comparability of information, the Group has regrouped the comparative information on the same basis.

**Notes:**

**(a) Fair Value of Investment properties\***

Description	(Rs. in lakhs)		
	Freehold land	Buildings	Total
As at 31 March 2025	9,504	4,818	14,322
<b>As at 31 March 2026</b>	<b>9,570</b>	<b>6,159</b>	<b>15,729</b>

\*Estimation of fair value

During the year, valuations of the Investment properties is performed by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value measurement is based on comparable sales approach. The fair value measurement is categorised in level 3 of fair value hierarchy.

The fair valuation is based on current prices in the active market of similar properties. The main inputs used for valuation are quantum, area, location, demand, quality of construction, age of building and trend of fair market etc.

**(b) Information regarding income and expenditure of Investment property :**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Rental income derived from investment properties	182	176
Direct operating expenses (including repairs and maintenance) for properties generating rental income	(32)	(22)
Direct operating expenses (including repairs and maintenance) for properties that did not generate rental income		
<b>Profit arising from investment properties before depreciation</b>	<b>150</b>	<b>154</b>
Less: Depreciation	(43)	(44)
<b>Profit arising from investment properties</b>	<b>107</b>	<b>110</b>

- (c) The Group has no restrictions on the reliability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.
- (d) Building having gross carrying amount of Rs. 169 lakhs and accumulated depreciation of Rs 81 lakh has been transferred to “Investment Properties” as the Holding Company has stopped business activities from the office and leased out the premises.
- (e) Investment property comprises a number of Freehold land and Buildings that are leased to third parties. Each of the leases have agreement period upto 15 years with lock in period of 12 months or less. Subsequent renewals are negotiated with the lessee. Further information about these leases is included in Note 44.

**Note 6 - Intangible assets**

Description	(Rs. in lakhs)			
	Computer Software	E learning Module	Website	Total
<b>Gross carrying value</b>				
As at 1 April 2024	927	11	14	952
Deductions	58	-	-	58
As at 31 March 2025	869	11	14	895
Deductions	-	-	-	-
<b>As at 31 March 2026</b>	<b>869</b>	<b>11</b>	<b>14</b>	<b>895</b>
<b>Accumulated amortisation</b>				
As at 1 April 2024	815	11	6	832
Amortisation charge	75	-	4	79
Deductions	54	-	-	54
As at 31 March 2025	836	11	10	858
Amortisation charge	25	-	4	29
<b>As at 31 March 2026</b>	<b>861</b>	<b>11</b>	<b>14</b>	<b>887</b>
<b>Net carrying value</b>				
As at 31 March 2025	33	-	4	37
<b>As at 31 March 2026</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>8</b>

**Note 7 - Investment (Non-current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Investment in equity instruments</b>		
<b>Investment in unquoted equity shares valued at fair value, fully paid up</b>		
2,345 (31 March 2025: 2,345) equity shares of Rs. 10 each of Centre For Technology Assisted Reconstructive Surgery Private Limited*	-	-
<b>Total (A)</b>	-	-
<b>Investment in non-convertible debentures/bonds/government securities</b>		
<b>Investment in quoted debentures/bonds valued at amortised cost, fully paid up</b>		
HDFC Bank Limited (31 March 2026 - 40 units (31 March 2025 - 40 units)) having Face value of Rs. 10 Lakhs each	416	391
Aditya Birla Finance Limited (31 March 2026 - 15,000 units (31 March 2025 - 15,000 units)) having Face value of Rs. 0.01 Lakhs each	156	151
Piramal Enterprises Limited (31 March 2026 - Nil units (31 March 2025 - 100 unit) having Face value of Rs. 1 Lakhs each	-	100
MAS Financial Services (31 March 2026 - Nil units (31 March 2025 - 50 unit) having Face value of Rs. 1 Lakhs each	-	49
Tata Capital Limited 29 Sep 2031 - 7.10% (31 March 2026 - 15 unit (31 March 2025 - Nil units)) having Face value of Rs. 10 Lakhs each	153	-
Mahindra and Mahindra Financial Services Limited 17 Nov 2031- 7.45% (31 March 2026 - 30 unit (31 March 2025 - Nil units)) having Face value of Rs. 10 Lakhs each	307	-
HDB Financial Services Limited 10 May 2027 - 8.3324% (31 March 2026 - 100 unit (31 March 2025 - Nil units)) having Face value of Rs. 1 Lakhs each	108	-
Bajaj Finance Limited 18 April 2031 - 7.020% (31 March 2026 - 11 unit (31 March 2025 - Nil units)) having Face value of Rs. 10 Lakhs each	116	-
Aditya Birla Finance Limited 18 Nov 2032 - 8.12% (31 March 2026 - 17 unit (31 March 2025 - Nil units)) having Face value of Rs. 10 Lakhs each	181	-
Tata Capital Ltd 2028 7.95% (31 March 2026 - 10,10,896 unit (31 March 2025 - Nil units)) having Face value of Rs. 5 Rs. Each	51	-
9.60% Tourism Finance Corporation Limited Bonds_2028 (31 March 2026: 2 units, 31 March 2025: 2 units) having Face value of Rs. 10 Lakhs each	20	-
9.65% Tourism Finance Corporation Limited Bonds_2033 (31 March 2026: 1 unit, 31 March 2025: 1 unit) having Face value of Rs. 10 Lakhs each	10	-
<b>Total (B)</b>	<b>1,518</b>	<b>691</b>



Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>(B) Investment in quoted government securities</b>		
<b>Investment in government securities valued at amortised cost, fully paid up</b>		
6.83% GOI Loan (31 March 2026 - 1,20,000 units (31 March 2025 - 1,20,000 units)) having Face value of Rs. 100 each	120	118
<b>Total (C)</b>	120	118
<b>Total (A+B+C)</b>	1,638	809
Aggregate amount of quoted investments	1,638	809
Market value of quoted investments**	1,638	839
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

\*Cost of Investments in equity shares of Centre For Technology Assisted Reconstructive Surgery Private Limited is of Rs. 50 Lakhs.

\*\*This includes interest accrued but not due of Rs Nil (March 31, 2025: Rs 30 lakhs).

#### Note 8 - Other financial assets (Non-current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Security deposit	372	353
Fixed deposits with banks (Original and remaining maturity for more than 12 months)	2,532	-
Fixed deposits held as lien by bank against bank guarantees	521	492
<b>Total</b>	3,425	845

#### Note 9 - Income tax assets (net)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Income tax assets (net of provision for taxation)	1,546	1,407
<b>Total</b>	1,546	1,407

#### Notes:

(a) The following table provides the details of income tax assets and liabilities:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Income tax assets	16,457	14,556
Provision of income tax	14,911	13,149
<b>Net balances</b>	1,546	1,407

**Note 10 - Deferred tax assets (net)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Deferred tax assets on account of:</b>		
Employee benefits	545	410
Loss Allowance for credit impairment	743	1,036
Unused tax losses as per Income Tax Act, 1961	-	303
Section 43B Disallowance	22	11
Provision for diminution in value of inventory	222	94
Provision for Liquidated damages	400	-
Section 35DD (Allowance for merger related expenses)	107	142
Derivative Liability (forward exchange contracts)	14	-
Lease Liability	53	8
	<b>2,106</b>	<b>2,004</b>
<b>Deferred tax liabilities on account of:</b>		
Property, plant and equipment and intangible assets	965	900
Financial asset measured at FVTPL	116	130
Right of use asset	42	-
	<b>1,123</b>	<b>1,030</b>
<b>Deferred tax assets (net)</b>	<b>983</b>	<b>974</b>

**Note 11 - Other non-current assets**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Capital advances considered good [Refer note (a) below]	168	414
Capital advances credit impaired [Refer note (a) below]	27	27
Less : Impairment allowance	(27)	(27)
<b>Sub-Total</b>	<b>168</b>	<b>414</b>
Balances with government authorities considered good	465	464
Balances with government authorities credit impaired	1,052	1,021
Less : Impairment allowance	(1,052)	(1,021)
<b>Sub-Total</b>	<b>465</b>	<b>464</b>
Prepaid expenses	12	25
<b>Total</b>	<b>645</b>	<b>903</b>

**(a) Capital advances include:**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Plant & Machinery	26	309
Building	53	105
Land	116	27
Less : Provision for capital advances	(27)	(27)
<b>Total</b>	<b>168</b>	<b>414</b>



**Note 12 - Inventories**  
(Valued at lower of cost or net realisable value)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Raw materials, components and packing material	6,556	5,241
Work-in-progress	812	1,388
Finished goods *#	5,950	3,448
Stock-in-trade	1,406	1,264
Stores, spares, parts, scrap etc.	250	470
Right to recover returned good	213	863
<b>Total</b>	<b>15,187</b>	<b>12,674</b>

# Inventory write downs/provision for impairment are accounted, considering the nature of inventory, ageing, and net realisable value. Write-downs/Provision for impairment of inventories to net realisable value amounted to Rs. 874 lakhs (31 March 2025: Rs. 443 lakhs). These write down/provision for impairment were recognised as an expense during the year and included in the 'Changes in inventories of finished goods, work-in-progress, stock-in-trade and right to recover returned goods' in the Consolidated Statement of Profit and Loss. The above inventories have been reduced by 876 lakhs (31 March 2025: Rs. 373 lakh) as a result of written down/Provision for impairment of inventories to net realisable value.

The written down related to raw material is accounted in cost of material consumed, whereas written down related to finished goods, work in progress, stock in trade are accounted in changes in inventories of finished goods, work-in-progress, stock-in-trade and right to recover returned goods.

\* Certain imported inventory amounting to Rs. 336 lakhs, which has been detained by the Bureau of Indian Standards (BIS). The Holding Company had filed an application with the Bureau of Indian Standards (BIS) Authorities for compounding of an alleged Offence under Section 33 of the BIS Act, 2016 on 05 May 2023. The Holding Company received an order dated 15 June 2023 allowing the Compounding application, subject to payment of compounding amount of INR 3,643 lakhs under the BIS Act, 2016 and BIS Rules, 2018. As the Compounding amount was unfair, arbitrary and unreasonable, the Holding Company had filed a Writ Petition in the Hon'ble Bombay High Court. The matter was heard by the Hon'ble Bombay High Court and was remanded back to the Appellate Authority of BIS for fresh re-assessment. Refer note 41 for further details. Provision for impairment of inventory includes provision towards such detained inventories of Rs. 336 lakhs.

Refer note 53 for details on Inventory pledged as security against borrowings of the Group.

The above includes goods in transit as under:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Raw materials, components and packing material	1,418	-
Stock-in-trade	615	-
Stores, spares, parts, scrap etc.	15	-
<b>Total</b>	<b>2,048</b>	<b>-</b>

Note 13 - Investments (Current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>(A) Investment in mutual funds (Quoted)</b>		
Investments measured mandatory at fair value through profit or loss (FVTPL)		
<b>Axis Strategic Bond Fund - Growth - Direct Plan</b> (31 March 2026: 641,195.42 units, 31 March 2025: 641,195.42 units)	206	192
<b>HDFC Credit Risk Debt Fund - growth - direct plan</b> (31 March 2026: 749,799.09 units, 31 March 2025: 749,799.09 units)	204	190
<b>HDFC Short Term Debt fund - Growth - Direct plan</b> (31 March 2026: 486,028.23 units, 31 March 2025: 486,028.23 units)	167	157
<b>ICICI Prudential Medium Term Bond fund - Growth - Direct plan</b> (31 March 2026: 399,964.54 units, 31 March 2025: 399,964.54 units)	206	192
<b>ICICI Prudential Short Term Fund - Growth - Direct plan</b> (31 March 2026: 249,850.95 units, 31 March 2025: 249,850.69 units)	171	160
<b>Kotak Bluechip Fund - Growth - Direct plan</b> (31 March 2026: 42,587.01 units, 31 March 2025: 42,587.01 units)	254	259
<b>Kotak Medium Term fund - Growth - Direct plan</b> (31 March 2026: 491,699.74 units, 31 March 2025: 491,699.74 units)	130	121
<b>Mirae Asset Focused Fund - Growth - Direct Plan</b> (31 March 2026: 437.819 units, 31 March 2025: 506,294.33 units)	0	128
<b>Mirae Asset Large Cap Fund - Growth - Direct plan</b> (31 March 2026: 121,533.18 units, 31 March 2025: 121,533.18 units)	137	143
<b>SBI Focused Equity Fund - Growth - Direct plan</b> (31 March 2026: Nil units, 31 March 2025: 40,104.67 units)	-	146
<b>Aditya Birla sunlife floating rate fund - growth - direct plan</b> (31 March 2026: 4,048.08 units; 31 March 2025: 4,048.08 units)	15	14
<b>Aditya Birla sunlife arbitrage fund - growth - direct plan</b> (31 March 2026: 25,184.98 units; 31 March 2025: 25,184.98 units)	8	7
<b>Aditya Birla sunlife arbitrage fund - growth - regular plan</b> (31 March 2026: 191,405.59 units; 31 March 2025: 191,405.59 units)	53	50
<b>SBI Magnum low duration fund - growth plan</b> (31 March 2026: 602.52 units; 31 March 2025: 602.52 units)	22	21
<b>Bandhan Banking &amp; PSU Debt Fund - Regular Plan - Growth</b> (31 March 2026: 35,493.51 units; 31 March 2025: 35,493.51 units)	9	9
<b>Aditya Birla sunlife equity hybrid 95 fund - growth - direct plan</b> (31 March 2026: 1,245.13 units; 31 March 2025: 1,245.13 units)	20	20



Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>HDFC Corporate bond fund - growth - regular plan</b> (31 March 2026: 43,871.77 units; 31 March 2025: 43,871.77 units)	15	14
<b>Parag Parikh Flexi Cap Fund - Direct Plan</b> (31 March 2026: 304,766.92 units; 31 March 2025: 304,766.92 units)	261	261
<b>HDFC Liquid Fund Direct Growth</b> (31 March 2026: 695.99 units; 31 March 2025: Nil units)	38	-
<b>HDFC Overnight Fund - Growth - Direct Plan</b> (31 March 2026: Nil units; 31 March 2025: 804.77 units)	-	30
<b>HDFC Corporate bond fund - growth - direct plan</b> (31 March 2026: 7,760.21 units, 31 March 2025: 7,760.21 units)	3	3
<b>ICICI Floating Interest Fund - Growth - Regular Plan</b> (31 March 2026: 57,156.93 units, 31 March 2025: 57,156.93 units)	253	237
<b>SBI Balanced Advantage Fund- Direct Growth</b> (31 March 2026: 14,86,631 units; 31 March 2025: Nil units)	233	-
<b>ICICI Prudential Balanced Advantage Fund DP Growth</b> (31 March 2026: 2,88,037.22 units; 31 March 2025: Nil units)	232	-
<b>ICICI Prudential Equity &amp; Debt Fund DP Growth</b> (31 March 2026: 54,676.74 units; 31 March 2025: Nil units)	228	-
<b>HDFC Balanced Advantage fund - Direct Plan - Growth Option</b> (31 March 2026: 43,489.47 units; 31 March 2025: Nil units)	228	-
<b>Investment in mutual funds (A)</b>	<b>3,093</b>	2,354
<b>(B) Investment in bonds (Unquoted)</b>		
<b>Investment in unquoted bond valued at amortised cost, fully paid up</b>		
<b>9.60% Tourism Finance Corporation Limited Bonds_2028</b> (31 March 2025: 2 units, 31 March 2025: 2 units) having Face value of Rs. 10 Lakhs each	-	20
<b>9.65% Tourism Finance Corporation Limited Bonds_2033</b> (31 March 2025: 1 unit, 31 March 2025: 1 unit) having Face value of Rs. 10 Lakhs each	-	10
<b>Investment in bonds (B)*</b>	-	30
<b>Total (A+B)</b>	<b>3,093</b>	2,384
Aggregate amount of investments and their market value		
Quoted	<b>3,093</b>	2,354
Unquoted	-	30

\*During the year, with a view to refining the presentation of “Investments (Current)”, the Group has reclassified Investment in bonds from “Investments (Current)” in Note 13 to “Investments (Non-Current)” in Note 7. The Group has not reclassified comparative figures of Investment in bonds “Investments (Current)” amounting to Rs 30 lakhs as these are not considered material.

**Note 14 - Trade receivables**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Trade receivables other than related party	23,553	20,804
Receivables from related parties (Refer note 47)	135	63
Trade receivables - credit impaired	1,335	1,426
Less : Loss allowances	(1,826)	(3,027)
<b>Total</b>	<b>23,197</b>	<b>19,266</b>

**Break-up:**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Secured, considered good [Refer note (a) below]	2,023	3,200
Unsecured, considered good [Refer note (b) below]	21,656	17,667
Unsecured, credit impaired	1,344	1,426
Less : Loss allowances	(1,826)	(3,027)
<b>Total</b>	<b>23,197</b>	<b>19,266</b>

**Break up of Allowance for credit impairment and expected credit losses**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good [Refer note (b) below]	482	1,601
Unsecured, credit impaired	1,344	1,426
<b>Total</b>	<b>1,826</b>	<b>3,027</b>

**Trade Receivable ageing schedule as at 31 March 2026**

Particulars	(Rs. in lakhs)						Total
	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	9,290	10,991	1,080	247	152	162	21,922
(ii) Undisputed Trade Receivables – credit impaired	-	45	-	152	164	969	1,330
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	1,757	1,757
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	14	14
<b>Total</b>	<b>9,290</b>	<b>11,036</b>	<b>1,080</b>	<b>399</b>	<b>316</b>	<b>2,902</b>	<b>25,023</b>
Less: Loss allowances							(1,826)
<b>Total</b>							<b>23,197</b>



The amount of trade receivables for which the group has assessed credit risk on an individual basis is INR 25,015 and the amount of loss allowance recognized for such trade receivables is INR 1,344.

Trade Receivable ageing schedule as at 31 March 2025

Particulars	Outstanding for following periods from due date of payment						(Rs. in lakhs)
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	8,209	9,500	387	436	128	1,008	19,667
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	2	7	9
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	1,190	1,190
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	1,426	1,426
<b>Total</b>	<b>8,209</b>	<b>9,500</b>	<b>387</b>	<b>436</b>	<b>130</b>	<b>3,630</b>	<b>22,293</b>
Less: Loss allowances							(3,027)
<b>Total</b>							<b>19,266</b>

#### Notes:

- Secured by letter of credit issued by customers through their respective banks in favour of the Group.
- Refer note 50(A) for information on credit risk and details regarding past dues receivables and, movement in allowance for credit impairment.
- No amount is due by directors or other officers of the Group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member except as disclosed in note no. 47.
- Refer note 53, for details on trade receivables pledged as security against the borrowings of the Holding Company.
- No expense was recognised during current year ( 31 March 2025 : Nil ) in respect of bad debt due from related parties.
- For trade receivables, the Group applies a simplified approach in calculating Expected Credit Loss (ECL). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Further, individual credit risk assessment is also undertaken by the Group to identify significant increase in credit risk or is credit impaired. Basis such individual credit risk assessment, the Group also provides for a loss allowance.

**Note 15 - Cash and cash equivalents**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balances with banks in current accounts	2,227	916
Fixed Deposits with bank (original maturity of less than 3 months)	2,000	2,100
Cash on hand	4	12
<b>Total</b>	<b>4,231</b>	<b>3,028</b>

**Note:** There are no repatriation restrictions with regard to cash and cash equivalent as at 31 March 2026 and 31 March 2025.

**Note 16 - Bank balances other than cash and cash equivalents**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
In unpaid dividend accounts [Refer note (a) & (b) below]	323	263
Fixed deposit with banks (Original maturity for more than 3 months but less than 12 months)	4,697	3,420
<b>Total</b>	<b>5,020</b>	<b>3,683</b>

During the year, with a view to refining the presentation of “Bank balances other than cash and cash equivalents”, the Group has reclassified interest accrued but not due on fixed deposits from “Other financial assets (Current)” in Note 18 to “Bank balances other than cash and cash equivalents” in above note. The Group has not reclassified comparative figures of interest accrued but not due on fixed deposits “Other financial assets (Current)” amounting to Rs 165 lakhs as these are not considered material.

**Note:**

- (a) There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31 March 2026 and 31 March 2025.
- (b) There are restrictions in the balances in Unpaid Dividend accounts.

**Note 17 - Loans (Current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Loans to employees (Unsecured, considered good)	101	175
<b>Total</b>	<b>101</b>	<b>175</b>



### Note 18 - Other financial assets (Current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Security deposits	445	353
Interest accrued but not due on fixed deposits and bonds/debentures	-	195
Other receivables	270	78
<b>Total</b>	<b>715</b>	<b>626</b>

### Note 19 - Other current assets

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Contract assets	77	77
Less: Loss allowance	(77)	(77)
<b>Sub-total</b>	<b>-</b>	<b>-</b>
Advance to suppliers	1,422	1,230
Prepaid expenses	304	322
Export incentive receivable	18	25
Input tax credit receivable	908	960
Other receivables	24	7
<b>Total</b>	<b>2,676</b>	<b>2,545</b>

### Note 20 - Equity share capital

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Authorised shares</b>		
43,000,000 (31 March 2025: 43,000,000) equity shares of Rs. 10/- each	4,300	4,300
<b>Issued, subscribed and fully paid-up shares</b>		
17,402,815 (31 March 2025: 17,402,815) equity shares of Rs. 10/- each fully paid up	1,740	1,740
<b>Total</b>	<b>1,740</b>	<b>1,740</b>

**Note 20 a- Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:**

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	(Rs. in lakhs)	No. of shares	(Rs. in lakhs)
<b>Equity shares</b>				
Shares outstanding at the beginning of the year	1,74,02,815	1,740	1,35,98,467	1,360
Add: Shares issued during the year*	-	-	38,04,348	380
<b>Shares outstanding at the end of the year</b>	<b>1,74,02,815</b>	<b>1,740</b>	<b>1,74,02,815</b>	<b>1,740</b>

\*Refer Statement of changes in equity (note 5 to part B below) for details of shares issued.

**Note 20 b- Rights, preferences and restrictions**

The Group has only one class of shares referred to as equity shares having a par (face) value of Rs. 10 per share. Each and every shareholder is eligible for one vote per share held. The Group declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Group, the equity shareholders will be entitled to receive the remaining assets of the Group, after distribution of all the preferential amounts, in proportion to their shareholding.

**Note 20 c- Shares held by Ultimate holding Company**

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares held	% of holding	No. of shares held	% of holding
<b>Equity shares of Rs. 10 each</b>				
J. B. Advani & Company Private Limited	78,71,370	45.23%	78,71,370	45.23%

**Note 20 d- Details of shares held by shareholders holding more than 5% of aggregate shares in the Company**

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares held	% of holding	No. of shares held	% of holding
<b>Equity shares of Rs. 10 each</b>				
J. B. Advani & Company Private Limited	78,71,370	45.23%	78,71,370	45.23%
Claurus Capital	10,10,121	5.80%	7,98,905	4.59%
<b>Total</b>	<b>88,81,491</b>	<b>51.03%</b>	<b>86,70,275</b>	<b>49.82%</b>



### Note 20 e - Details of shares held by promoters

Name of Promoter	As at 31 March 2026					As at 31 March 2025				
	No. of shares held at the beginning of the year	Change in the no. of shares during the year (Purchase/ (Sold))	No. of shares held at the end of the year	Percentage of total shares	Percentage change during the year#	No. of shares held at the beginning of the year	Change in the no. of shares during the year (Purchase/ (Sold))	No. of shares held at the end of the year	Percentage of total shares	Percentage change during the year#
J B Advani And Company Private Limited	78,71,370	-	78,71,370	45.23%	0.00%	6,800,531	1,070,839	78,71,370	45.23%	15.75%
Aruna B. Advani	3,93,414	-	3,93,414	2.26%	0.00%	295,480	97,934	3,93,414	2.26%	33.14%
Aditya T. Malkani	3,12,023	-	3,12,023	1.79%	0.00%	123,198	188,825	3,12,024	1.79%	153.27%
(Late) A. T. Mirchandani	80,458	(80,458)	-	0.00%	(100.00%)	64,430	16,028	80,458	0.46%	24.88%
N. Malkani Nagpal	2,87,375	-	2,87,375	1.65%	0.00%	199,952	87,423	2,87,375	1.65%	43.72%
Michelle Gulu Malkani	88,297	-	88,297	0.51%	0.00%	79,200	9,097	88,297	0.51%	11.49%
Rajbir Tarachand Malkani	1,30,442	-	1,30,442	0.75%	0.00%	67,417	63,025	1,30,442	0.75%	93.49%
Priyadarshini Lambert	34,050	-	34,050	0.20%	0.00%	49,050	(15000)	34,050	0.20%	(30.58%)
Vimla A. Lalvani	31,782	-	31,782	0.18%	0.00%	19,490	12,292	31,782	0.18%	63.07%
Ravin A. Mirchandani	9,296	-	9,296	0.05%	0.00%	8,002	1,294	9,296	0.05%	16.17%
Deep A. Lalvani	13,134	9,154	22,288	0.13%	69.70%	4,419	8,715	13,134	0.08%	197.22%
Reshma A. Lalvani	16,722	-	16,722	0.10%	0.00%	6,180	10,542	16,722	0.10%	170.58%
Shirin Aditya Malkani	39,956	-	39,956	0.23%	0.00%	19,463	20,493	39,956	0.23%	105.29%
Tanya Halina Advani	1,195	-	1,195	0.01%	0.00%	-	1,195	1,195	0.01%	100.00%
Tania Mirchandani	16,304	80,458	96,762	0.56%	493.49%	-	16,304	16,304	0.09%	100.00%
Pravena K Mathur	20,132	-	20,132	0.12%	0.00%	1,350	18,782	20,132	0.12%	1391.26%
<b>Total</b>	<b>9,345,950</b>	<b>9,154</b>	<b>9,355,104</b>	<b>53.76%</b>		<b>7,738,162</b>	<b>16,07,788.00</b>	<b>9,345,951</b>	<b>53.70%</b>	

# The percentage change is calculated as change during the year divided by shares held at the beginning of the year.

**Note 20 f-** The Group has not issued any bonus shares or shares for consideration other than cash, nor has there been any buyback of shares during the five years immediately preceding 31 March 2026, except for the shares issued to the shareholders of the erstwhile Ador Fontech Limited pursuant to the scheme of amalgamation (refer below note for further details).

\*It includes 1,511,062 number of shares issued pursuant to the scheme of amalgamation of Ador Fonetch Limited with Ador Welding Limited, details of which are as under:

Name of Promoter	Issued pursuant to merger
J B Advani And Company Private Limited	10,01,446
Aruna B. Advani	97,934
Aditya T. Malkani	1,72,440
(Late) A. T. Mirchandani	16,028
N. Malkani Nagpal	82,684
Michelle Gulu Malkani	9,097
Rajbir Tarachand Malkani	56,665
Vimla A. Lalvani	3,556
Ravin A. Mirchandani	1,294
Deep A. Lalvani	4,322
Reshma A. Lalvani	10,542
Shirin Aditya Malkani	19,773
Tanya Halina Advani	195
Tania Mirchandani	16,304
Pravena K Mathur	18,782
<b>Total</b>	<b>15,11,062</b>

31 March 2026 - Nil (31 March 2025: 3,804,348) equity shares of INR 10 each have been allotted as fully paid up pursuant to amalgamation of Ador Fonetch Limited with Ador Welding Limited.

**Note 20 g-** Terms attached to stock options granted/ share purchase plan to employees are described in Note 59 regarding share-based payments.

**Note 21 - Borrowing (Non-current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Secured Term Loan from Bank		
Vehicle Loan*	58	84
<b>Total</b>	<b>58</b>	<b>84</b>

Vehicle Loan taken for 2 vehicles from Bank of Baroda will be matured by December 2028 and carries floating rate of interest based on RBI Repo rate plus Credit risk premium. These are repayable monthly based on EMI.

Vehicle Loan taken for 1 vehicle from Mercedes-Benz Financial Services will be matured by June 2027 and carries rate of interest of 8.57%. These are repayable monthly based on EMI and final payment being bullet payment.

The above loans are hypothecated against the vehicles having a gross block of Rs. 215 lakhs (31 March, 2025 : 215 lakhs) and written-down value of Rs. 64 lakh as at 31 March, 2026 (31 March, 2025 : 96 lakhs).



### Note 22 - Other financial liabilities (Non-current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Rent deposit	42	25
Rent deposit from related parties [Refer note 47]	12	18
<b>Total</b>	<b>54</b>	<b>43</b>

### Note 23 - Provisions (Non-current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Provision for employee benefits</b>		
Gratuity [Refer note 46(II)]	1,605	934
Compensated absences [Refer note 46 (III)]	410	-
<b>Total</b>	<b>2,015</b>	<b>934</b>

### Note 24 - Other non-current liabilities

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Advance received from customers (Refer note 55)	126	194
<b>Total</b>	<b>126</b>	<b>194</b>

### Note 25 - Borrowings (Current)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Secured Borrowings</b>		
From banks		
Current maturities of Long term borrowing - Vehicle Loan	27	25
<b>Total</b>	<b>27</b>	<b>25</b>

#### Note:

(i) Refer note 53 for the amount of assets given as security for borrowings.

**Note 26 - Trade payables**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Dues to micro and small enterprises other than related parties [Refer note (a) below]	1,393	1,294
Amounts due to micro and small enterprises - related parties (refer note 47 (III))	531	280
Total outstanding dues of creditors other than micro and small enterprises	17,449	10,886
<b>Total</b>	<b>19,373</b>	<b>12,460</b>

During the year, with a view to refining the presentation of “Trade Payables”, the Group has reclassified “Accrued expenses” to “Total outstanding dues of creditors other than micro and small enterprises” in above note. In order to enhance inter-period comparability of information, the Group has reclassified the comparative information on the same basis.

**Trade Payable ageing schedule as at 31 March 2026**

Particulars	Outstanding for following periods from the date of invoice				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Undisputed - MSME	1,922	-	-	
Undisputed - Others	11,807	95	30	1,202	13,134
Disputed dues - MSME	-	-	1	-	1
Disputed dues - Others	-	-	-	-	-
	13,729	95	31	1,202	15,057
Accrued expenses (Undisputed - Others and not due)					4,316
<b>Total</b>	<b>13,729</b>	<b>95</b>	<b>31</b>	<b>1,202</b>	<b>19,373</b>

**Trade Payable ageing schedule as at 31 March 2025**

Particulars	Outstanding for following periods from the date of invoice				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Undisputed - MSME	1,562	11	-	
Undisputed - Others	8,492	38	12	1,183	9,725
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	10,054	49	12	1,184	11,299
Accrued expenses (Undisputed - Others and not due)					1,161
<b>Total</b>	<b>10,054</b>	<b>49</b>	<b>12</b>	<b>1,184</b>	<b>12,460</b>

**Notes :**

(a) The Group has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act). The disclosure pursuant to the said Act is as under:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Principal amount due remaining unpaid to supplier as at the end of accounting year	1,924	1,574
Interest due remaining unpaid to supplier as at the end of accounting year	9	6
Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	9	6
Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23	-	-

This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the Group.

**Note 27 - Other financial liabilities (Current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Deposits:</b>		
(a) Rent deposit *	3	6
(b) From distributors	425	418
(c) From others	51	53
Employee benefits payable	1,512	1,025
Unclaimed dividend	317	263
Creditors for capital goods	158	64
Derivative Liability at FVTPL (Forward exchange contract)	57	-
Other payables		
(a) to related parties (Refer note 47)**	146	108
(b) to others ***	946	670
<b>Total</b>	<b>3,615</b>	<b>2,607</b>

\* It includes rent deposit from Holding Company amounting to Rs 2 lakhs.

\*\* Other payable includes payable to related parties in the nature of director commission payable to independent directors, chairperson and whole time directors (executive and non-executive).

\*\*\* It includes retention money of contractors and payable to superannuation fund.

**Note 28 - Other current liabilities**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Advances received from distributors (on behalf of customers) (Refer note 55)	12	12
Advance received from customers (Refer note 55)	707	218
Statutory dues	614	619
Revenue received in advance (Refer note 55)	83	79
<b>Total</b>	<b>1,416</b>	<b>928</b>

**Note 29 - Provisions (Current)**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Provision for employee benefits</b>		
Gratuity [Refer note 46(II)]	107	229
Provision for Compensated absences [Refer note 46(III)]	45	468
Other provisions [Refer note (a) (b) and (c) below]		
Provision for warranties [Refer note (a) and (b) below]	282	318
Provision for Refund Liability [Refer note (a) and (c) below]	336	262
<b>Total</b>	<b>770</b>	<b>1,277</b>

**Notes:**
**(a) Movement in provision:**

Particulars	(Rs. in lakhs)	
	Provision for warranties	Provision for Refund liability
As at 1 April 2024	217	286
Additional provision recognised	318	262
Amount used (charged against provisions) during the year	(217)	(286)
As at 31 March 2025	318	262
<b>Additional provision recognised</b>	<b>282</b>	<b>336</b>
<b>Amount used (charged against provisions) during the year</b>	<b>(318)</b>	<b>(262)</b>
<b>As at 31 March 2026</b>	<b>282</b>	<b>336</b>

(b) Provision of Rs. 282 lakhs (31 March 2025: Rs. 318 lakhs) has been recognised for expected warranty claims on welding equipment and goods traded during the current financial year. It is expected that all these expenditures will be incurred in next financial year.

(c) Provision of Rs 336 lakhs (31 March 2025: 262 lakhs) has been recognised for expected sales return. This provision is expected to be utilised in next financial year.



### Note 30 - Current tax liabilities, (net)

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Provision for income tax (Refer note below)	74	-
<b>Total</b>	<b>74</b>	<b>-</b>

Note : For the year ended March 31, 2026, Provision for Income tax Rs. 3,295 lakhs and advance tax Rs. 3,221 lakhs.

### Note 31 - Revenue from operations

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Sale of goods (Refer note (a) below and Refer note 47)</b>		
Domestic	96,465	93,688
Export	15,095	15,335
Sale of services	1,678	2,764
<u>Other operating revenue:</u>		
Sale of scrap and others	513	481
Duty drawback and export incentive	250	-
<b>Total</b>	<b>114,001</b>	<b>112,268</b>

During the year, with a view to refining the presentation of “Revenue from operations”, the Group has reclassified “Duty drawback and export incentive” from “Other income” in Note 32 to “Revenue from operations” in above note. The Group has not reclassified comparative figures of “Duty drawback and export incentive” from “Other income” amounting to Rs 308 lakhs as these are not considered material.

#### Note:

(a) Refer note 55 for information on Revenue from contracts with customers under Ind AS 115.

**Note 32 - Other income**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Interest income on financial asset measured at amortised cost:</b>		
(i) Fixed deposits with banks	406	308
(ii) Overdue amount from customers	242	113
(iii) Others	119	92
Interest on Income Tax refund	-	80
Realised gain on financial assets measured at fair value through profit or loss (FVTPL)	10	19
Rental income from investment properties (Refer note 45)	181	151
Duty drawback and export incentive	-	308
Profit on sale of property, plant and equipment (net)	1	-
Foreign currency fluctuation gain (net)	569	434
Provisions/ liabilities no longer required now written back	81	29
Fair value change of financial asset measured at FVTPL	8	202
Insurance claims received	43	25
Miscellaneous income	156	119
<b>Total</b>	<b>1,816</b>	<b>1,880</b>

During the year, with a view to refining the presentation of “Other Income”, the Group has reclassified “Duty drawback and export incentive” from “Other income” in Note 32 to “Revenue from operations” in Note 31. The Group has not reclassified comparative figures of “Duty drawback and export incentive” from “Other income” amounting to Rs 308 lakhs as these are not considered material.

**Note 33 - Cost of materials consumed**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Opening stock	5,241	7,846
Add: Purchases	63,262	63,681
Less: Closing stock	(6,555)	(5,241)
<b>Total</b>	<b>61,948</b>	<b>66,286</b>

**Note 34 - Purchase of stock-in-trade**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Welding products and accessories	3,981	4,477
Welding accessories	5,581	2,694
Others	2	2
<b>Total</b>	<b>9,564</b>	<b>7,173</b>


**Note 35 - Changes in inventories of finished goods, work-in-progress, stock-in-trade and right to recover returned goods**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>At the beginning of the Year</b>		
Finished goods	4,311	3,708
Stock-in-trade	1,264	817
Work-in-progress	1,388	1,507
Right to recover returned goods	-	6,032
<b>At the end of the Year</b>		
Finished goods	5,245	4,311
Stock-in-trade	1,406	1,264
Work-in-progress	739	1,388
Right to recover returned goods	213	6,963
<b>(Increase)/decrease in inventory</b>		
Finished goods	(934)	(603)
Stock-in-trade	(142)	(447)
Work-in-progress	649	119
Right to recover returned goods	(213)	-
<b>Total (Increase)/decrease in inventory</b>	<b>(640)</b>	<b>(931)</b>
<b>Total</b>	<b>(640)</b>	<b>(931)</b>

**Note 36 - Employee benefits expenses**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	9,957	9,275
Contribution to provident and other funds		
Contribution to provident and other funds [Refer note 46(I) and 46 (II)]	603	574
Contribution to gratuity [Refer note 46(II)]	291	266
Equity settled share based payment	74	-
Staff welfare expenses	832	946
<b>Total</b>	<b>11,757</b>	<b>11,061</b>

**Note 37 - Finance costs**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense on financial liabilities at amortised cost*	206	428
Interest expense on lease liabilities [Refer note 44]	11	13
Other borrowing costs	3	13
<b>Total</b>	<b>220</b>	<b>454</b>

\*During the year, with a view to refining the presentation of “Finance costs”, the Group has regrouped “Interest on supplies” to “Interest expense on financial liabilities at amortised cost” in above note. In order to enhance inter-period comparability of information, the Group has regrouped the comparative information on the same basis.

**Note 38 - Other expenses**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Manufacturing and other expenses [Refer note 38(a)]	7,542	7,351
Electricity expenses	25	22
Rent [Refer note 44]	572	460
Freight	3,701	3,538
Legal and professional fees	1,038	1,140
Insurance	158	136
Information Technology Costs	496	-
Repairs and maintenance - others	204	195
Travelling, conveyance and vehicle expenses	1,078	1,289
Telephone, postage and telegram	228	249
Rates and taxes	148	175
Advertisement and sales promotion expenses	476	425
Commission	324	386
Impairment Loss	31	116
Loss allowances*	211	500
Donations	-	1
Loss on sale of property, plant and equipment (net)	-	1
Property, plant and equipment impaired	36	204
Printing and stationery	75	118
Auditors remuneration [Refer note 38(b)]	64	58
Corporate social responsibility [Refer note 58]	219	179
Selling and distribution incentive	274	250
Housekeeping and security charges	430	380
Bank charges	142	165
Fair value loss on Derivative at FVTPL (Foreign exchange forward contract)	8	6
Miscellaneous expenses	696	1,142
<b>Total</b>	<b>18,176</b>	<b>18,486</b>

\*During the year, with a view to refining the presentation of “Other expenses”, the Group has regrouped “Provision for doubtful deposits, advances and contract assets” to “Loss allowances” in above note. In order to enhance inter-period comparability of information, the Group has regrouped the comparative information on the same basis.


**Note 38(a)- Manufacturing and other expenses**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Consumption of stores, spare parts and scraps	1,027	1,317
Power and fuel	1,802	1,847
Repairs to machinery	143	218
Repairs to building	89	139
Payment to contract labours	1,468	1,476
Job work charges	2,371	1,546
Other manufacturing expenses	642	808
<b>Total</b>	<b>7,542</b>	<b>7,351</b>

**Note 38(b)- Auditors' remuneration (excluding taxes)**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Statutory audit fees (including limited review fees)	53	50
Tax audit fees	6	5
Certification	1	1
Reimbursement of expenses	4	2
<b>Total</b>	<b>64</b>	<b>58</b>

**Note 39 - Income Tax expenses / (credit)**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Current tax</b>		
Current tax for the year	3,295	2,656
<b>Subtotal (A)</b>	<b>3,295</b>	<b>2,656</b>
<b>Deferred tax</b>		
Attributable to: Origination and reversal of temporary difference (B)	7	(3)
<b>Total (A+B)</b>	<b>3,302</b>	<b>2,653</b>

**Notes :**

(a) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in Consolidated Profit and Loss Account is as follows for 31 March 2026 and 31 March 2025:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Profit before tax as per books</b>	<b>11,500</b>	8,658
Applicable income tax rate	<b>25.17%</b>	25.17%
Estimated income tax expenses	<b>2,894</b>	2,179
<b>Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income:</b>		
Non-deductible expenses (derecognition of unabsorbed losses and depreciation)	<b>416</b>	493
Tax on income at different tax rates	<b>(8)</b>	(19)
<b>Reported income tax expenses</b>	<b>3,302</b>	2,653

(b) Deferred tax related to the following:

Particulars	(Rs. in lakhs)				
	As at 31 March 2026	Recognised through profit and loss and OCI**	As at 31 March 2025	Recognised through profit and loss and OCI**	As at 1 April 2024
<b>Deferred tax assets on account of:</b>					
Employee benefits*	<b>545</b>	136	410	49	361
Loss for credit impairment	<b>743</b>	(293)	1,036	124	912
Unused tax losses as per Income Tax Act, 1961	-	(304)	303	(347)	650
Section 43B Disallowance	<b>22</b>	11	11	11	-
Provision for warranties	-	-	-	(12)	12
Section 35DD (Allowance for merger related expenses)	<b>107</b>	(35)	142	138	4
Provision for Liquidated damages	<b>400</b>	400	-	-	-
Derivative liability (forward exchange contracts)	<b>14</b>	14	-	-	-
Provision for impairment	<b>222</b>	128	94	94	-
Lease Liabilities	<b>53</b>	45	8	3	5
<b>Total deferred tax assets</b>	<b>2,106</b>	102	2,004	59	1,944



Particulars	(Rs. in lakhs)				
	As at 31 March 2026	Recognised through profit and loss and OCI**	As at 31 March 2025	Recognised through profit and loss and OCI**	As at 1 April 2024
<b>Deferred tax liabilities on account of:</b>					
Property, Plant and equipment and intangible assets	965	65	900	(2)	902
Right of use assets	42	42	-	-	-
Financial asset measured at FVTPL	116	(14)	130	31	99
<b>Total deferred tax liabilities</b>	<b>1,123</b>	93	1,030	29	1,001
Deferred tax assets/(liabilities) (net)	983	9	974	31	943

\*Employee benefits movement includes INR 17 lakhs (March 31, 2026) (March 31, 2025 - INR 27 lakhs) of deferred tax assets recognised through OCI.

\*\*Amount recognised in other comprehensive income

Particular	As at 31 March 2026			As at 31 March 2025		
	Before tax	Tax Benefit	Net of Tax	Before tax	Tax Benefit	Net of Tax
<b>Item that will not be reclassified to Profit and loss</b>						
Re-measurement of net defined benefit liability	(69)	17	(52)	(106)	27	(79)

#### (d) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

Particular	As at March 31, 2026			As at March 31, 2025		
	Gross Amount	Unrecognised tax effect	Expiry date	Gross Amount	Unrecognised tax effect	Expiry date
Deductible temporary differences						
Tax losses	2,811	731	AY 2026-27 to AY 2034-35	2,175	565	AY 2025-26 to AY 2033-34
Unabsorbed depreciation	337	88	No expiry	316	82	No expiry
<b>Total</b>	<b>3,148</b>	<b>819</b>		2,491	648	

**Note 40 - Other comprehensive Income**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Items that will not be reclassified to profit or loss</b>		
Re-measurement of net defined benefit liability	(69)	(106)
Income tax effect on above	17	27
<b>Total</b>	<b>(52)</b>	<b>(79)</b>

**Note 41 - Contingent Liabilities not provided for :**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>A. Claims against the Group not acknowledged as debt:</b>		
- Disputed sales tax as the matters are in appeal (advance paid 31 March 2026: Rs 57 lakhs; 31 March 2025: Rs 82 lakhs)	659	771
- Disputed excise duties as the matters are in appeal (advance paid 31 March 2026: Rs 901 lakhs; 31 March 2025: Rs 901 Lakhs)	936	936
- Disputed income tax as the matters are in appeal (advance paid 31 March 2026: Rs 13 lakhs; 31 March 2025: Rs. 13 lakhs)	1,576	1,576
- Custom Duty refund (advance paid 31 March 2026: Rs 46 lakhs; 31 March 2025: Rs. 54 lakhs)	46	54
<b>B. Guarantees* :</b>		
- Bank guarantees Bank guarantees of Rs. Nil (31 March 2025: Rs. 2,808 lakhs) have been issued to various customers as performance guarantee, Rs. Nil (31 March 2025: Rs. 200 lakhs) issued for securing supplies of materials and services and Rs. Nil (31 March 2025: Rs. 729 lakhs) to various agencies including government as security. The Group does not anticipate any liability on these guarantees.	-	3,800
<b>C. Other money for which the Group is contingently liable :</b>		
- Other matters	421	421
- Inventory * The Company had filed an application with the Bureau of Indian Standards (BIS) Authorities for compounding of an alleged Offence under Section 33 of the BIS Act, 2016 on 05 May 2023. The Holding Company received an order dated 15 June 2023 allowing the Compounding application, subject to payment of compounding amount of INR 3,643 lakhs under the BIS Act, 2016 and BIS Rules, 2018. As the Compounding amount was unfair, arbitrary and unreasonable, the Holding Company had filed a Writ Petition in the Hon'ble Bombay High Court. The matter was heard by the Hon'ble Bombay High Court and was remanded back to the Appellate Authority of BIS for fresh re-assessment. As the facts of this matter and the internal assessment remain unchanged, no provision has been made in the books as of 31 March 2026.	3,643	3,643

\*Bank guarantees that do not meet the definition of contingent liabilities has been excluded from the above note. Future cash outflows in respect of above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities. The Management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognised in the financial statements.



### Note 42 - Estimated amount of contracts remaining to be executed

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
On Capital account and not provided for (net of advances and CWIP)	1,038	90

### Note 43 - Borrowings secured against current assets :

Disclosure of current assets secured and filed with the banker against borrowings availed :

Quarter Ended	Name of Bank	Particulars of securities provided	(Rs. in lakhs)					
			FY 2025-26			FY 2024-25		
			As per books of account	Reported to Bank	Amount of difference (Refer note (a) below)	As per books of account	Reported to Bank	Amount of difference (Refer note (a) below)
June	Various Banks*	Working capital **	17,174	17,174	-	19,820	20,354	(534)
September	Various Banks*	Working capital **	18,888	18,888	-	21,586	21,586	-
December	Various Banks*	Working capital **	16,001	16,001	-	19,510	19,510	-
March	Various Banks*	Working capital **	19,041	19,041	-	19,515	19,591	(77)

\*HDFC Bank, ICICI Bank, IDFC Bank and Kotak Mahindra Bank

\*\* Trade Receivables + Inventories + Contract asset - Trade Payables

#### Note:

(a) M&R Division (erstwhile Ador Fontech Limited) considered certain additional items, as part of working capital, which were reclassified in financial statements, as per merged entity's disclosures requirements.

**Note 44- Leases: Ind AS 116**

The Group's lease asset primarily consist of Freehold land, Buildings and Plant and equipments (including computers) used in its operations. The Group has recognized right-of-use assets and lease liabilities amounting to Rs. 171 lakhs (31 March 2025: Rs. 64 lakhs) and Rs. 143 lakhs (31 March 2025: Rs. 64 lakhs) respectively. During the year ended March 31, 2026, the Group has recognized interest expense on leases amounting to Rs. 11 lakhs (31 March 2025: Rs. 13 lakhs) and depreciation on right-of-use assets amounting to Rs.78 lakhs (31 March 2025: Rs. 108 lakhs).

The weighted average incremental borrowing rate applied to lease liabilities is 7.17% p.a. (31 March 2025: 8.10% p.a).

**Right-of-use assets:**

Additional information on the right-of-use assets by class of assets are as follows:

Particulars	Gross carrying value	Accumulated depreciation [Refer note (a) below]	(Rs. in lakhs)
			Net carrying value
<b>As at 31 March 2026</b>			
Freehold Land	1,124	78	1,046
Buildings	196	121	75
Plant and equipments (including computers)	281	160	121
<b>Total</b>	<b>1,601</b>	<b>359</b>	<b>1,243</b>
<b>As at 31 March 2025</b>			
Freehold Land	1,096	61	1,035
Buildings	120	110	10
Plant and equipments (including computers)	214	109	105
<b>Total</b>	<b>1,430</b>	<b>280</b>	<b>1,150</b>

The following is the movement in Right-of-use assets for the year ended:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	1,430	1,373
Additions during the year [Refer note (b) below]	171	64
Adjustments during the year	-	11
Deductions during the year	-	(19)
Gross carrying value	1,601	1,430
Less: Accumulated depreciation [Refer note (a) below]	(359)	(280)
<b>Net carrying value</b>	<b>1,243</b>	<b>1,150</b>

**Lease liabilities:**

Lease liabilities are presented in the balance sheet are as follows:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Non-current lease liabilities	146	77
Current lease liabilities	64	55
<b>Total</b>	<b>210</b>	<b>132</b>

The following is the movement in lease liabilities for the year ended:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	132	162
Additions during the year [Refer note (b) below]	144	64
Interest expense on lease liabilities accrued during the year [Refer note (c) below]	11	13
Revaluation of lease liability	-	1
Payment of interest on lease liabilities	(11)	-
Payment of lease liabilities	(65)	(108)
<b>Total</b>	<b>211</b>	<b>132</b>

**Notes:**

- (a) The aggregate depreciation expense on Right-of-use assets is included under “Depreciation and amortization expense” in the consolidated statement of Profit and Loss.
- (b) During the current year in Right-of-use assets and lease liabilities, there is addition of Rs 171 lakhs towards freehold land, buildings and computers.
- (c) During the current year in lease liabilities, there is addition of Rs 144 lakhs towards buildings and computers.
- (d) The accrued finance cost on lease liabilities is included under “Finance cost” in the consolidated statement of Profit and Loss.

**Cash flow from leases**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Cash payments for the principal and interest portion of lease liability within financing activities	65	108
Short-term lease payments are not included in the measurement of lease liability from operating activities	572	460
<b>Total</b>	<b>637</b>	<b>568</b>

The Group has opted not to recognise a lease liability for short term leases (leases of expected term of 12 months or less). The Group has taken short term leases with a lease term of 12 months or less and the aggregate amount of operating lease rent debited to consolidated statement of profit and loss during the year is Rs. 572 lakhs (31 March 2025: Rs 460 lakhs). [Refer note 38]

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is as follows:

Particulars	(Rs. in lakhs)	
	Minimum lease payment	
	As at 31 March 2026	As at 31 March 2025
Amount due within one year	77	62
Amount due from one to five years	160	85
Amount due from five years and above	-	-
Undiscounted lease liabilities	237	147
Financing component	(27)	(15)
<b>Closing balance of lease liabilities</b>	<b>210</b>	<b>132</b>

#### Note 45- Rental income from investment properties

The investment properties are leased to tenants under operating leases. Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. The aggregate amount of rent credited to consolidated statement of profit and loss account during the year is Rs. 230 lakhs (31 March 2025: Rs. 176 lakhs). [Refer note 32]

Particulars	(Rs. in lakhs)	
	Minimum lease Rental Income (Undiscounted Amount)	
	As at 31 March 2026	As at 31 March 2025
Amount due within one year	201	158
Amount due from one year to two years	160	125
Amount due from two to three years	57	77
Amount due from three to four years	92	15
Amount due from four to five years	72	6
Amount due from five years and above	34	40
<b>Total</b>	<b>616</b>	<b>422</b>



## Note 46 - Employee benefits

As per Indian Accounting Standard-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

### Brief description of the plans:

The Group has various schemes for employee benefits such as provident fund, superannuation and gratuity. In case of funded schemes, the funds are administered through trustees/ appropriate authorities. The Group's defined contribution plans are superannuation, employees state insurance and provident fund as the Group has no further obligation beyond making the contributions. The Group's defined benefit plans consists of gratuity only. The employees of the Group are entitled to compensated absences as per the Group's policy.

### I. Defined Contribution Plan:

- (i) Superannuation fund
- (ii) Provident fund
- (iii) Employees State Insurance fund

During the year, the Group has recognised the following amounts in the Consolidated Statement of profit and loss\*:

Contribution to Defined contribution plan, recognized as expense for the year is as under:	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Employer's Contribution to Superannuation	119	102
Employer's contribution to provident fund	482	468
Employer's Contribution to Employees state insurance fund	2	4
<b>Total</b>	<b>603</b>	<b>574</b>

\*included in Note 36- 'Employee benefits expenses'

### II. Defined Benefit Plan :

#### Contribution to Gratuity fund (funded scheme):

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:-

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>(i) Actuarial assumptions</b>		
Discount rate (per annum)	6.45%	6.80%
Salary escalation rate (per annum)	8.50%	8.50%
<b>Attrition rate</b>		
21 years to 44 years (per annum)	16.00%	16.00%
45 years and above (per annum)	8.00%	8.00%
The estimates of future salary increases, considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as, supply and demand factors in the employment market.		
Mortality rate during employment	<b>Indian Assured Lives Mortality (2012-14) Ult.</b>	Indian Assured Lives Mortality (2012-14) Ult.

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>(ii) Assets information:</b>		
The plan assets for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') as per the investment pattern stipulated for pension and Group Schemes fund by Insurance Regulatory and Development Authority (IRDA) Regulations.	-	-
<b>(iii) Changes in the present value of defined benefit obligation</b>		
Present value of obligation at the beginning of the year	1,749	1,551
Current service cost	204	152
Past service cost ( Refer Note 57- Exceptional items)	222	58
Interest on defined benefit obligation	106	90
<b>Remeasurements during the period due to:</b>		
Actuarial loss/(gain) arising from change in financial assumptions	35	60
Actuarial loss/(gain) arising from change in demographic assumptions	-	(13)
Actuarial loss/(gain) arising on account of experience changes	24	62
Liabilities assumed/(settled)	-	-
Benefits paid	(101)	(211)
<b>Present Value of obligation at the end of the year</b>	<b>2,239</b>	<b>1,749</b>
<b>(iv) Changes in the Fair value of Plan Assets</b>		
Fair value of plan assets at beginning of the year	586	644
Interest on plan assets	31	35
<b>Remeasurements during the period due to:</b>		
Actual return on plan assets less interest on plan assets	(10)	3
Contributions by employer	21	115
Benefits paid	(100)	(211)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>528</b>	<b>586</b>
<b>(v) Assets and liabilities recognised in the consolidated balance sheet</b>		
Present value of the defined benefit obligation at the end of the year	2,239	1,749
Less: Fair value of plan assets at the end of the year	(528)	(586)
Net liability recognised	1,711	1,163
<b>Recognised under provisions [Refer note 23 and note 29]</b>		
Non current provisions	1,603	934
Current provisions	107	229



Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>(vi) Expenses recognised in the Consolidated Statement of Profit and Loss</b>		
Current Service Cost	204	152
Interest on net defined benefit liability	75	56
Past service cost	222	58
<b>Net gratuity cost recognised in current year</b>	<b>501</b>	<b>266</b>
Included in note 36 'Employee benefits expenses'		
<b>(vii) Expenses recognised in other comprehensive income</b>		
<b>Remeasurements during the period due to:</b>		
Actuarial (gain) / loss arising from change in financial assumptions	35	60
Actuarial loss/(gain) arising from change in demographic assumptions	-	(13)
Actuarial loss/(gain) arising on account of experience changes	24	62
Actuarial loss/(gain) arising on account of Actual return on plan assets less interest on plan assets	10	(3)
<b>Net cost recognised in other comprehensive income</b>	<b>69</b>	<b>106</b>

The weighted duration of the defined benefit obligation is 5.14 years as at 31 March 2026 (31 March 2025 - 6.03 years). Contribution expected for next one year is Rs. 16,229,922 (31 March 2025 - Rs 22,229,922 ).

#### (viii) Sensitivity Analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	31 March 2026		31 March 2025	
	Discount Rate	Salary escalation rate	Discount Rate	Salary escalation rate
Impact of increase in 50 bps on DBO	(2.5%)	2.27%	(2.93%)	3.03%
Impact of decrease in 50 bps on DBO	2.64%	(2.20%)	3.10%	(2.90%)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

(ix) Maturity Pattern:

Maturity Profile	(Rs. in lakhs)	
	31 March 2026	31 March 2025
Expected benefits for year 1	540	427
Expected benefits for year 2	229	266
Expected benefits for year 3	288	147
Expected benefits for year 4	235	248
Expected benefits for year 5	184	160
Expected benefits for year 6	227	127
Expected benefits for year 7	158	146
Expected benefits for year 8	152	110
Expected benefits for year 9	113	105
Expected benefits for year 10 and above	1,111	848

Note:

- The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

III. Compensated absences

- An amount of Rs. 2 lakhs (31 March 2025: Rs 47 lakhs) has been recognised as an expense in the standalone statement of profit and loss account and included in “Salaries, wages and bonus” under Note 36 “Employee benefits expenses”.
- An amount of Rs. 59 lakhs (31 March 2025: Rs Nil ) has been recognised as an exceptional items on account of past service cost pursuant to change in definition of wages due to new labour code. Refer note 57 for further details.
- Balance sheet reconciliation

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Liability as per actuarial valuation	455	468

The liabilities are split between different categories of plan participants as follows:

Defined Benefit obligations and employer contributions (Active members)	Gratuity	Compensated Absences
As at 31 March 2026	852	852
As at 31 March 2025	884	884

Risk Exposure - Asset Volatility

The plan is of a final salary defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Group that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.



### Note 47 - Related Party Disclosure:

As per Ind AS 24 “Related party Disclosures”, disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

#### (I) List of related parties and relationship:

Relationship	Name of the Persons / Company
(i) Holding Company:	J. B. Advani & Company Private Limited
(ii) Fellow subsidiaries:	Ador Powertron Limited (Subsidiary of J. B. Advani & Company Private Limited)
(iii) Key Management Personnel:	Mrs. Ninotchka Malkani Nagpal - Executive Chairman
	Mr. Aditya Tarachand Malkani - Managing Director (Executive)
	Dr. Deep A. Lalvani - Director (Non-executive)
	Mr. Ravin A. Mirchandani - Director (Non-executive)
	Mrs. Tanya H. Advani - Director (Non-executive)
	Mrs. Nita Dempo Mirchandani - Director (Independent & Non-executive)
	Mr. Piyush K. Gupta - Director (Till 27-07-2024) (Independent & Non-executive)
	Mr. Rakesh N. Sapru - Director (Till 27-07-2024) (Independent & Non-executive)
	Mr. K. Digvijay Singh - Director (Till 27-07-2024) (Independent & Non-executive)
	Mr. Gaurav M. Lalwani - Director (Till 10-11-2024) (Independent & Non-executive)
	Mr. Navroze S. Marshall - Director (Independent & Non-executive)
	Mr. Jitendra H. Punjabi (From 28-07-2024) (Independent & Non executive)
	Mr. Mihir Jayaram (From 09-11-2024) (Independent & Non-executive)
	Mr. Santosh Iyer (From 28-07-2024) (Independent & Non-executive)
	Mr. Vinayak M. Bhide - Head - HR, Admin, Legal and Company Secretary
Mr. Suryakant Sethia - Chief Financial Officer	
Mr. Lajpat Yadav (From 07-05-2025)- Chief Operating Officer (COO-IWB)	
Mr. Krishnamurthy Suryanarayan (From 07-05-2025)- Head - Corporate Strategy	
Mr. Mustafa Faizullahoy (From 07-05-2025)- Head - International Operations	

## (II) Transactions during the year:

Description of the nature of transactions	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Sale of Fixed assets (excluding GST)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	1	-
- Key management personnel		
Mr. D. A. Lalvani - Director (Non-executive)	-	5
Ms. Aruna B. Advani (Relative of KMP)	-	6
	-	11
<b>Sale of goods (excluding GST)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	487	224
- Fellow subsidiaries		
Ador Powertron Limited	1	-
	488	224
<b>Purchase of goods and services received (excluding GST)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	3,095	2,858
- Fellow subsidiaries		
Ador Powertron Limited	4	2
	3,099	2,860
<b>Rent received (excluding GST)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	36	36
- Fellow subsidiaries		
Ador Powertron Limited	1	1
	37	37
<b>Security Deposit Taken Back</b>		
- Holding Company		
J. B. Advani & Company Private Limited	150	-
	150	-
<b>Recovery of expenses (received)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	13	11
	13	11



Description of the nature of transactions	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Reimbursement of expenses (paid)</b>		
- Holding Company		
J. B. Advani & Company Private Limited	16	12
- Fellow subsidiaries		
Ador Powertron Limited	1	-
- Key management personnel		
Mr. Aditya Tarachand Malkani - Managing Director (Executive)	-	3
	17	15
<b>Dividend paid</b>		
- Holding Company		
J. B. Advani & Company Private Limited	1,574	1,811
	1,574	1,811

### (III) Key management personnel compensation

Description of the nature of transactions	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Short term benefit paid	1,096	658
Post employment benefit	106	112
Share-based payments	18	-
	1,220	770

### (IV) Amount outstanding at the year end:

Description of the nature of transactions	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Trade receivables</b>		
- Holding Company		
J. B. Advani & Company Private Limited	134	58
- Fellow subsidiaries		
Ador Powertron Limited	1	-
	135	58
<b>Rent deposit payable</b>		
- Holding Company		
J. B. Advani & Company Private Limited	17	17
- Fellow subsidiaries		
Ador Powertron Limited*	-	-
	17	17

Description of the nature of transactions	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Trade payables</b>		
- Holding Company		
J. B. Advani & Company Private Limited	531	280
- Fellow subsidiaries		
Ador Powertron Limited	3	-
	<b>534</b>	280
<b>Key management personnel</b>		
Employee Benefit Payable	22	-
Other payable (Commission payable)	146	134

\* Amounts below Rs 0.50 lakh have been rounded off.

**Notes:**

The transactions with related parties are made on terms equivalent to those that prevail in arm’s length transactions.

**Terms and conditions of outstanding balances with related parties:**

**Trade Receivables:**

Trade receivables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these receivables. The amounts are recoverable within 30 days to 45 days from the reporting date (31 March 2025: 30 days to 45 days from the reporting date). For the year ended 31 March 2026, the entity has not recorded any impairment on receivables due from related parties (31 March 2025: Nil)”

**Trade Payables:**

Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 45 days from the reporting date (31 March 2025: 45days from the reporting date).

**Other payable:**

Other payable includes director commission payable to independent directors, chairperson and whole time directors (executive and non-executive) as per section 197 of the Companies Act, 2013. This will require settlement in cash.”

**Rent deposit payable:**

Rent deposit payable includes rental deposit received for investment properties given on lease. These are interest free deposit and require settlement in cash at the expiry of the agreement.



## Note 48 - Segment reporting

The Company's chief operating decision maker (CODM) examines the Company's performance and has identified two reportable segments of its business:

- (i) Welding
- (ii) Flares & Process Equipment

The above operating segments have been identified considering:

- (i) The internal financial reporting systems
- (ii) The nature of the products/ process
- (iii) The organisation structure as well as differential risks and returns of these segments.

### Types of products and services in each business segment:

Business Segment	Description
a) Welding	The division specializes in supplying electrodes, wires, equipment, spares, cutting products, alloys, and agency-related items. It focuses on delivering value-added solutions across a wide range of applications, including reclamation, fusion, surfacing, spraying, and environmental solutions.  Additionally, the division offers a comprehensive portfolio of integrated services designed to enhance the operational life and performance of industrial components, ensuring improved efficiency, reliability, and cost-effectiveness for customers.
b) Flares & Process Equipment	Flares & Process Equipment division is a multi-disciplined SBU that provides services like design, manufacture, erection & commissioning, mechanical, electrical and instrumentation of process packages, process equipment and flare system & components from Chinchwad plant.

Revenue and expenses have been accounted on the basis of their relationship to the operating activities of the segment. Expenses, which related to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Income" and "Unallocable Expenses" respectively. Assets and Liabilities, which related to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Assets / Liabilities". Inter-segment transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods.

**A) Business segment**

Particulars	(Rs. in lakhs)					
	Year ended 31 March 2026			Year ended 31 March 2025 (Refer Note 3)		
	Total	Inter Segment	Revenue from external customer*	Total	Inter Segment	Revenue from external customer*
<b>1. Segment revenue</b>						
Welding	107,888	(14)	107,874	103,654	(363)	103,291
Flares & Process Equipment	5,671	-	5,671	8,392	-	8,392
<b>Total revenue</b>	<b>113,559</b>	<b>(14)</b>	<b>113,545</b>	<b>112,046</b>	<b>(363)</b>	<b>111,683</b>
<b>2. Segment result</b>						
<b>(a) Segment Profit/(Loss) before tax and exceptional items</b>						
Welding			16,430			14,050
Flares & Process Equipment**			(2,306)			(1,630)
Other unallocable expenses net of unallocable income			(2,326)			(2,402)
			11,798			10,018
<b>(b) Exceptional items (net) profit / (loss)</b>						
Welding			(207)			(479)
Flares & Process Equipment			(23)			-
Other unallocable expenses net of unallocable income			(45)			(660)
			(275)			(1,139)
<b>(c) Segment Profit/ (Loss) before tax</b>						
Welding			16,223			13,571
Flares & Process Equipment			(2,329)			(1,630)
Other unallocable expenses net of unallocable income			(2,371)			(3,062)
<b>Total Segment Profit/(Loss) before tax</b>			<b>11,523</b>			<b>8,879</b>
Interest and finance charges (unallocable)			(23)			(221)
<b>Profit / (Loss) before tax</b>			<b>11,500</b>			<b>8,658</b>
Tax (expenses) /credit			(3,302)			(2,653)
<b>Net profit /(loss) after tax</b>			<b>8,198</b>			<b>6,005</b>
<b>3. Capital expenditure</b>						
Welding			2,388			4,995
Flares & Process Equipment			144			21
Unallocated			94			1,004
<b>Total capital expenditure</b>			<b>2,626</b>			<b>6,020</b>
<b>4. Depreciation and amortisation</b>						
Welding			1,552			1,437
Flares & Process Equipment			92			92
Unallocated			303			293
<b>Total depreciation and amortisation</b>			<b>1,947</b>			<b>1,822</b>

\*Refer table given below Reconciliations between Segment revenue and Company's revenue from operations for revenue from wholly owned subsidiary (which has been considered as unallocable).


**\*\*Segment Results of Flares & Process Equipment include Other material items of Income and Expenses:**

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Onerous cost and liquidated Damages	2,482	-
Impairment reversal on trade receivables	(1,412)	-

Particulars	As at 31 March 2026	(Rs. in lakhs) As at 31 March 2025 (Refer note 3)
<b>Other information</b>		
<b>Segment assets</b>		
Welding	56,988	52,594
Flares & Process Equipment	6,009	7,651
Unallocable corporate assets	20,187	9,148
<b>Total assets</b>	<b>83,184</b>	<b>69,393</b>
<b>Segment liabilities</b>		
Welding	20,753	14,663
Flares & Process Equipment	5,086	2,481
Unallocable corporate liabilities	1,902	1,540
<b>Total liabilities</b>	<b>27,741</b>	<b>18,684</b>
<b>Capital employed</b>		
Welding	36,235	37,931
Flares & Process Equipment	923	5,170
Unallocable corporate assets net of unallocable corporate liabilities	18,285	7,608
<b>Total capital employed</b>	<b>55,443</b>	<b>50,709</b>

**Reconciliations between Segment revenue and Company's revenue from operations**

Particulars	Year ended 31 March 2026	(Rs. in lakhs) Year ended 31 March 2025 (Refer note 3)
Total Segment revenue	1,13,559	1,12,046
Less: Inter Segment revenue	(14)	(363)
Add: Revenue of wholly owned subsidiary (3D Future Technologies Private Limited)	456	585
<b>Revenue from operations</b>	<b>1,14,001</b>	<b>1,12,268</b>

**Reconciliations between Segment Profit / (Loss) before tax and Company's profit/ (loss) before tax**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025 (Refer note 3)
Segment Profit / (Loss) before tax (Welding and Flares & Process Equipment)	13,894	11,941
Unallocable corporate (expenses)/incomes		
Employee benefit expenses	(1,760)	(1,544)
Other expenses	(1,190)	(1,103)
Depreciation and amortisation expense	(272)	(252)
Finance costs	(23)	(221)
Other income	1,081	864
Exceptional items	(45)	(660)
Loss before tax of wholly owned subsidiary	(185)	(367)
Total Unallocable corporate expenses/(incomes)	(2,394)	(3,283)
<b>Company's profit/ (loss) before tax</b>	<b>11,500</b>	<b>8,658</b>

**Reconciliations between Segment Total assets and Company's Total assets**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025 (Refer note 3)
Segment Total asset (Welding and Flares & Process Equipment)	62,997	60,245
Unallocable corporate assets		
Non-current assets other than non-current financial assets, Deferred tax assets (net), Income tax assets (net)	2,110	2,175
Non current financial assets	4,250	882
Deferred tax assets (net)	975	(59)
Income tax assets (net)	1,546	1,194
Investments (Current)	3,093	2,071
Current assets other than investments(current)	7,899	2,185
Total assets of wholly owned subsidiary	314	700
Total Unallocable corporate assets	20,187	9,148
<b>Company's Total assets</b>	<b>83,184</b>	<b>69,393</b>



### Reconciliations between Segment Total liabilities and Company's Total liabilities

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025 (Refer note 3)
Segment Total liability (Welding and Flares & Process Equipment)	25,839	17,144
Unallocable corporate liabilities		
Non-current liabilities other than provision	247	204
Current liabilities other than Current tax liabilities (net) and provision	1056	734
Provisions	205	169
Current tax liabilities (net)	74	0
Total liability of wholly owned subsidiary	320	434
Total Unallocable corporate liabilities	1902	1541
<b>Company's Total assets</b>	<b>27,741</b>	<b>18,685</b>

### B) Geographical segment

#### Revenue from external customers:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Within India	98,906	96,933
Outside India	15,095	15,335
<b>Total</b>	<b>114,001</b>	<b>112,268</b>

Domestic Segment includes sales and services rendered to customers in India.

Overseas Segment includes sales and services rendered to customers located outside in India.

#### Non-current assets:

The following are the details of the carrying amount of non current assets, which do not include deferred tax assets, income tax assets, financial assets and investments, of the geographical area in which the assets are located:

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Within India	21,332	20,945
Outside India	38	33
<b>Total</b>	<b>21,370</b>	<b>20,978</b>

**C) Other disclosures**

1. The Group is currently focused on two business segments : Welding and Flares & Process Equipment. The Company’s organisational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.
2. The Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.
3. As a result of the Chief Operating Decision Maker’s review mechanism, the Group has reorganized its segment reporting for the year ended 31 March, 2026 as below:
  - Segment “Welding” is combination of erstwhile segment “Products” and “Maintenance & Reclamation (M&R)”.
  - Segment “Services” has been renamed as “Flares & Process Equipment”.

Prior year’s / periods amounts have been restated to align with the above changes.
4. No single external customer represents 10% or more of the Group’s revenue from operations for the year ended 31 March 2026 and 31 March 2025.

**Note 49 - Fair value measurements**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value

								(Rs. in lakhs)
March 31, 2026		Carrying amount			Fair value			
Particulars	Note	Mandatorily at FVTPL	Financial assets at amortised cost	Total	Level 1	Level 2	Level 3*	Total
<b>Financial assets measured at fair value</b>								
Investments		3,093	-	3,093	3,093	-	-	3,093
<b>Total</b>		<b>3,093</b>	<b>-</b>	<b>3,093</b>				
<b>Financial assets measured at amortised cost</b>								
Investments		-	1,638	1,638	1,638	-	-	1,638
Other non-current financial assets		-	3,425	3,425	-	3,425	-	3,425
Trade receivables		-	23,197	23,197	-	-	-	-
Cash and cash equivalents		-	4,231	4,231	-	-	-	-
Other bank balances		-	5,020	5,020	-	-	-	-
Loans		-	101	101	-	-	-	-
Other current financial assets		-	715	715	-	-	-	-
<b>Total</b>		<b>-</b>	<b>38,327</b>	<b>38,327</b>				



(Rs. in lakhs)

March 31, 2026	Particulars	Note	Carrying amount			Fair value			
			Mandatorily at FVTPL	Financial assets at amortised cost	Total	Level 1	Level 2	Level 3*	Total
	<b>Financial liabilities measured at fair value</b>								
	Derivative Liability at FVTPL (Forward exchange contract)		57	-	57	-	57	-	57
	<b>Total</b>		<b>57</b>	<b>-</b>	<b>57</b>				
	<b>Financial liabilities measured at amortised cost</b>								
	Borrowings Non-current		-	58	58	-	58	-	58
	Other non-current financial liabilities		-	54	54	-	54	-	54
	Borrowings current		-	27	27	-	-	-	-
	Trade payables		-	19,373	19,373	-	-	-	-
	Other current financial liabilities		-	3,558	3,558	-	-	-	-
	<b>Total</b>		<b>-</b>	<b>23,070</b>	<b>23,070</b>				

(Rs. in lakhs)

March 31, 2025	Particulars	Note	Carrying amount			Fair value			
			Mandatorily at FVTPL	Financial assets at amortised cost	Total	Level 1	Level 2	Level 3*	Total
	<b>Financial assets measured at fair value</b>								
	Investments		2,384	-	2,384	2,384	-	-	2,384
	<b>Total</b>		<b>2,384</b>	<b>-</b>	<b>2,384</b>				
	<b>Financial assets measured at amortised cost</b>								
	Investments		-	809	809	809	-	-	809
	Other non-current financial assets		-	845	845	-	845	-	845
	Trade receivables		-	19,266	19,266	-	-	-	-
	Cash and cash equivalents		-	3,028	3,028	-	-	-	-
	Other bank balances		-	3,683	3,683	-	-	-	-
	Loans		-	175	175	-	-	-	-
	Other current financial assets		-	626	626	-	-	-	-
	<b>Total</b>		<b>-</b>	<b>28,432</b>	<b>28,432</b>				

		(Rs. in lakhs)						
March 31, 2025		Carrying amount			Fair value			
Particulars	Note	Mandatorily at FVTPL	Financial assets at amortised cost	Total	Level 1	Level 2	Level 3*	Total
<b>Financial liabilities measured at amortised cost</b>								
Borrowings Non-current		-	84	84	-	84	-	84
Other non-current financial liabilities		-	43	43	-	43	-	43
Borrowings current		-	25	25	-	-	-	-
Trade payables		-	12,460	12,460	-	-	-	-
Other current financial liabilities		-	2,607	2,607	-	-	-	-
<b>Total</b>		-	15,219	15,219				

### I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgments and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and,

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Level 1:** Hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values recognised at Fair value through profit & loss (FVTPL).

(Rs. in lakhs)	
Particular (Equity Securities)	Gross Value
Opening as of April 1, 2024	15
Net change in fair value -	(15)
Closing as on March 31, 2025	-
Net change in fair value	-
Closing as on March 31, 2026	-



\*The equity instrument having gross investment value of Rs 50 lakhs has been fully impaired during the previous year and hence observable inputs requirements is not disclosed. The applicable fair value hierarchy is Level III.

Sensitivity analysis for investment in equity shares is measured at fair value is not disclosed since the fair value is Nil in both current year and previous year.

## II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

The fair values for Security deposits, loan to employees and deposits are based on discounted cash flows using a discount rate determined considering the borrowing rate charged by the bank on the loan facility availed.

Financial instruments measured at fair value (Level 2)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.	Not Applicable	Not Applicable
Borrowings	Discounted cash flows: Considers the present value of expected payments, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.	Not Applicable	Not Applicable
Other non-current financial assets	Discounted cash flows: Considers the present value of expected cashflow, discounted using a risk-adjusted discount rate.	Not Applicable	Not Applicable
Other non-current financial liabilities	Discounted cash flows: Considers the present value of expected payments, discounted using a incremental borrowing rate.	Not Applicable	Not Applicable

**Note 50- Financial risk management**

The Group is exposed primarily to credit quality, fluctuations in foreign currency exchange rates and liquidity management which may adversely impact the fair value of its financial assets and liabilities. The Group has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the Group. The Group's principal financial assets include loans, investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds investments in mutual funds and bonds.

**A) Credit risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms and obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and credit worthiness of the customer on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables, loans, cash and bank balances and bank deposits.

To manage credit risk, the Group follows a policy of advance payment or credit period up to 30 to 120 days to customers based on their credit profile. In case of foreign receivables, majority of the sales are made either against advance payments or by way of letter of credit. The credit limit policy is established considering the current economic trends of the industry in which the Group is operating.

Also, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision for credit impairment is recognised accordingly.

Bank balances are held with only high rated banks and majority of other security deposits are placed majorly with government agencies.

**a. Trade receivables**

Customer credit risk is managed in accordance with the Group's established policies, procedures, and controls.

An impairment analysis is conducted at each reporting date using a provision matrix based on the transaction date to measure expected credit losses. This calculation incorporates probability-weighted outcomes and considers reasonable and supportable information available at the reporting date, including historical data, current conditions, and forecasts of future economic circumstances. The maximum exposure to credit risk at the reporting date corresponds to the carrying value of each class of financial assets. The Group assesses the concentration of credit risk related to trade receivables as low, given that its customer base is diversified across multiple industries and geographics, with customers operating in largely independent markets.

**b. Other Financial assets****Cash and cash equivalents and other bank balances**

The Group held cash and cash equivalents and other bank balances of INR 9,251 lakhs at 31 March 2026 (31 March 2025: INR 6,710 lakhs). The cash and cash equivalents and other bank balances are held with bank and financial institution.

Impairment on cash and cash equivalents and other bank balances has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The Group uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for debt securities.

The amount of impairment allowance at 31 March 2026 is Nil (31 March 2025: Nil).

**Loans**

All of the Group's loans at amortised cost are considered to have low credit risk (except as mentioned below), and the loss allowance, if any, is limited to 12 months' expected losses. Management considers instruments to be



low credit risk when they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term.

#### Investment in Mutual Funds, Non-convertible debentures/bonds/government securities

The Company limits its exposure to credit risk by generally investing in liquid securities and Non-Convertible Debentures/bonds/government securities only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter parties.

The table below provides details regarding past dues receivables and contract assets as at each reporting date:

	(Rs. in lakhs)					
	Not due	0-12 months	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31 March 2026</b>						
Gross Carrying amount of - trade receivables and contract assets (Un-disputed) (A)*	9,290	12,116	399	316	1,208	23,329
Loss allowances - trade receivables and contract assets (Un-disputed) (B)*	23	166	211	281	1,208	1,889
Weighted average loss allowance (%)	0%	1%	53%	89%	100%	8%
Gross Carrying amount of - trade receivables and contract assets (Disputed)** (C)	-	-	-	-	1,771	1,771
Loss allowances - trade receivables and contract assets (D)	-	-	-	-	14	14
Weighted average loss allowance (%)**	100%	100%	100%	100%	1%	1%
Gross Carrying amount of - trade receivables and contract assets (E=A+C)	9,290	12,116	399	316	2,979	25,100
Loss allowances - trade receivables and contract assets (F=B+D)	23	166	211	281	1,222	1,903
Weighted average loss allowance (%)**	0%	1%	53%	89%	41%	8%
<b>As at 31 March 2025</b>						
Gross Carrying amount of - trade receivables and contract assets (Un-disputed) (A)*	8,209	9,887	436	130	1,092	19,754
Loss allowances - trade receivables and contract assets (Un-disputed) (B)*	12	180	286	121	1,079	1,678
Weighted average loss allowance (%)	0%	2%	66%	93%	99%	8%
Gross Carrying amount of - trade receivables and contract assets (Disputed) (C)	-	-	-	-	2,616	2,616
Loss allowances - trade receivables and contract assets (D)	-	-	-	-	1,426	1,426
Weighted average loss allowance (%)	100%	100%	100%	100%	55%	55%
Gross Carrying amount of - trade receivables and contract assets (E=A+C)	8,209	9,887	436	130	3,708	22,370
Loss allowances - trade receivables and contract assets (F=B+D)	12	180	286	121	2,505	3,104
Weighted average loss allowance (%)	0%	2%	66%	93%	68%	14%

\* This includes contract assets of Rs. 77 lakhs (March 31, 2025: Rs 77 lakhs), for which loss allowance of INR 77 lakhs (March 31, 2025: Rs. 77 lakhs) has been recognised in books.

### Reconciliation of loss allowance provision

Reconciliation of loss allowance	(Rs. in lakhs)	
	Loss allowance	
	Trade Receivables*	Contract Assets
Loss allowance on 1 April 2024	2,602	-
Loss allowance used during the year	425	77
Loss allowance on 31 March 2025	3,027	77
Net remeasurement of loss allowance	(1,177)	-
Amount written off	(25)	-
Loss allowance on 31 March 2026	1,826	77

\*The decrease in loss allowance is due to recovery of old receivables (Refer note 32).

The Group's exposure to credit risk for trade receivables and contract assets by geographic region was as follows.

Particulars	(Rs. in lakhs)	
	As at March 31, 2026	As at March 31, 2025
India	17,954	14,719
Gulf Cooperation Council (GCC) region	4,967	4,152
Others	277	395
<b>Total</b>	<b>23,198</b>	<b>19,266</b>

The Group's exposure to credit risk for trade and finance lease receivables and contract assets by type of counterparty was as follows.

Particulars	(Rs. in lakhs)	
	As at March 31, 2026	As at March 31, 2025
Distributors	11,999	8,947
End user	11,199	10,319
<b>Total</b>	<b>23,198</b>	<b>19,266</b>

### B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has obtained fund and non-fund based working capital lines from various banks. The Group invests its surplus funds in bank fixed deposit and liquid and large cap schemes of mutual funds and non-convertible debentures which carry no/low mark to market risks.



The maturity profile of the Group's financial liabilities based on contractual undiscounted payment at each reporting date is :

(Rs. in lakhs)

As at 31 March 2026						
Particulars	Carrying Value	Less than 1 year	1 - 2 years	2 -5 years	More than 5 years	Total
Non Derivative Financial Liabilities - Non-current						
Borrowings	58	-	58	10	-	68
Other non-current financial liabilities	54	-	45	7	2	54
Non Derivative Financial Liabilities - Current						
Borrowings	27	27	-	-	-	27
Trade payables	19,373	19,373	-	-	-	19,373
Other current financial liabilities	3,615	3,615	-	-	-	3,615
Financial Liabilities - Derivative financial liabilities						
Derivative Liability at FVTPL (Forward exchange contract)	57	57	-	-	-	57
<b>Total</b>	<b>23,184</b>	<b>23,073</b>	<b>103</b>	<b>17</b>	<b>2</b>	<b>23,194</b>

(Rs. in lakhs)

As at 31 March 2025						
Particulars	Carrying Value	Less than 1 year	1 - 2 years	2 -5 years	More than 5 years	Total
Non Derivative Financial Liabilities - Non-current						
Borrowings	84	-	27	57	-	84
Other non-current financial liabilities	43	-	-	49	-	49
Non Derivative Financial Liabilities - Current						
Borrowings	25	25	-	-	-	25
Trade payables	12,459	12,459	-	-	-	12,459
Other current financial liabilities	2,607	2,607	-	-	-	2,607
<b>Total</b>	<b>15,218</b>	<b>15,091</b>	<b>27</b>	<b>106</b>	<b>-</b>	<b>15,224</b>

### C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk. The Group's exposure to market risk is primarily on account of foreign currency risk and price risk.

#### (i) Foreign currency risk

The Group is exposed to foreign exchange risk on their receivables, payables and bank balances which are held in USD, AED, KWD, CNY and EUR. The fluctuation in the exchange rate of INR relative to USD, AED, KWD and EUR may have a material impact on the Group's assets and liabilities.

In respect of the foreign currency transactions, the Group believes some of the exposures which is kept open will be offsetted by the corresponding receivables and payables (in the nature of natural hedge). For the remaining unhedged net outstanding amount, the Group believes it will not have material impact on its financial performance/position.

The Group's exposure to unhedged foreign currency risk at the end of reporting period are as under:

Particulars	As at 31 March 2026					(Rs. in lakhs)
	USD	AED	KWD	EUR	CNY	Total
<b>Financial assets</b>						
Trade receivables	2,574	-	1,757	62	-	4,393
Bank balances	281	12	-	-	-	293
<b>Total exposure to foreign currency risk (assets)</b>	<b>2,855</b>	<b>12</b>	<b>1,757</b>	<b>62</b>	<b>-</b>	<b>4,686</b>
<b>Financial liabilities</b>						
Trade payables	357	-	1,190	100	4	1,651
<b>Total exposure to foreign currency risk (liabilities)</b>	<b>357</b>	<b>-</b>	<b>1,190</b>	<b>100</b>	<b>4</b>	<b>1,651</b>
<b>Exposure to currency risk</b>						
Particulars	As at 31 March 2026					Total
	USD	AED	KWD	EUR	CNY	
Total exposure to foreign currency risk (assets) (A)	2,855	12	1,757	62	-	4,686
Total exposure to foreign currency risk (liabilities) (B)	(357)	-	(1,190)	(100)	(4)	(1,651)
<b>Net transaction exposure (C= A+B)</b>	<b>2,498</b>	<b>12</b>	<b>567</b>	<b>(38)</b>	<b>(4)</b>	<b>3,035</b>
Forward exchange contracts	1,632	-	-	-	-	1,632
<b>Gross Foreign currency exposure</b>	<b>4,130</b>	<b>12</b>	<b>567</b>	<b>(38)</b>	<b>(4)</b>	<b>4,667</b>



Particulars	(Rs. in lakhs)					Total
	As at 31 March 2025					
	USD	AED	KWD	EUR	CNY	
<b>Financial assets</b>						
Trade receivables	3,978	-	1,198	-	-	5,176
Bank balances	43	10	-	-	-	53
<b>Total exposure to foreign currency risk (assets)</b>	<b>4,021</b>	<b>10</b>	<b>1,198</b>	<b>-</b>	<b>-</b>	<b>5,229</b>
<b>Financial liabilities</b>						
Trade payables	385	-	1,198	50	-	1,633
Lease liabilities	-	9	-	-	-	9
<b>Total exposure to foreign currency risk (liabilities)</b>	<b>385</b>	<b>9</b>	<b>1,198</b>	<b>50</b>	<b>-</b>	<b>1,642</b>

#### Exposure to currency risk

Particulars	(Rs. in lakhs)					Total
	As at 31 March 2025					
	USD	AED	KWD	EUR	CNY	
Total exposure to foreign currency risk (assets) (A)	4,021	10	1,198	-	-	5,229
Total exposure to foreign currency risk (liabilities) (B)	385	9	1,198	50	-	1,642
<b>Net transaction exposure (C= A+B)</b>	<b>4,406</b>	<b>19</b>	<b>2,396</b>	<b>50</b>	<b>-</b>	<b>6,871</b>
Forward exchange contracts	-	-	-	-	-	-
<b>Gross Foreign currency exposure</b>	<b>4,406</b>	<b>19</b>	<b>2,396</b>	<b>50</b>	<b>-</b>	<b>6,871</b>

#### Sensitivity Analysis

The following table demonstrates the sensitivity in USD, EUR, AED, CNY and KWD with all other variables held constant. The below impact on the Group's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

Currencies	(Rs. in lakhs)			
	As at 31 March 2026		As at 31 March 2025	
	Effect on Profit before tax	Effect on Post-tax equity	Effect on Profit before tax	Effect on Post-tax equity
5 % appreciation	152	114	179	134
5 % depreciation	(152)	(114)	(179)	(134)

**(ii) Price Risk**

The Group is exposed to price risk from its investment in mutual fund and bonds classified in the balance sheet at fair value through profit or loss. The financial instrument carrying price risk is INR 3,094 Lakh (March 31, 2025: 2,384 Lakhs).

To manage its price risk arising from the investment, the Group has invested in the mutual funds and bonds after considering the risk and return profile of the said investments i.e. the debt profile of the investments indicates that the amount has been invested in creditworthy instruments and equity investment is made after considering the past performance record of the mutual fund.

**Sensitivity Analysis**

Particulars	(Rs. in lakhs)			
	As at 31 March 2026		As at 31 March 2025	
	Effect on Profit before tax	Effect on Post- tax equity	Effect on Profit before tax	Effect on Post- tax equity
Impact on profit before tax for 5% increase in NAV/ Price	155	116	119	89
Impact on profit before tax for 5% decrease in NAV/ Price	(155)	(116)	(119)	(89)

**Note 51 - Capital Management**

The Group’s objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits to other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders. The Group monitors its capital by using gearing ratio, which is net debt divided by total equity. Net debt includes interest bearing loans, lease liabilities, interest payable net off cash and cash equivalents. Total equity comprises of Equity share capital, General reserve, Capital redemption reserve, capital reserve on amalgamation and Retained earnings.

**A. The capital composition is as follows:**

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
(a) Net debt [Refer note (56)]*	-	-
(b) Equity	55,445	50,709
(c) Gearing ratio (a/b)	-	-

\* Net debt of the Group is Nil as on 31 March 2026 (refer note 56)

**B. Dividends**

Particulars	(Rs. in lakhs)	
	For FY 2025-26	For FY 2024-25
<b>(a) Proposed dividend</b>		
Final Dividend declared - Rs. 23 per share for each fully paid up share for 31 March 2026 (31 March 2025 - Rs. 20 per share for each fully paid up share)	4,003	3,481



### Note 52 - Earnings per share

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Net Profit after tax for the year (Rs. in lakhs)	8,198	6,005
<b>Net profit attributable to equity shareholders (Rs. in lakhs)</b>	<b>8,198</b>	<b>6,005</b>
<b>Nominal value per equity share (Rs.)</b>		
Weighted Average Number of equity shares for calculating basic earning per share	17,402,815	17,402,815
<b>Basic Earnings Per Share (Rs.)</b>	<b>47.11</b>	<b>34.51</b>
Weighted Average Number of equity shares for calculating basic earning per share	17,402,815	17,402,815
Add: Weighted average number of potential equity shares on account of shares issuance	15,269	-
Weighted Average Number of equity shares for calculating diluted earning per share	17,418,084	17,402,815
<b>Diluted Earnings Per Share (Rs.)</b>	<b>47.06</b>	<b>34.51</b>
Face Value per Share (Rs.)	10	10

### Note 53 - Non-current assets pledged as security and pari passu charge created on current assets

The carrying amounts of Assets of holding company pledged as security for current borrowings including unutilised credit facilities:

Particulars (HDFC)	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Current Assets (Pari passu charge created on current assets)</b>		
<b>Current Assets</b>		
<b>Financial Assets</b>		
Investments	3,093	2,384
Trade Receivables	23,185	19,235
Cash and cash equivalents	4,226	3,011
Other bank balances	5,013	3,677
Loans	101	495
Other financial assets	715	626
<b>Non Financial Assets</b>		
Inventories	15,162	12,632
Other current assets	2,473	2,346
<b>Total Current Assets (Pari passu charge created on current assets)</b>	<b>53,968</b>	<b>44,406</b>
<b>Non Current Assets</b>		
Plant and Machinery	7,087	3,378
Land and building at Silvassa plant	2,487	2,487
Land and building at Chinchwad plant	-	1,898
Other moveable fixed assets	-	443
<b>Total Non-Current Assets Pledged as security</b>	<b>9,574</b>	<b>8,206</b>
<b>Total assets pledged as security and pari passu charge created on current assets</b>	<b>63,542</b>	<b>52,612</b>

Particulars (IDFC)	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
<b>Current Assets (Pari passu charge created on current assets)</b>		
<b>Financial Assets</b>		
Investments	3,093	3,011
Trade Receivables	23,185	3,677
Cash and cash equivalents	4,226	495
Other bank balances	5,013	626
Loans	101	-
Other financial assets	715	12,632
<b>Non Financial Assets</b>		
Inventories	15,162	2,346
Current tax assets, net	-	44,406
Other current assets	2,473	-
<b>Total Current Assets (Pari passu charge created on current assets)</b>	<b>53,968</b>	<b>67,193</b>
<b>Non Current Assets</b>		
Land and building at Chinchwad plant	1,898	1,898
<b>Total Non-Current Assets Pledged as security</b>	<b>1,898</b>	<b>1,899</b>
<b>Total assets pledged as security and pari passu charge created on current assets</b>	<b>55,866</b>	<b>69,092</b>

Working capital facilities with ICICI Bank and Kotak Mahindra Bank are unsecured.

**Note 54** - Revenue expenditure incurred during the year on research and development amounts to Rs. 911 lakhs (31 March 2025: Rs. 888 lakhs) (including depreciation Rs. 38 lakhs (31 March 2025: Rs. 34 lakhs) and capital expenditure thereof amounts to Rs. 25 lakhs (31 March 2025: Rs. 43 lakhs).

**Note 55- Revenue from contracts with customers: Ind AS 115**

The Group is engaged in providing welding Products Technologies and Services, maintenance & reclamation related products and services and customized solutions for multi-disciplinary projects and contracts related to refineries, oil and gas, petrochemicals, fertilizers, steel plants, pharma, water and other chemical process industries. Trade receivables are non-interest bearing and generally on payment terms of advance to 120 days of credit period.

The Group determines revenue recognition through the following steps:

1. Identification of the contract, or contracts, with a customer.
2. Identification of the performance obligations in the contract.
3. Determination of the transaction price.
4. Allocation of the transaction price to the performance obligations in the contract.
5. Recognition of revenue when, or as, we satisfy a performance obligation.



### a) Disaggregated revenue information

The Company has two reportable segments of its business :

- (i) Welding
- (ii) Flares & Process Equipment

The Group's revenue disaggregated by pattern of revenue recognition for the year ended 31 March 2026 and 31 March 2025 are as follows:

Sr. No	Particulars	(Rs. in lakhs)	
		Year ended 31 March 2026	Year ended 31 March 2025
<b>1</b>	<b>Goods and services transferred at a point in time</b>		
	(i) Welding	1,07,111	89,100
	(ii) Maintenance and Reclamation*	-	13,700
	(iii) Others	456	585
<b>2</b>	<b>Goods and services transferred over time</b>		
	(ii) Flares & Process Equipment	5,671	8,401
	Other operating revenues		
	Sale of scraps and others	513	481
	Duty drawback and export	250	-
	<b>Total</b>	<b>1,14,001</b>	<b>1,12,268</b>

\*From the current year management has decided to look at maintenance and reclamation combined with welding and hence current year figures are NIL.

### b) (i) Contract balances information

Particulars	(Rs. in lakhs)	
	Contract Assets (Refer note (ii) below)	Contract Liabilities (Refer note (ii) below)
Balance as at 1 April 2024	114	658
Net Increase/(decrease)	(114)	(10)
Balance as at 1 April 2025	-	648
Revenue recognised during the year	-	(636)
Contract liability recognised during the year	-	916
Net Increase/(decrease)	-	-
<b>Balance as at 31 March 2026</b>	<b>-</b>	<b>928</b>

### (ii) Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

1. The significant changes in contract Assets includes contracts for which provision has been created amounting to Rs. Nil lakhs (31 March 2025: Rs. 77 lakhs). Further Rs. 77 lakhs was invoiced during the previous year.
2. The significant changes in contract liabilities includes customer and distributors advance during the year increased by Rs. 280 lakhs (31 March 2025 decreased by Rs. 10 lakhs). This will be recognised as revenue which is expected to occur over the one to four years.
3. The Group has recognised revenue from contract liabilities amounting to Rs. 636 lakhs (March 31, 2025: Rs 646 lakhs).

(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price as on 31 March 2026 and 31 March 2025 as follows:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Revenue as per contracted price	1,13,574	1,12,049
Adjustments:		
Sales return	(336)	(262)
<b>Revenue from contract with customers</b>	<b>1,13,238</b>	<b>1,11,787</b>

c) Performance obligations

The following aggregated amounts of transaction prices relate to the performance obligations from existing contracts that are unsatisfied or partially unsatisfied as on 31 March 2026 and 31 March 2025 as follows:

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Revenue expected to be recognised (over next 1 year)	2,048	6,717

Note 56- Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	(Rs. in lakhs)				
	Cash and cash equivalents	Borrowings	Lease liability	Interest Payable	Total
Net (debt) / cash and cash equivalents as at 1 April 2024	404	(4,307)	(162)	(13)	(4,078)
Cash flows	2,624	-	-	-	2,624
Repayment of borrowing	-	-	-	-	-
Proceeds from borrowing	-	4,198	-	-	4,198
Non cash movement : Acquisitions/ disposals/revaluation	-	-	(65)	-	(65)
Leases	-	-	95	-	95
Finance costs recognised	-	-	(13)	(441)	(454)
Finance costs paid	-	-	13	454	467
Net (debt) / cash and cash equivalents as at 31 March 2025	3,028	(109)	(132)	-	2,787
Cash flows	1,203	-	-	-	1,203
Repayment of borrowing	-	-	-	-	-
Proceeds from borrowing	-	24	-	-	24
Non cash movement : Acquisitions/ disposals/revaluation	-	-	(144)	-	(144)
Leases	-	-	65	-	65
Finance costs recognised	-	-	(11)	(210)	(221)
Finance costs paid	-	-	11	210	221
<b>Net (debt) / cash and cash equivalents as at 31 March 2026</b>	<b>4,231</b>	<b>(85)</b>	<b>(211)</b>	<b>-</b>	<b>3,935</b>


**Note 57- Exceptional items :**

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>1. Impact on account of new Labour Codes</b> On November 21, 2025, the Government of India introduced four Labour Codes—Code on Wages, 2019, Industrial Relations Code, 2020, Code on Social Security, 2020, and Occupational Safety, Health and Working Conditions Code, 2020—replacing 29 labour laws. The Holding Company recognized an incremental impact of INR 275 lakhs due to revised wage definitions affecting gratuity and leave encashment, based on guidance from the Institute of Chartered Accountants of India. This one-time impact is disclosed as an Exceptional Item.	(275)	-
<b>2. Merger expenses</b> The Holding Company has recognised INR 706 lakhs towards legal and professional fees, along with applicable stamp duty required for the transfer of immovable assets from the transferor company (erstwhile Ador Fontech Limited) to the transferee company (Ador Welding Limited), pursuant to the merger.	-	(706)
<b>3. Employee benefit expenses</b> The Holding company had paid INR 379 Lakhs towards rewards & recognition, considering long service tenure & contribution to few employees of M&R Division (erstwhile Ador Fontech Limited).	-	(379)
<b>4. Obsolete inventory related provision</b> The Holding company has recognised a provision of INR 100 lakhs, for the diminution in value of inventories, which had become obsolete or unusable due to market conditions and their physical state.	-	(100)
<b>5. Profit on sale of flat</b> The Holding company has sold its Flat situated at Kochi and the profit on sale has been recognised as an exceptional item.”	-	46
<b>Total</b>	<b>(275)</b>	<b>(1,139)</b>

**Note 58- Corporate Social Responsibility :**

The Group has formed a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013. The Group was required to spend Rs.217.16 lakhs (after setoff of Rs. 1.84 lakhs excess spent of previous year) as per Section 135(5). However, the Group has spent Rs. 219.89 lakhs on the activities mentioned in Schedule VII to the Companies Act, 2013. The Group had spent Rs. 2.73 lakh excess in the current financial year (FY 2025-26) and hence eligible for set off, against next financial year obligation.

**Details of CSR spent during the financial year 2025-26:**

Where the Group covered under section 135 of the companies act, the following shall be disclosed with regard to CSR activities:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
(i) Amount required to be spent by the Group during the year	219	179
(ii) Amount approved by the Board to be spent during the year.	220	179
(iii) Amount of expenditure incurred * (Refer note a below)	220	181
(iv) Shortfall at the end of the year	-	-
(v) Total of previous years shortfall	-	-
(vi) Reason for shortfall	NA	NA

(vii) Nature of amount spent during financial year 2025-26 is detailed below:-

CSR project or activity identified	Sector in which project is covered	Projects or programs	(Rs. in lakhs) Amount spent: direct or through implementing agency
Promoting Education and Healthcare	Promoting Education and Healthcare	Educational support extended to tribal students of Class 10	1
Promoting health care including preventive health care	Promoting health care including preventive health care	50 Blind folding sticks and umbrellas distributed to the visually impaired	0
Promoting Education	Promoting Education	Gents teacher staff room and control room civil and renovation work at Advani Oerlikon Govt. Higher Secondary School Birgaon, Raipur	35
Promoting Education	Promoting Education	Milton Lunch Boxes distribution & Meritorious Award for academic achievement at Advani Oerlikon Govt. Higher Secondary School Birgaon, Raipur	1
Promoting Education	Promoting Education	Additional Salary to School teachers at Advani Oerlikon Higher Secondary School, Birgaon, Raipur	7



CSR project or activity identified	Sector in which project is covered	Projects or programs	(Rs. in lakhs)
			Amount spent: direct or through implementing agency
Promoting Education, Women Empowerment & Healthcare	Promoting Education, Women Empowerment & Healthcare	Education, Women Empowerment, Skill Development & Healthcare Activities through Ador Foundation	150
Promoting health care	Promoting health care	“Financial support was provided for Cancer Treatment of Ms. Fatima Madki”	0
Promoting health care and Women Empowerment	Promoting health care and Women Empowerment	Financial support to disabled individuals and children and Women Empowerment by providing 2 Wheelchair and 5 Sewing machines	1
Promoting Education, women empowerment	Promoting Education, women empowerment	Kishori Vikas - Leadership Training Program for empowering tribal girls.	0
Promoting Education	Promoting Education	Educational support for Amrapali School	0
Promoting health care	Promoting health care	Financial support was provided for Medical Treatment of Mr. Diyam Manish Kumar	1
Promoting Healthcare	Promoting Healthcare	Project Udaan 2.0 - Financial Support for empowering poor and underprivileged youth of the Country with quality and employment opportunities	1
Promoting Healthcare and Education	Promoting Healthcare and Education	SETU Project- to empower rural adolescent girls in the Raigad and Aurangabad districts by enhancing their socio-emotional well-being, decision-making skills, health and nutrition knowledge, and financial literacy	1
Promoting health care	Promoting health care	Support for operational and welfare expenses of children, including residential care, food, education support, healthcare and basic necessities	0
Promoting health care	Promoting health care	Financial support was provided for Medical Treatment of Ms. Debjani	0
Promoting Education	Promoting Education	Sponsoring 25 benches at Swami Vivekanand School, Providing Financial Assistance for Educational Activities of financially challenged students	1

CSR project or activity identified	Sector in which project is covered	Projects or programs	(Rs. in lakhs)
			Amount spent: direct or through implementing agency
Promoting Education	Promoting Education	Financial support for education of underprivileged students at Jaigopal Garodia Rashtrottthana Vidyalaya, Kalyan Nagar, Bengaluru	4
Promoting Education	Promoting Education	Financial support for educational tour of Government Gujarat Primary School, Masat (Silvassa)	0
Promoting Healthcare and Education	Promoting Healthcare and Education	Kolhapur Medical and Healthcare Camp organized - educational and healthcare material distribution to government school students.	1
Livelihood enhancement projects	Livelihood enhancement projects	Financial support for construction of shed at Rani Durgavati Girls Hostel, Randha	3
Livelihood enhancement project, Eradicating hunger, poverty and malnutrition	Livelihood enhancement project, Eradicating hunger, poverty and malnutrition	1 month Mid Day meal of 300 underprivileged students at Shri Yogeshwarananda English Primary and High School	1
Promoting Education	Promoting Education	Financial support for Computers and Education of visually impaired students	3
Livelihood enhancement projects	Livelihood enhancement projects	Financial support for construction work of the boys hostel at Kalashram Project	3
Promoting Livelihood and women empowerment	Promoting Livelihood and women empowerment	Financial support for washing machine, moped two-wheeler, and other essentials for women	2
Livelihood enhancement projects	Livelihood enhancement projects	Financial support for food items to ensure regular nourishment and care of children residing at Srujanalaya Hostel	1
Promoting Sports	Promoting Sports	Sponsorship to Ajay Bhosale, a national-level swimmer, for performance development and participation at the international level	1
Promoting Education	Promoting Education	Financial Support for 13 computers at school at Mubarka School	3

**Note :****Amount spent during the year on:**

Particulars	(Rs. In lakhs)	
	FY 2025-26	FY 2024-25
i) Construction / Acquisition of any assets	-	-
ii) Purpose other than (i) above	220	181
<b>Total</b>	<b>220</b>	<b>181</b>

**Excess amount spent**

Particulars	(Rs. In lakhs)	
	March 31, 2026	March 31, 2025
Opening Balance	2	-
Amount required to be spent during the year	219	179
Amount spent during the year	220	181
<b>Closing Balance</b>	<b>3</b>	<b>2</b>

**Note 59 - Share Based Payments****A. Description of share-based payment arrangements**

The Group has the following share-based payment arrangements:

**Share option plans (equity-settled)**

On July 15, 2025 the Group established share option plan (“Ador Employee Stock Option Plan 2025”) that entitle the employees to purchase shares in the Group. The plan was approved by the Board of Directors on May 6, 2025 and by Shareholders on July 15, 2025 for issuance of stock option to eligible employees of the group. Under this plan, holders of vested options are entitled to purchase shares at face value (INR 10 per share). The number of options granted under plan will vest when either time based or time and performance based vesting condition are met (as per grant letter). Further, all the options granted have a vesting condition of 25% every year over a period of 4 years and have an exercise life of 3 years from the date of vesting.

Pursuant to the said plan, Stock options convertible into 29,500 equity shares each were granted to eligible employee at an exercise price of INR 10/- per option.

**B. Measurement of fair values**

The fair value of employee share options has been measured using Black-Scholes option pricing model.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity settled share based payment plans are as follows:

Particulars	Ador Employee Stock Option Plan 2025	Ador Employee Stock Option Plan 2025	Ador Employee Stock Option Plan 2025	Ador Employee Stock Option Plan 2025
Number of options	7375	7375	7375	7375
Vesting period	End of year 1	End of year 2	End of year 3	End of year 4
Grant Date	22-Sep-25	22-Sep-25	22-Sep-25	22-Sep-25
Share price at grant date (INR)	1013.95	1013.95	1013.95	1013.95
Exercise price (INR)	10	10	10	10
Fair Value of options (INR)	948.62	927.39	906.64	886.34
Expected term to maturity (in years)	2.5	3.5	4.5	5.5
Expected volatility (%)	36.90%	37.50%	40.44%	42.94%
Dividend yield (%)	2.30%	2.30%	2.30%	2.30%
Risk free interest rate on government bonds (%)	5.99%	6.19%	6.37%	6.47%
Method of settlement	Equity Settled	Equity Settled	Equity Settled	Equity Settled

Weighted average remaining life of ESOPs outstanding at the end of the year is 4.98 years (31 March 2025: Nil)

The options outstanding at 31 March 2026 had an exercise price of Rs 10 (31 March 2025: Rs 10)

**C. Reconciliation of outstanding share options**

The number and weighted-average exercise prices (refer note B above) of share option under the share option plan are as follows:

Particulars	No. of share options	Weighted average exercise price
Outstanding as of April 1, 2025	-	-
Granted during the year	29,500	INR 10/-
Exercised during the year	-	-
Forfeited during the year	-	-
<b>Outstanding as of March 31, 2026</b>	<b>29,500</b>	<b>INR 10/-</b>
<b>Expired as of 31 March, 2026</b>	<b>-</b>	<b>-</b>
<b>Exercisable as of 31 March, 2026</b>	<b>-</b>	<b>-</b>



#### D. Breakup of employee share option (ESOP) expenses

Particulars	No. of shares options
KMP	7,300
Employees other than KMP	22,200
<b>Outstanding as of March 31, 2026</b>	<b>29,500</b>

#### E. Expense recognised in standalone statement of profit & loss is INR 74 lakhs ( 31 March 2025: Nil)

##### Note 60 - Onerous cost and Liquidated Damages

During the financial year 2022–23, the Holding Company (Flares & Process Equipment) commenced a turnkey project targeted for completion by June 2025. While the project has encountered certain delays due to a combination of operational and external challenges, the Group remains committed to its successful execution and is actively engaging with stakeholders to mitigate potential impacts.

In line with applicable accounting standards and guided by the principles of prudence, the Group has, during the current year, recognised a provision of Rs. 983 lakhs towards estimated cost overruns and Rs. 1,499 lakhs towards potential liquidated damages.

These provisions have been taken on a one-time basis to allow the management to focus on its core business. The Group continues to pursue all available measures to optimise project overrun costs and delivery timelines.

##### Note 61 - Impairment reversal on trade receivables

The Group had executed a project in Kuwait during FY 2020–21, the receivables from which were under litigation and accordingly provided for as doubtful. During the current year, the Group has recovered Rs. 1,412 lakhs from said doubtful receivables. Accordingly, the provision created in earlier year has been reversed in current year.

**Note 62- Interest in other entities:**

The following details pertain to the components of the group:

Name of entities	% of effective holding as at		Net Assets, i.e. total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income / (loss)		Share in total comprehensive income / (loss)	
	31-Mar-26	31-Mar-25	% of consolidated net assets	Amount (Rs. in lakhs)	% of consolidated Profit	Amount (Rs. in lakhs)	% of consolidated OCI	Amount (Rs. in lakhs)	% of consolidated OCI	Amount (Rs. in lakhs)
<b>Parent:</b>										
Ador Welding Limited										
<b>31 March 2026</b>			<b>102%</b>	<b>56,387</b>	<b>101%</b>	<b>8,280</b>	<b>108%</b>	<b>(56)</b>	<b>101%</b>	<b>8,224</b>
31 March 2025			102%	51,570	72%	4,346	104%	(82)	72%	4,264
<b>Subsidiary:</b>										
<b>3D Future Technologies Private Limited (Incorporated in India)</b>										
<b>31 March 2026</b>	<b>100%</b>		<b>(4%)</b>	<b>(2,004)</b>	<b>(6%)</b>	<b>(500)</b>	<b>(8%)</b>	<b>4</b>	<b>(6%)</b>	<b>(496)</b>
31 March 2025	100%		(3%)	(1,508)	(12%)	(713)	-3%	3	(12%)	(711)
<b>Intercompany Elimination and Consolidation Adjustments</b>										
<b>31 March 2026</b>			<b>2%</b>	<b>1,060</b>	<b>5%</b>	<b>416</b>	<b>0%</b>	<b>-</b>	<b>5%</b>	<b>416</b>
31 March 2025			1%	647	40%	2,372	0%	-	40%	2,372
<b>Total</b>										
<b>31 March 2026</b>			<b>100%</b>	<b>55,443</b>	<b>100%</b>	<b>8,196</b>	<b>100%</b>	<b>(52)</b>	<b>100%</b>	<b>8,144</b>
31 March 2025			100%	50,709	100%	6,005	100%	(79)	100%	5,926

The Group has one wholly owned subsidiary (3D Future Technologies Private Limited) which has incorporated in India and has principle place of business also in India.



**Note 63** - The Board has recommended a final dividend for the financial year 2025-26 @ Rs. 23 per share, i.e. 230% of the face value of Rs.10 each. It is not recognised as a liability as at 31 March 2026.

**Note 64** -

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off.
- (iii) The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- vii) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (viii)The group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts.
- (ix) None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (x) The group has complied with the number of layers prescribed under the Companies Act, 2013.
- (xi) The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**Note 65** - Amounts below Rs 0.50 lakh have been rounded off.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

Amar Sunder  
Partner  
Membership No.: 078305

Place : Mumbai  
Date : 29 April 2026

Vinayak M. Bhide  
Head - HR, Admin., Legal  
and Company Secretary  
Membership No.: F5063

Surya Kant Sethia  
Chief Financial Officer

Aditya T. Malkani  
Managing Director  
DIN : 01585637

For and on behalf of the Board of Directors  
**Ador Welding Limited**  
CIN- L70100MH1951PLC008647

Deep A. Lalvani  
Non-Executive Director  
DIN : 01771000

Place : Mumbai  
Date : 29 April 2026

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

##### Part “A”: Subsidiaries

(Information in respect of each subsidiary, to be presented with amounts in Rs.)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	3D Future Technologies Private Limited
2.	The date since when subsidiary was acquired	25 <sup>th</sup> September, 2024*
3.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	Same as Holding Company
4.	Reporting Currency and Exchange rate as on the last date of the relevant Financial year, in the case of foreign subsidiaries	Not Applicable
5.	Share capital	Rs. 15,00,00,000/- (Authorised) Rs. 11,28,05,280/- (Paid-up)
6.	Reserves & surplus	Rs. (31,32,39,975/-)
7.	Total assets	Rs. 3,13,64,887/-
8.	Total Liabilities	Rs. 23,17,99,582/-
9.	Investments	Nil
10.	Turnover	Rs. 4,55,78,541/-
11.	Profit before taxation	Rs. (1,87,00,590/-)
12.	Provision for taxation	Rs. 3,13,22,385/-
13.	Profit after taxation	Rs. (5,00,22,975/-)
14.	Proposed Dividend	Nil
15.	Extend of shareholding (in %)	100%

\* 3D Future Technologies Pvt. Ltd. became a wholly-owned subsidiary of Ador Welding Limited pursuant to the Scheme of Amalgamation of erstwhile Ador Fontech Limited with Ador Welding Limited

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries, which are yet to commence operations- **Nil**
- Names of subsidiaries, which have been liquidated or sold during the year- **Nil**

##### Part “B”: Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:** Not Applicable

For and on behalf of the Board of Directors

Aditya T. Malkani  
**Managing Director**  
DIN: 01585637

Place: Mumbai  
Date: 29<sup>th</sup> April, 2026

Vinayak M. Bhide  
**Head - HR, Admin, Legal  
and Company Secretary**

Surya Kant Sethia  
**Chief Financial Officer**

Dr. Deep A. Lalvani  
**Non-Executive Director**  
DIN: 01771000

## TRAINING DIVISION

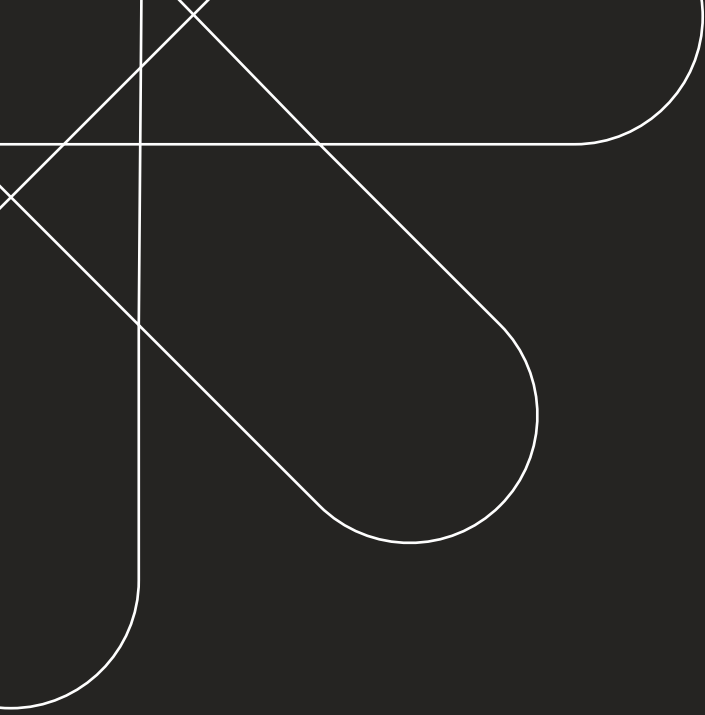
FY 2025–26 marked a year of strong progress for Ador Welding Training Division (AWTD), with 909 participants trained through industry-oriented welding and skill development programs across sectors including Heavy Engineering, Oil & Gas, Automotive, Defence, Infrastructure, and Marine Engineering.

AWTD continued its focus on welding excellence and industry-ready training, while receiving the prestigious Weldfab Tech Times WELDFAB TECH AWARD 2026 for “Welding Industry Training Provider,” marking its third recognition after receiving the award earlier in the year 2022 and 2024.

The division further strengthened industry engagement through key initiatives such as the “Best of the Best Welders” National Skill Competition in association with IIW and the “National Best Welder Competition for Women,” promoting skill excellence, inclusivity and talent recognition, within the welding community.

Through continuous industry collaboration and focused training initiatives, Ador continues to strengthen welding skills and workforce capability for the evolving needs of the industry.





## **ADOR WELDING LIMITED**

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