

48TH ANNUAL REPORT

2022-23

LEGACY
MILESTONES



ALCHEMY
TRANSFORMATION



1974
COSMICS ELECTRONICS &
ANCILLARIES PVT. LTD.



1988
COSMICS FONTECH
LIMITED



1996
ADOR FONTECH
LIMITED



2022
ADOR ONE

THE WORLD HAS LIMITED SUPPLY OF MINERAL RESOURCES. HOWEVER, DEPLETION RATE RESULTING FROM CONTINUOUS INDUSTRIALISATION IS VERY HIGH. RECLAMATION AND RECYCLING OF VITAL MACHINERY COMPONENTS, THEREFORE, ASSUMES HIGH PRIORITY.

**RECLAIM
DO NOT REPLACE**



ADOR FONTECH LIMITED IS A FRONTRUNNER ORGANISATION THAT OPERATES ON THE PHILOSOPHY OF 'PARTNERING' WITH ITS CLIENTS IN RECOMMENDING AND IMPLEMENTING VALUE-ADDED RECLAMATION, FUSION, SURFACING, SPRAYING AND ENVIRONMENTAL SOLUTIONS.



LIFE ENHANCEMENT OF INDUSTRIAL COMPONENTS



REPAIR



REFURBISHMENT



SERVICES

BOARD OF DIRECTORS



MR. A T MALKANI
Chairman



MR. H P LEDWANI
Managing Director & CEO



MRS. N MALKANI NAGPAL
Promoter Director



MR. N S MARSHALL
Independent Director



MR. SANTOSH JANAKIRAM
Independent Director



MR. RAFIQUE MALIK
Independent Director

MR. A T MALKANI

Chairman

MR. H P LEDWANI

Managing Director & CEO

MR. MELVILLE FERNS

Chief Operating Officer

MS. GEETHA D

Company Secretary & CFO

MR. RAJESH V JOSHI

Exe. Vice President

MR. S S MOHIUDDIN

Vice President

MR. K PANEER SELVAM

Sr. General Manager

MR. PALGUN VEMBAR

Sr. General Manager

MS. TANYA H ADVANI

General Manager

MR. C V V SRINIVAS

General Manager

MR. H SRINIVASAN

General Manager

MR. MANOHAR D PAI

General Manager

MR. VENKATRAMAN

General Manager

MR. SANJAY JAIN

General Manager

ADOR FONTECH
TEAM

VISION & MISSION



VISION

Our vision is to be considered as the partner of first choice by our customers.



MISSION

Our mission is to partner with our customers in implementing value-added reclamation, fusion, surfacing, spraying and environmental solutions.

D

DELIGHTING CUSTOMERS IS FIRST AND FOREMOST

E

EMPLOYEES WHO ENJOY THEIR WORK

L

LIVING UP TO OUR SHARED VALUES

I

INNOVATIVENESS AND CONTINUOUS IMPROVEMENTS IN ALL OUR
WORK PROCESSES

H

GROWTH IS OUR WAY OF LIFE

G

HONOURING COMMITMENTS TOP DOWN

T

TECHNOLOGY WILL BE A VITAL ENABLER IN OUR
DAY-TO-DAY OPERATIONS

SHARED VALUES

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CORPORATE INFORMATION

REGISTERED AND CORPORATE OFFICE

Ador Fontech Limited
CIN: L31909KA1974PLC020010
Belview 7 Haudin Road Bengaluru 560 042
T: (080) 2559 6045 / 73 F: (080) 2559 7085
E: investorservice@adorfon.com W: www.adorfon.com

MANUFACTURING UNITS

Manufacturing Plant I
486 B-1 14th Cross 3rd Main 4th Phase
Peenya Industrial Estate Bengaluru 560 058

Manufacturing Plant II
A-288 6th Main 2nd Stage Peenya Industrial Estate
Bengaluru 560 058

Reclamation Centre
S-60-61 MIDC Hingna Industrial Estate Nagpur 440 016

WHOLLY OWNED SUBSIDIARY

3D Future Technologies Private Limited
Ador House 6K Dubash Marg Fort Mumbai 400 001

STATUTORY AUDITORS

M/s. Praveen & Madan
Chartered Accountants
Firm Registration No. 011350S
237 2nd Cross Cambridge Layout Halasuru
Bengaluru 560 008

SECRETARIAL AUDITOR

Ms. Manjula Narayan
Company Secretary
COP No. 10150
No. 10 3rd Cross 4th Main Vinayaka Layout
Bhattarahalli Near Domino's Pizza Bengaluru 560 049

INTERNAL AUDITORS

M/s. Amarnath Kamath and Associates
Chartered Accountants
Carewel House Muniswamappa Layout 6th Cross
Opp. Kemp Fort Off HAL Airport Road Bengaluru 560 017

COST AUDITORS

M/s. Rao, Murthy & Associates
Cost Accountants
Sampurna Chambers 13 First Floor Vasavi Temple Road
V V Puram Bengaluru 560 004

SOLICITORS AND ADVOCATES

Dr. J P Udgata
Advocate
No. 12 10th Cross Manjunath Nagar Bengaluru 560 023
Mr. Samarth
J K Legal Associates
Belview 7 Haudin Road Bengaluru 560 042

SHARE TRANSFER AGENT

Integrated Registry Management Services Pvt. Ltd.
CIN: U74900TN2015PTC101466
30 Ramana Residency 4th Cross Sampige Road
Malleswaram Bengaluru 560 003
T: (080) 2346 0815 - 818 F: (080) 2346 0819
E: irg@integratedindia.in

BANKERS

HDFC Bank Limited
8/24 Salco Centre Richmond Road Bengaluru 560 025

Canara Bank
Industrial Finance Branch Manipal Centre
Dickenson Road Bengaluru 560 042

GST REGISTRATIONS

Karnataka 29AABCA1724H1ZY
Maharashtra 27AABCA1724H1Z2



ANNUAL DEVELOPMENT & VALUE CREATION CONFERENCE 2023

Crown Plaza Bangalore - 10-11-23



TEAM
Together Everyone Achieves More

NOTICE TO THE
48TH ANNUAL
GENERAL MEETING

Notice is hereby given that the [Forty Eighth Annual General Meeting \(AGM\)](#) of the Members of the Company will be held through [video conference on Friday, August 11, 2023 at 11:00 A.M.](#) to transact the following business:

ORDINARY BUSINESS

1. Adoption of Standalone Financial Statements

To consider and adopt the Audited Standalone Financial Statements for the financial year ended March 31, 2023 together with the reports of the Auditors and Directors thereon.

2. Adoption of Consolidated Financial Statements

To consider and adopt the Audited Consolidated Financial Statements for the financial year ended March 31, 2023 together with the reports of the Auditors and Directors thereon.

3. Declaration of dividend

To declare dividend of Rs.5 (Rupees five only) per equity share for the financial year ended March 31, 2023.

4. Appointment of Mrs. N Malkani Nagpal as Non-Executive Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013, approval of the Members of the Company, be and is hereby accorded to re-appoint Mrs. N Malkani Nagpal (DIN 00031985) as a Director, liable to retire by rotation.

SPECIAL BUSINESS

5. To appoint Branch Auditors of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT pursuant to Section(s) 139, 143 and other applicable provisions of the Companies Act, 2013 read with Rules made there under, the accounts for the year ending March 31, 2024 of the manufacturing plants of the Company, be audited by the Company's Auditors or such other person or persons, other than the Company's Auditors and as are qualified for appointment as Auditors under Section 141 of the Companies Act, 2013 and that the Board of Directors be and is hereby authorised to appoint such Branch/Unit Auditors in consultation with the Company's Auditors and to fix their remuneration as also the terms and conditions of their appointment.

6. Cost Auditors and their Remuneration

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder including any statutory modification(s) or re-enactment thereof for the time being in force, the appointment of M/s. Rao Murthy and Associates (Firm registration no. 000065) at a remuneration of rupees one lakh and twenty five thousand plus applicable taxes thereon, be and are hereby approved and ratified for conduct of Cost Audit for the financial year 2023-24.

NOTES

- In compliance with Regulatory mandates, the 48th AGM of the Company is being held through Video Conference (VC) through the aegis of National Securities Depository Limited (NSDL).
- A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and such proxy need not be a Member of the Company. Since the AGM is being held through VC, facility for appointment of proxies by the Members will not be available. Further, attendance, proxy and location map being not applicable and hence not enclosed.
- Participation of Members through VC/OAVM will be reckoned for the purpose of quorum as per Section 103 of the Companies Act.
- Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate Members intending to authorise their representative(s) to participate and vote at the meeting are requested to send a certified copy of the Board resolution/ authorisation letter to the Scrutiniser Mr. S Kannan at cs.skannan@gmail.com and/or kannans@kannancs.in.
- Pursuant to the provisions of Sections 107 and 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and circulars issued by the Ministry of Corporate Affairs, the Company is pleased to provide its Members, facility to exercise their votes during the course of the 48th AGM by electronic means. The business may also be transacted through remote e-Voting prior to the AGM. While detailed instructions have been provided as part of this Notice, schedule for remote e-Voting is as under:

DATE AND TIME

of commencement of remote voting through electronic means

TUESDAY
AUGUST 8, 2023
AT 9.00 A.M.

THURSDAY
AUGUST 10, 2023
AT 5:00 P.M.

DATE AND TIME

of conclusion of remote voting through electronic means

NOTICE

- Any person who acquires shares of the Company and becomes a Member after sending of the Notice and holding shares as on the cut-off date, may obtain login ID and password by sending a request to evoting@nsdl.co.in. However, if he/she is already registered with NSDL/CDSL for remote e-Voting, then he/she can use his/her existing user ID and password for casting vote.
- Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently. The voting right of Members shall be in proportion to the shares in the paid-up capital of the Company, as on the cut-off date i.e., August 04, 2023.
- Members who have exercised their right to vote by remote e-Voting may attend the Annual General Meeting but shall not be allowed to cast vote again during the AGM.
- Members can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Members on a first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the (i) Audit Committee (ii) Management Development Nomination and Remuneration Committee and (iii) Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction.
- Members present at the AGM through VC and who have not cast their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.
- In case of joint Shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Resolutions assented to by requisite majority of the Members by means of remote e-Voting shall be deemed to have been duly passed at the Annual General Meeting.
- The Board of Directors has appointed Mr. Kannan S (FCS Membership No. 6261 and COP No. 13016) of M/s. S Kannan and Associates (Firm Registration No.S2017KR473100) having office at No. 13, Ground Floor, 1st Main Road, Venkateshwara Layout, Off BCC Layout, Attiguppe, Vijayanagar, Bengaluru 560 040 and failing him Ms. Manjula Narayan (ACS Membership No. 28374 and COP No. 10150) having office at #10, 3rd Cross, 4th Main, Vinayaka Layout, Bhattarahalli, Bengaluru 560 049 as Scrutiniser(s) to scrutinise the e-Voting process in a fair and transparent manner. The results of voting on the above resolutions shall be declared not later than 48 hours from the conclusion of the Annual General Meeting of the Company. The results declared along with the Scrutiniser's Report will be communicated to the Stock Exchange (BSE) and shall be made available on the Company's website and on the website of National Securities Depository Limited (NSDL).
- The Register of Members and Share Transfer Books of the Company will remain closed from August 05, 2023 to August 11, 2023 (both days inclusive).
- The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, will be available electronically for inspection to the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Member(s) from the date of circulation of this Notice up to the date of the AGM i.e., August 11, 2023. Members seeking to inspect such documents may send an e-mail to investorservice@adorfon.com.
- Members whose shareholding is/are in electronic mode are requested to direct notifications about change of address and update bank account details to their respective Depository Participants (DPs). Members whose shareholding is/are in physical mode are requested to opt for Electronic Clearing System (ECS) to receive dividends on time.

- SEBI has mandated submission of Permanent Account Number (PAN) by every Participant in the Securities market. Further, it is now mandatory for all holders of physical securities in listed companies to furnish Permanent Account Number (PAN), Nomination, Contact details, Bank account details and Specimen signature(s) for their corresponding folio numbers to the Registrar and Share Transfer Agent (RTA). Any failure in doing so will result in folios being frozen after October 1, 2023. Such shares will not be eligible for bonus, dividends and other corporate actions. Hence, Shareholders holding physical shares are requested to kindly do needful at the earliest.
- As per Regulation 40 of SEBI (LODR) Regulations 2015, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019; except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members may contact the Company or the Registrar and Transfer Agent (Integrated Registry Management Services Private Limited) for assistance, if any, that may be required in this regard.
- As per the provisions of Section 72 of the Companies Act, facility for making nominations is available to the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form no. SH-13. This form can be downloaded from the Company's website at <https://www.adorfon.com/investors-info/forms/>. Members are requested to submit these details to their Depository Participants in case shares are held in electronic form and to the RTA (Registrar and Share Transfer Agent) in case shares are held in physical form.
- Pursuant to Section 124(6) of Companies Act, 2013, all shares in respect of which, dividend has not been claimed for seven consecutive years or more shall be transferred by the Company to the Investor Education and Protection Fund. Members who have not encashed dividend warrants of previous year(s) are hereby requested to encash the same at the earliest. Further, in terms of the Investor Education and Protection Fund (IEPF-Rules 2016), the Company has posted requisite details of unclaimed dividends on the website of the Company <https://www.adorfon.com/investors-info/unclaimed-dividends/> which may be used by the Shareholders for referential check.
- Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief profile and other details of Director proposed to be appointed are annexed to this Notice.
- The relevant statement pursuant to Section 102 of the Companies Act, 2013, in respect of special businesses set out is annexed.
- Members desiring any information about the annual accounts at the meeting are requested to write to the Company at least five (5) days in advance of the Annual General Meeting-E-mail id: investorservice@adorfon.com and/or arvinpf@adorfon.com.
- Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders with effect from April 1, 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates under the Income Tax Act, 1961 ('IT Act').
- For Resident Shareholders, taxes shall be deducted at source under Section 194 of the 'IT Act' which shall be as follows:
 - (i) Members having valid Permanent Account Number (PAN)-10%*or as notified by the Government of India
 - (ii) Members not having PAN / valid PAN-20% or as notified by the Government of India
- As per Section 139AA of the Income Tax Act, every person who has been allotted PAN and who is eligible to obtain Aadhaar, shall be required to link PAN with Aadhaar. In case of failure to comply, PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at higher rate as prescribed under the Income Tax Act.

NOTICE

However, no tax shall be deducted on the dividend payable to resident individual Shareholders if the total dividend to be received by them during financial year 2023-24 does not exceed Rs. 5,000 and also in cases where Members provide Form 15G / Form 15H (Form 15H is applicable to resident individual Shareholders aged 60 years or more), subject to conditions specified in the IT Act. Resident Shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. In all cases of requests for lower withholding of tax, submission of a copy of PAN is mandatory.

- For Non-Resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20%** (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident Shareholders have the option to be governed by the provisions of Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the Shareholders, if they are more beneficial to them. For this purpose, i.e., to avail the benefits under the DTAA read with MLI, non-resident Shareholders will have to provide the following:

(i) Copy of the PAN card allotted by the Indian Income Tax Authorities duly attested by the Shareholder(s) or details as prescribed under Rule 37BC of the Income-tax Rules, 1962 (ii) Copy of Tax Residency Certificate for the financial year 2023-24 obtained from the Revenue or Tax authorities of the country of tax residence, duly attested by the Shareholder(s) (iii) Self-declaration in Form 10F (iv) Self-declaration by the Shareholders of having no permanent establishment in India in accordance with the applicable tax treaty (v) Self-declaration of beneficial ownership by the non-resident Shareholder (vi) Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the Shareholder(s).

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act at the rate of 20%** (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI whichever is more beneficial, subject to submission of the above documents, if applicable. Further, in the case of a non-resident Shareholder or a non-resident Foreign Portfolio Investor (FPI) / Foreign Institutional Investor (FII), higher rate of tax as mentioned in Section 206AB shall not apply, if such non-resident does not have a permanent establishment in India.

- All requests for lower withholding of tax along with documents and declarations should be submitted by the Members on or before Thursday August 3, 2023- by e-mail to irg@integratedindia.in and investorservice@adorfon.com.
- The Annual Report 2022-23 and the Notice to the 48th AGM along with instructions for e-Voting are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company, Registrar and Share Transfer Agent and Depository Participant(s). Further, in line with the Ministry of Corporate Affairs (MCA), Notice calling the AGM along with the Annual Report have been uploaded on the website of the Company at www.adorfon.com. The Notice can also be accessed from the website of the Stock Exchange i.e., www.bseindia.com as also from the NSDL portal i.e., www.evoting.nsdl.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Mrs. N Malkani Nagpal retires at the ensuing AGM as per the provisions of Section 152 of the Companies Act, 2013 and is eligible for re-appointment. She has furnished her Director Identification number as 00031985 and made declaration that she is not disqualified to become a Director.

BRIEF PROFILE AND ADDITIONAL INFORMATION ABOUT THE APPOINTEE

As per Secretarial Standard-2 and Regulation 36 of the SEBI (Listing Obligation & Disclosure Requirements), Regulations, 2015.

NAME

Mrs. Ninotchka Malkani Nagpal

DIRECTOR IDENTIFICATION NUMBER (DIN): 00031985

DATE OF BIRTH AND AGE: July 6, 1971; 51 years

DATE OF FIRST APPOINTMENT ON THE BOARD

July 20, 2007

QUALIFICATIONS AND EXPERIENCE

Mrs. N Malkani Nagpal is a graduate in Commerce with a Master's degree in Business Administration from the Imperial College, UK. She has also attained BSc in Business & Economics from Lehigh University, PA, USA. Her career started with Alliance Capital Asset Management in New York and she has over two decades of experience with the Ador Group of Companies. As Chairman of Corporate Social Responsibility Committee, she will be responsible for CSR activities. Her educational qualification entails her to discharge her duties in the best possible manner.

RECOGNITION AND AWARDS

While in particular she has not received any award, the organisations where she has been associated, have been bestowed with awards by Industrial Confederations.

AREA OF EXPERTISE

Finance

TERMS AND CONDITIONS OF APPOINTMENT

Appointment as Non-Executive and Non-Independent Director.

REMUNERATION DETAILS

Mrs. N Malkani Nagpal will be entitled to sitting fees for attending meetings of the Board and its Committees, besides reimbursement of expenses for travel/conveyance, board and lodging. During the year 2022-23 she was in receipt of Rs.85,000 (Rupees eighty five thousand only) as Sitting fees.

SHAREHOLDING IN THE COMPANY

Name	Category	Number of Equity Shares
Mrs. N Malkani Nagpal	Director	7,60,700
Ms. Michelle Gulu Malkani	Relative (Sister)	83,700
Mrs. Gulshan Gulu Malkani	Relative (Mother)	-
TOTAL		8,44,400

NOTICE

NUMBER OF BOARD MEETINGS ATTENDED DURING THE YEAR AS A DIRECTOR

Five out of Five

RELATIONSHIP WITH OTHER DIRECTOR(S), MANAGER AND KEY MANAGERIAL PERSONNEL OF THE COMPANY

Not related to any other Director, Manager and Key Managerial Personnel of the Company.

OTHER DIRECTORSHIPS, MEMBERSHIP/ CHAIRMANSHIP OF COMMITTEES OF OTHER BOARDS

Directorships held in other Companies (other than Ador Fontech Limited)

- Public Limited Companies: Ador Welding Limited and Piem Hotels Limited
- Private Limited Companies: J B Advani and Company Pvt. Ltd. and 1908 E-Ventures Pvt. Ltd.

Memberships / Chairmanships of Committees (other than Ador Fontech Limited)

- Risk Management Committee : Ador Welding Limited - Member
- Corporate Social Responsibility: Ador Welding Limited - Member
- Nomination and Remuneration Committee: Piem Hotels Limited-Member

Details of listed entities from which she has resigned during the past three years: Nil

The Board recommends the resolution set out at item no. 4 for approval.

Nature of concern or interest, financial or otherwise, if any:

- No Director of the Company is concerned or interested in the said resolution except Mrs. N Malkani Nagpal, as it pertains to her appointment.
- None of the Key Managerial Personnel (KMP) of the Company is concerned or interested in the resolution.
- Other than Mrs. Gulshan Gulu Malkani and Ms. Michelle Gulu Malkani, relatives of Mrs. N Malkani Nagpal and holding shares in Ador Fontech Limited, none of the KMPs or other Director(s) and their relatives is/are concerned in the resolution.

Item No. 5

The Company's manufacturing plants are situated at diverse locations and it is not possible for the Statutory Auditor of the Company to visit and verify all the manufacturing units individually. In view of the same, it is proposed to authorise the Board of Directors to appoint, in consultation with the Company's Auditors, such persons as are qualified for appointment as Branch Auditors under Section 143(8) read with Section 141 of the Companies Act, 2013 and such other Regulations/ Notifications, to audit the accounts, for the year ending March 31, 2024 and fix their remuneration.

The Board recommends the resolution set out at item no. 5 for approval.

Nature of concern or interest, financial or otherwise, if any:

- No Director of the Company is concerned or interested in the said resolution.
- None of the Key Managerial Personnel (KMP) of the Company is concerned or interested in the resolution.
- None of the Directors or KMPs or their relatives are in any way concerned or interested in the resolution.

Item No. 6

The Board has appointed M/s. Rao Murthy and Associates (Firm registration no. 000065) as Cost Auditors for the financial year 2023-24 and finalised their remuneration. The same has been placed for approval/ratification of the Members.

The Board recommends the resolution set out at item no. 6 for approval.

Nature of concern or interest, financial or otherwise, if any:

- No Director of the Company is concerned or interested in the said resolution.
- None of the Key Managerial Personnel (KMP) of the Company is concerned or interested in the resolution.
- None of the Directors or KMPs or their relatives are in any way concerned or interested in the resolution.

ADDITIONAL INFORMATION

General

NATURE OF INDUSTRY

Life enhancement of industrial components.

DATE OF COMMENCEMENT OF COMMERCIAL PRODUCTION

Job works/Manufacturing operations started at Nagpur on January 1, 1992 and October 15, 2003 at Bengaluru.

EXPECTED DATE OF COMMENCEMENT OF PROJECT AS APPROVED BY THE FINANCIAL INSTITUTIONS

Not Applicable

FINANCIAL PERFORMANCE BASED ON GIVEN INDICATORS

Detailed financial statements (including notes to the accounts) and comparative analysis (for last five years) forms part of the Annual Report. As per the Companies Act, 2013 read with Rules and Schedules there under, details as at March 31, 2023 are as follows: (i) Profit reckoned as per Section 198 for the purpose of managerial remuneration is Rs. 3,447 lakhs (ii) Net worth is Rs. 14,891 lakhs (iii) Effective capital is Rs. 7,786 lakhs (iv) The Company has been paying dividend from its inception and has not defaulted in payments to any of its Stakeholders and is debt-free.

Others

COMPARATIVE REMUNERATION PROFILE WITH RESPECT TO INDUSTRY, SIZE OF THE COMPANY, PROFILE OF THE POSITION AND PERSON

As regards remuneration, the Company has best endeavoured to maintain industry standards.

Further, Mr. H P Ledwani's appointment was recently approved through postal ballot for the period from May 01, 2023 to March 31, 2024 and in the ensuing meeting re-appointment of Mrs. N Malkani Nagpal is being taken up for the consideration of Members. Her detailed profile has been provided as part of the Notice.

STEPS TAKEN OR PROPOSED TO BE TAKEN FOR IMPROVEMENT

Focus on Revenue and Cost Control.

REASONS FOR LOSS OR INADEQUATE PROFITS

Given the possibility of global recession, it is best to remain cautious on profits.

EXPECTED INCREASE IN PRODUCTIVITY AND PROFITS IN MEASURABLE TERMS

Management has adopted focused business strategies in all spheres of business functions to improve sales and profitability.

Bengaluru
May 29, 2023

By order of the Board
For Ador Fontech Limited

GEETHA D
Company Secretary

INSTRUCTIONS TO MEMBERS FOR REMOTE E-VOTING AND FOR JOINING THE ANNUAL GENERAL MEETING

Introduction: In view of the massive outbreak of COVID-19 pandemic, social distancing is a norm to be followed and pursuant to Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 & Circular No. 02/2021 dated January 13, 2021 and all other relevant Circulars issued from time to time, physical attendance of the Members at the Annual General Meeting (AGM) venue is not required and the General Meeting can be held through video conferencing (VC) or other audio visual means (OAVM).

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, Notice calling the AGM has been uploaded on the website of the Company at www.adorfon.com. Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at www.bseindia.com; website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

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


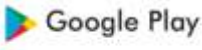


The way to vote electronically on NSDL e-Voting system consists of 'Two Steps' which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

- **Login method for e-Voting and joining of virtual meeting for Individual Shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number(s) and email id(s) in their demat accounts in order to access e-Voting facility.

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL NSDL MOBILE APP IS AVAILABLE ON    	<ul style="list-style-type: none"> • Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a Mobile. On the e-Services home page click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. This will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on 'Access to e-Voting' under e-Voting services and you will be able to see the e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or for joining the virtual meeting and voting during the meeting. • If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select 'Register Online for IDeAS Portal' or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • Shareholders/Members can also download NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned alongside for seamless voting experience.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> For direct access, visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a Mobile. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Members' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see the e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or for joining the virtual meeting and voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon and New System Myeasi Tab and then input your existing myeasi username and password. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per information provided by the companies. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or for joining the virtual meeting and voting during the meeting. Additionally, there is also a link provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com. Click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on the registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also be able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) can login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see the e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see the e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or for joining the virtual meeting and voting during the meeting.</p>

NOTICE

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at the above mentioned websites.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request to evoting@nsdl.co.in or call 022 - 4886 7000 and 022 -2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request to helpdesk.evoting@cdslindia.com or contact 022- 23058738 or 022-23058542-43

- **Login method for e-Voting and for joining of virtual meeting by Shareholders other than individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.**

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

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a Mobile.
- Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under the 'Shareholder/Members' section.
- A new screen will open. You will have to enter your User ID, Password/OTP and a Verification Code as shown on the screen.
- Alternatively, if you are registered for NSDL e-Services i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-Services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	User ID
For Members who hold shares in demat account with NSDL	8 Characters DP ID followed by 8 Digit Client ID For example if your DP ID is IN 300*** and Client ID is 12***** then your user ID is IN300***12*****.
For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
For Members holding shares in Physical form	EVEN Number followed by Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'Initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those Shareholders whose email ids are not registered.
- If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
 - (i) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - (ii) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - (iii) If you are still unable to get the password by aforesaid two options, you can send a request to evoting@nsdl.co.in mentioning your Name, Demat account number/Folio number, PAN and your Registered address etc.
 - (iv) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to the 'Terms and Conditions' by selecting on the check box.
- You will then have to click 'Login' button.
- After you click on the 'Login' button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN THE GENERAL MEETING ON NSDL E-VOTING SYSTEM

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

- After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and General Meetings are in active status.
- Select 'EVEN' of the company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining virtual meeting, you need to click on 'VC/OAVM' link placed under 'Join Meeting'.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
- Upon confirmation, the message 'Vote cast successfully' will be displayed.
- You can also take printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

- Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail-cs.skannan@gmail.com and/or kannans@kannancs.in with a copy marked to evoting@nsdl.co.in. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on 'Upload Board Resolution / Authority Letter' displayed under 'e-Voting' tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mahtre-evoting@nsdl.co.in.

PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD

- In case shares are held in physical mode please provide Folio No., Name of the Shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), Aadhaar (self attested scanned copy of Aadhaar Card) by email to investorservice@adorfon.com.
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, Client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), Aadhaar (self attested scanned copy of Aadhaar Card) to investorservice@adorfon.com. If you are an individual Shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 i.e. Login method for e-Voting and for joining virtual meeting for individual Shareholders holding securities in demat mode.
- Alternatively Shareholders/Members may send request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing the above mentioned documents.
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number(s) and email Id(s) correctly in their demat account in order to access e-Voting facility..

INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM

- Procedure for e-Voting on the day of the AGM is the same as per instructions mentioned above for remote e-Voting.
- Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through 'Remote e-Voting' will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- Details of the person who may be contacted for any grievance connected with the facility for e-Voting on the day of AGM will be the same person mentioned for Remote e-Voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM

- Member will be provided facility to attend the AGM through VC/OAVM of the NSDL e-Voting system. Members may access by following the steps mentioned above for access to NSDL e-Voting system. After successful login, you can see link of 'VC/OAVM' placed under 'Join meeting' menu against the Company's name. You are requested to click on VC/OAVM link placed under the Join Meeting menu. The link for VC/OAVM will be available in the Shareholder/Members' login where the EVEN of the Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten their User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.
- Members are encouraged to join the Meeting through 'Laptops' for better experience.
- Members will be required to allow Camera access and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

SPEAKER REGISTRATION

- **Shareholders who would like to express their views/raise questions may send their queries five working days in advance with the following details:**
 - (i) Name
 - (ii) Demat account number/folio number
 - (iii) Email id
 - (iv) Mobile number**to Mr. Arvin Francis, Sr. Officer-Secretarial on the following e-mail ids: investorservice@adorfon.com and/or arvinpf@adorfon.com.**
- **Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.**
- **The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure smooth conduct of the AGM.**

**DECLARATION PURSUANT TO SEBI (LODR) REGULATIONS, 2015
REGULATION 34(3) READ WITH SCHEDULE V (D)**

As the Managing Director and Chief Executive Officer of Ador Fontech Limited, I hereby declare and certify that all the Board Members and Senior Management Personnel of Ador Fontech Limited have affirmed compliance with the Code of Conduct adopted by the Company for the financial year 2022-23.

**COMPLIANCE CERTIFICATE PURSUANT TO SEBI (LODR) REGULATIONS, 2015
REGULATIONS 17 (7) AND 17(8) READ WITH SCHEDULE II**

Information to be placed before the Board and Compliance certificate have been duly furnished.

**DISCLOSURE PURSUANT TO SEBI (LODR) REGULATIONS, 2015
REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF REGULATION 46(2)**

The Company has complied with disclosure requirements of Corporate Governance and has made submissions to the BSE, besides details have been uploaded on the website of the Company.

**DECLARATION PURSUANT TO SEBI (LODR) REGULATIONS, 2015
REGULATION 34(3) READ WITH SCHEDULE V (C) (5) (A)**

There has been no pecuniary relationship or transaction between the Non-Executive-Independent Directors and the Company.

**DECLARATION PURSUANT TO SEBI (LODR) REGULATIONS, 2015
REGULATIONS 34(3) AND 36(3)(C) READ WITH SCHEDULE V (C) (2) (E)**

There are no inter-se-relationship between the Directors/Board Members.

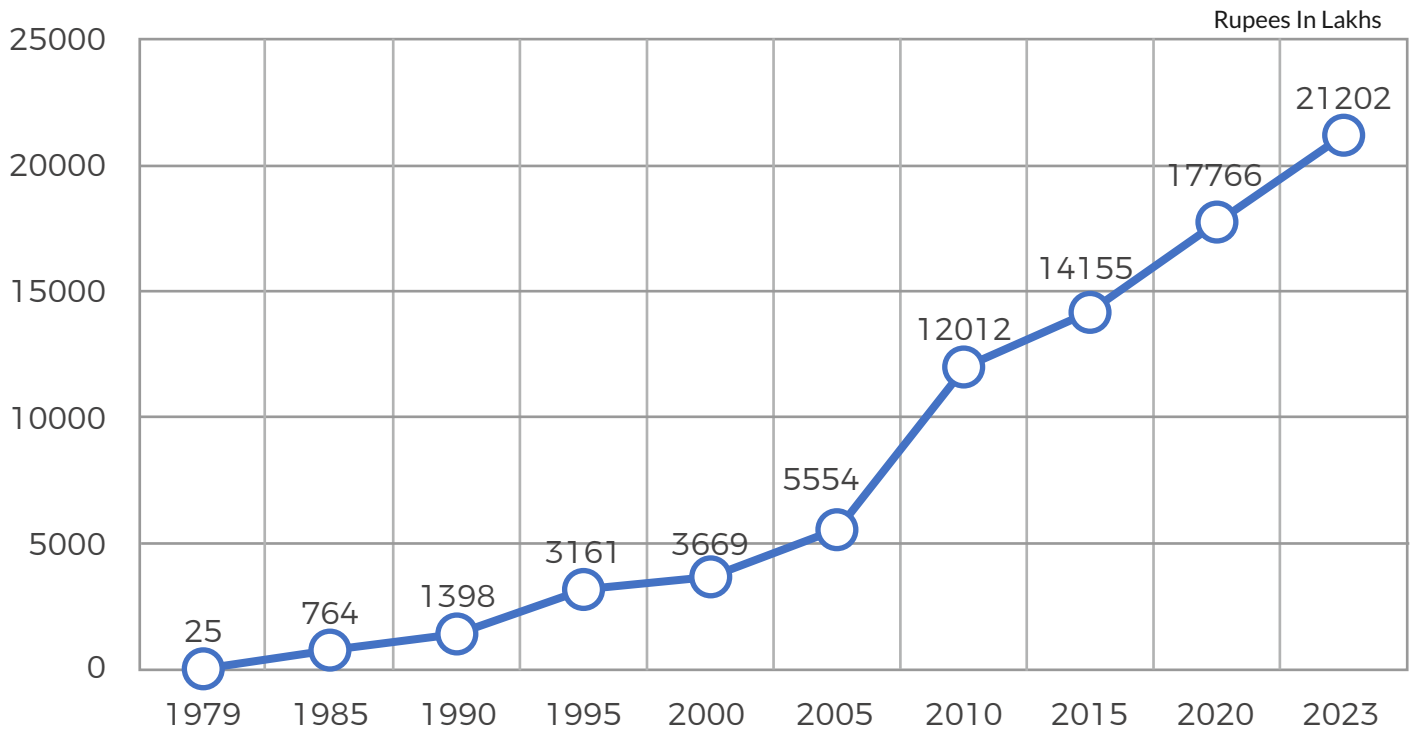
By order of the Board
For Ador Fontech Limited

Bengaluru
May 29, 2023

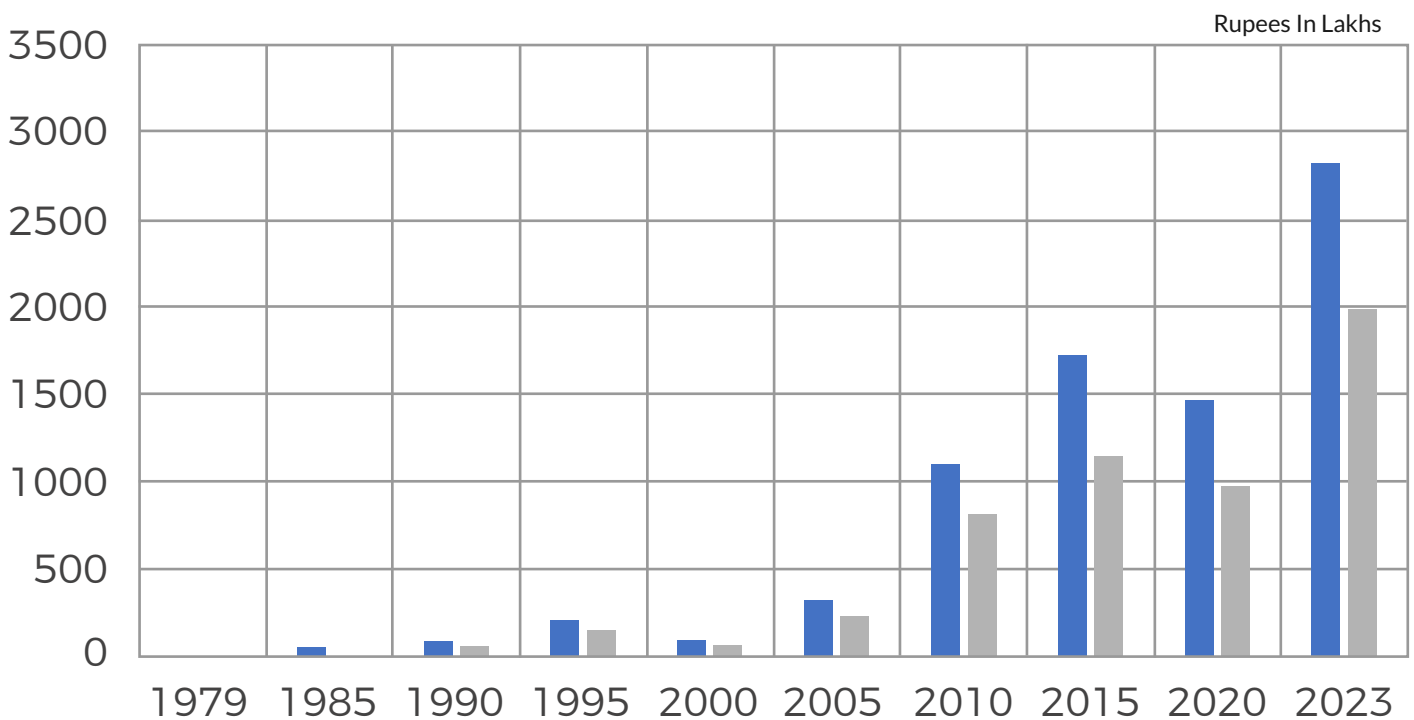
H P LEDWANI
Managing Director & CEO
DIN: 00040629

GEETHA D
Company Secretary
& Compliance Officer

AN INSPIRING JOURNEY



REVENUE GROWTH



■ PROFIT BEFORE TAX

■ PROFIT AFTER TAX



HYPETHERM EXPERIENCE CENTRE

Exploring the Future of Precision Cutting

DIRECTORS' REPORT

To the Members,

Greetings and we trust that this Report finds you and your family in the best of health and well-being.

We are delighted to present the 48th Annual Report on the business operations of the Company and the financial statements for the year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

Rupees In Lakhs

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue	21,202	21,043	21,716	21,409
Earnings before interest, tax and depreciation	3,569	3,776	3,050	3,281
Finance/Interest cost	-	-	(3)	(5)
Depreciation	(312)	(271)	(358)	(316)
Profit before tax	3,257	3,505	2,689	2,960
Tax	(954)	(960)	(933)	(827)
Profit after tax	2,303	2,545	1,756	2,133
Opening balance in Retained Earnings	5,380	3,986	3,689	2,707
Net profit / loss for the year	2,303	2,545	1,756	2,133
Other comprehensive income for the year	19	19	23	19
Equity dividend	(1,400)	(770)	(1,400)	(770)
Transfer to general reserve	(411)	(400)	(411)	(400)
Closing balance in Retained Earnings	5,891	5,380	3,657	3,689

DIVIDEND AND TRANSFER TO RESERVES

The Board of Directors have recommended dividend of Rs.5 (Rupees five only) being two hundred and fifty percent on the face value of Rs. 2 (Rupees two) per equity share. The entailed outflow will be Rupees seventeen crores and fifty lakhs.

The payment will be subject to the approval of Members at the ensuing Annual General Meeting. Members who hold shares on the record date i.e., August 4, 2023, will be eligible for dividend. The payout will be made after deducting applicable income tax.

Further, the Board has recommended for transfer of rupees four crores and eleven lakhs from profit/surplus to the General Reserve against rupees four crores transferred during the previous year and with this the general reserve will be rupees eighty three crores.

REVIEW OF BUSINESS OPERATIONS

Standalone

The Company has registered sales turnover of rupees two hundred plus crores for the second year in consecutive with profits at second best since inception.

As regards the proposed merger (as on the date of this report), while the Stock Exchanges have granted in-principle-approval, the matter is before the National Company Law Tribunal (NCLT). It is pertinent to note that the amalgamation of Ador Fontech with Ador Welding would inter-alia have the following major benefits: (i) To achieve the Vision of 'Creating the Best Welding Company' and 'Consolidation of market position'. (ii) Optimal use of distribution network, sales force, human resources, manufacturing units, supply chain, research and training facilities, which will add greater value and synergy to all Stakeholders.

In the intermittent, there have been joint meetings and common forums between the employees of both organisations at regular intervals, to facilitate sharing of best practices, work processes and co-ordinated efforts.

Further, while it is normal for the organisation to undertake improvement activities regularly, the highlights for the year include:

- (i) Opening up of 'Hypertherm Experience Centre' at Pune to show case the best of cutting equipment.
- (ii) Sponsorship of Senior Employees to undergo learning programmes at the Indian Institute of Management (IIM) and Indian School of Business (ISB).
- (iii) Establishment of foothold at Dubai through the aegis of 'Ador One' for products and services, particularly in the area of Repairs & Maintenance. This project is still at the primary nascent stage and the modus operandi to scale up will be made slowly and securely.

Consolidated

The subsidiary 3D Future Technologies Private Limited's revenue increased to Rs.665 lakhs from Rs.484 lakhs of the previous year, registering a growth of 37%. It may take few more years for the Company to break-even and thereafter register profit. The Company continues to remain focused on (i) Cost control (ii) Employee development (iii) Increase of efficiencies and (iii) Enhancement of market space for its products and services.

FINANCE AND ACCOUNTS

Disclosure on accounting treatment: As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended March 31, 2023 has been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under Section 133 of 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 in a true and fair manner, the form and substance of transactions to reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2023.

Accounting Software: The Company runs its accounting package which forms an integral part of Enterprise Resource Planning (ERP). As such, the system facilitates online/real time integration and compilation of data without much manual interface and provides for transaction wise audit trail.

SHARE CAPITAL

The paid-up Equity Share Capital as on March 31, 2023 was Rs. 700 lakhs divided in to 350 lakhs equity shares of Rs. 2/- each. There was no change in the capital structure of the Company during the year under review.

BOARD OF DIRECTORS

The Company has an appropriate mix of Executive, Non-Executive and Independent Directors with distinctiveness in functions of governance and management. At the end of the financial year 2022-23, the composition of Board was as under:

Name	Designation
Mr. AT Malkani	Non-Executive; Promoter Director and Chairman
Mr. H P Ledwani	Managing Director and Chief Executive Officer
Mrs. N Malkani Nagpal	Non-Executive; Promoter Director
Mr. N S Marshall	Independent Director
Mr. Santosh Janakiram	Independent Director
Mr. Rafique Malik	Independent Director

The Board met five times during the year, details of which are given in the Corporate Governance Report, which forms part of this Annual Report. The intervening gap between the meetings were within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. As required under the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, the Company has adopted optimum policies for Director's appointment and remuneration. The policy has been hosted on the website of the Company at www.adorfon.com.

DIRECTORS

Director seeking re-appointment

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with relevant provisions of the Articles of Association of the Company, Mrs. N Malkani Nagpal, Non-Executive Director is liable to retire by rotation and being eligible has offered her candidature for appointment/re-appointment.

Details of changes in Directors and/or Key Managerial Personnel

Mr. H P Ledwani holds nearly five decades of experience in the welding industry and has been associated with Ador Fontech since its inception. He has been largely instrumental in the growth and development of the organisation. His term of employment was to end on April 30, 2023. Prior to the same, the Board had sought approval for extension of his service up to March 31, 2024 which was duly approved by the majority of Shareholders.

Mr. R Krishna Kumar who was Chief Operating Officer (COO) resigned from the services of the Company on September 8, 2022.

Thereafter, Mr. Melville Ferns who was Executive Vice President and has been serving the organisation for the last over four decades, took charge as the Chief Operating Officer. Mr. Melville Ferns graduated from the Nagpur University and holds diploma in Marketing Management from the Xavier Institute of Management. He has successfully completed Advanced Management Programme from the Indian Institute of Management (IIM-Bengaluru) and Innovation & Corporate Entrepreneurship from the Indian School of Business (ISB-Hyderabad).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Sections 134(3) (c) and 134(5) of the Act, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- In the preparation of the annual accounts for the year ended March 31, 2023; the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- The Directors have selected such accounting policies and applied them consistently & made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profits of the Company for the year ended on that date.
- The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a 'going concern' basis.
- The Directors have laid down internal financial controls to be followed and that such internal financial controls are adequate and are operating effectively and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDIT COMMITTEE RECOMMENDATIONS

The Board has accepted all the recommendations of the Audit Committee and hence no further explanations have been provided for in this Report.

PERFORMANCE EVALUATION

Board members

The Company has, during the year conducted an evaluation of the Board as a whole, its committees and individual Directors including Independent Directors as stipulated in the Nomination and Remuneration Policy adopted by the Company & as per the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR) Regulations, 2015. The evaluation was carried out on the basis of the below set targets:

BUSINESS
STRATEGIES

CORPORATE
BUDGET

CAPITAL
EXPENDITURE

PERFORMANCE OF
PRODUCTS

COMMITTEE
WISE REVIEWS

Other parameters for such evaluation comprised - level of participation, integrity, independence, knowledge, impact and influence on the Board. The Independent Directors of the Company also convened a separate meeting on February 02, 2023 and evaluated the performance of the Board, Non-Independent Directors and the Chairman. The Board is confident that collectively and individually best possible efforts have been drawn.

Staff members

Performance management systems are in place and timely reviews were facilitated to provide feedback to the employees on their performance.

INTERNAL CONTROL SYSTEMS

As part of internal controls, the ERP environment has been plugged with standard operating procedures (SOPs) including checks & balances besides approval matrix to ensure accuracy of financial and non-financial transactions. Further, there are Internal and Branch audits conducted both on quarterly and on an annual basis respectively, by external Chartered Accountant Firms to ensure correctness of data.

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor have reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 any instance of fraud committed against the Company by its officers or employees, the details of which need to be mentioned in the Board's report.

AUDITS

Statutory Audit

In respect of the financial year 2022-23, there are no qualification(s) or reservation(s) or adverse remark(s) or disclaimer(s) specified in the audit reports of the Standalone Financial Statements. Hence explanations or comments on the same do not become applicable.

Secretarial Audit

The Company has complied with all applicable provisions of the Secretarial Standards and Secretarial Audit Report for the financial year 2022-23, details of which forms part of the Annual Report.

Cost Audit

The Company maintains cost accounting records and has cost control measures in place.

AUDITORS

Statutory Audit

M/s. Praveen & Madan, Chartered Accountants (Firm Registration No. 011350S) having office at No. 237, 2nd Cross, Cambridge Layout, Halasuru, Bengaluru 560 008 were appointed at the previous Annual General Meeting. They will continue as Statutory Auditors for the financial year 2023-24.

Secretarial Audit

The Board has accorded permission to the Managing Director for appointment/re-appointment of Secretarial Auditor for the financial year 2023-24, based on applicable Statutory/legal requirements. The appointment, terms & conditions and remuneration shall be subject to mutual consent of the Organisation and the Auditor.

Cost Audit

M/s. Rao Murthy and Associates, Cost Accountants (Firm Registration No. 000065) having office at Sampurna Chambers 13, First Floor, Vasavi Temple Road, VV Puram, Bengaluru-560 004 have been appointed as the Cost Auditor and resolution for approval/ratification of remuneration have been placed before the Members.

Members may note that irrespective of the fact, that the Cost Auditor has opined that it is not mandatory for the Company to undertake cost audit, yet as good corporate governance and given the fact that ERP (Enterprise Resource Planning) is new, the Company had preferred for the same. Besides, a review of costing system was also undertaken by the Cost Auditor to ensure validation of variances as Standard Costing System is being followed in the aggregation of cost of goods sold.

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return for the year 2022-23 in form MGT-7 in respect of the previous year have been uploaded on the website at <https://www.adorfon.com/investors-info/mgt9/>.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') notified by the Ministry of Corporate Affairs, all unpaid or unclaimed dividend are required to be transferred by the Company to the Investor Education & Protection Fund, after completion of seven years.

Further, according to the rules, shares on which dividend has not been claimed by the Shareholder(s) for seven consecutive years or more will have to be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred Rs.16,65,744.50 (Rupees sixteen lakhs, sixty five thousand, seven hundred forty four and paise fifty only) and 25,502 equity shares of Rs.2/- each to the IEPF Authority. Details of unclaimed dividend and equity shares transferred have been hosted on the website of the Company.

SUBSIDIARY

During the financial year 2022-23 the Company had contributed to equity share capital of its subsidiary amounting to rupees seven crores and fifty lakhs. The wholly owned subsidiary became operational in January 2015 with inroads in to 3D printing to address orthodontic problems. While this may be deemed as a pioneering effort, the requirement and scale of operations require heavy capital base. The Company has endeavoured to infuse a mix of equity and debt to kick start and keep the project ongoing, within the overall budgetary norms of the parent company.

The positivity of the venture is the consistent upward registration of revenue growth and the number of Orthodontic Professional Doctors enrolled and the flip-side is the deferment or lagging of break-even-point. This point has also been brought about by the Auditor of the Subsidiary in terms of CARO reporting, as regards registration of cash losses by the venture during 2022-23 and in the corresponding previous year. With due deliberations and discussions with professionals from varied fields including Technical, Market Research, Financial, Human Resources etc. and based on Valuation Reports, it was decided by the Management of the Subsidiary, to maintain status quo as a Going Concern, particularly as the base of the organisation has been well-set and it is at the point of inflection.

PRODUCTS AND SERVICES

The Company during the financial year 2022-23 laid thrust on online systems and solutions to create a niche digital platform. Greater presence was made in social media like Facebook, LinkedIn and Youtube. This is expected to have far reaching transitional effect on the method of managing business.

REGISTRATIONS

The Company's products are manufactured to international standards with adherence to quality systems and marketed under registered Trademarks. Further, the primary logo of the Company, 'Ador Fontech' is a registered mark and during the year 2022-23, the Trade Marks Authority had granted permission for registration of 'Ador-peace of mind' in few classes and in respect of few others, the process is ongoing.

PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS

During the financial year 2022-23, Inter-corporate-deposit (ICD) to Ador Powertron Limited and 3D Future Technologies Private Limited was facilitated of which principal along with interest were duly repaid by the former and interest by the latter with partial repayment.

The reckoning of interest for ICD was placed significantly higher than the bank rate. The requirement for ICD emanated from the need to bridge finance working capital requirements, as per request letters received from the respective organisations.

Note: Aggregate of investments and loans provided are within the powers and limits specified under Sections 179, 185 and 186 of the Companies Act, 2013.

CAPITAL EXPENDITURE

Employees have to travel deep in to industrial belts and some times in rugged terrains for marketing, sales and services. It is not only the mobility factor, but there is also the need to use time productively and judiciously in the best interest of the organisation. Hence, backlog on 'Capex' particularly on account of vehicles, which was put on hold during 'Covid' was duly cleared.

DEPOSITS

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from the public was outstanding as on the date of the Balance Sheet.

LIQUIDITY

To have an optimum level of liquidity, the Company has ensured:

- Maintenance of healthy current ratio at all times during the year
- Best of efforts were channelised towards cost control/reduction of overhead expenses, to the extent possible
- Ensured credit cycle and investments are correctly managed to reduce default risk

Further, the Company continued to enjoy debt free status resulting in nil finance cost.

CORPORATE SOCIAL RESPONSIBILITY

During the financial year 2022-23, the Company engaged in 17 activities involving a total payout of rupees forty eight lakhs and fifty thousand. Details of which have been provided as part of the Report on Corporate Social Responsibility. Incidentally, the Company has surpassed amount statutorily required to be spent on CSR activities.

MATERIAL CHANGES, COMMITMENTS AND ORDERS

There has been no significant material changes and commitments affecting the financial position of the Company, which has occurred between the end of the financial year and the date of this report. There were no significant orders passed against the Company, by the Regulators or Courts or Tribunals, impacting the going concern status and the Company's operations in the future.

EMPLOYEES AND WORKPLACE CULTURE

The Company works on a cluster of professional staff members, both from sales and non-sales domain. The employees of the Company are skilled to perform activities as per the requirements of Key Result Area (KRAs) and Key Performance Indicators (KPIs). The Company is to a great extent policy driven with definitive good working culture. There is also a strong vigil mechanism (whistle-blower) policy in place and all employees have access to the Chairman of the Audit Committee, in case they may wish to report any concern.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company believes in providing a safe work environment to its employees. To ensure such an environment, the Company has adopted 'Anti-Sexual-Harassment' policy which is in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder.

An internal complaints committee has been specially constituted to redress complaints under sexual harassment.

During the fiscal year 2022-23, there were no complaints received under this category.

HEALTH AND SAFETY MEASURES

Health of employees and their families is paramount. The Company has subscribed to 'Doc Online' where in online consultations with Doctors are made possible round the clock. Besides, there are also regular programmes pertaining to wellness being conducted through the year like webinars, yoga and pranayama classes etc.

As regards maintenance of hygiene, the Company has outsourced housekeeping activities and extra cleanliness adopted during Covid, still continues.

Further, during the course of work, employees are provided with necessary safety gadgets and inspections are conducted at regular intervals.

QUALITY SYSTEMS

The Company holds the following ISO certifications (i) ISO 9001:2015 (ii) ISO 14001-2015 and (iii) ISO 45001:2018 through the aegis of DNV GL Business Assurance. While the first two are Quality Certifications, the third pertains to Occupational Health and Safety Management System.

RISK MANAGEMENT

The Company has adopted 'Risk Management Policy' to identify, assess, monitor and mitigate various risks which may impact the Company's business. The Company has an adequate framework to curtail any adverse impact on its core operations.

The Board of Directors and Management are committed towards identifying major risks exposed to the business and means to mitigate the same.

INSURANCE

The Company has sufficient insurance coverage encompassing Assets, Inventories, Transit, vehicles etc.

The Company has also covered employee related risks like Personnel accident, Workmen compensation, Employee's deposit linked insurance scheme etc. in order to safeguard the interest of personnel.

NOMINATION AND REMUNERATION POLICY

As required under the provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015, the Company had adopted policy for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors etc. Details on remuneration policy are explained in the Corporate Governance Report.

DISCLOSURES

Related party transactions

All transactions entered in to with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (LODR) Regulations, 2015 during the financial year, were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no material significant transactions with related parties, during the financial year which were in conflict with the interest of the Company. Hence statement in form AOC-2 is not required to be annexed to this report.

Suitable disclosures as required by the Accounting Standards have been provided in the notes to the Standalone and Consolidated Financial Statements. The approved policy on 'Related Party Transactions' has been made available on the website of the Company.

Insider trading

The Company has adopted 'Code of Conduct' for prevention of Insider Trading with a view to regulate trading in securities by Directors and designated persons of the Company.

Further, the Stock Exchange and Designated Employees were duly informed on the closure and opening of the trading windows.

Details of fees paid to the Statutory Auditors

The total fees for all services paid by Ador Fontech Limited to M/s Praveen & Madan, Statutory Auditors, for the year ended March 31, 2023:

Name	Amount (In Rs.)
Audit fees	7,50,000
Certifications	73,160
TOTAL	8,23,160

Details of utilisation of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 of the SEBI (LODR) Regulations, 2015

There were no funds raised by the Company through preferential allotment or qualified institutional placement during the financial year 2022-23.

Certificate on non-disqualification of Directors

A certificate from Practicing Company Secretary has been received by the Company stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or to continue as Directors.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year: Not applicable

Details of difference between the amount of valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof: Not applicable

Disclosures with respect to demat suspense account/unclaimed suspense account

In accordance with the requirements of SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, the Company has opened a Suspense Escrow Demat Account with the Depository Participant for transfer of shares lying unclaimed for more than 120 days from the date of issue of Letter of Confirmation to the Shareholders in lieu of physical share certificate(s), to enable them to make a request to Depository Participant for dematerialising the shares. During the year under review, none of the shares has been transferred to Suspense Escrow Demat Account.

Other disclosures

The following reports have been annexed/appended and forms part of the Directors' Report:

- Management discussion and analysis report
- Corporate governance report
- Report on CSR activities (including details of activities undertaken and amount spent)
- Conservation of energy, technology absorption, foreign exchange earnings and outgo
- Particulars of arrangements/transactions made with related parties
- Particulars of employees
- Details of Subsidiary and Associates

WEB LINK

All requisite documents have been uploaded on the website of the Company 'www.adorfon.com'.

INITIATIVES

The Company continues to sustain its commitment to highest levels of quality, superior service management, robust information security practices and mature business continuity management. These fundamental ethos and integrity will continue to transcend in the years to come.

ACKNOWLEDGEMENTS

Employees are always recognised as an invaluable asset of the Company. The Directors wish to place on record their deep sense of appreciation in acknowledgement of their yeomen service. On the same parlance, also extend thankfulness and gratitude to all Government and Regulatory Authorities, Municipal Corporations, Financial Institutions, Shareholders, Customers, Authorised Dealers, Channel Partners, Suppliers, besides all Organisations associated with the Company for their continued patronage and splendid co-operation.

Bengaluru
May 29, 2023

On behalf of the Board
For ADOR FONTECH LIMITED
A T MALKANI
Chairman
DIN: 01585637

ART



ARTISTS



ADOR HAS SUCCESSFULLY EXECUTED MORE THAN
70 KILN-SHELL JOINTS IN THE LAST FIVE YEARS
USING AUTOMATED SAW PROCESS



DOTES

Documentation Training and Educational
Services

ANNEXURE TO
THE DIRECTORS'
REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ANNEXURE 1

ECONOMIC ENVIRONMENT

India is doing well in difficult times

India's continued high growth is driven by several path-breaking-reforms including the following:

- (i) Implementation of Goods and Service Tax(GST)
- (ii) National Logistics Policy (NLP)
- (iii) Amendments to Foreign Trade Policy (FTP)
- (iv) Fast track of free trade agreement (FTA)

India aims to double its current annual GDP growth of close to USD 3.5 trillion to USD 7 trillion by 2027 and reach USD 10 trillion by 2030.

BUSINESS ENVIRONMENT

Welding can be traced back in its historic development to ancient times, with the earliest examples dating back to the Bronze and Iron age. During the Iron age, Egyptians and people in the eastern Mediterranean area learned to weld pieces of iron together. This was followed by the art of blacksmithing and welding through hammering during the middle ages. Since the 19th century, people have developed increasingly efficient and effective welding techniques. Today, we even have robotic welding, a method growing in popularity that uses computer control to weld metals much more quickly and accurately than is possible through manual welding. With passing of each century, welding has become more streamlined process with continual yet minimal innovations.

GLOBAL MARKET

Consumables

The global welding consumables market size reached US\$ 11076.12 million in 2022 and is expected to grow at a CAGR of 9.22% till 2030. It is expected to reach value of US\$ 18803.63 million by the end of 2030.

Equipment

The global welding equipment market size was valued at US\$13066.96 million in 2022 and is expected to expand at a CAGR of 6.9% reaching US\$19501.64 million by 2028.

INDIAN MARKET

Consumables

The Indian welding consumables market size reached US\$ 1,095 million in 2022. The International Market Analysis Research and Consulting Group (IMARC) Group expects the market to reach US\$ 1,570 million by 2028, exhibiting a growth rate (CAGR) of 6.1% during 2023-2028.

Equipment

The Indian welding equipment market size is forecast to reach US\$23.1 billion by 2027, after growing at a CAGR of 5.9% during 2022-2027.

As regards Fabrication and Repair welding, both complement one another and are corollary. While the market for fabrication industry is deterministic, that of repair welding is deductive in nature, which depends on two parameters:

- Weld defects as a process which happen during the course of fabrication including (i) Lack of penetration or incomplete penetration (ii) Lack of fusion or incomplete fusion (iii) Undercut (iv) Spatter (v) Slag inclusions (vi) Cracks (vii) Porosity and (viii) Overlap.
- Breakdown and maintenance requirement. As a thumb rule, market for repair welding will be in the range of approximately fifteen to twenty percent as that of fabrication welding.

INDUSTRY STRUCTURE AND DEVELOPMENT

Repair welding

Although a weld repair may be a relatively straightforward activity, in many instances it can be complex and various engineering disciplines may need to be involved to ensure a successful outcome. It is recommended that ongoing analysis of the types of defect is carried out to discover the likely reason for their occurrence (material/process or skill related).

In general terms, a welding repair involves:

- A detailed assessment to find out extremity of the defect. This may involve the use of surface or sub-surface or non-destructive testing (NDT) method
- Cleaning the repair area (removal of paint grease etc.)
- Once established, the excavation site must be clearly identified and marked out
- An excavation procedure may be required to be carried out (method used ie., grinding, arc/air gouging, preheat requirements etc.)
- A welding repair procedure/method statement with the appropriate welding process, consumables, technique, controlled heat input and interpass temperatures, etc. will need to be approved and implemented meticulously.
- Use of approved welders to be deployed to undertake repair welding
- NDT procedure/technique to be prepared & carried out to ensure that the defect has been successfully removed and repaired.

While repair seems a logical outcome for problems, yet the amount of times that a weld can be repaired is very much dependent on the type of weld that is that needed for repairing. For example, Low Alloy Steel re-welds are dictated by the heat-treated condition supplied. Whereas for Chromium-Molybdenum (Cr-Mo) steels, there can only be two rewelds carried out. Consideration should be given to the post-weld heat treatment operation, as well as any possible degradation of the joint weld.



Further, depending on the specific application, all of the common welding processes can be used for repair welding:

Shielded metal arc welding (SMAW), Gas-metal arc welding (GMAW), Gas-tungsten arc welding (GTAW), Submerged arc welding (SAW) & Plasma arc welding (PAW)

Many a times organisations are adopting newer technologies and materials like ceramics, laser welding etc. to ensure longevity of weld parts and ease of handling.



CURRENT YEAR OUTLOOK

Current year outlook remains positive as the Government has placed thrust on infrastructural developments as enunciated in the budget presented by the Finance Minister.

Further, the Indian economy continues to perform well and remains one of the fastest growing in the world, despite the fact that growth projection for 2023-24 has been slightly lowered to six percent.

OPPORTUNITIES

Welding industry has been one of the oldest and mature industry. While there are no radical changes that can be expected in terms of technology, minor improvements happen consistently.

Window of opportunities exists in varied types of repair welding applications within India and offshore destinations like Middle East and African countries. While it is rewarding, it poses equivalent challenges. It is important for organisations to demark the choice of projects and ensure profitability.

During the year 2023-24 major international expo in terms of Essen Welding at Germany has been scheduled. This will provide great opportunities for organisations across the globe to learn, share, compare and improvise as also look for newer opportunities for growth.

RISKS, THREATS AND CONCERNS

Competition from organised and unorganised sectors exists, besides overseas organisations setting up business establishments in India, offer a plethora of challenges. Even in the case of B2B when there arises breakdown, Shopfloor Authorities generally use branded products, but may deploy nearby available Welder and Technician to have the component(s) repaired, unless higher risk like breakage due to improper use of high value components may be anticipated.

SEGMENT WISE AND PRODUCT WISE PERFORMANCE

As regards segment wise performance, the gamut of repair welding largely encompasses provision of holistic solution. Depending on the requirement, it may involve pure service or supply of materials or a combination of both. Further, depending on the base materials there may be different varieties of products that may be offered. Further, even though at revenue level categorisation is made in terms of Trading, Manufacturing and Services; yet supply of raw materials, job works and deployment of other resources being mutually inclusive i.e., with extensive overlap, combined holistic analysis is opined to facilitate rationale inference.

While there was an impasse during covid, post covid most of the suppliers have raised their cost and passing of the same to ultimate customers largely seems a major constraint due to competition.

BUSINESS ORGANISATIONS

Most business organisations are converging fabrication and repair welding business under a single roof. This offers the advantage of increased scale of business operations, resulting in cost savings by way of optimal use of resources, easy customer recall and last but not the least, unified platform for a 'single stop solution'.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

To increase the operating effectiveness, automated IT systems are built to control risk and monitor different phases of operations. During the year, the Company migrated to Ramco System's Accounting Software package. There were challenges at the inception to adapt to the new system and over a period of time it has got smoothed. Going forward, the seamless integration is expected to facilitate finesse in accounting operations.

Further, the Company has various kinds of audits like Statutory, Internal, Goods and Service Tax, Cost Audit etc. all of which are being undertaken by distinct external team of Auditors to ensure fair and transparent disclosures in the interest of all Stakeholders.

PERFORMANCE ANALYSIS

Details on performances are reflected in the statement of financial results and ratio analysis.

MATERIAL DEVELOPMENT IN HUMAN RESOURCE MANAGEMENT

The Company uses Human Capital Management (HCM) module of the Ramco System. As part of the same, mobile app is made available to all employees, which is a self-service-module. Employees can mark their attendance, apply & authorise leave and access salary slips while on the move. In other words, it is 'HR on the Mobile'.

SAFE HARBOR AND DISCLAIMER STATEMENT

Any statement(s) forming part of this document that are not statement(s) of historical facts should be considered as forward-looking statement(s). There are a number of important factors that could cause the Company's actual results to differ materially, from those indicated by the forward-looking statements. Ador Fontech Limited disclaims any obligation to update any forward-looking statement(s) to reflect future events or circumstances unless required on to a do so by law.



BUILDING STRONGER TEAMS

HUMAN RESOURCE DEVELOPMENT

Human Resource is the most valuable asset of any organisation.

The growth of Ador Fontech can be largely attributed to the passion and dedicated efforts of its employees. The staff strength as on March 31, 2023 was 166 besides 95 workers on contractual rolls.

Kudos!!! to the Employee Fraternity.

The contribution of employees may not have been possible, but for the support from their families. Through the medium of this Annual Report 'Special Thanks' goes out to each of them.



RATIO ANALYSIS

Rupees In Lakhs

Particulars	2022-23		2021-22	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from operations	20,778	21,423	20,477	20,957
Total income	21,202	21,716	21,043	21,409
Purchases	12,024	12,244	11,015	11,226
Earnings before interest, depreciation and tax (EBIDAT)	3,569	3,050	3,776	3,281
Depreciation	312	358	271	316
Earnings before interest and tax (EBIT)	3,257	2,692	3,505	2,965
Interest expense	-	3	-	5
Exceptional items				
Profit/(loss) before tax	3,257	2,689	3,505	2,960
Tax expense	954	933	960	827
Profit/(loss) after tax	2,303	1,756	2,545	2,133
Total comprehensive income	2,322	1,779	2,564	2,152
Equity dividend (percent)	250%	-	200%	-
Share capital	700	700	700	700
Reserves and surplus	14,191	11,957	13,269	11,578
Net worth	14,891	12,657	13,969	12,278
Gross property (Plant, equipment and intangible assets)	5,744	6,207	5,618	6,051
Net property (Plant, equipment and intangible assets)	2,809	2,926	2,810	2,921
Total assets	17,480	15,572	16,898	15,741
KEY RATIOS				
Working capital turnover ratio (Revenue/Working capital)	2.0	2.3	2.0	2.4
Trade receivables turnover ratio (Credit sales/Average debtors)	7.2	7.2	7.5	7.5
Trade receivables turnover-No. of days (Accounts receivable/Credit sales*365)	51	51	49	49
Trade payables turnover ratio (Purchase/Average creditors)	6.1	6.1	5.5	5.5
Trade payables turnover-No. of days (Accounts payable/Cost of goods sold*365)	59	60	65	65
Interest coverage ratio (EBIT/Interest expense)	-	-	-	-
Inventory turnover ratio (Cost of goods sold/Average inventory)	6.2	6.2	5.4	5.4
Current ratio (Current assets/Current liability)	5.4	4.2	4.5	3.6
Debt/Equity ratio (Debt/Shareholders' equity)	-	-	-	-
Earnings per share (Profit after tax/Number of equity shares)	6.6	5.0	7.3	6.1
EBIDAT/Sales ratio	17%	14%	18%	16%
Return on year end capital employed (EBIT/Capital employed)	22%	22%	27%	25%
Return on equity (Net income/Shareholders' equity)	15%	14%	18%	17%
Return on investment (Interest income/Cost of investment)	9%	6%	9%	7%
Debt service coverage ratio (EBIT/Debt service)	-	-	-	-
Capital turnover ratio (Total income/Shareholders' equity)	142%	172%	151%	174%
Gross profit margin ratio (Gross profit/Trunover)	32%	33%	36%	37%
Gross profit ratio (Profit before tax/Total income)	15%	12%	17%	14%
Net profit ratio (Profit after tax/Total income)	11%	8%	12%	10%

RATIO ANALYSIS

Rupees In Lakhs

Particulars	2022-23		2021-22	
	Standalone	Consolidated	Standalone	Consolidated
PARAMETERS				
(a) Average debtors	2,903	2,985	2,739	2,788
Opening debtors	2,755	2,821	2,722	2,754
Closing debtors	3,051	3,148	2,755	2,821
(b) Average creditors	1,962	2,006	1,998	2,042
Opening creditors	2,131	2,182	1,865	1,901
Closing creditors	1,793	1,829	2,131	2,182
(c) Average capital employed	14,516	12,514	13,107	11,671
Opening capital employed (Total assets less current liabilities)	13,969	12,337	12,244	11,005
Closing capital employed (Total assets less current liabilities)	15,062	12,690	13,969	12,337
(d) Working capital	10,528	9,307	10,184	8,786
Current assets	12,946	12,189	13,113	12,190
Current liabilities	2,418	2,882	2,929	3,404
(e) Borrowings				
(f) Gross margin	6,736	7,144	7,430	7,702
Sales	20,778	21,423	20,477	20,957
Cost of goods sold	14,042	14,309	13,047	13,255
(g) Average inventory	2,256	2,322	2,399	2,459
Opening inventory	2,274	2,350	2,523	2,567
Closing inventory	2,238	2,294	2,274	2,350
(h) Interest income	350	241	292	215
Average investment	3,898	3,903	3,231	3,235
Opening investment	3,817	3,822	2,644	2,648
Closing investment	3,978	3,983	3,817	3,822
(i) Computation of gross margin				
Turnover	20,778	21,423	20,477	20,957
Expenses				
Material cost	12,060	12,300	11,265	11,443
Consumable and stores	9	17	11	17
Power, fuel and utilities	92	96	80	87
Security charges	39	39	29	29
Subcontracting of job works	1,319	1,319	1,215	1,215
Labour	268	268	186	186
Freight and forwarding	255	270	261	278
Total expenses	14,042	14,309	13,047	13,255
Gross profit	6,736	7,114	7,430	7,702

REPORT ON CORPORATE GOVERNANCE

ANNEXURE 2

The Company believes that good corporate governance is essential to create sustainable growth and maximise stakeholders value. Hence, it remains committed to adhering with the best of practices in governance and disclosures besides, the business module adopted follows transparency and simplicity in all its endeavours.

POLICIES AND DOCUMENTATION

In consonance with SEBI guidelines and Listing requirements, the Company has adopted various policies, which are uploaded on the website: <https://www.adorfon.com/investors-info/policies-code-and-practices/>

BOARD OF DIRECTORS

Broad terms of reference

The following are generally provided to the Board of Directors:

- Annual strategies and operating plans
- Capital budgets and updates thereon
- Quarterly and half yearly unaudited financial results of the Company and its subsidiary
- Audited financial results of the Company
- Minutes of the meetings of the Board Committees
- Information on recruitment and remuneration of Senior Executives, just below the level of the Board
- Risk mitigation plans and updates
- Show cause, demand, prosecution and penalty notices, which are materially important
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems
- Any material default in financial obligation by the Company/substantial non-payment of goods sold by the Company
- Details of any joint venture/collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Any issue, which involves possible public or product liability, claims of substantial nature, including any order/ judgement/ strictures on the Company or any adverse view regarding another enterprise, that can have negative impact on the Company
- Significant labour problems and their proposed solution
- Any significant development in human resources/ industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme etc.
- Sale of material nature of investments, subsidiaries, assets etc. which are not in the normal course of business
- Quarterly details of foreign exchange exposures and steps taken by the Management to limit the risk of adverse exchange rate movement
- Non-compliance of any regulatory, statutory or listing requirements and Shareholder services such as unclaimed dividend, delay in share transfers, etc.
- Updates on the working of Subsidiary

Meetings

During the year 2022-23, five Board meetings were held on

May
19
2022

May
31
2022

Aug
12
2022

Nov
03
2022

Feb
02
2023

Composition

Name of the Director	Category of Directorship
Mr. A T Malkani	Promoter and Non-Executive
Mrs. N Malkani Nagpal	Promoter and Non-Executive
Mr. H P Ledwani	Executive
Mr. N S Marshall	Non-Executive & Independent
Mr. Santosh Janakiram	Non-Executive & Independent
Mr. Rafique Malik	Non-Executive & Independent

Director's identification number

Name of the Director	Identification numbers
Mr. A T Malkani	01585637
Mrs. N Malkani Nagpal	00031985
Mr. H P Ledwani	00040629
Mr. N S Marshall	00085754
Mr. Santosh Janakiram	06801226
Mr. Rafique Malik	00521563

Attendance and Directorships

Attendance at Board meetings, last Annual general meeting, number of directorships in other companies & membership in committees across various companies:

Name of the Director	Financial year 2022-2023		As on March 31, 2023		
	Attendance at		Nos.	Other Directorships	
	Board Meetings	AGM 28.07.2022		No. of Membership	Chairmanships
Mr. A T Malkani	Five	Present	One	One	-
Mrs. N Malkani Nagpal	Five	Present	One	Three	-
Mr. H P Ledwani	Five	Present	-	-	-
Mr. N S Marshall	Four	Present	Three	Five	-
Mr. Santosh Janakiram	Four	Present	One	Two	One
Mr. Rafique Malik	Three	Present	Two	Four	Two

Notes: (i) Other Directorship, Membership and Chairmanship excludes Ador Fontech Limited, Private limited companies and Alternate Directorship. (ii) For Membership/Chairmanship only Audit and Stakeholders Relationship Committees are considered. (iii) Directors have affirmed compliance w.r.t. the applicable number of Committee positions and Chairmanship as per Regulation 26 of SEBI (LODR) Regulations, 2015.

Core skills/ expertise competencies of the Board

The Company believes that effective contribution of the Board will impact the Company's performance and therefore, Members of the Board have co-opted to have a blend of skills, experience and diversity of perspectives.

The whole gamut of analysis is done on a feedback mechanism on structured questionnaires with an effective plan, do and check programme, based on initiatives of previous year's observations, current and proposed actions.

The following competencies are currently available with the Members, besides educational qualifications (including graduations/programmes from Harvard and Stanford Universities) and rich experience in terms of finance, legal and overall business management.

Strategic Planning	Skill sets to evaluate corporate/ business strategies and based thereon to facilitate and improvise the Company's strategies in the achievement of its goals.
Governance	Expertise in developing good governance practices, serving the best interests of all Stakeholders, maintaining accountability, building Stakeholder engagements and driving corporate ethics and values.
Risk Management and Compliance	Expert scrutiny of key risks impacting the Company's business and contributing towards development of internal control systems for risk mitigation and management.

Disclosure of Directorships in Listed Entities and skills/expertise/ competence of Director(s) as per Schedule V of the SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015

Name of the Director	Name of the Listed entity	Category of Directorship	Specific skills/ expertise/ competence in the context of business and sector
Mr. A T Malkani	Ador Fontech Limited	Non-Executive Promoter Director	Vision and strategic planning
	Ador Welding Limited	Executive Promoter Director	
Mr. H P Ledwani	Ador Fontech Limited	Whole time/Executive Director	Organisational development, sustenance and profitability
Mrs. N Malkani Nagpal	Ador Fontech Limited	Non-Executive Promoter Director	Financial management
	Ador Welding Limited	Executive Promoter Director	
Mr. N S Marshall	Ador Fontech Limited	Non-Exe. & Independent Director	Leadership in multiple business verticals
	Ador Welding Ltd.	Non-Exe. & Independent Director	
	Simmonds Marshall Ltd.	Executive Promoter Director	
	Hindustan Hardy Limited	Non-Exe. & Independent Director	
Mr. Santosh Janakiram	Ador Fontech Limited	Non-Exe. & Independent Director	Legal, governance and regulatory requirements
	Hindustan Construction Company Limited	Non-Exe. & Independent Director	
Mr. Rafique Malik	Ador Fontech Limited	Non-Exe. & Independent Director	Leadership of large organisation
	Metro Brands Limited	Whole time/Executive Director	
	MICR Electronics Limited	Non-Exe. & Independent Director	

AUDIT COMMITTEE

Broad terms of reference

- Review the Company's financial reporting process and its financial statements
- Review the efficacy of internal control mechanism including financial controls and monitor risk management policies adopted by the Company
- Review reports furnished by Internal/Statutory Auditors and ensure that suitable follow up action is taken
- Examine accounting, taxation and disclosure aspects as stipulated under various legislations
- Recommend appointment/re-appointment as also terms of appointment and remuneration of Auditors
- Solicit professional guidance and support, wherever required
- Review and monitor Auditor's independence, performance and effectiveness of the audit processes
- Examination of financial statements and the Auditors report thereon
- Approval/ratification of transactions of the Company with related parties
- Scrutiny of inter-corporate loans, investments and deposits
- Soliciting professional and legal opinions, wherever required
- All other applicable matters

Meetings

During the year 2022-23, five Audit Committee Meetings were held on

May
19
2022

May
31
2022

Aug
12
2022

Nov
03
2022

Feb
02
2023

Composition and attendance

Name of the Director	Designation	Attendance
Mr. N S Marshall	Chairman	Four
Mrs. N Malkani Nagpal	Member	Five
Mr. Santosh Janakiram	Member	Four
Mr. Rafique Malik	Member	Three

Vigil mechanism/ whistle blower policy

Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires a listed entity to formulate vigil mechanism for Directors and Employees to report genuine concerns. In consonance with the same, the Company has established vigil mechanism to report genuine concerns directly to the Members and Chairperson of the Audit Committee through e-mail subject to proof and genuineness of identification. Any Director or Employee using this mechanism shall not be subject to victimisation. The Members of the Audit Committee will take appropriate action to redress grievances, if any. No person is denied access to the Audit Committee.

Risk management

FOREX AND HEDGING

To a large extent changes in currency fluctuations get offset against premium on hedging and hence the Company has not chosen to hedge.

MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

During the year 2022-23, there were no materially significant related party transactions with the Promoters, Directors or the Management, their subsidiaries or relatives etc. that had a potential conflict with the interest of the Company at large.

INVESTMENT IN COMMODITY MARKET

In terms of Regulation 34(3) read with Clause 9(n) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018, the Company has not made any investment in commodity market. Therefore, disclosures as specified in the circular is not applicable to the Company.

MANAGEMENT DEVELOPMENT, NOMINATION AND REMUNERATION COMMITTEE

Terms of reference

- To formulate criteria for determining qualifications, competencies, positive attributes and independence for the appointment of Director(s) both, Executive and Non-Executive
- To recommend to the Board:

SIZE AND COMPOSITION OF THE BOARD

SUCCESSION PLANNING

EVALUATION OF PERFORMANCE

REMUNERATION FRAMEWORK AND POLICIES

- To lay out remuneration principles for employees linked to their effort, performance and achievements

Meetings

During the year 2022-23, four Management Development, Nomination & Remuneration Committee Meetings were held:

May
19
2022

Aug
12
2022

Nov
03
2022

Feb
02
2023

Composition and attendance

Name of the Director	Designation	Attendance
Mr. Rafique Malik	Chairman	Two
Mrs. N Malkani Nagpal	Member	Four
Mr. N S Marshall	Member	Three
Mr. Santosh Janakiram	Member	Three

The nomination and remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act, 2013 read with Regulation 19 of SEBI (LODR). The Policy is also available on the website of the Company at <https://www.adorfon.com/investors-info/policies-code-and-practices/>.

Appointments

During the year 2022-23, the Committee recommended for the re-appointment of Mr. H P Ledwani for an additional term commencing from May 1, 2023 to March 31, 2024 to facilitate the proposed merger of Ador Fontech Limited with Ador Welding Limited. It was deemed that the professional experience and expertise of Mr. H P Ledwani particularly in the field of welding will be of immense value addition. The Board accepted the recommendation and requested for approval from the Shareholders through postal ballot which was duly accorded.

Details of remuneration

WHOLE TIME DIRECTOR

Rupees in lakhs

Names	Salary	Benefits	Total
Mr. H P Ledwani	214	34	248

Notes:

- The agreement with Mr. H P Ledwani ceased on April 30, 2023. Before cessation the term was extended from May 1, 2023 up to March 31, 2024 by way of approval of the Shareholders through postal ballot.
- Salary includes basic, house rent, incentive/award, educational allowance, reimbursement towards medical and perquisites like leave travel concession.
- Benefits include contribution towards retiral funds like provident, superannuation besides leave encashment.
- Performance linked incentive is applicable to the Managing Director on a graded scale on the profits.
- No stock option has been provided.
- Remuneration is in terms of appointment as per the Shareholders/Members approval dated July 28, 2022 and reckoned as per the Companies Act, 2013 and in particular modification notified under MCA circular dated September 12, 2018 read with corresponding amendments to (i) Schedule V of the Companies Act, 2013 and (ii) The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2018.

NON EXECUTIVE DIRECTORS

- Sitting fees for Board, Audit & Stakeholders Relationship committee meetings are Rs. 8,000/- (Rupees eight thousand only), Rs.5,000/- (Rupees five thousand only) and Rs.4,000/- (Rupees four thousand only) respectively.
- No sitting fees gets paid for: (i) Corporate social responsibility committee. (ii) Management development, nomination and remuneration committee.
- Directors in general will also be entitled towards travel expenditure (not being remuneration/perquisite) of travel fare/board and lodging/daily allowance/per diem allowance (as may become applicable) to enable discharge of official duties.

Amount in Rupees

Name of the Director	2022-23	2021-22
Mrs. N Malkani Nagpal	85,000	68,000
Mr. N S Marshall	52,000	52,000
Mr. Santosh Janakiram	68,000	51,000
Mr. Rafique Malik	51,000	34,000
TOTAL	2,56,000	2,05,000

EMPLOYEES

Remuneration including for Senior Management of the Company are driven by Performance Management System (PMS). It entails setting up of achievable targets at the beginning of the year and review of the same from time to time, culminating in an annual appraisal. Based on achievements in graded bands, the percentage of increments and incentives gets factored.

TRAINING AND DEVELOPMENT

DOTES - Documentation training and educational services is a dedicated arm in the Company, which provides valuable platform for Management and Employee Programmes. There are three classifications (i) Induction (ii) Refresher and (iii) Special/Customised programmes.

SNAPSHOT OF TRAINING PROGRAMMES



INDEPENDENT DIRECTORS COMMITTEE

Terms of reference

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole
- Evaluation of the Chairman of the Company, taking in to account the views of Executive, Non-Executive and Independent Directors
- Evaluation of performance of the Executive Director
- Assess the quality, quantity and timeliness of the flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform its duties

Meetings

During the year 2022-23, two Independent Directors Committee meetings were held on:

<p>May 31 2022</p>	<p>Feb 02 2023</p>
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Composition and attendance

Name of the Director	Designation	Attendance
Mr. N S Marshall	Member	One
Mr. Rafique Malik	Member	One
Mr. Santosh Janakiram	Member	Two

Familiarisation programme

Independent Directors have three key roles - Governance, Control and Guidance.

As part of familiarisation programme updates are provided on changes that have happened during the current financial year through presentations (video and power points) besides, Heads of departments are invited to appraise on the status and activities of the Company and its subsidiary.

Performance evaluation

Independent Directors who met on February 2, 2023 caused performance evaluation of the Chairman, Managing Director, Non-Independent Director and the Board as a whole. Amongst others the following were the primary criteria for evaluation:

- Contribution towards holistic development of the Company - short term as well as long term
- Contribution towards development of strategies
- Contribution towards risk management policies and its implementation
- Participation in the Board meetings and Annual general meeting of the Company

STAKEHOLDERS RELATIONSHIP COMMITTEE

Broad terms of reference

The Stakeholders Relationship Committee of the Board looks in to redressal of Investors' complaints like non-receipt of annual reports, dividend payments etc. and matters related to share transfers/transmission, issue of duplicate share certificates, de-materialisation/re-materialisation of shares and other allied transactions. The Committee has delegated powers to the Executives of the Company, to facilitate quick response.

Compliance officer

The Company has appointed Ms. Geetha D as the Company Secretary and Compliance officer of the Company.

Details of complaints for the year 2022-23

No. of complaints at the beginning of the year	No. of complaints received during the year	No. of complaints resolved during the year	No. of complaints pending at the end of the year
Nil	Two	Two	Nil

Transfer committee meetings

Six sub-committee meetings were held during the year 2022-23.

Director's shareholding as on March 31, 2023

Name of the Director	Number of shares
Mr. A T Malkani	15,86,452
Mrs. N Malkani Nagpal	7,60,700
Mr. H P Ledwani	1,29,948
Mr. N S Marshall	1,16,198
Mr. Santosh Janakiram	-
Mr. Rafique Malik	-

GENERAL BODY MEETINGS

Dividend history

Rupees In Lakhs

Financial year	Dividend percent	Dividend outflow	Tax on dividend	Total outflow
2021-22*	Two hundred	1,400	-	1,400
2020-21*	One hundred and ten	770	-	770
2019-20**	Ninety	630	129	759
2018-19	One hundred and seventy-five	613	125	738
2017-18	One hundred and fifty	525	107	632
2016-17	One hundred and fifty	525	107	632
2015-16	One hundred and seventy-five	613	125	738
2014-15	One hundred and seventy-five	613	125	738
2013-14	One hundred and seventy-five	613	104	717
2012-13	One hundred and seventy-five	613	104	717

Notes: (i)*Tax deducted at source from Shareholders at applicable rates (ii) **Interim dividend

Location and time of last three Annual General Meetings

Financial year	Date	Location of the meeting	Time (hrs.)
2021-22	28.07.2022	Meeting through video conference	11:00 A.M.
2020-21	06.08.2021	Meeting through video conference	11:00 A.M.
2019-20	23.09.2020	Meeting through video conference	11:00 A.M.

SPECIAL RESOLUTIONS

Year	Particulars
2022	Re-appointment of Managing Director & CEO - Mr. H P Ledwani - April 1, 2022 to April 30, 2023
2021	Re-appointment of Managing Director & CEO - Mr. H P Ledwani
2020	Re-appointment of (i) Chairman - Mr. A T Malkani (ii) Managing Director & CEO - Mr. H P Ledwani and (iii) Independent Director - Mr. Rafique Malik

POSTAL BALLOT

Year	Particulars
2023	Re-appointment of Managing Director & CEO - Mr. H P Ledwani for the period from - May 1, 2023 to March 31, 2024.

DISCLOSURES

Compliances

The Company has complied with various Rules and Regulations prescribed by the Stock Exchange, Securities and Exchange Board of India and/or other Statutory Authorities relating to capital markets during the last three years. No penalty or strictures have been imposed by them on the Company.

Affirmation

To the best of knowledge, the Company has complied with all mandatory requirements pertaining to corporate governance.

GENERAL SHAREHOLDERS' INFORMATION

Annual general meeting

Day: Friday ; Date: August 11, 2023 ; Time: 11:00 A.M.

Mode: Meeting through 'Video Conference'

Stock exchange and fees

Bombay Stock Exchange Limited, Mumbai

Phiroze Jeejeebhoy Towers, Dalal Street Mumbai 400 001

The Company has paid listing fees to the Stock Exchange up to the financial year 2023-24.

Book closure dates

August 05, 2023 to August 11, 2023 (both days inclusive)

Dividend payment date

August 16, 2023 and onwards

ISIN

INE853A01022

Scripcode

530431

Corporate/Head office

CIN: L31909KA1974PLC020010

Belview 7 Haudin Road Bengaluru 560 042

Tel: (080) 2559 6045 / 73 Fax : (080) 2559 7085

Reclamation centre

S-60-61 MIDC Hingna Industrial Estate Nagpur 440 016

Manufacturing plant I

486 B-1 14th Cross 3rd Main 4th Phase Peenya Industrial Area Bengaluru 560 058

Manufacturing plant II

A-288 6th Main 2nd Stage Peenya Industrial Estate Bengaluru 560 058

Share transfer agent

Integrated Registry Management Services Private Limited

CIN: U74900TN2015PTC101466

30 Ramana Residency Sampige Road Malleswaram Bengaluru 560 003

Tel: (080) 2346 0815-18 Fax: (080) 2346 0819

Dematerialisation of shares and liquidity

94.7%

of the paid-up share capital of the
Company stands dematerialised

GDRs/ADRs/Convertible instruments

The Company has no outstanding GDRs/ADRs/ Warrants or convertible instruments.

Reconciliation of share capital

During the financial year 2022-23, audits were carried out at the end of every quarter by a qualified Practicing Company Secretary for reconciling total admitted and listed capital with the total number of shares in physical form and dematerialised shares held with NSDL and CDSL. Duly confirmed reports have been submitted to the Stock Exchange.

Related party transactions

The Company has formulated policy on related party transactions, as required under the provisions of the Companies Act, 2013 and in terms of SEBI Listing Regulations. The same has been uploaded on the Company's website.

Insider Trading Regulations

- In terms of PIT (Prohibition of Insider Trading) Regulations, the Company has been intimating significant changes, if any, in the shareholding of Promoters, Directors, KMPs and Senior Management Personnel to the Stock Exchange (BSE).
- With the amendment brought in by SEBI (Prohibition of Insider Trading) Amendment Regulations, 2019; trading window is being closed from the end of each financial quarter and reopened forty-eight hours after the declaration of results/ Board meeting. Reporting is made on the closure of trading window to the Stock Exchange (BSE) as well as due intimations are being provided to the Directors and covered Employees for their compliance.

Documents which have been uploaded on the website:

- Composition of the Board
- Brief profile of the Directors
- Details of the Promoter and Promoter Group
- Audit Committee Charter and policies framed thereunder
- Policy on Management Development, Nomination and Remuneration Committee
- Policy on Stakeholders' Relationship Committee
- Policy on Corporate Social Responsibility
- Policy pertaining to Related Party Transactions
- Policy for determining Material Subsidiary
- Policy on Whistle blower cum vigil mechanism
- Policy on prevention of Sexual Harassment
- Policy related to Insider Trading Regulations
- Terms and conditions of appointment of additional Independent Directors
- Terms and conditions of appointment of Independent Directors
- Code of ethics and business principles applicable to Non-Executive Directors
- Guidelines on professional conduct, role, functions and duties of an Independent Director
- Methodology of familiarisation programme for Independent Directors
- Remuneration to Non-Executive Directors
- Details of unclaimed dividends and unclaimed shares
- Financial results
- Shareholding pattern
- Corporate governance report
- Annual reports
- Notices and documents addressed to the Members
- Business responsibility statement
- Code of practices and procedures for fair disclosure of unpublished price sensitive information
- General - Details of products, business partnerships, trademarks, awards and accolades
- Policies of the Company have been upload at: <https://www.adorfon.com/investors-info/policies-code-and-practices/>

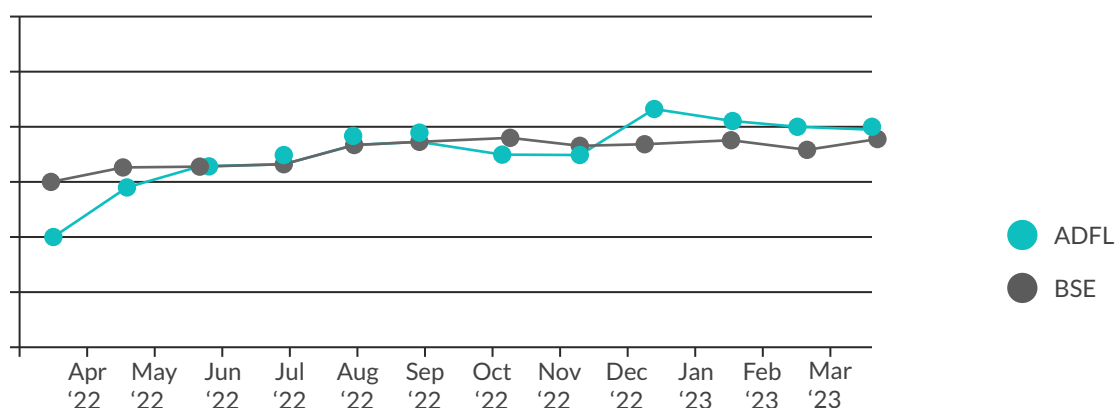
Distribution schedule as at March 31, 2023

Nominal value (Rs.)	Number of Shareholders		Amount	
	Number	Percent	In Rs.	Percent
Upto 5,000	12,130	91.53	1,03,35,380	14.76
5,001-10,000	603	4.55	45,96,088	6.57
10,001-20,000	243	1.83	37,43,432	5.35
20,001-30,000	73	0.55	18,68,752	2.67
30,001-40,000	49	0.37	17,89,204	2.56
40,001-50,000	32	0.24	14,59,386	2.08
50,001-1,00,000	53	0.40	37,80,328	5.40
1,00,001 and above	70	0.53	4,24,27,430	60.61
TOTAL	13,253	100.00	7,00,00,000	100.00

Stock price data: Bombay Stock Exchange, Mumbai

Month	Open	High	Low	Close
April 2022	69	80	69	72
May 2022	72	80	67	74
June 2022	76	76	64	70
July 2022	71	81	68	77
August 2022	77	88	72	84
September 2022	84	92	75	86
October 2022	87	87	75	75
November 2022	75	82	70	81
December 2022	81	84	73	80
January 2023	86	86	78	79
February 2023	81	85	77	80
March 2023	81	91	80	88

Comparative closing share prices



DETAILS OF UNCLAIMED DIVIDENDS AND SHARES

Financial year (s)	Dividend declaration date(s)	Due date(s) for transfer to IEPF account	Unclaimed dividend (In Rs.)	Remarks
2015-16	04 August 2016	06 October 2023	15,25,422.50	(i) 25,502 number of shares were transferred to IEPF account in FY 2022-23.
2016-17	02 August 2017	04 October 2024	15,96,324.00	
2017-18	02 August 2018	04 October 2025	8,92,584.00	(ii) 19,150 shares are due for transfer to IEPF account during the FY 2023-24.
2018-19	01 August 2019	03 October 2026	8,55,596.00	
2019-20	27 February 2020	30 April 2027	14,90,981.40	Kindly note: Id dividend remains unclaimed for a period of seven years, both dividend and shares are liable to be transferred to the Investor Education and Protection Fund (IEPF).
2020-21	06 August 2021	08 October 2028	11,81,494.00	
2021-22	28 July 2022	29 September 2029	20,11,090.00	
		TOTAL	95,53,491.90	

GENERAL

Particulars	Details
Half-yearly/quarterly financial results sent to each Shareholders' residence	No
In which newspaper quarterly & half yearly results are normally published	English Business Standard Financial Express Kannada Eesanje
Website, where results or official news are displayed	www.adorfon.com

Disclosure of interest

Details of disclosure of interest by the Directors have been provided as part of the Notice to this Report.

Credit rating

The Company is a debt free entity and with no outstanding instruments, it has not specifically sourced any credit rating(s).

Non-mandatory requirements

- The Company has a Non- Executive Chairman belonging to the Promoter Group
- The positions of the Chairman and Managing Director are distinct
- The Company has a separate team of Internal Auditors who conduct quarterly audits on the accounts of the Company
- Necessary trainings are provided to the Board Members, as and when required.

SPECIAL MEETING

A meeting of the Independent Directors, Audit Committee and the Board was held on May 31, 2022. The Members of respective Committees and the Board discussed at length and accorded consent for the proposed merger of Ador Fontech with Ador Welding, subject to approval from Statutory/Regulatory Authorities and the Shareholders.

CONTACT PERSON(S)

Secretarial Department

MS. GEETHA D

Company Secretary, Compliance and Nodal Officer

Ador Fontech Limited

Belview 7 Haudin Road Bengaluru 560 042

T: (080) 2559 6045/2559 6073

MR. ARVIN PRASAD FRANCIS

Sr. Officer - Secretarial

Ador Fontech Limited

Belview 7 Haudin Road Bengaluru 560 042

T: (080) 2559 6045/2559 6073

E: investorservice@adorfon.com

MR. SURENDRA SINGH

Officer - Secretarial

Ador Fontech Limited

Belview 7 Haudin Road Bengaluru 560 042

T: (080) 2559 6045/2559 6073

E: investorservice@adorfon.com

Registrar & Share Transfer Agent

MR. HARISH

Integrated Registry Management Services Private Limited

30 Ramana Residency 4th Cross Sampige Road Malleswaram Bengaluru 560 003

T: (080) 2346 0815/818

E: irg@integratedindia.in

The Nodal Officer, Secretarial Department and the Registrar & Share Transfer Agent will be responsible to co-ordinate between the Shareholders and IEPF Authorities as regards requirements with respect to claim for repayment of dividend and re-transfer of shares, if any.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

As per Regulation 46(2) of the Securities and Exchange Board of India (LODR) Regulation 2015

To
The Members
Ador Fontech Limited

We have examined the compliance of conditions of Corporate Governance by Ador Fontech Limited ('the Company') for the year ended March 31, 2023 as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations').

MANAGEMENT'S RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes design, implementation, and maintenance of operating effectiveness of internal controls to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

AUDITOR'S RESPONSIBILITY

Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 1 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with ethical requirements on the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for firms that perform audits and reviews of historical financial information & other assurance and related service engagements.

OPINION

Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied in all material respects, with the conditions of Corporate Governance as stipulated in the Listing Regulations during and for the year ended March 31, 2023.

We 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.

Bengaluru
May 29, 2023

For PRAVEEN & MADAN
Chartered Accountants

Praveen Kumar N
Partner (Membership No. 225884)
Firm Registration No.011350S
UDIN: 23225884BGVJXZ3265
Peer Review Certificate No.: 014926

CORPORATE SOCIAL RESPONSIBILITIES (CSR)

ANNEXURE 3

CSR POLICY

The Company operates in the domain of 'Life Enhancement of Industrial Components'. It is dedicated to conserve and preserve valuable mineral resources and guided by the theme 'Reclaim... do not replace'. The activities of the Company itself may be deemed as part of CSR activities with emphasis on 'Care for Environment' and 'Conservation of Natural Resources'. Besides the above, diversified focus on CSR activities also includes participation in:

- 1 Providing basic necessities of life for the underprivileged
- 2 Medical
- 3 Vocational/ skill development programmes
- 4 Learning/ education
- 5 Contingency based support during calamities
- 6 Community development projects
- 7 Sports
- 8 Support for the old age homes, terminally ill, special children and destitute etc.



The CSR Committee will be in charge and render the following functions

- Develop annual strategy and plan for CSR based on guidelines set by the Companies Act, 2013 and Rules framed there under
- Decide on the modalities for execution of programmes
- Recommend amount to be spent on CSR activities
- Monitor execution mechanism for CSR projects
- Periodic reporting and communication to the Board

The CSR activities will be implemented either directly on its own by the Company or through non-profit organisations, which are in to CSR activities. The Company may also enter into collaborative partnerships with Government, NGO's, independently registered non-profit organisations, so as to widen the Company's reach and leverage upon collective expertise and experience.

Meetings

During the year 2022-23, four CSR Committee Meetings were held on:

May 19 2022	Aug 12 2022	Nov 03 2022	Feb 02 2023
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Composition and attendance

Name of 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
Mrs. N Malkani Nagpal	Chairman	Four	Four
Mr. A T Malkani	Member	Four	Four
Mr. H P Ledwani	Member	Four	Four
Mr. N S Marshall	Member	Four	Three

Web-link where composition of CSR committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the company

<https://www.adorfon.com/about-us/corporate-social-responsibility/>

<https://www.adorfon.com/investors-info/policies-code-and-practices/>

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

Details of amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate social responsibility policy) Rules, 2014 and amount required for set off for the financial year, if any

Not Applicable

Average net profit of the Company as per Section 135(5)

Average net profit of the company as per section 135(5) - Rs.2406.33 lakhs

CSR DETAILS

Rupees In Lakhs

Two percent of average net profit of the company as per Section 135(5)	48.12
Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
Amount required to be set off for the financial year, if any	-
Total CSR obligation for the financial year	48.12

CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR

Total amount spent for the financial year Rupees In Lakhs	Amount Unspent				
	Total amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any 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
48.50	Not Applicable				

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

Not Applicable

Details of CSR amount spent against other than ongoing projects for the financial year

Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation Direct (Yes/No)	Details of implementing agency Name/PAN/CSR number	
			State	District			CSR Reg. number	
NATIONAL HERITAGE								
Har Ghar Thiranga - Patriotism	National Heritage	Yes	Karnataka	Bengaluru	0.05	Yes	Direct	NA
WOMEN EMPOWERMENT								
Skill development - Vocational training programme	Empowerment of women	No	Tamil Nadu	Chennai	7.00	No	Sethu Foundation	CSR 00010215
ENVIRONMENT								
Afforestation - Plantation of trees	Environmental sustainability	No	Maharashtra	Mumbai	2.00	No	Emerald Sustainable Foundation	CSR 00007567
SPORTS								
Sports - Distribution of wheel chairs	Training for paralympic	Yes	Karnataka	Bengaluru	0.60	No	Association of People with Disabilities	CSR 21795960

Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation Direct (Yes/No)	Details of implementing agency Name/PAN/CSR number	
			State	District			CSR Reg. number	
STUDENT WELFARE								
Children-Welfare and rehabilitation	Hostel facilities	No	Maharashtra	Mumbai	2.00	No	Bal Asha Trust	CSR 00001250
SUPPORT TO THE AGED AND DISABLED								
Distribution of food grains- Senior citizens, orphanages, terminally ill, and physically challenged	Livelihood	Yes	Karnataka Maharashtra	Bengaluru Nagpur	4.00 1.30	Yes Yes	Direct Direct	NA NA
MEDICAL SUPPORT								
Eye care - Establishment of vision centre at Devanahalli	Promoting health care including preventive health care	Yes	Karnataka	Bengaluru	10.00	No	Globe Eye Foundation	CSR 00010306
Medical support- Need based hospitalisation	Promoting health care including preventive health care	Yes	Karnataka	Bengaluru	2.00	Yes	Direct	NA
Wellness programme - Free training programme in yoga for the general public	Promoting health care including preventive health care	No	Bihar	Patna	1.00	No	Satyananda Yoga Kendra	CSR 00018655
Palliative care - Cancer patients	Promoting health care including preventive health care	No	Maharashtra	Mumbai	1.00	No	Jimmy Billimoria Foundation	CSR 00001543
EDUCATION								
Transportation - Emergency care	Education	No	Delhi	Delhi	7.00	No	Save Life Foundation	CSR 00000728
Kalvi - Digital learning	Education	No	Tamil Nadu	Chennai	2.00	No	Bumble Bee Trust	CSR 00024336
Nutrition - Breakfast for children in Government School	Education	Yes	Karnataka	Bengaluru	2.00	No	Sai Mayee Trust	CSR 00047902
Learning - Distribution of notebooks, pencils and pens	Education	Yes	Karnataka	Bengaluru	0.02	Yes	Direct	NA
Scholarship -Bright Student's Programme	Education	Yes	Karnataka	Bengaluru	0.03	Yes	Direct	NA
Back to School - Distribution of computers	Education	No	Kerala	Perumba-vur	1.50	No	Vyasa Vidya Niketan School	CSR 00019323
Education for all- School fees	Education	Yes	Karnataka	Bengaluru	5.00	No	Ador Fontech Charitable Fund	CSR 61/03-04

Amount spent in Administrative Overheads

Not Applicable

Amount spent on Impact Assessment, if applicable

Not Applicable

Total amount spent for the Financial Year

Rs. 48.50 lakhs

Excess amount for set off, if any

Rupees In Lakhs

Particulars	Amount
Two percent of average net profit of the Company as per Section 135(5)	48.12
Total amount spent for the financial year	48.50
Excess amount spent for the financial year	0.38
Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
Amount available for set off in succeeding financial years	0.38

DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS

Rupees In Lakhs

Preceding financial year	Amount transferred to unspent CSR account under Section 135(6)	Amount spent in the reporting financial year	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial year
			Name of the fund	Amount	Date of transfer	
Not Applicable						

Ador Fontech Charitable Fund

Besides, the yearly CSR contribution as mandated, the Company also undertakes charitable work in the areas of (i) Women empowerment (ii) Livelihood (iii) Medical support (iv) Special education etc. through the aegis of Ador Fontech Charitable Fund, to subserve the poorest of the poor. It may be pertinent to note that the Charitable Fund was formed before the enactment of CSR legislation.

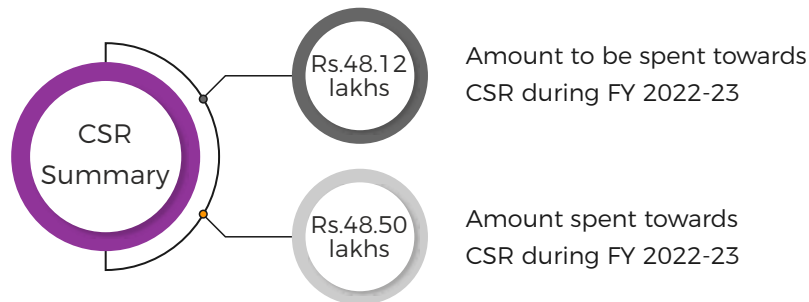


Women
Empowerment
Livelihood
Medical Support
Special Education



Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Project ID	Name of the project	Financial year in which the project had commenced	Project duration	Total amount allocated for the project (Rs)	Amount spent on the project in the reporting financial year (in Rs.)	Cumulative amount spent at the end of the reporting financial year (in Rs.)	Status of the project - Completed / Ongoing
Not Applicable							



In case of creation or acquisition of capital asset, furnish details relating to the asset so created or acquired through CSR spend in the financial year (asset-wise details)

Not Applicable

Specify reason(s), if the Company has failed to spend two percent of the average net profit as per section 135(5)

Not Applicable

For Ador Fontech Limited

Bengaluru
May 29, 2023

N Malkani Nagpal
Chairman of the CSR Committee

A T Malkani
Chairman

H P Ledwani
Managing Director & CEO

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

ANNEXURE 4

CONSERVATION OF ENERGY

The Company markets inverter-based welding equipment with an in-built Voltage Reduction Device (VRD) that helps to save energy. Besides, efforts are also being made to conserve and optimise the use of energy through recycling, improved operational methods, maximum use of sky light, use of LEDs, air circulating rotatory exhaust fans, energy saving PCB's etc.

TECHNOLOGY ABSORPTION

- Efforts in brief made towards technology absorption and innovation: Locally available raw materials are utilised to gain maximum advantage
- Benefits derived as a result of the above efforts
 - (i) Product improvement
 - (ii) Reduced cost of final products
 - (iii) Comparable quality and performance with products produced using imported materials
- Details of technology imported during the last five years reckoned from the beginning of the financial year
 - (i) Technology imported: Nil
 - (ii) Year of import: Not applicable
 - (iii) Has technology been fully absorbed- If not fully absorbed, areas where this has not taken place. Give reasons for the same and explain future plan of action, if any: Not applicable

FOREIGN EXCHANGE EARNINGS AND OUTGO

Please refer notes to the financial statements

RESEARCH AND DEVELOPMENT (R AND D)

- Specific areas in which R & D has been carried out: Continual efforts are being made to improve the manufacture of equipment, besides development of newer types of electrodes and flux cored wires
- Benefits derived as a result of the above R and D
 - (i) Conservation of basic raw materials coupled with low cost and longer life
 - (ii) Improvement in the quality of products
- Future plan of action: To make further progress in areas enunciated as above
- Expenditure on R and D
 - (i) Capital: Nil
 - (ii) Recurring: As of now, it is being maintained as an ongoing part of production activities
 - (iii) Total: Not applicable
- Total R & D expenditure as a percent of total turnover: Not applicable

PARTICULARS OF EMPLOYEES

ANNEXURE 5

Ratio of remuneration of each Director to the median remuneration of the employees of the Company, for the financial year 2022-23

Name of the Director	Designation	Ratio
Mr. A T Malkani *	Chairman	Nil
Mr. H P Ledwani	Managing Director & CEO	19.8
Mrs. N Malkani Nagpal**	Promoter Director	0.06
Mr. N S Marshall**	Independent Director	0.04
Mr. Santosh Janakiram**	Independent Director	0.05
Mr. Rafique Malik**	Independent Director	0.04

*No remuneration was paid during the year 2022-23

**Were paid sitting fees for Board and Committee Meetings

Number of employees on the rolls of Company as on March 31, 2023

One hundred and sixty six

Comparative remuneration

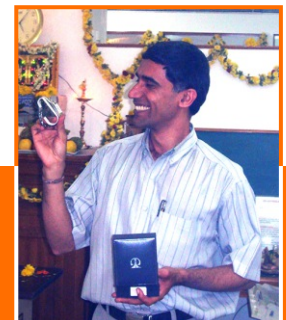
- Key parameters for any variable component of remuneration availed by Directors. The Managing Director is paid commission based on a graded scale on the profits of the Company.
- Percentage increase in remuneration of the Directors and KMP's

There were no changes in the amount of sitting fees for each of the Board and Committee meetings. Further, the Managing Director & CEO and Company Secretary & CFO were provided an increase of five (basic & HRA) and fifteen percent, respectively during financial year 2022-23.

- Average percentile increase already made in the salaries of employees other than the managerial personnel in FY 2022-23 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in remuneration of employees in general was eleven percent during the financial year 2022-23. The increase in remuneration of managerial personnel was on similar lines based on performance metrics and compares with the general employee populace.

EMPLOYEE RECOGNITION AND AWARDS



Affirmation

The remuneration stated above is in accordance with the remuneration policy of the Company.

- Details of the Whole time Directors and Employees with annual remuneration of Rs. 102 lakhs or more who are/were employed throughout the year or monthly remuneration of Rs. 8.5 lakhs or more, even if employed for part of the year during the financial year 2022-23: Rupees in lakhs

Name	Designation	Age	Remuneration	Qualifications	Exp.	Date of joining	Last designation	Last employer
Mr. H P Ledwani 0.37 percent	Managing Director (Professional)	69 years	248 current year 258 previous year	B.Sc (Hons) DAM, DTMM	49 years	01.12.1979	Group Leader	Ador Welding Ltd (Pre. Advani Oerlikon Limited)
Ms. Tanya H Advani 0.10 percent	General Manager (Promoter Gr.)	32 years	101 current year 89 previous year	B.Sc MBA	12 years	19.11.2019	Sr. Tech. Strategy Consultant	Accenture

- Details of top ten employees in terms of remuneration during the financial year 2022-23

Name	Designation	Age	Nature of duties/role	Qualifications	Exp.	Date of joining	Designation (prev. empl.)	Last employer
Mr. Melville Ferns	COO	62	Head-Business operations	BA AMP-IIM(B)	41 years	01.03.1982	-	First employment in Ador Fontech Limited
Mr. Rajesh V Joshi	Executive VP - Technical	59	Head-Welding & Cutting Equipment	BE Mechanical	36 years	29.10.1990	Senior Sales Executive	Lloyd Insulations Private Limited
Mr. S S Mohiuddin	Vice President	61	Plant-in-Charge Head-SCM	DME, DMM EMP-ISB & IIM	40 years	16.10.2008	Asst. General Manager	Ador Welding Limited
Mr. K Paneer Selvam	Sr. General Manager	59	Head-SBU-West and South divisions	B.Tech Mechanical	40 years	16.06.1993	Supervisor Welding	Diffusion Engineers Ltd.
Mr. Palgun Vembar	Sr. General Manager	42	Head Strategy and IT-ERP	BE Polymer Science, PGDBM, Mkt.	17 years	12.10.2015	Head Business-Planning	Sundaram Auto Components
Mr. Hari Kumar	General Manager	58	Head-SBU- North, Central and East Division	B.Com	39 years	23.02.1984	-	First employment in Ador Fontech Limited
Mr. C V V Srinivas	General Manager	57	Head-Railway Business	BE Mechanical	33 years	01.04.1991	Engineer Sales	Circuit and Systems
Mr. H Srinivasan	General Manager	56	Head-Hypertherm Business	Diploma Mechanical Engineering	36 years	02.05.1997	Business Manager	Nucor Weld India Private Limited
Mr. Manohar D Pai	General Manager	62	Head IT - Infrastructure and Software	B.Com, DCE	42 years	01.04.1987	Senior Officer	Advani Oerlikon Limited
Mr. Sanjay Jain	General Manager	48	Head Technical Service	ME Mechanical	28 years	21.01.2019	Head Fabrication	Essar Steel India Limited

Notes:

- (i) List excludes Directors and KMP
- (ii) Details reckoned as at March 31, 2023 excluding employees who have resigned during the year
- (iii) Details as above comprise employees in the cadre of General Manager and above
- (iv) Appointment of Managing Director & CEO are contractual in nature and approved by the Shareholders
- (v) Appointment of Senior Management Personnel are as per the terms of employment
- (vi) There are no inter-se-relationship between the Employee(s) and Director(s) or between Directors
- (vii) Details of qualifications and others are as provided by the Director/Employee
 - (a) Salary includes Basic, HRA, Allowances and Reimbursements towards electricity etc. (b) Benefits includes contribution to provident fund, superannuation fund and leave encashed during the year
- (viii) Details on remuneration shall be made available on specific request received from the Shareholders. Average remuneration is rupees forty five lakhs. Request should be in writing duly signed and should have the following enclosures (i) identity (Pan card) & (ii) address proof (Aadhaar) and should be addressed to the Corporate office-Secretarial Department
- (ix) Legends: 3DFT-3D Future Technologies Pvt. Ltd.; LE-SERVICES - Life enhancement of industrial components; SBU- Strategic business unit; AMP-Advanced Management Programme from IIM, DME-Diploma in Mechanical Engineering, DAM-Diploma in Administrative Management, DTMM-Diploma in Textile Management and Marketing, PGDBM Mkt.- Post Graduate Diploma in Business Management-Marketing, MD-Managing Director, CEO-Chief Executive Officer, COO-Chief Operating Officer, CFO-Chief Financial Officer, VP-Vice President, BC-Business Consultant, GM-General Manager



CONTRACTS/ARRANGEMENTS ENTERED IN TO BY THE COMPANY WITH RELATED PARTIES

ANNEXURE 6

DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS: Not applicable

DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS

Name(s) of the Related Party and nature of relationship

Name of the Related Party	CIN/Reg. No. of the Related Party	Holding/Subsidiary/ Associate
J B Advani & Company Pvt. Ltd.	U51900MH1925PTC004217	Promoter/Associate
Ador Welding Ltd.	L70100MH1951PLC008647	Associate
Ador Powertron Ltd.	U31103PN1995PLC084268	Associate
Ador Multiproducts Ltd.	L85110KA1948PLC000545	Associate
3D Future Technologies Pvt. Ltd.	U74999MH2015PTC261114	Wholly owned subsidiary

DURATION OF CONTRACTS/ARRANGEMENTS/TRANSACTIONS

Purchase/sale of materials, provision of services, lease rental accommodation for office premises are in the ordinary course of business with no specific time frame, except inter-corporate deposit(s) which are provided on an yearly basis.

NATURE OF CONTRACTS/ARRANGEMENTS/TRANSACTIONS

(i) Purchase & sale transactions are based on purchase/ sales invoices. Transactions are on arm's length basis, with pricing compatible to market quotes and transactions of similar nature of respective companies. (ii) 3D Future Technologies Pvt. Ltd. was formed as a wholly owned subsidiary and registered in Mumbai. The Company has infused equity capital. (iii) The Company has lease rental agreements with Ador Welding Ltd. & Ador Powertron Ltd. for sharing of office premises and for equipment with 3D Future Technologies Private Limited. (iv) Inter-Corporate-Deposits are provided to Ador Powertron Limited (repaid during the year) and 3D Future Technologies Private Ltd. to leverage on better interest rates. Details and values of transactions with related parties are depicted as part of 'Notes to the Financial Statements'.

DETAILS OF APPROVAL BY THE BOARD, IF ANY

(i) Wholly owned subsidiary-3D Future Technologies Pvt. Ltd. was formed vide Board resolution dated November 11, 2014. (ii) General purchases/sales, lease rentals and ICD (Inter- Corporate-Deposit) and subscription to Rights Issue are approved and ratified by the Audit Committee, Board at their meetings during the year (dated May 19, 2022; August 12, 2022; November 3, 2022; February 02, 2023).

AMOUNT PAID AS ADVANCES, IF ANY: As on date - Nil

DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT IN THE ORDINARY COURSE OF BUSINESS: Not Applicable.

Note: The Company is also filing details of transactions of Related Parties with the Stock Exchange (BSE) on a half yearly basis as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

FORM AOC-1

ANNEXURE 7

PART A : SUBSIDIARY

Particulars	Details
Name of the subsidiary	3D Future Technologies Private Limited
Reporting period of the subsidiary concerned, if different from holding company's reporting period	Not Applicable Reporting year: April to March
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Not Applicable
Share Capital	Authorised Capital: Rs. 1,500 lakhs Paid up capital: Rs. 1,128 lakhs - As at 31.03.2023
Reserves and surplus/ other equity	Rs. (1,641 lakhs) - As on 31.03.2023
Total assets	Rs. 1,197 lakhs - As on 31.03.2023
Total liabilities	Rs. 1,709 lakhs - As on 31.03.2023
Investments	Rs. 15 lakhs - As on 31.03.2023
Turnover	Rs. 665 lakhs - As on 31.03.2023
Profit/ (loss) before tax	Rs. (568 lakhs) - As on 31.03.2023
Provision for tax/ deferred tax credit	Rs. 21 lakhs - As at March 31.03.2023
Profit/ (loss) after tax	Rs. (547 lakhs) - As at March 31.03.2023
Proposed dividend	Nil
Percentage of shareholding	One hundred percent by Ador Fontech Limited

PART B : ASSOCIATES AND JOINT VENTURE

Particulars of Associates	J B Advani and Company	Ador Welding	Ador Powertron	Ador Multiproducts
Latest audited Balance Sheet	31.03.2023	31.03.2023	31.03.2023	31.03.2023
Number of shares	92,13,301	-	-	-
Amount of investment in Associate/ joint venture	-	-	-	-
Extent of holding (percent)	-	-	-	-
Description of how there is significant influence	Promoter	Associate	Associate	Associate
Net-worth, Balance Sheet and Profit/(loss)	-	-	-	-
Reason why the associate/joint venture is not consolidated	There are no cross shareholdings between Ador Fontech Ltd. and any other Ador Group of Companies. JB Advani and Company Pvt. Ltd. holds 92,13,301 equity shares (26.32%) in Ador Fontech Ltd. and has investments in other Ador Group of Companies. Hence, classified as Associates/Related Parties.			
Considered in consolidation	-	-	-	-
Not considered in consolidation	-	-	-	-

Note: Joint Venture of Dualrank Fontech has ceased. The Authorised Dealer -HDFC Bank- is in the process of closure of the venture with the Reserve Bank of India.

EXTRACT OF ANNUAL RETURN

ANNEXURE 8

REGISTRATION AND OTHER DETAILS

Corporate Identification Number (CIN)	L31909KA1974PLC020010
Registration number & date of incorporation	020010 and August 22, 1974
Category/ Sub- category of Company	Company Limited by Shares/ Indian Non-Government Company
Address and contact details	Belview 7 Haudin Road Bengaluru-42
	Tel: 080- 25596045/73
	Email: investorservice@adorfon.com
Whether listed company	Yes - Bombay Stock Exchange (BSE)
Name, address and contact details of Registrar & Share Transfer Agent	Integrated Registry Management Services Private Limited
	30 Ramana Residency Sampige Road Malleswaram Bengaluru 560 003
	Tel: 080- 2346 0816/18
	E-mail: irg@integratedindia.in

PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

Name and description of main products/services	Name and description of main products/services	Total turnover of the Company
Consumables	241-242	49%
Equipment and ancillaries	271	31%
Services	331	20%

PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANY

Name of the Company	Address	CIN	% of holding
3D Future Technologies Private Limited	3rd Floor, Ador House, 6 K Dubash Marg Fort, Mumbai, Maharashtra 400001	U74999MH2015PTC261114	100%
Formed vide Board Meeting dt. Nov 11, 2014			

SHAREHOLDING PATTERN

Directors and Key Managerial Personnel

Names	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	Percent	No. of shares	Percent
Mr. A T Malkani	15,86,452	4.53%	15,86,452	4.53%
Mrs. N Malkani Nagpal	7,60,700	2.17%	7,60,700	2.17%
Mr. H P Ledwani	1,26,298	0.36%	1,29,948	0.37%
Mr. N S Marshall	1,16,198	0.33%	1,16,198	0.33%
Mr. Santosh Janakiram	-	-	-	-
Mr. Rafique Malik	-	-	-	-
Ms. Geetha D	5,000	0.01%	5,000	0.01%

Top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Names	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	Percent	No. of shares	Percent
Investor Education and Protection Fund	5,49,722	1.57	5,70,224	1.63
Mr. Anil Kumar Goel	4,50,000	1.29	4,50,000	1.29
Ms. Sarla Chandna	3,60,000	1.03	3,60,000	1.03
Mr. Megh Ishwer Manseta	3,15,000	0.90	3,15,000	0.90
Ms. Sneha V Sood	3,05,786	0.87	3,05,786	0.87
Ms. Kiyomi Anant Talaulicar	2,28,742	0.65	2,28,742	0.65
Mr. J K Chandna	2,28,000	0.65	2,28,000	0.65
Mr. Nitin Kapil Tandon	2,20,000	0.63	2,99,000	0.85
Ms. Sneha Vishal Sood	2,07,746	0.59	2,07,756	0.59
Ms. Rajni Bahl	2,00,000	0.57	2,00,000	0.57

Category wise shareholding

Names	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	Percent	No. of shares	Percent
PROMOTER				
Promoter - Corporate	92,13,301	26.32	92,13,301	26.32
Promoter Group - Individuals	45,15,763	12.90	45,15,763	12.90
PUBLIC SHAREHOLDING				
Alternate Investment Fund	-	-	-	-
Foreign Portfolio Investors	87,525	0.25	67,525	0.19
Financial Institution/Bank	-	-	-	-
Individual Shareholders holding nominal share capital up to Rs. 2 lakhs	1,55,07,673	44.32	1,48,69,399	42.49
Individual Shareholders holding nominal share capital in excess of Rs. 2 lakhs	40,65,092	11.61	45,61,312	13.03
NRI	4,09,672	1.17	3,91,952	1.12
Bodies Corporate	5,99,026	1.71	8,00,271	2.29
Clearing Members	52,226	0.15	10,253	0.03
IEPF	5,49,722	1.57	5,70,224	1.63
TOTAL	3,50,00,000	100.00	3,50,00,000	100.00

SECRETARIAL AUDIT REPORT

ANNEXURE 9

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

To
The Members
Ador Fontech Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate governance practices adopted by Ador Fontech Limited (hereinafter the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing my opinion thereon.

Based on my verification of Ador Fontech Limited's books, papers, minute books, forms and returns filed, other records maintained by the Company and also based on information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended March 31, 2023 complied with the statutory provisions listed hereunder and has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Ador Fontech Limited ('the Company') for the financial year ended March 31, 2023 made available to me & according to the provisions of:

- The Companies Act, 2013 (the Act) and the Rules made thereunder
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder
- The Depositories Act, 1996 and the Regulations & Byelaws framed thereunder
- Foreign Exchange Management Act, 1999 and the Rules & Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- The following Regulations & Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (i) Registrar to Issue & Share Transfer Agents Regulations, 1993
 - (ii) Issue of Capital & Disclosure Requirements Regulations, 2009
 - (iii) Substantial Acquisition of Shares & Takeover Regulations, 2011
 - (iv) Prohibition of Insider Trading Regulations, 2015
 - (v) Listing Obligation and Disclosure Requirements (LODR) Regulations 2015

I further report that there were no events/actions in pursuance of:

- (i) Buyback of Securities Regulations, 1998
- (ii) Issue and Listing of Debt Securities Regulations, 2008
- (iii) Delisting of Equity Shares Regulations, 2009
- (iv) Share based Employee Benefits Regulations, 2014

- Other Laws including Rules applicable specifically to the Company: (i) Factories Act, 1948 (ii) Industrial Employment (Standing Orders) Act, 1946 (iii) Employees Compensation Act, 1923 (iv) Payment of Bonus Act, 1965 (v) Minimum Wages Act, 1948 (vi) Equal Employment Remuneration Act, 1976 (vii) Child Labour (P&R) Act, 1986 (viii) Sexual harassment of Women at Workplace (Prevention, prohibition and redressal) Act, 2013 (ix) Environment (Protection) Act, 1986 (x) Air/Water/Noise (Prevention/Regulation and Control of Pollution) Act (xi) Payment of Wages Act, 1936 (xii) Employees State Insurance Act, 1948 (xiii) Employees PF and Miscellaneous Provisions Act, 1952 (xiv) Contract Labour (Regulation and Abolition) Act, 1970 (xv) Legal Metrology Act, 2009 (xvi) Standards of Weights and Measures Act, 1976 (xvii) Payment of Gratuity Act, 1972 (xviii) Industrial Disputes Act, 1947 (xix) Trade Marks Act, 1999 (xx) Indian Contracts Act, 1872 (xxi) Shops and Establishments Act

I have also examined compliance with the applicable clauses of:

- Secretarial Standards issued by the Institute of Company Secretaries of India
- Listing Agreement entered in to by the Company with the 'BSE'

During the period under review, the Company has broadly/ generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I 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. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all Directors as regards schedule to the Board meetings. Agenda and detailed notes on agenda were sent at least 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 meetings.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I 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 applicable Laws, Rules, Regulations and Guidelines.

My report of even date is to be read along with the following

- Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records, based on my audit.
- I have followed the 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 correct facts are reflected in secretarial records. I believe that the processes and practices, that I have followed, provide a reasonable basis for my opinion.
- Wherever required, I have obtained Management representation(s) about the compliance of Laws, Rules, Regulations and the happening of events etc.
- The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of records and books of account have not been reviewed in this Audit by me as the same have been subject to review by statutory financial audits.
- 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.

Bengaluru
May 29, 2023

Manjula Narayan
ACS No. 28374
COP No. 10150
UDIN: A028374E000381056
Peer Review Certificate No.: 3495/2023

CEO AND CFO CERTIFICATION

ANNEXURE 10

Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015

To
The Board of Directors
Ador Fontech Limited

We, H P Ledwani, Managing Director & Chief Executive Officer and Geetha D, Company Secretary & Chief Financial Officer of Ador Fontech Limited, to the best of our knowledge and belief, certify that:

- We have reviewed the financial and cash flow statements for the financial year ended March 31, 2023.
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) the statements together present a true and fair view of the listed entity's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered in to by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- We have indicated to the Auditors and Audit committee :
 - (i) significant changes in internal control over financial reporting during the year.
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements: and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an Employee having a significant role in the listed entity's internal control system over financial reporting.

For Ador Fontech Limited

Bengaluru
May 29, 2023

H P Ledwani
Managing Director & CEO
DIN 00040629

Geetha D
Company Secretary & CFO

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

ANNEXURE 11

As per item 10(i) of clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement Regulations, 2015 read with regulation 34(3) of the said Listing Regulations).

To
The Members
Ador Fontech Limited

I have examined the status of debarment or disqualification from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority for the year ended on March 31, 2023, as stipulated in item 10(i) of clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations.

It is neither an audit nor an expression of opinion regarding the legality of debarment or disqualification by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

My examination was limited to a review of the relevant records of the Company and website of Ministry of Corporate affairs, stock exchange(s), SEBI and other relevant statutory Authorities.

In my opinion and to the best of my information besides examination of the relevant records (including Director's Identification Number (DIN) status at the portal of www.mca.gov.in) and explanations provided to me and the representations made by the Directors and the Management, I certify that none of the directors on the Board of Ador Fontech Limited have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority during the year ended at March 31, 2023.

As on March 31, 2023, the Board of Directors of the Company was constituted by

Name	Director Identification Number (DIN)	Date of appointment	Designation
Mr. A T Malkani	01585637	20.07.2007	Non-Executive-Director & Chairman
Mrs. N Malkani Nagpal	00031985	20.07.2007	Non-Executive-Director
Mr. H P Ledwani	00040629	23.04.1998	Managing Director & CEO
Mr. N S Marshall	00085754	29.04.2009	Independent Director
Mr. Santosh Janakiram	06801226	25.07.2013	Independent Director
Mr. Rafique Malik	00521563	30.01.2015	Independent Director

Bengaluru
May 29, 2023

Manjula Narayan
ACS No.: 28374
COP No.: 10150
UDIN: A028374E000381034
Peer Review Certificate No.: 3495/2023



PRESERVING OUR PLANET

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Tomorrow

AUDITORS'
REPORT
(STANDALONE)

INDEPENDENT AUDITORS' REPORT

To
The Members
Ador Fontech Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Ador Fontech Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the Standalone Financial Statements').

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 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards 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 (ICAI) together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
<p>REVENUE RECOGNITION</p> <p>Revenue from sale of goods (hereinafter referred to as 'Revenue') is recognised when control of products being sold is transferred to the customer and when there are no longer any unfulfilled obligations.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The Management considers revenue as a key measure for evaluation of performance.</p> <p>The timing of recognition of revenue in case of products is when control over the same is transferred to the customer, which is mainly upon delivery. The performance obligations are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on the customer's terms.</p>	<p>PRINCIPAL AUDIT PROCEDURES</p> <p>Our audit procedures, related to revenue recognition, included, but were not limited, to the following:</p> <ul style="list-style-type: none"> • Assessed the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ('Revenue from contracts with customers') and testing thereof. • Evaluated the design and operating effectiveness of Company's controls (including automated controls) around revenue recognition (including rebates / discounts). • Tested the effectiveness of such controls over revenue cut off at year-end by selecting samples and verified the same with underlying documents, which included shipping documents, loading receipt, gate register. We carried out a combination of procedures involving inquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. • Inspected the samples of sales return and checked the appropriateness of sales return accounted in the books by verifying its approval from authorised person and goods inward note. • Selected a sample of continuing & new contracts and performed the following procedures: <ul style="list-style-type: none"> (i) Read, analysed and identified the performance obligations in these contracts; (ii) Compared these performance obligations with that identified and recorded by the Company; (iii) Considered the terms of contracts to determine the transaction price including any variable consideration used to compute revenue and to test the basis of estimation of the variable consideration; and (iv) Determined the allocation of transaction price to identify performance obligations in the contract. • Scrutinised sales ledgers to verify completeness of sales transactions. • We performed substantive testing by extracting samples of revenue transactions recorded during the year by verifying the underlying documents, which included shipping documents, lorry receipts, sale orders, approved price list, proper recording in ledger of receivables etc. • Performed analytical procedures on current year revenue based on overall revenue recognised, customer wise analysis, product wise analysis and where appropriate, conducting further enquiries and testing.

Key Audit Matters	Auditor's Response
<p>DIRECT TAX BALANCES</p> <p>The Company has uncertain tax positions including matters under appeal and for reconsideration, which involves significant judgement to determine the possible outcome of the decisions.</p>	<p>PRINCIPAL AUDIT PROCEDURES</p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2023 from the Management. We involved our internal experts to challenge the Management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating the Management's position on these uncertain tax positions. The same have also been reflected as part of contingent liabilities in the notes to the accounts.</p>
<p>LEASE ACCOUNTING</p> <p>Accuracy of recognition, measurement, presentation and disclosures of lease transactions in compliance with Ind-AS 116 'Leases' (New Revenue Accounting Standard).</p>	<p>PRINCIPAL AUDIT PROCEDURES</p> <p>We observed that the Company has entered in to lease agreement with Karnataka Industrial Area Development Board (KIADB) for lease of 12,465 Sq. mtr. for a period of 99 years. As the lease transaction is of a long term and the underlying asset is of significant value, the same requires compliance with IND AS 116.</p> <p>As per IND AS 116, the fair value of asset has to be booked at the present value of all lease related payments to be made. The Company has considered one time lumpsum lease payment made to KIADB and has decided to charge/expense off annual fees payable year on year.</p> <p>We observed that the impact of depreciation and related lease interest charges on the maintenance fee is not material. Therefore, we have not modified our opinion.</p>
<p>ACCOUNTING FOR IMPAIRMENT LOSS OF THE WHOLLY OWNED SUBSIDIARY</p> <p>The Company has investments in its wholly owned subsidiary (WOS), which is at the nascent stage and still carrying out significant product and developmental activities. Currently the said WOS has minimal revenues and the Company in its consolidated financial statements continues to record losses, incurred by the said WOS. Given this context, the investment had to be tested for impairment. The same was determined using discounted free cash flow method, requiring significant judgement and estimates. The related impairment testing was significant to our Audit.</p>	<p>PRINCIPAL AUDIT PROCEDURES</p> <p>Tested the design and operating effectiveness of relevant key controls around the Company's assessment of impairment of investments in the WOS.</p> <p>Tested reasonability of the projections used by the WOS related to its sales growth, operating costs, cash flow forecasts etc.</p> <p>Involved an 'Independent Valuer' to aid in evaluating besides usage of possible valuation assumptions and estimates including discount and growth rates.</p> <p>Tested whether the Management analysis about the sensitivity of the outcome w.r.t. impairment assessment with possible changes in key assumptions reflect the risks inherent in the valuation.</p> <p>Based on the aforesaid testing, evaluation and explanations given by the Management, we concluded that the investments in WOS need not be impaired as on March 31, 2023.</p>

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information consists of details included in the Board's Report including annexures to the Board's report comprising Management Discussion and Analysis Report, Corporate Governance, Shareholders' information etc. but does not include the Standalone Financial Statements and our Auditors' report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do 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 and in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is 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 financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind-AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable & prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting, unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative, but to do so.

The Board of Directors are 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 judgement and maintain professional skepticism throughout the audit. We also:

AUDITORS' REPORT (STANDALONE)

- 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 controls.
- Obtain an understanding of internal financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the 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 Auditors' 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.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, based on our audit we report that:
 - (i) 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.
 - (ii) 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.
 - (iii) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - (iv) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind-AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (v) On the basis of written representations received from the Directors as on March 31, 2023 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2023 from being appointed as a Director in terms of Section 164(2) of the Act.
 - (vi) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financials.
 - (vii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Director during the year is in accordance with the provisions of Section 197 of the Act.
 - (viii) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.

The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- The Management has represented that, to the best of its knowledge and belief, 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 or entities, including foreign entities ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - (i) Directly or indirectly lend or invest in other persons or entities, identified in any manner whatsoever ('ultimate beneficiaries') by or on behalf of the Company or
 - (ii) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

AUDITORS' REPORT (STANDALONE)

- The Management has represented that to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ('funding parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ('ultimate beneficiaries') by or on behalf of the funding party or
 - (ii) Provide any guarantee, security or the like from or on behalf of the ultimate beneficiaries and
- Based on such audit procedures as 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 (d)(i) and (d)(ii) of the Companies (Audit and Auditors) Rules (as amended) contain any material mis-statement.
- The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in the 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the order.

Bengaluru
May 29, 2023

For PRAVEEN & MADAN
Chartered Accountants

PRAVEEN KUMAR N
Partner (Membership No: 225884)
Firm Registration no.:011350S
UDIN: 23225884BCVJXY7383
Peer Review Certificate No.: 014926

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in the 'Report on Other Legal and Regulatory Requirements' of our report to the Members of Ador Fontech Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Ador Fontech Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Internal Control Systems 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.

Key Audit Matters	Auditor's Response
Implementation of Enterprise Resource Planning (ERP)	The Finance and Accounts module of the Ramco System was made fully operational for the first time during FY 21-22. This being the second full financial year, the efficacy of the system was proven to be fully established.
The Company's detective and corrective control systems	We tested the design and operating effectiveness of detective & corrective controls and found that they are effective enough to detect & also correct errors and are fairly sufficient & appropriate for the nature and complexities of the business of the Company.
Valuation of retiral benefits	We have relied upon the professional / expert opinion of the Actuarial valuation.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on internal controls over financial reporting 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. These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds, errors, accuracy and completeness of the accounting records, timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal

financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements; plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established, maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists; 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 risks of material misstatement of the 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting 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 control over financial reporting includes 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 the 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.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting 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.

Bengaluru
May 29, 2023

For PRAVEEN & MADAN
Chartered Accountants

PRAVEEN KUMAR N
Partner (Membership No: 225884)
Firm Registration no.:011350S
UDIN: 23225884BGVJXY7383
Peer Review Certificate No.: 014926

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in the 'Report on Other Legal and Regulatory Requirements' of our report to the Members of Ador Fontech Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- The Company is maintaining proper records showing full particulars of intangible assets.
- The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- According to the information and explanations given to us, the records examined by us and based on the examination of conveyance deeds/registered sale deeds provided to us, we report that the title deeds, comprising all immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date. Further, in respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the Standalone Financial Statements, the lease agreements are in the name of the Company.
- The Company has not revalued its Property, Plant and Equipment or Intangible assets during the year. Therefore, the reporting as per paragraph 3(i) (d) of the order is not required.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- We are informed that inventories have been physically verified by the Management during the year and also at the end of the year. In our opinion, the frequency of verification is reasonable. In our opinion and according to the explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventories. The discrepancies noticed on verification between physical stocks and book records were not more than 10% in each class and have been properly dealt with in the books of accounts.
- The Company has working capital limit in excess of rupees five crore sanctioned by the HDFC Bank based on the security of current assets and specified fixed deposits. As per the sanction, limits can be swapped between funded and non-funded requirements. As on March 31, 2023 the Company has availed only bank guarantees and continues to be debt free, therefore reporting under para 3(ii)(b) of the order is not applicable.
- The Company has granted unsecured loans to two bodies corporate by way of inter-corporate-deposits, covered in the Register maintained under Section 189 of the Companies Act, 2013. Details of which are as follows:

Rupees In Lakhs

Organisation	Type	Amount as at March 31, 2022	Paid during the year	Repaid during the year	Amount as on March 31, 2023
3D Future Technologies Pvt. Ltd.	Wholly owned subsidiary	1,239	80	(154)	1,165
Ador Powertron Ltd.	Associate	-	700	(700)	-

Notes: (i) Ador Powertron has repaid inter-corporate-deposit in full along with interest as at March 31, 2023. (ii) in respect of 3D Future Technologies, extension of inter-corporate-deposit was facilitated and the percentage of fresh and roll over was in the ratio of 7:93.

- According to the information and explanations given to us.
 - (i) The terms and conditions of the grant of such loans are in our opinion, prima facie, not prejudicial to the interest of the Company.
 - (ii) There are no overdue amounts remaining outstanding as at the end of the year.
 - (iii) In respect of the wholly owned subsidiary, inter-corporate-deposit have been provided for a general term of one year which have been extended/renewed. Further, the terms and conditions specify for repayment on demand.
- In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act only in respect of specified products of the Company. For such products, we have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under the aforesaid section, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- According to the information and explanations given to us, in respect of statutory dues:
 - (i) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (ii) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(iii) Details of dues of Income Tax, Goods and Service Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2023 on account of dispute are given below: Rupees In Lakhs

Nature of the statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount
Income Tax Act, 1961	Corporate Income Tax	Commissioner (Appeals)	AY 2013-14	71
		Assistant Commissioner	AY 2016-17	10
		Commissioner (Appeals)	AY 2018-19	161
		Commissioner (Appeals)	AY 2021-22	260
		TOTAL		502

- Note: The Income Tax Department had raised claim of rupees forty crores for the Assessment year 2021-22. The Company had made representation that there is mistake apparent on record, being purchase and stock not considered in the computation. Simultaneously, there was scrutiny assessment in progress which upheld the return of income filed by the Company and also confirmed nil demand. In the intermitten, the Company had filed an Appeal and the Commissioner/National Faceless Assessment Centre has confirmed that order passed after scrutiny assessment will subsist as per law. The company has approached the Department for negating/deleting the demand being reflected in the Income Tax portal.
- According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.
- According to the information and explanations given to us including representation received from the Management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans (both for long and short term) during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.
- In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year or in any previous years. Accordingly, reporting under clause 3(ix) (d) of the Order is not applicable to the Company.
- According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- (i) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (ii) During the year, the Company had subscribed to Rights issue of its Subsidiary and was allotted 15,30,528 equity shares of Rs.10/- each at an issue price of Rs.49 per equity share.
- According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

AUDITORS' REPORT (STANDALONE)

- To the best of our knowledge 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 period covered by our audit.
- No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- According to the information and explanations given to us including the representation made to us by the Management of the Company, there are no whistle-blower-complaints received by the Company during the year.
- The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with related parties are in compliance with Sections 177 and 188 of the Act, where applicable. Further, details of such related party transactions have been disclosed in the Standalone Financial Statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 and prescribed under Section 133 of the Act.
- In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under Section 138 of the Act which is commensurate with the size and nature of its business.
- We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them and accordingly, provisions of Section 192 of the Act are not applicable to the Company.
- The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- 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) of the Order is not applicable.
- The Company has not incurred any cash loss in the current as well as in the immediately preceding financial year. However, the wholly owned subsidiary of the Company had incurred cash losses in the financial year 2022-23 and in the preceding financial year.
- There has been no resignation of the Statutory Auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- 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, other information accompanying the Standalone Financial Statements, our knowledge of the plans of the Board of Directors and Management, 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 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.
- According to the information and explanations given to us, the Company does not have any unspent amount in respect of any other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.
- There has been no adverse remarks provided by Statutory Auditor of the wholly owned subsidiary in respect of the Company Auditor's Report Order (CARO), 2020.

Bengaluru
May 29, 2023

For PRAVEEN & MADAN
Chartered Accountants

PRAVEEN KUMAR N
Partner (Membership No: 225884)
Firm Registration no.:011350S
UDIN: 23225884BGVJXY7383
Peer Review Certificate No.: 014926

INDUSTRIES SERVED



CEMENT



STEEL



POWER



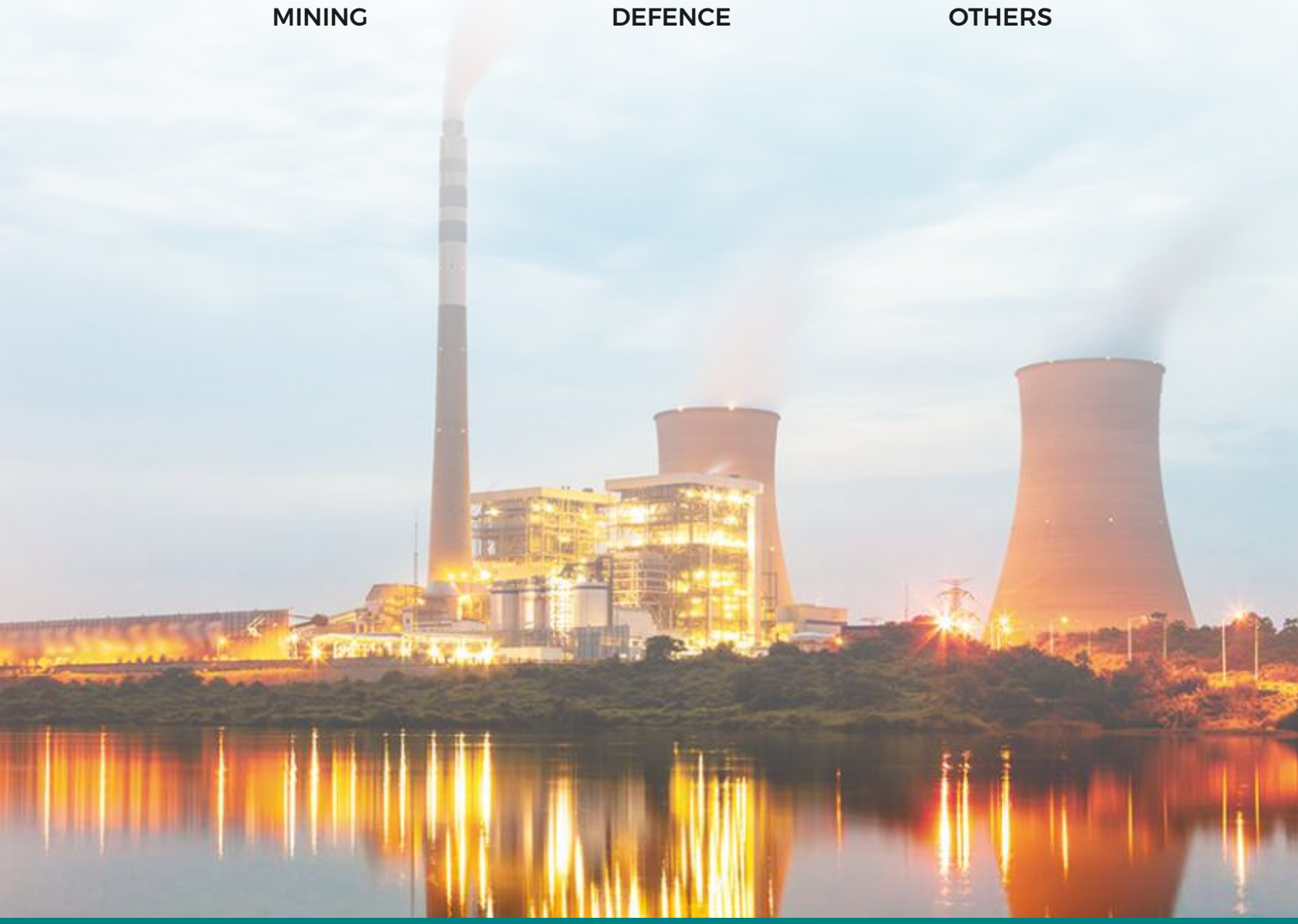
MINING



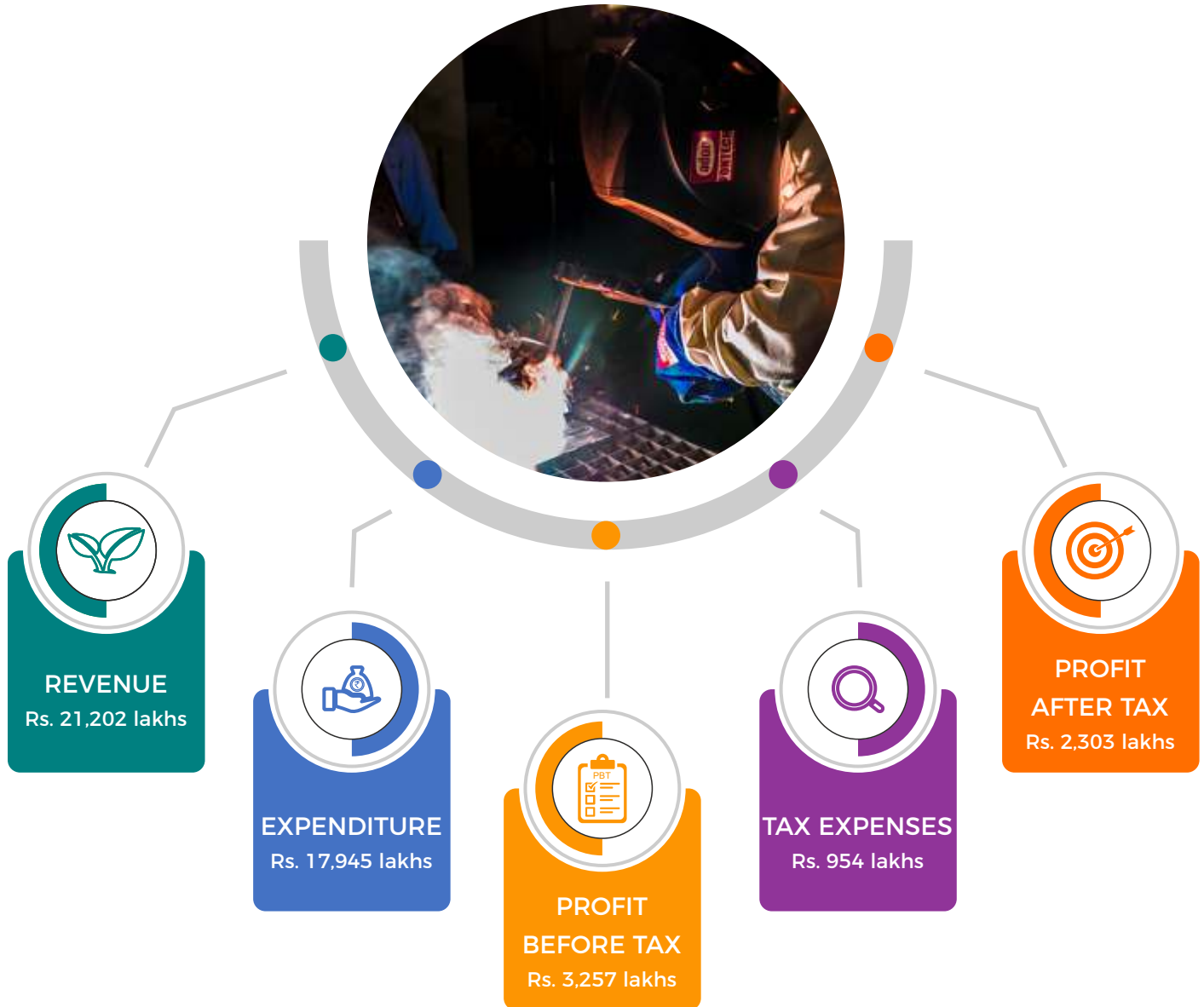
DEFENCE



OTHERS



PERFORMANCE AT A GLANCE



FINANCIAL STATEMENTS (STANDALONE)

BALANCE SHEET (STANDALONE)

Rupees In Lakhs

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
ASSETS			
1. NON-CURRENT ASSETS			
Property, plant and equipment	2	2,698	2,810
Intangible assets		111	-
Financial assets			
Investments	3	1,725	975
TOTAL		4,534	3,785
2. CURRENT ASSETS			
Inventories	4	2,238	2,274
Financial assets			
(i) Investments	5	1,402	2,015
(ii) Trade receivables	6	3,051	2,755
(iii) Cash and cash equivalents	7	155	27
(iv) Other bank balances	8	3,978	3,817
(v) Loans and advances	9	1,360	1,548
Other current assets	10	235	387
Current tax assets (net)	11	527	290
TOTAL		12,946	13,113
TOTAL ASSETS		17,480	16,898
EQUITY AND LIABILITIES			
1. EQUITY			
Equity share capital	12	700	700
Other equity	13	14,191	13,269
TOTAL		14,891	13,969
2. LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred tax liabilities	14	171	-
TOTAL		171	-
CURRENT LIABILITIES			
Financial Liabilities			
(i) Trade payables	15		
Total outstanding due to Micro, small and medium enterprises		823	518
Total outstanding due to creditors other than MSME		970	1613
(ii) Other financial liabilities	16	298	299
Other current liabilities	17	167	137
Provisions	18	160	362
TOTAL		2,418	2,929
TOTAL EQUITY AND LIABILITIES		17,480	16,898
Significant accounting policies	1		
Notes to the financial statements	2-55		

A T MALKANI
Chairman
DIN 01585637

For and on behalf of the Board of Directors
H P LEDWANI
Managing Director & CEO
DIN 00040629

GEETHA D
Company Secretary & CFO
Bengaluru, May 29, 2023

As per our report of even date attached
For PRAVEEN & MADAN
Praveen Kumar N-Membership No: 225884
Firm Registration no.:011350S
UDIN: 23225884BGVJXY7383
Peer Review Certificate No.: 014926
Bengaluru, May 29, 2023

STATEMENT OF PROFIT AND LOSS (STANDALONE)

Rupees In Lakhs

Particulars	Note No.	Year ended 31.03.2023	Year ended 31.03.2022
1. INCOME			
(i) Revenue from operations	19	20,778	20,477
(ii) Other income	20	424	566
TOTAL		21,202	21,043
2. EXPENSES			
Cost of materials consumed	21	5,844	4,478
Purchase of stock-in-trade	22	6,190	6,449
Changes in inventories of work-in-progress, finished goods & stock-in-trade	23	26	338
Employee benefit expenses	24	2,541	2,761
Depreciation and amortisation expenses		312	271
Other expenses	25	3,032	3,241
TOTAL		17,945	17,538
3. PROFIT BEFORE TAX		3,257	3,505
4. TAX EXPENSES	26		
(i) Current tax		790	1,025
(ii) Deferred tax		164	(65)
TOTAL		954	960
5. NET PROFIT AFTER TAX (3-4)		2,303	2,545
6. OTHER COMPREHENSIVE INCOME	27		
(i) Items that will not be reclassified to profit or loss		26	25
(ii) Income tax relating to items that will not be reclassified to profit or loss		(7)	(6)
TOTAL		19	19
7. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (5+6)		2,322	2,564
8. EARNINGS PER EQUITY SHARE	28		
Basic and diluted (in Rs.)		6.6	7.3
Face value of equity share (in Rs.)		2.0	2.0
Significant accounting policies	1		
Notes to the financial statements	2-55		
The accompanying notes 1-55 form an integral part of the financial statements.			

A T MALKANI
Chairman
DIN 01585637

For and on behalf of the Board of Directors
H P LEDWANI
Managing Director & CEO
DIN 00040629

GEETHA D
Company Secretary & CFO
Bengaluru, May 29, 2023

As per our report of even date attached
For PRAVEEN & MADAN
Praveen Kumar N-Membership No: 225884
Firm Registration no.:011350S
UDIN: 23225884BGVJXY7383
Peer Review Certificate No.: 014926
Bengaluru, May 29, 2023

CASH FLOW STATEMENT (STANDALONE)

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AS PER STATEMENT OF PROFIT AND LOSS	3,257	3,505
Add/(Less): Depreciation, amortisation and impairment	312	271
Interest and dividend Income	(350)	(292)
Other comprehensive income	26	25
OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL	3,245	3,509
Adjustments for:		
Trade receivables	(296)	(33)
Inventories	36	250
Current investments	613	(443)
Loans provided	188	(587)
Other current assets	152	(271)
Trade payables	(338)	266
Other financial liabilities	(1)	(29)
Other current liabilities	30	50
Current provisions	(202)	(62)
Changes in current tax assets	(237)	83
OPERATING PROFIT AFTER CHANGES IN WORKING CAPITAL	3,190	2,733
Direct taxes paid/(Refund due)	(790)	(1,025)
NET CASH FROM OPERATING ACTIVITIES (A)	2,400	1,708
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(311)	(455)
Capital work-in-progress	-	244
Purchase and sale of investments (net)	(750)	188
Increase/(decrease) in other bank accounts	(161)	(1,172)
Interest and dividend income	350	292
NET CASH FROM INVESTING ACTIVITIES (B)	(872)	(903)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(decrease) in non current provisions	-	(60)
Dividend paid including tax	(1,400)	(770)
NET CASH FROM FINANCING ACTIVITIES (C)	(1,400)	(830)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	128	(25)
Opening balance of cash and cash equivalents	27	52
Closing balance of cash and cash equivalents	155	27
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Balances with banks in current accounts	155	27

A T MALKANI
Chairman
DIN 01585637

For and on behalf of the Board of Directors
H P LEDWANI
Managing Director & CEO
DIN 00040629

GEETHA D
Company Secretary & CFO
Bengaluru, May 29, 2023

As per our report of even date attached
For PRAVEEN & MADAN
Praveen Kumar N-Membership No: 225884
Firm Registration no.:011350S
UDIN: 23225884BGVJXY7383
Peer Review Certificate No.: 014926
Bengaluru, May 29, 2023

EQUITY SHARE CAPITAL

Reporting Period

Balances at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Rupees In Lakhs	
				Balance at the end of the current reporting period	
Current Period					
700	-	-	-	700	
Previous Period					
700	-	-	-	700	

EQUITY SHARE CAPITAL

Other Equity As At March 31, 2023

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Other Comprehensive Income (OCI)			Money received against Share Warrants	TOTAL
			Capital Reserve	Securities Premium	Other Reserves	Retained Earnings	Effective portion of Cash Flow Hedges	Revaluation Surplus	Other items of OCI		
Balance at the beginning of the current reporting period	-	-	-	-	7,889	5,203	-	-	177	-	13,269
Net profit/(loss) for the year	-	-	-	-	-	2,303	-	-	-	-	2,303
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-
Total OCI for the current year	-	-	-	-	-	-	-	-	19	-	19
Dividends	-	-	-	-	-	(1,400)	-	-	-	-	(1,400)
Transfer from retained earnings to general reserve	-	-	-	-	411	(411)	-	-	-	-	-
Any other changes	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	-	8,300	5,695	-	-	196	-	14,191

STATEMENT OF CHANGES IN EQUITY (STANDALONE)

EQUITY SHARE CAPITAL

Other Equity As At March 31, 2022

Rupees In Lakhs

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Other Comprehensive Income (OCI)			Money received against Share Warrants	TOTAL
			Capital Reserve	Securities Premium	Other Reserves	Retained Earnings	Effective portion of Cash Flow Hedges	Revaluation Surplus	Other items of OCI		
Balance at the beginning of the current reporting period	-	-	-	-	7,489	3,829	-	-	158	-	11,476
Net profit/(loss) for the year	-	-	-	-	-	2,544	-	-	-	-	2,544
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-
Total OCI for the current year	-	-	-	-	-	-	-	-	19	-	19
Dividends	-	-	-	-	-	(770)	-	-	-	-	(770)
Transfer from retained earnings to general reserve	-	-	-	-	400	(400)	-	-	-	-	-
Any other changes	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	-	7,889	5,203	-	-	177	-	13,269

DETAILS OF PROMOTER'S HOLDING

Particulars	As at March 31, 2022		As at March 31, 2023		Percentage change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
PROMOTER					
J B Advani And Company Pvt. Ltd.	92,13,301	26.32%	92,13,301	26.32%	-
PROMOTER GROUP					
Mr. Aditya Tarachand Malkani	15,86,452	4.53%	15,86,452	4.53%	-
Mr. Ajit T Mirchandani	1,47,460	0.42%	1,47,460	0.42%	-
Ms. Aruna Bhagwan Advani	9,01,000	2.57%	9,01,000	2.57%	-
Mr. Deep Ashda Lalvani	39,774	0.12%	39,774	0.12%	-
Ms. Michelle Gulu Malkani	83,700	0.24%	83,700	0.24%	-
Ms. Ninotchka Malkani Nagpal	7,60,700	2.18%	7,60,700	2.18%	-
Ms. Rajbir Tarachand Malkani	5,21,327	1.49%	5,21,327	1.49%	-
Mr. Ravin A Mirchandani	11,910	0.03%	11,910	0.03%	-
Ms. Reshma Ashda Lalvani	97,000	0.28%	97,000	0.28%	-
Ms. Shirin Aditya Malkani	1,81,918	0.52%	1,81,918	0.52%	-
Ms. Tania Ajit Mirchandani	1,50,000	0.43%	1,50,000	0.43%	-
Ms. Vimla Ashda Lalvani	32,722	0.09%	32,722	0.09%	-
Ms. Tanya Halina Advani	1,800	0.01%	1,800	0.01%	-
Ms. Gulshan Gulu Malkani	-	-	-	-	-
TOTAL	1,37,29,064	39.23%	1,37,29,064	39.23%	-

Notes:

Equity Share Capital

Total number of shares: 3,50,00,000

Percent to total shares: Computed on the total share capital of the Company



UNLOCKING FULFILMENT

Striking the Perfect Work-Life
Balance

NOTES TO
THE FINANCIAL
STATEMENTS
(STANDALONE)

Note 1

COMPANY INFORMATION

Ador Fontech Limited ('the Company') was incorporated in India on August 22, 1974 under the provisions of the Companies Act and is a frontrunner organisation that operates on the philosophy of 'partnering' with its clients in recommending and implementing value-added fusion, surfacing, spraying and environmental solutions. The Company is dedicated to the supply of products, services and solutions that meet and exceed the needs of its end-users under the broad gamut of 'Life enhancement of industrial components'.

The Company is a public limited company (CIN: L31909KA1974PLC020010) domiciled in India and is listed on the Bombay Stock Exchange (BSE). The registered and corporate office of the Company is located at Belview 7 Haudin Road Bengaluru 560 042.

BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

Basis of preparation and compliance with Ind-AS

- These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind-AS') as notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- The financial statements were authorised for issue in accordance with the resolution of the Board of Directors on May 29, 2023. The Chairman, Managing Director, Chief Financial Officer and Company Secretary have been authorised to execute their signatures in confirmation of the statements.

Use of estimates and critical accounting judgements

The preparation of Financial Statements is in conformity with Ind-AS which requires the Management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities as on the date of financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent, 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 materialises.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in and from the period in which the estimate gets revised.

This note provides an overview of the areas that involve a higher degree of judgement 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.

Basis of measurement

The Ind-AS financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by the relevant Ind-AS.

FAIR VALUE MEASUREMENT

The Company measures financial instruments at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing their asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value for measurement and /or disclosure purpose in these financial statements is determined on the above basis, except for (i) share based payment transactions that are within the scope of Ind-AS 102 (ii) leasing transactions that are within the scope of Ind-AS 17 and (iii) measurements that have some similarities to fair value, such as net realisable value in Ind-AS 2 or value in use in Ind-AS 36.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

LEVEL 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities. For example: Listed equity instruments that have quoted market price.

LEVEL 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. The fair value of financial instruments that are not traded in an active market (for example: working capital instruments, traded bonds, over the counter derivatives).

Level 3-Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This is the case for unlisted equity securities, contingent consideration and indemnification asset.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

Functional and presentation currency

These Ind-AS Financial Statements are prepared in 'Indian Rupee' which is the Company's functional currency and represented in lakhs.

SIGNIFICANT ACCOUNTING POLICIES

The Company has applied the following accounting policies to all periods presented in the Ind-AS Financial Statements.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of, discounts, volume rebates, outgoing GST (Goods and Service Tax) and other indirect taxes.

It may be pertinent to note that Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from Revenue.

Revenue from sales is recognised when all significant risks and rewards of ownership of the commodity sold are transferred to the customer which generally coincides with delivery. Revenues from sale of by-products are included in revenue.

Export benefits are accounted on recognition of export sales. Dividend income is recognised when the right to receive payment is established. Interest income is recognised using effective rate of interest method. Management and marketing fees are recognised as and when the services are rendered.

Property, plant and equipment

TANGIBLE ASSETS

The Company has elected to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as at the transition date to Ind-AS, measured as per the previous GAAP and has used that carrying value as the deemed cost, pursuant to the exemption under Ind- AS 101 'First-time Adoption of Indian Accounting Standards'.

The Company provides depreciation on all assets reckoned on the written down value basis over its useful life, which is in line with Schedule II of the Companies Act, 2013 except (i) Leasehold lands which are amortised over the period of lease and/or (ii) Where the Management opines for a specific useful life based on technical evaluation.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalised if the recognition criteria are met.

When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as replacement if, the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant & equipment and are recognised in other income/other expenses in the statement of profit and loss.

An item of property, plant & equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of asset) is included in the statement of profit and loss, when the asset is de-recognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

CAPITAL WORK-IN- PROGRESS

Assets in the course of construction are capitalised in the capital work-in-progress account. At the point when an asset is capable of operating in the manner intended by the Management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Cost associated with commissioning of an asset is capitalised when the asset is available for use, but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during trial period is credited to the capital work-in-progress.

DEPRECIATION

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and provisions, if any, for impairment. Depreciation commences when the assets are ready for its intended use. Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost less estimated residual value, of each asset on a written down value basis over its expected useful life determined by the Management based on Regulations and Technical estimates, which are as follows:

Description	No. of years/Percentage	Description	No. of years/Percentage
Plant and equipment	15 years/18.10%	Lease hold land	Over the period of lease
Furniture and fixtures	10 years/25.89%	Office premises	60 years/4.87%
Office equipment	05 years/45.07%	Motor cycles	10 years/25.89%
Buildings	30 years/9.50%	Motor cars	08 years/31.23%
Computers/laptops	03 years/63.16%	Management estimates	Based on requirements

Intangible assets

The Company has elected to continue with the carrying value of all of its intangible assets as recognised in the financial statements as at the transition date to Ind-AS, measured as per the previous GAAP and has used that carrying value as the deemed cost as at the transition date pursuant to the exemption provided under Ind-AS 101.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate and are treated as changes in accounting estimates.

The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of the carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Title deeds, valuation and verification

In respect of immovable properties owned by the Company, title deeds are held in the name of the Company.

The Company has not undertaken revaluation of properties during the financial year 2022-23.

The Company has undertaken physical verification of inventories during and at the end of the year. No major discrepancies were noticed.

Investment in Subsidiaries and Joint Ventures

Subsidiaries are entities that are controlled by the Company. The Company controls an entity when the Company is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. Investments in subsidiaries are accounted at cost less impairment, if any

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Investments in joint ventures are accounted at cost less impairment, if any.

Investments in subsidiary and joint venture are accounted at cost less impairment, if any, in accordance with Ind AS-27.

Investments and financial assets

CLASSIFICATION

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- 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 the 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.

MEASUREMENT

At initial recognition, the Company measures a financial asset at its fair value and in the case of a financial asset not at fair value through profit or loss at 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.

MEASUREMENT OF DEBT INSTRUMENTS

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 the 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 the 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 : 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 the 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

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach, permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

DE-RECOGNITION OF FINANCIAL ASSETS

A financial asset is derecognised only when:

- (i) The Company has transferred the rights to receive cash flows from the financial asset or,
- (ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Cash and cash equivalents

CASH AND BANK BALANCES

Cash and cash equivalents in the Balance Sheet comprise cash at banks in current accounts, cash on hand and cheques pending deposits.

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Fixed deposits with banks and unclaimed dividend balances (including pending transfers to the Investor Education and Protection Fund) are reflected under bank balances other than cash and cash equivalents.

Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations.

Impairment losses of continuing operations including impairment on inventories are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's (Cash generating unit's) recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount, since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in the prior years. Such reversal is recognised in the statement of profit and loss.

Government Grants

Government grants are recognised, where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by Government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a Government grant. The loan or assistance is initially recognised and measured at fair value and the Government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Inventories

Inventories are valued at the lower of cost and net realisable value except scrap and by products which are valued at net realisable value.

Costs incurred in bringing the inventory to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

- Finished goods, work in progress and traded goods: cost includes cost of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. In effect, they are valued at 'Standard Cost' with differences from actuals being posted to variance account.

Cost of traded goods includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided for on net realisable value.

Taxation

CURRENT INCOME TAX

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the profit or loss is recognised either in other comprehensive income or in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where ever it may be appropriate.

DEFERRED TAX

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and/or unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date & reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset(s) to be recovered.

Deferred tax assets & liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the profit or loss is recognised either in other comprehensive income or in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

MINIMUM ALTERNATE TAX

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Employee benefit schemes

SHORT TERM EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of receiving employee services are classified as short term employee benefits. These benefits include salaries, wages, allowances/perquisites, performance incentives, contribution to employees' state insurance corporation (ESIC) which are expected to occur in the next twelve months. The undiscounted amount of short term employee benefits to be paid in exchange for employee compensation is recognised as an expense in relation to the service rendered by the employees.

COMPENSATED ABSENCES

The Company contemplates employees to avail their eligible leave/holidays as an employee welfare measure and hence as a policy, restriction has been placed on the quantum of the number of days that can be accumulated, as also amount payable in lieu of the same. The Company w.e.f April 01, 2023 has enhanced accumulation of leave to 180 days from 60 days. Provision for compensated absences are based on actuarial valuation and the charge is categorised under staff welfare expenses.

POST-EMPLOYMENT BENEFITS

Defined contribution plans- Provident fund and Superannuation Fund

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund along with employee's contribution to the Government administered provident fund. Further, in respect of Managerial Staff Members (who are outside the ambit of Bonus), the Company contributes a fixed percentage to a Superannuation fund/trust called 'Cosmics Employees Superannuation Fund'. The Company's contribution is recognised as an expense in the statement of profit or loss during the period in which the employee renders service.

Defined benefit plan -Gratuity

The Company has a defined benefit plan (the 'Gratuity Plan'). The Gratuity plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. Presently the Company's gratuity plan is funded through a trust called 'Cosmics Employees Gratuity Trust'.

The Company causes an actuarial valuation of amounts to be recognised towards gratuity payable to its employees. Broadly, the present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to the market yields at the end of the reporting period on government securities that have terms approximate to the terms of the related obligation. This cost is included as part of the employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and not to be reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as a past service cost. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to discount factors, estimate rate of return on plan assets, future salary escalation rate and assumed attrition rate. Due to long term nature of these plans such estimates are subject to significant uncertainty.

Provision for liabilities, charges, contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind-AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognised, when the Company has a present obligation (legal or constructive), as a result of past events and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate, that reflects the current market assessments of the time value of money and where ever appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which the Management has concluded, based on all available facts and circumstances, that are not probable of payment or are very difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in the notes, but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability. Contingent assets are not recognised, but disclosed in the financial statements when an inflow of economic benefits is probable.

Foreign currency transactions

In the financial statements of the Company, transactions in currencies other than the functional currency are translated in to the functional currency at the exchange rates ruling on the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated in to the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except any exchange difference on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognised in 'Other Comprehensive Income'.

Earnings per share

The Company presents basic and diluted earnings per share ('EPS') data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity Shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity Shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

Dividend

Dividends declared or paid by the Company is in compliance with Section 123 of the Companies Act, 2013.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the 'Chief operating decision-maker (CODM)', who is responsible for allocating resources and assessing performance of the operating segments.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, type & class of customers & distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment-revenue is reported on the basis of transactions which are primarily market led and are off-setting in nature.

Segment results represent profits before finance charges, unallocated corporate expenses and taxes. 'Unallocated Corporate Income/Expenses' include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to the segments.

Leases

Leases are recognised as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

THE COMPANY AS A LESSEE

Assets used under finance lease are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability, so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the statement of profit and loss.

Rentals payable under operating leases are charged to the statement of profit and loss on a straight-line-basis over the term of the relevant lease, unless payments to the lessor are structured to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increase.

THE COMPANY AS A LESSOR

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating lease. Payments received under operating leases are recognised in the statement of profit and loss on a straight-line-basis over the term of the lease.

Realisation

The Board of Directors of the Company is of the opinion that assets including property, plant & equipment, intangible assets and non-current-investments are realisable at their carrying amount in the ordinary course of business.

Note 2 PROPERTY, PLANT AND EQUIPMENT

TANGIBLE ASSETS

Details	Land Freehold	Land Leasehold	Factory Buildings	*Office Premises	OP*-Land component	Plant and Machinery	Electrical Installation	Computers	Office Equipment	Furniture & Fixtures	Vehicles	TOTAL
Gross carrying value as at April 1, 2022	730	502	1,100	575	9	1,544	92	303	45	81	567	5,548
Additions	9	-	11	-	-	11	-	21	5	-	306	363
Deletions	-	-	-	-	(9)	-	-	(187)	-	(3)	(193)	(392)
Gross carrying value as at March 31, 2023	739	502	1,111	575	-	1,555	92	137	50	78	680	5,519
Accumulated depreciation as at April 1, 2022	-	16	719	224	-	1,091	84	134	41	72	357	2,738
Depreciation	-	5	38	16	-	84	2	56	3	3	61	268
Accumulated depreciation on deletions	-	-	-	-	-	-	-	(84)	-	(3)	(98)	(185)
Accumulated depreciation as at March 31, 2023	-	21	757	240	-	1,175	86	106	44	72	320	2,821
Carrying value as at April 1, 2022	730	486	381	351	9	453	8	169	4	9	210	2,810
Carrying value as at March 31, 2023	739	481	354	335	-	380	6	31	6	6	360	2,698

TANGIBLE ASSETS

Details	Land Freehold	Land Leasehold	Factory Buildings	*Office Premises	OP*-Land component	Plant and Machinery	Electrical Installation	Computers	Office Equipment	Furniture & Fixtures	Vehicles	TOTAL
Gross carrying value as at April 1, 2021	644	502	1,081	575	9	1,496	92	109	45	80	540	5,173
Additions	86	-	19	-	-	48	-	200	-	1	110	464
Deletions	-	-	-	-	-	-	-	(6)	-	-	(83)	(89)
Gross carrying value as at March 31, 2022	730	502	1,100	575	9	1,544	92	303	45	81	567	5,548
Accumulated depreciation as at April 1, 2021	-	11	681	206	-	997	82	92	39	69	372	2,549
Depreciation	-	5	38	18	-	94	2	47	2	4	61	271
Accumulated depreciation on deletions	-	-	-	-	-	-	-	(5)	-	(1)	(76)	(82)
Accumulated depreciation as at March 31, 2021	-	16	719	224	-	1,091	84	134	41	72	357	2,738
Carrying value as at April 1, 2021	644	491	400	369	9	499	10	17	6	11	168	2,624
Carrying value as at March 31, 2022	730	486	381	351	9	453	8	169	4	9	210	2,810

INTANGIBLES

Rupees In Lakhs

Details	ERP Software	Product Development	TOTAL
Gross carrying value as at April 1, 2022	4	66	70
Additions	155	-	155
Deletions	-	-	-
Gross carrying value as at March 31, 2023	159	66	225
Accumulated depreciation as at April 1, 2022	4	66	70
Depreciation	44	-	44
Accumulated depreciation on deletions	-	-	-
Accumulated depreciation as at March 31, 2023	48	66	114
Carrying value as at April 1, 2022	-	-	-
Carrying value as at March 31, 2023	111	-	111

INTANGIBLES

Rupees In Lakhs

Details	ERP Software	Product Development	TOTAL
Gross carrying value as at April 1, 2021	4	66	70
Additions	-	-	-
Deletions	-	-	-
Gross carrying value as at March 31, 2022	4	66	70
Accumulated depreciation as at April 1, 2021	4	66	70
Depreciation	-	-	-
Accumulated depreciation on deletions	-	-	-
Accumulated depreciation as at March 31, 2022	4	66	70
Carrying value as at April 1, 2021	-	-	-
Carrying value as at March 31, 2022	-	-	-

DISCLOSURE DETAILS AS PER IND-AS-38

Assets	ERP-RAMCO SYSTEMS
Useful life	Finite - Five years beginning from April 1, 2022
Amortisation method	Estimated useful life
Statement of profit and loss	Category: Depreciation and amortisation
Gross carrying amount/Opening value of the asset	Rs.155 lakhs
Amortisation value	Rs.44 lakhs
Closing value of asset	Rs.111 lakhs

Notes: (i) Asset was capitalised in the month of February 2022. (ii) Opening value of asset as at April 1, 2022 was the closing balance as at March 31, 2022. (iii) Asset is not held for sale or disposal. There were no deletions during the year. (iv) Annual maintenance of rupees thirty eight lakhs being revenue in nature is being expensed during the financial year in which it is incurred. There were no other contractual commitment. (v) There was no revaluation or impairment recognised during the year. (vi) As per IND-AS-Regulation 38, the Company will review the useful life at the end of each financial year. Balance estimated useful life : four years at March 31, 2023.

Note 3 NON-CURRENT INVESTMENTS

Rupees In Lakhs

Particulars	As at 31.03.2023		As at 31.03.2022	
	Quantity (Nos.)	Amount	Quantity (Nos.)	Amount
INVESTMENT IN UNQUOTED SHARES & BONDS - FULLY PAID				
Equity shares in the wholly owned subsidiary	1,12,80,528	1,725	97,50,000	975
Bonds	-	-	-	-
SUB-TOTAL	1,12,80,528	1,725	97,50,000	975
INVESTMENT IN MUTUAL FUNDS (QUOTED)				
Investments in mutual funds	-	-	-	-
SUB-TOTAL	-	-	-	-
TOTAL NON-CURRENT INVESTMENTS	1,12,80,528	1,725	97,50,000	975
Aggregate amount of quoted investments and market value thereof	-	-	-	-
Aggregate amount of unquoted investments	1,12,80,528	1,725	97,50,000	975

Notes: The Company had contributed rupees seven crore and fifty lakhs towards rights issue of its wholly owned subsidiary during FY 2022-23.

Note 4 INVENTORIES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Raw materials	768	778
Work-in-progress	91	73
Traded goods	995	1,055
Finished goods	384	368
TOTAL	2,238	2,274

Note 5 CURRENT INVESTMENTS

Rupees In Lakhs

Particulars	As at 31.03.2023		As at 31.03.2022	
	Quantity (Nos.)	Amount	Quantity (Nos.)	Amount
INVESTMENT IN MUTUAL FUNDS (QUOTED)				
HDFC mutual fund	24,813	724	41,736	1,424
ICICI mutual fund	13,89,642	676	1,85,870	586
Franklin credit risk fund	8,268	2	21,557	5
TOTAL	14,22,723	1,402	2,49,163	2,015
Aggregate amount of quoted investments and market value thereof		1,402		2,015

Note 6 TRADE RECEIVABLES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Secured, considered good	-	-
Unsecured, considered good	3,051	2,755
Unsecured, considered doubtful	-	20
Less : Provision for doubtful debts	-	(20)
Unsecured and considered bad	-	115
Less: Bad debts written off by expensing in the profit and loss account	-	(115)
TOTAL	3,051	2,755

Note 7 CASH AND CASH EQUIVALENTS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Balances with banks in current accounts	155	26
Cash on hand	-	1
TOTAL	155	27

Note 8 OTHER BANK BALANCES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Fixed deposit with banks	3,882	3,721
Balance with banks in unclaimed dividend accounts	96	96
TOTAL	3,978	3,817

Note 9 LOANS AND ADVANCES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
UNSECURED, CONSIDERED GOOD		
SECURITY DEPOSITS		
Deposits-Government department	27	26
Deposits-Premises	1	5
Deposits-Security, performance and earnest money deposit	159	237
LOANS TO RELATED PARTY		
Loan and advances to subsidiary	1,165	1,239
OTHER ADVANCES		
Loans and advances to employees	8	41
TOTAL	1,360	1,548

Note 10 OTHER CURRENT ASSETS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
ADVANCES OTHER THAN CAPITAL ADVANCES		
Advance to suppliers	220	319
Prepaid expenses	15	68
TOTAL	235	387

Note 11 CURRENT TAX ASSETS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Advance income tax (net of provision for tax)	527	290
TOTAL	527	290

Note 12 EQUITY SHARE CAPITAL

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
AUTHORISED		
5,00,00,000 equity shares of Rs. 2 each	1,000	1,000
TOTAL	1,000	1,000
ISSUED, SUBSCRIBED AND PAID-UP		
3,50,00,000 equity shares of Rs. 2 each	700	700
TOTAL	700	700

Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Rupees In Lakhs

Particulars	2022-23		2021-22	
	In Nos.	Amount	In Nos.	Amount
Shares outstanding at the beginning of the year	3,50,00,000	700	3,50,00,000	700
Shares outstanding at the end of the year	3,50,00,000	700	3,50,00,000	700

Rights, preferences and restrictions

The Company has only one class of shares, referred to as equity shares having a par value of Rs.2/- per share. Each holder of equity share is entitled to one vote per share and dividend as may be declared at the Annual General Meeting.

Details of shares in the Company held by each Shareholder holding more than 5% shares

Particulars	As at 31.03.2023		As at 31.03.2022	
	Number of Shares held	Percent of Holding	Number of Shares held	Percent of Holding
J B Advani and Company Private Limited (JBA)	92,13,176	26.32%	92,13,176	26.32%

As on the date of the Balance Sheet

- The Company has not issued any equity share as fully paid pursuant to contracts without payment being received in cash.
- The Company has not issued any fully paid bonus share.
- The Company also did not buy back any equity share.

Issue/conversion of equity shares

As on the date of the Balance Sheet, the Company has not issued securities like convertible preference shares, convertible debentures etc., which are convertible in to equity/preference shares.

Note 13 OTHER EQUITY

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Securities premium	-	-
General reserve	8,300	7,889
Retained earnings	5,891	5,380
TOTAL	14,191	13,269

GENERAL RESERVE

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Opening balance	7,889	7,489
Transferred from surplus in the Statement of Profit and Loss	411	400
Closing balance	8,300	7,889

RETAINED EARNINGS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Opening balance	5,380	3,986
Net profit / loss for the year	2,303	2,545
Other comprehensive income for the year	19	19
Equity dividend	(1,400)	(770)
Transfer to general reserve	(411)	(400)
Closing balance	5,891	5,380

Note 14 DEFERRED TAX LIABILITIES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
DEFERRED TAX LIABILITIES ON ACCOUNT OF		
Difference between book and tax balance of fixed assets	296	165
Fair market value increase of investments in mutual funds and actuarial gains	7	6
Others	-	-
SUB TOTAL	303	171
DEFERRED TAX ASSETS ON ACCOUNT OF		
Provision for warranties	(69)	(95)
Diminution in the valuation of shares of the joint venture	(26)	(26)
Provision for doubtful debts	-	(5)
Service tax disallowance U/S. 43B	(37)	(37)
Others	-	(8)
SUB TOTAL	(132)	(171)
TOTAL	171	-

NOTE 15 TRADE PAYABLES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Micro, small and medium enterprises	823	518
Other than Micro, small and medium enterprises	970	1,613
TOTAL	1,793	2,131

DETAILS OF TRADE PAYABLES

Rupees In Lakhs

Particulars	Outstanding as at March 31, 2023					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
UNDISPUTED						
Micro, small and medium enterprises	823	-	-	-	-	823
Others	970	-	-	-	-	970
DISPUTED						
Micro, small and medium enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
TOTAL	1,793	-	-	-	-	1,793

Rupees In Lakhs

Particulars	Outstanding as at March 31, 2022					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
UNDISPUTED						
Micro, small and medium enterprises	518	-	-	-	-	518
Others	1,613	-	-	-	-	1,613
DISPUTED						
Micro, small and medium enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
TOTAL	2,131	-	-	-	-	2,131

Trade payables includes Creditors for Capital goods, Raw materials, Consumables, Traded goods and General procurements including expenses, be it Capital or Revenue in nature. The Company has bifurcated Creditors based on MSME certificates/information received from its Suppliers and re-categorised correspondingly the previous year, wherever applicable. No amounts were outstanding beyond the Statutory period to organisation's classified under MSME as at March 31, 2023.

Note 16 OTHER FINANCIAL LIABILITIES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Deposit from dealers and employees	202	203
Unclaimed dividends	96	96
TOTAL	298	299

Note 17 OTHER CURRENT LIABILITIES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Statutory liabilities	167	137
TOTAL	167	137

Note 18 PROVISIONS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
PROVISION FOR EMPLOYEE BENEFITS		
Provision for compensated absences	(92)	(43)
Due to gratuity trust	21	25
OTHERS		
Warranties	231	380
TOTAL	160	362

Note 19 REVENUE FROM OPERATIONS

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
SALE OF PRODUCTS		
Manufactured goods (net of taxes)	10,566	9,487
Scrap sales	72	55
Traded goods	7,842	8,674
SERVICES		
Job work income	2,298	2,261
TOTAL	20,778	20,477

Note 20 OTHER INCOME

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest income	350	292
Lease rent received	30	34
Rental income	25	24
Discount income	19	9
Forex gains and write backs	(29)	199
Profit on sale of investments and assets	29	8
TOTAL	424	566

DETAILS OF INTEREST INCOME

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest on bank deposits	185	162
Others	165	130
TOTAL	350	292

Note 21 COST OF MATERIALS CONSUMED

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Opening stock	778	690
Add: Purchases	5,834	4,566
Less: Closing stock	768	778
TOTAL	5,844	4,478

Note 22 PURCHASE OF STOCK-IN-TRADE

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Welding consumables, equipment and spares	6,190	6,449
TOTAL	6,190	6,449

Note 23 CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, FINISHED GOODS AND STOCK-IN-TRADE

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
AT THE BEGINNING OF THE YEAR		
Work-in-progress	73	226
Finished goods	368	404
Traded goods	1,055	1,204
SUB-TOTAL (A)	1,496	1,834
AT THE END OF THE YEAR		
Work-in-progress	91	73
Finished goods	384	368
Traded goods	995	1,055
SUB-TOTAL (B)	1,470	1,496
TOTAL (A-B)	26	338

Note 24 EMPLOYEE BENEFIT EXPENSES

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Salaries, allowances and other benefits	2,059	2,316
Contribution to provident and other funds	298	302
Staff welfare	184	143
TOTAL	2,541	2,761

Note 25 OTHER EXPENSES

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Rent	57	149
Insurance	50	21
Rates and taxes	28	92
Consumables and stores	9	11
Power, fuel and utilities	92	80
Security charges	39	29
Product development, fabrication and welding	1,319	1,215
Labour charges	268	186
Books, printing and stationery	9	15
Communication expenses	30	39
Repairs to building	22	52
Repairs to machinery	77	104
Repairs to vehicles	15	7
Legal and professional fees	111	122
Director's sitting fees	3	2
Travelling and conveyance	448	338
Freight and forwarding	255	261
Sales commission and promotional expenses	124	272
Provision for warranties	(65)	63
Audit fees	8	7
Bank and other charges	25	30
Corporate social responsibility	49	39
General expenses	2	7
Bad debts written off	22	60
Software annual maintenance	35	38
Loss on sale of assets	-	2
TOTAL	3,032	3,241

Notes: Goods & Service Tax (GST) on purchase of capital assets (vehicles) were expensed under Rates & Taxes. Based on opinion obtained from GST Consultants, the same has been capitalised along with asset and subjected to depreciation. Further excess provision for Rates & Taxes made during FY 2021-22 has been set off during the year.

AUDITORS' REMUNERATION

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Statutory audit	5	4
Other services	3	3
TOTAL	8	7

Note: Amount specified above is excluding GST.

CORPORATE SOCIAL RESPONSIBILITY

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Amount required to be spent by the Company during the year	48	38
Amount of expenditure incurred	49	39
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
BRIEF DETAILS OF CSR ACTIVITIES		
Covid care support	-	21
Education	18	11
General medical support	14	6
Women empowerment	7	-
Support to the aged and disabled	5	1
Environment sustainability	2	-
Welfare of children including special children	2	-
Sports - Paralympic - Distribution of wheelchairs	1	-
TOTAL	49	39

Note 26 TAX EXPENSES

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Current tax	790	1,025
Short-fall/(excess) of previous year(s)	-	-
Deferred tax	164	(65)
TOTAL	954	960

TAX RECONCILIATION

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
PROFIT BEFORE INCOME TAX EXPENSE	3,257	3,504
Tax on income at normal rates	782	875
Tax on long term capital gains	9	312
Tax effect of amounts which are not deductible/ not taxable in calculating taxable income		
(a) Provision for retirement benefits	(16)	(17)
(b) Provision for bad debts	-	(5)
(c) Provision for warranties	15	(95)
(d) Others	-	(45)
INCOME TAX EXPENSE FOR THE YEAR	790	1,025

Note 27 OTHER COMPREHENSIVE INCOME

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Increase in the value of investments	26	25
Tax impact on the same	(7)	(6)
TOTAL	19	19

Note 28 EARNINGS PER SHARE

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Profit after tax	2,303	2,545
Number of equity shares	3,50,00,000	3,50,00,000
Earnings per share	6.6	7.3

Note 29 FINANCIAL INSTRUMENTS

Fair value of assets and liabilities

Rupees In Lakhs

Particulars	As at 31.03.2023				As at 31.03.2022			
	FVTPL	FVOCI	Amortised cost	Total	FVTPL	FVOCI	Amortised cost	Total
FINANCIAL ASSETS-NON-CURRENT								
Non-current investments	1,725	-	-	1,725	975	-	-	975
FINANCIAL ASSETS-CURRENT								
Investments	-	1,402	-	1,402	-	2,015	-	2,015
Trade receivables	-	-	3,051	3,051	-	-	2,755	2,755
Cash and cash equivalents	-	-	155	155	-	-	27	27
Bank balances other than cash & cash equivalents	-	-	3,978	3,978	-	-	3,817	3,817
Loans and advances	-	-	1,360	1,360	-	-	1,548	1,548
TOTAL	1,725	1,402	8,544	11,671	975	2,015	8,147	11,137
FINANCIAL LIABILITIES-CURRENT								
Trade payables	-	-	1,793	1,793	-	-	2,131	2,131
Other financial liabilities	-	-	298	298	-	-	299	299
TOTAL	-	-	2,091	2,091	-	-	2,430	2,430

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 judgements 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: 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 is 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.

Hierarchy of financial assets and liabilities measured at fair value

Rupees In Lakhs

Particulars	As at 31.03.2023		As at 31.03.2022	
	Level 1	Level 2	Level 1	Level 2
FINANCIAL ASSETS - NON-CURRENT				
Investments	-	1,725	-	975
FINANCIAL ASSETS - CURRENT				
Investments	1,402	-	2,015	-

Note: During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of trade receivables, cash and bank balances, other bank balances, non-current loans, current loans, trade payables and other current financial liabilities are considered to be approximately equal to the fair value.

Note 30 FINANCIAL RISK MANAGEMENT

The Company is exposed to risk from its venture in the subsidiary besides credit risk, liquidity risk, commodity risk and market risks. The Company's principal financial liabilities comprise deposits, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include current loans, trade and other receivables, cash and cash equivalents that derive directly from its operations. The Company also holds FVOCI investments in mutual funds. The Company's Senior Management oversees the management of these risks and devises ways to mitigate the same.

Credit risk

The Company is exposed to credit risk from its operating activities primarily in respect of trade receivables.

CREDIT RISK MANAGEMENT

To manage credit risk, the Company follows a policy of providing 30-180 days credit to its domestic customers based on the nature of customers. The credit limit policy is established considering the current economic trends of the industry in which the Company is operating. Further, trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provisions are created accordingly.

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Upto 30 days	1,916	1,515
30-60 days	858	350
60-90 days	114	505
90 days to 6 months	163	384
6 months to 1 year	-	1
1 year to 3 years	-	-
3 years to 5 years	-	-
More than 5 years	-	20
TOTAL	3,051	2,775
Expected credit loss	-	(20)
Net Receivables	3,051	2,755

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – trade payables and other financial liabilities.

LIQUIDITY RISK MANAGEMENT

The Company's management is responsible for liquidity as well as settlement management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of non – derivative financial liabilities

As at 31.03.2023

Rupees In Lakhs

Particulars	Within 6 months	6 months to 1 year	TOTAL
FINANCIAL LIABILITIES-CURRENT			
Trade payables-Micro, small and medium enterprises	823	-	823
Trade payables-Others	970	-	970
Other financial liabilities	298	-	298
TOTAL	2,091	-	2,091

As at 31.03.2022

Rupees In Lakhs

Particulars	Within 6 months	6 months to 1 year	TOTAL
FINANCIAL LIABILITIES-CURRENT			
Trade payables-Micro, small and medium enterprises	518	-	518
Trade payables-Others	1,613	-	1,613
Other financial liabilities	299	-	299
TOTAL	2,430	-	2,430

Market risk

FOREIGN CURRENCY RISK

The Company is exposed to foreign exchange risk on its receivables, payables which are held in USD, EURO and CNY. The fluctuation in the exchange rate of INR relative to USD, EURO and CNY may have a material impact on the Company's assets and liabilities.

FOREIGN CURRENCY RISK MANAGEMENT

In respect of foreign currency transactions, the Company does not hedge its exposures since the Management believes that the premium on hedge will off-set escalations, as payment to foreign suppliers are structured generally for short durations not beyond ninety days from the date of invoice.

NOTES TO THE FINANCIAL STATEMENTS (STANDALONE)

The Company's exposure to foreign currency risk (liabilities) at the end of the reporting period is as under:

Rupees In Lakhs

Particulars	As at 31.03.2023			As at 31.03.2022		
	USD	EUR	CNY	USD	EUR	CNY
FINANCIAL LIABILITIES						
Trade payables-Imports	(416)	-	6	(234)	(5)	(101)
FINANCIAL ASSETS						
Trade Receivables-Exports	-	-	-	-	-	-
NET EXPOSURE TO FOREIGN CURRENCY	(416)	-	6	(234)	(5)	(101)

SENSITIVITY TO FOREIGN CURRENCY RISK

The following table demonstrates the sensitivity to USD, EURO and CNY 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 as at the date of the Balance Sheet.

Particulars	As at 31.03.2023		As at 31.03.2022	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(21)	21	(12)	12
CNY	-	-	(5)	5

Price Risk

The company is exposed to price risk from its investment in mutual fund classified in the Balance Sheet at fair value through profit and loss.

PRICE RISK MANAGEMENT

To manage its price risk arising from the investment, the Company has invested in the mutual fund after considering the risk and return profile of the mutual funds i.e. the debt profile of the mutual fund indicates that the debt has been given to creditworthy banks and other institutional parties and equity investment is made after considering the performance of the stock. However, the entity being risk averse has opted to invest its substantial funds in debt oriented mutual funds.

Sensitivity	As at 31.03.2023	As at 31.03.2022
Impact on profit after tax for 5% increase in NAV	70	100
Impact on profit after tax for 5% decrease in NAV	(70)	(100)

Note 31 CAPITAL MANAGEMENT

The Company's objectives in managing capital includes:

- To safeguard its ability to continue as a going concern, so that it can continue to provide returns to its Shareholders and also benefit other Stakeholders.
- Maintain an optimal capital structure to reduce cost of capital.

Apart from trade payables and other current liabilities, there is no debt subsisting on the Company. Therefore, the Company manages its capital and return to Shareholders by adequately investing in mutual funds, fixed deposits and adjusting the amount of dividend paid to the Shareholders.

Dividends

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
EQUITY DIVIDEND		
Dividend paid during the year	1,400	770
DIVIDENDS NOT RECOGNISED AT THE END OF THE REPORTING PERIOD		
The Board has recommended a dividend of 250 percent which is Rs.5 per Equity Share with total outflow amounting to Rs.1,750 lakhs .		

Note 32 INFORMATION ON JOINT VENTURE AND WHOLLY OWNED SUBSIDIARY

Joint venture

The Joint Venture -Dualrank Fontech- has been closed as per Malaysian Laws. The Authorised Dealer-HDFC Bank-is corresponding with the Reserve Bank of India for final closure as per Indian Laws.

Wholly Owned Subsidiary

Rupees In Lakhs

Particulars	Country of incorporation	Percentage of holding	As at 31.03.2023				Year ended 31.03.2023	
			Assets	Liabilities (External)	Contingent Liabilities	Capital Commitments	Income	Expenditure
3D Future Technologies Private Limited	India	100%	1,197	1,709	-	-	665	1,232

Rupees In Lakhs

Particulars	Country of incorporation	Percentage of holding	As at 31.03.2022				Year ended 31.03.2022	
			Assets	Liabilities (External)	Contingent Liabilities	Capital Commitments	Income	Expenditure
3D Future Technologies Private Limited	India	100%	1,121	1,841	-	-	484	1,030

Note: As per books of accounts of 3D Future Technologies Private Limited without adjustment of inter-segment-transactions between the Holding and Subsidiary

Note 33 CONTINGENT LIABILITIES, CAPITAL AND OTHER COMMITMENTS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Guarantees (Bank and Corporate)	449	556
Disputed Income tax demand under appeal	502	276
Investments lien marked for facilitating working capital loan to the subsidiary	2	2
Market value of lien marked investments	2	2

Notes (i) Amount reflected as part of disputed liability pertains to the principal claim. (ii)Year wise details of income tax demand under appeal:

Rupees In Lakhs

Particulars	Forum where the case is pending/update	As at 31.03.2023	As at 31.03.2022
2013-14	Commissioner (Appeals)	71	71
2014-15	Case closed with order issued for refund	-	34
2016-17	Asst. Commissioner	10	10
2018-19	Commissioner (Appeals)	161	161
2021-22	Commissioner (Appeals)	260	-
TOTAL		502	276

(iii) Income Tax Department had raised claim of rupees forty crores for the Assessment year 2021-22. Simultaneously there was scrutiny assessment in progress which upheld the return of income filed by the Company and confirmed nil demand. In the intermitten, the Company had filed an Appeal and the Commissioner/National Faceless Assessment Centre has confirmed that order passed after the scrutiny assessment will subsist. The Company has approached the Department for negating/deleting the demand being reflected in the Income Tax portal.

Note 34 EMPLOYEE BENEFITS

As per Ind-AS 19 'Employee benefits' disclosure as defined in the Standard are given below:

Brief description of the plans:

The Company has various retiral benefit schemes for employees, broadly categorised in to (i) Defined contribution plans: Provident fund and Superannuation (ii) Defined benefit plan: Gratuity. While provident fund gets paid to the respective departments/authorities as per Statute, month on month; gratuity and superannuation are managed through trusts called 'Cosmics Employees Gratuity Fund' and 'Cosmics Employees Superannuation Fund'. The liability of the Company towards Gratuity and Superannuation funds are defrayed year on year based on actuarial valuation and fifteen percent of the salary (basic plus dearness allowance) in respect of applicable employees, respectively.

Employee welfare benefit: The Company provides for leave encashment facility subject to a maximum carry forward of leave to the extent of sixty days, (enhanced to 180 days from April 01, 2023). Amount towards balance of unavailed leave reckoned on basic plus dearness allowance on the basis of last pay drawn, gets paid to the employee on cessation. The Company has funded its liability towards leave encashment through the aegis of the Life Insurance Corporation of India (LIC).

Contribution plan, recognized as expense for the year are as under

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Provident fund	135	126
Employees state insurance corporation	2	2
Superannuation fund	121	88
Gratuity fund	40	25
Leave salary	-	61
TOTAL	298	302

Note: The Company causes Actuarial Valuation for Gratuity and Leave encashment liability year on year. As per Actuarial valuation, funding by the Company was sufficient in respect of leave encashment and hence no further provision/expense was made during FY 2022-23.

Gratuity (Funded Scheme)

Valuation in accordance with Accounting Standard IND-AS 19

ASSUMPTIONS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Discount rate (per annum)	7.4%	6.7%
Salary escalation rate	8.0%	8.0%
ATTRITION RATE		
21-30 years	23%	41%
31-40 years	16%	10%
41-57 years	10%	7.0%
Normal retirement age	58 years	58 years
Mortality rate - Indian Assured Lives Mortality (2012-2014) published by the Institute of Actuaries of India.		

CHANGES IN FAIR VALUE OF PLAN ASSETS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Opening fair value of plan assets	539	506
Employer's contribution (outstanding of previous year)	25	42
Return on plan assets	30	23
Re-measurements: Actual return on plan assets less interest on plan assets	(24)	30
Benefits paid	(33)	(62)
Closing fair value of plan assets	537	539

NOTES TO THE FINANCIAL STATEMENTS (STANDALONE)

CHANGES IN DEFINED BENEFIT OBLIGATION

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Opening defined benefit obligation	564	528
Current service cost	30	29
Interest on defined benefit obligation	30	23
RE-MEASUREMENTS DUE TO:		
Actuarial loss/(gain) arising from change in financial assumptions	(14)	13
Actuarial loss/(gain) arising from change in demographic assumptions	(5)	5
Actuarial loss/(gain) arising on account of experience changes	5	28
Benefits paid	(33)	(62)
Closing defined benefit obligation	577	564

CHARGE TO THE STATEMENT OF PROFIT AND LOSS

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Closing value of defined benefit obligation	577	564
Closing value of plan assets	537	539
Charge to the statement of profit and loss	40	25

AMOUNT CARRIED FORWARD IN THE BALANCE SHEET

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Liability for the financial year	40	25
Contribution/adjustment made during the year	(19)	-
Balance carried forward to be expensed/paid in the next financial year	21	25

SENSITIVITY ANALYSIS

Particulars	As at 31.03.2023	As at 31.03.2022
DISCOUNT RATE		
Impact of increase in 100 bps on DBO	(3%)	(3.9%)
Impact of decrease in 100 bps on DBO	3.4%	4.3%
SALARY ESCALATION RATE		
Impact of increase in 100 bps on DBO	3%	4%
Impact of decrease in 100 bps on DBO	(2.9%)	(3.7%)
LEAVING SERVICE RATE		
Impact of increase in 100 bps on DBO	(0.1%)	(0.3%)
Impact of decrease in 100 bps on DBO	0.1%	0.3%

Compensated absences

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Defined benefits obligation at the beginning of the year	-	-
Add: Expenses related to the current year	-	61
Less: Payments made or contribution to the policy account	(92)	(104)
Defined benefits obligation at the end of the year	(92)	(43)

BREAK-UP OF COMPENSATED ABSENCE BENEFITS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Non current liability	-	-
Current liability	(92)	(43)

Notes: (i) The key actuarial assumptions to which the benefit obligation results are particularly sensitive to the discount factors, estimate rate of return on plan assets, future salary escalation rate and assumed attrition rate. (ii) Not being their domain area, both Management and Auditors have relied on the expert opinion/report of the Actuary in respect of employee benefit valuation.

Note 35 RELATED PARTY TRANSACTIONS

Related party Disclosures as per Accounting Standard IND-AS 24.

Names of related parties and description of relation

Particulars	Related parties
PROMOTER	J B Advani and Company Private Limited
ASSOCIATE COMPANIES	Ador Welding Limited
	Ador Powertron Limited
	Ador Multiproducts Limited
	1908 E-Ventures Private Limited (Subsidiary of Ador Multiproducts)
WHOLLY OWNED SUBSIDIARY	3D Future Technologies Private Limited (3DFT)
KEY MANAGEMENT PERSONNEL	Mr. Aditya Tarachand Malkani - Chairman
	Mr. H P Ledwani - Managing Director & CEO
	Ms. Geetha D, Company Secretary & CFO
RELATED PERSONNEL	Ms. Tanya Advani
RELATIVES OF KEY MANAGEMENT PERSONNEL	Mrs. Shirin Malkani - W/o Mr. Aditya T Malkani
	Mrs. Sunila H Ledwani - W/o. Mr. H P Ledwani

Transactions with related parties

Rupees In Lakhs

Relationship/name of the related party	Description of the nature of transactions	Value of the transactions	
		Year ended 31.03.2023	Year ended 31.03.2022
(i) ASSOCIATE COMPANIES			
J B Advani and Co. Private Limited	Dividend paid	369	-
	Security deposits received	(8)	-
	Rent paid	-	32
Ador Welding Limited	Purchase of capital goods	-	14
	Purchase of manufactured goods	189	147
	Purchase of traded goods	187	184
	Rent deposit paid	1	-
	Sale of products	(253)	(175)
	Rent paid	3	3
	Recovery of expenses	(4)	-
Ador Powertron Limited	Loan provided	700	700
	Loan repaid	(700)	(700)
	Interest on loan - Income	(55)	(52)
	Purchase of capital goods	1	-
	Reimbursement of professional fees	5	-
	License fee paid	4	-
	Website maintenance	14	-
3D Future Technologies Private Limited	ICD - Repaid by 3DFT/Adj.	(154)	(110)
	ICD- Paid to 3DFT (Previous year-take over of HDFC Bank loan)	80	747
	Interest earned on ICD	(110)	(78)
	Equity share capital	750	-
	Lease rent received	(30)	(41)
Ador Multiproducts Limited	Purchase of manufactured goods	1	-
1908 E- Ventures Private Limited	Lease rent received	(1)	-
(ii) KEY MANAGERIAL PERSONNEL (KMPS)			
	Aggregate of salaries	299	303
(iii) RELATED PERSONNEL			
	Remuneration	101	90
(iv) RELATIVES OF KMP			
	Consultancy fees paid	4	-
	Rent	25	24

Balances to related parties

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
J B Advani and Company Private Limited	-	8
Ador Welding Limited - Receivable	1	2
3D Future Technologies Private Limited	1,165	1,239

Maximum balance during the year

Rupees In Lakhs

Particulars	As at 31.03.2023		As at 31.03.2022	
	Dr.	Cr.	Dr.	Cr.
Ador Welding Limited-Receivable	-	124	37	49
3D Future Technologies Private Limited-Inter Corporate Deposit	1,165	-	1,239	-

Notes*: (i) Remuneration has been reckoned on total amounts defrayed.(ii) Provision for gratuity and leave encashment are determined for the Company as a whole and with liability not crystallising on the individuals, segregation was not feasible.

Note 36 MICRO AND SMALL ENTERPRISES

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2023. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

DISCLOSURE REQUIREMENT UNDER MSMED ACT, 2006

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	823	518
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Note 37 LEASE ARRANGEMENTS-OPERATING LEASE

The Company has entered in to cancellable operating lease with an option to renew in respect of certain offices and residential premises.

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Lease payments for the year	57	149
Lease tenure	11 months	11 months
Lease amount payable-not later than 1 year	58	57
Lease amount payable later than one year but not later than five years	-	-
Lease amount payable later than five years	-	-

Note 38 SEGMENT REPORTING

As per para 12 of Ind-AS-108, two or more operating segments may be aggregated in to a single operating system, if aggregation is consistent with the core principle of Ind-AS, with the segments having similar economic characteristics and are similar in each of the following respects:

- (i) The nature of products and services
- (ii) The nature of production process
- (iii) The type or class of customers for the products and services
- (iv) The methods used to distribute products or provide services
- (v) The nature of regulatory environment, as applicable

Based on the same, the Company views its business operations in a holistic manner and not as segments. Hence segment reporting being not applicable, the same has not been presented. Further, it would suffice to state that in terms of geographical operations, the Company's operations are concentrated in India.

Note 39 DETAILS PERTAINING TO WARRANTIES

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Opening balance	380	335
Add: Provisions during the year	(65)	63
Less: Amount defrayed during the year	(84)	(18)
Closing balance	231	380

Note 40 CONTRACTUAL LIABILITIES

All contractual liabilities connected with business operations of the Company have been appropriately provided for.

Note 41 REALISATIONS

In the opinion of the Board and to the best of its knowledge and belief, the value on realisation of current assets, loans and advances, will in the ordinary course of business be not less than the amounts at which they are stated in the Balance Sheet.

Note 42 TRANSFER PRICING

The Management is of the opinion that its transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for tax. External Auditors conduct audit on transfer pricing and reports are filed as per the provisions of the Income Tax.

Note 43 PREVENTION OF BENAMI TRANSACTIONS AND MONEY LAUNDERING

As a responsible corporate entity, we are committed to preventing and combating illicit financial activities, such as benami transactions and money laundering. The following measures have been implemented to prevent such activities:

Enhanced compliance framework

- (i) We have a robust anti-money laundering (AML) policy in place, which outlines the procedures and controls for identifying and mitigating the risk of money laundering and terrorist financing.
- (ii) Our employees receive regular training on AML regulations and procedures to ensure their compliance with the policy.
- (iii) We conduct periodic risk assessments to identify and address potential areas of vulnerability to money laundering and benami transactions.

Improved due diligence process

- (i) We have a comprehensive Know Your Customer (KYC) process in place to verify the identity of our customers and their sources of funds.
- (ii) We conduct enhanced due diligence measures for high-risk-customers and transactions
- (iii) We also monitor our customers' transactions to identify any suspicious activities.

Strengthened internal controls

- (i) We have implemented strong internal controls, including segregation of duties, to prevent and detect fraudulent activities and transactions.
- (ii) We have a whistle-blower policy in place, which allows our employees to report any suspected or actual instances of money laundering or benami transactions without fear or retaliation.
- (iii) We remain committed to preventing and combatting illicit financial activities and we will continue to review and update our policies and procedures to ensure compliance with relevant Regulations and Best Practices.

Note 44 GENERAL RESERVE

The Board has elected to transfer an amount of rupees four hundred and eleven lakhs to the General reserve for the financial year 2022-23.

Note 45 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company did not have any relationship with struck off companies.

Note 46 UTILISATION OF BORROWED FUNDS & SHARE PREMIUM

(I) The Company is debt free. (ii) Balance in share premium account is nil.

Note 47 UNDISCLOSED INCOME

There were no proceedings initiated against the Company regarding undisclosed income which needs to be disclosed during the current year.

Note 48 BORROWINGS OBTAINED ON THE BASIS OF SECURITY

The Company has working capital limits sanctioned by the HDFC Bank Limited based on the security of current assets and fixed deposits. As per the sanction, limits can be swapped between funded and non-funded requirements.

As on March 31, 2023 the Company has availed only bank guarantees and continues to be debt free. Therefore, submission of statements to the bank is not applicable to the Company.

Note 49 REGISTRATION AND SATISFACTION OF CHARGE

Charges have been duly registered and there is no charge pending for registration beyond the stipulated time period.

Note 50 DISCREPANCY IN UTILISATION OF BORROWINGS

As on March 31, 2023 the Company continues to be debt free. Therefore, discrepancy report is not applicable.

Note 51 COMPLIANCE WITH RESPECT TO NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

Note 52 CRYPTOCURRENCY OR VIRTUAL CURRENCY

The Company has not made any trade in crypto currency or virtual currency during the year.

Note 53 WILFUL DEFAULTERS

The Company has not been declared as wilful defaulter by any bank/financial institution or any other lenders.

Note 54 FINANCIAL RATIOS

Please refer 'Ratio Analysis' - Page numbers 47 and 48.

Note 55 AMOUNT IN THE FINANCIAL STATEMENTS

Amounts in the financial statements are rounded off to the nearest lakh and have been re-grouped whenever necessary.

A T MALKANI
Chairman
DIN 01585637

For and on behalf of the Board of Directors
H P LEDWANI
Managing Director & CEO
DIN 00040629

GEETHA D
Company Secretary & CFO
Bengaluru, May 29, 2023

As per our report of even date attached
For PRAVEEN & MADAN
Praveen Kumar N-Membership No: 225884
Firm Registration no.:011350S
UDIN: 23225884BGVJXY7383
Peer Review Certificate No.: 014926
Bengaluru, May 29, 2023



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Azadi Ka
Amrit Mahotsav





CARING BEYOND PROFIT

Unleashing Social Good through
Corporate Social Responsibility

AUDITORS'
REPORT
(CONSOLIDATED)

INDEPENDENT AUDITORS' REPORT

To
The Members
Ador Fontech Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Ador Fontech Limited ('the Company') and its subsidiary-3D Future Technologies Private Limited (the Company and its subsidiary together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at March 31, 2023, 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 for the year ended on that date and a summary of significant 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 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind-AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated profit (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards 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 Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act & the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
<p>REVENUE RECOGNITION</p> <p>Revenue from sale of goods (hereinafter referred to as 'Revenue') is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance.</p> <p>The timing of recognition of revenue in case of products is when control over the same is transferred to the customer, upon delivery. The performance obligations are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on the customer's terms.</p>	<p>PRINCIPAL AUDIT PROCEDURES</p> <p>Our audit procedures, related to revenue recognition, included, but were not limited, to the following:</p> <ul style="list-style-type: none"> • Assessed the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ('Revenue from contracts with customers') and testing thereof. • Evaluated the design and operating effectiveness of the Company's controls (including automated controls) around revenue recognition (including rebates / discounts). • Tested the effectiveness of such controls over revenue cut off at year end by selecting samples and verified the same with underlying documents, which included shipping documents, loading receipt, gate register. We carried out a combination of procedures involving inquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. • Inspected the samples of sales return and checked the appropriateness of sales return accounted in the books by verifying its approval from authorised person and goods inward note. • Selected a sample of continuing & new contracts and performed the following procedures: <ul style="list-style-type: none"> (i) Read, analysed and identified the performance obligations in these contracts. (ii) Compared these performance obligations with that identified and recorded by the Company. (iii) Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration; and (iv) Determined the allocation of transaction price to identify performance obligations in the contract. • Scrutinised sales ledgers to verify completeness of sales transactions. • We performed substantive testing by extracting samples of revenue transactions recorded during the year by verifying the underlying documents, which included shipping documents, lorry receipts, sale orders, approved price list, proper recording in ledger of receivables etc. • Performed analytical procedures on current year revenue based on overall revenue recognised, customer wise analysis, product wise analysis and where appropriate, conducted further enquiries and testing. • Obtained balance confirmations for samples of customers selected and reviewed the reconciling items, if any. • Tested the related disclosures made in the Financial Statements in accordance with Ind AS 115.
<p>DIRECT TAX BALANCES</p> <p>The Company has uncertain tax positions including matters under appeal and for reconsideration, which involves significant judgement to determine the possible outcome of the decisions.</p>	<p>Obtained details of completed tax assessments and demands for the year ended March 31, 2023 from the Management. We involved our internal experts to challenge the Management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating the Management's position on these uncertain tax positions. The same have also been reflected as part of contingent liabilities in the notes to the accounts.</p>

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises information included in the Board's Report including annexures to the Board's report comprising Management Discussion and Analysis Report, Corporate Governance, Shareholders' information etc. but does not include the Consolidated Financial Statements and our Auditors' report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do 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 and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind-AS and other accounting principles generally accepted in India including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for (a) Maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing/detecting frauds and other irregularities. (b) Selection and application of appropriate accounting policies. (c) Making judgements and estimates that are reasonable and prudent and (d) Design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 Management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for 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 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 judgement 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 the internal controls.
- Obtain an understanding of internal financial controls 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 and its subsidiary company which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the 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 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 information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of audit of the financial statements of such entities included in the Consolidated Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 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 consequence of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(i) We did not audit the financial statements of the wholly owned subsidiary, whose financial statements on standalone basis reflect net worth, revenue and profit/(loss) after tax as below:

Particulars*	Rupees In Lakhs	
	2022-23	2021-22
Net worth	(512)	(720)
Revenue	665	484
Profit/(loss) after tax	(546)	(414)

*We have considered hundred percent of the subsidiary company (3DFT), as it is wholly owned by the Company.

Further, the financial statements of the wholly owned subsidiary company have been audited by other Auditors' whose reports have 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 the subsidiary is based solely on the reports of the other Auditors.

(ii) The Holding Company had migrated to a new accounting software - Ramco System - with effect from April 1, 2021. The system facilitates audit trail to verify and validate data. As regards the accounting package used by the Subsidiary we have relied upon the validation of their Auditors.

(iii) Our opinion on the Consolidated Financial Statements and our report on other legal and regulatory requirements below, are not modified in respect of our reliance on the work done by and the reports of the other Auditors.

Report on Other Legal and Regulatory Requirements

I. As required by Section 143(3) of the Act, based on our audit we report that:

- 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.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept in so far as it appears from our examination of those books.
- The reports on the accounts of the Subsidiary and the Branch office of the Holding Company audited under Section 143(8) of the Companies Act by the Other Auditors have been sent to us and have been properly dealt with by us in preparing this report and such reports does not contain any qualifications or adverse remarks by the respective Auditors.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), 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.
- In our opinion, the aforesaid Consolidated Financial Statements comply with Ind-AS as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of written representations received from the Directors as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the Statutory Auditors of the Subsidiary Company incorporated in India, none of the Directors of the Group incorporated in India is disqualified as on March 31, 2023 from being appointed as a Director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A' which is based on the Auditor's reports of the Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting, for reasons stated therein.
- 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, (as amended) in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - (ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary company incorporated in India
- (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources of kind of funds) by the Holding Company or its Subsidiary company incorporated in India to or in any other persons or entities, 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 ('ultimate beneficiaries') by or on behalf of the Holding Company or its Subsidiary Company incorporated in India or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its Subsidiary Company incorporated in India, from any persons or entities, including foreign entities ('Funding parties') with the understanding whether recorded in writing or otherwise, that the Holding Company or its Subsidiary Company incorporated in India shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ('ultimate beneficiaries') by or on behalf of the funding parties or provide any guarantee, security of the like form or on behalf of the ultimate beneficiaries. Based on such audit procedures as 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 (d)(i) and (d)(ii) of the Companies (Audit and Auditors) Rules (as amended) contains any material mis-statement.

- The dividend declared or paid during the year (only by the Holding Company) is in compliance with Section 123 of the Companies Act.
 - In terms of the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143 (11) (Paragraph 3) (sub-clause- xxi), there have been no qualifications or adverse remarks by the Auditors of the Subsidiary Company.
- II. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us and based on the CARO reports issued by us for the Company and the Auditors of the Subsidiary, included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that the Group has taken cognizance of losses being incurred by the Subsidiary and based on Report of Independent Valuers Projection of Revenue growth, Nil debt status and Maintenance of schedule payments to Creditors & other Suppliers, status quo was maintained as a going concern by the Management of 3D Future Technologies Private Limited.
- III. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its Directors during the year is in accordance with the provisions of Section 197 of the Companies Act, 2013.

Bengaluru
May 29, 2023

For PRAVEEN & MADAN
Chartered Accountants

PRAVEEN KUMAR N
Partner (Membership No: 225884)
Firm Registration no.:011350S
UDIN: 23225884BGVJXX6557
Peer Review Certificate No.: 014926

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in the 'Report on Other Legal and Regulatory Requirements' of our report to the Members of Ador Fontech Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of Ador Fontech Limited (hereinafter referred to as the 'Company') and its subsidiary company, which are companies incorporated in India, as of that date.

Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Internal Control Systems 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.

Key Audit Matters	Auditor's Response
Implementation of Enterprise Resource Planning (ERP)	The Holding Company integrated finance and accounts module in the ERP during the financial year 21-22 and the Subsidiary is contemplating to migrate to Microsoft Dynamics in FY 23-24, of which testing have been duly undertaken. These systems facilitate audit trail. During the year, substantive checks were carried out in respect of the accounting package of the Holding Company and in respect of the Subsidiary, efficacy checks are in progress.
The Group's detective and corrective control system	We tested the design and operating effectiveness of the detective and corrective controls of the Holding Company and have relied on the inferences of the Subsidiary Company's Auditors. Based on the same, we found that the systems are effective enough to detect and correct errors, besides are fairly sufficient and appropriate for the nature and complexities of the business of the Group.
Valuation of retiral benefits	We have relied upon the professional expert opinion of the actuarial valuation.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the respective companies 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 ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring orderly and efficient conduct of its business, including adherence to the respective company's policies, safeguarding of its assets, prevention/detection of frauds and errors, accuracy and completeness of 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 over financial reporting of the Company and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established & 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, 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 risks of material misstatement of the 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 internal financial control system over financial reporting of the Company and its subsidiary company, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes those policies and procedures which (i) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the 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 the Management and Directors of the company and (iii) 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

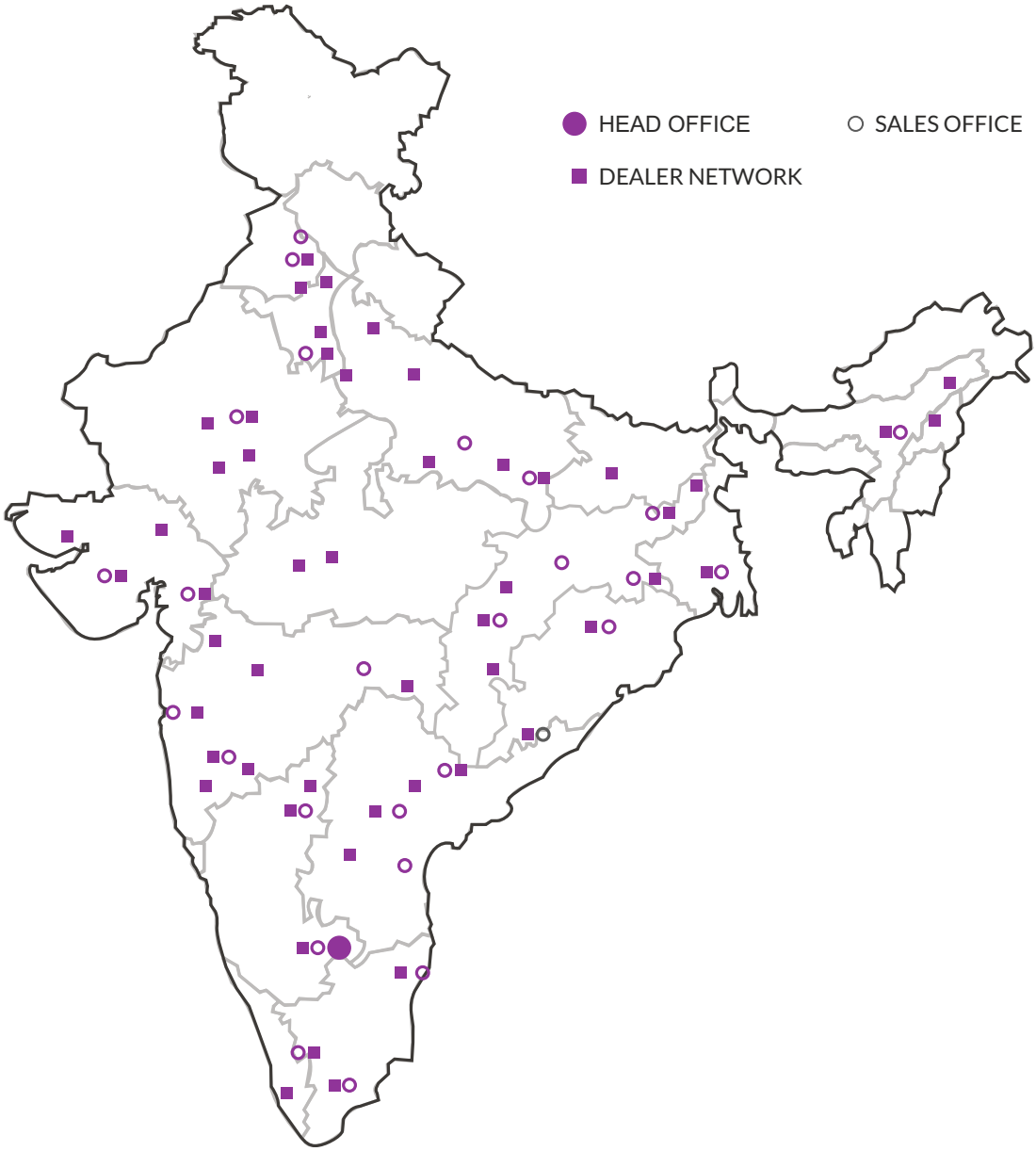
In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, which are companies incorporated in India, have in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the respective companies 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.

Bengaluru
May 29, 2023

For PRAVEEN & MADAN
Chartered Accountants

PRAVEEN KUMAR N
Partner (Membership No: 225884)
Firm Registration no.:011350S
UDIN: 23225884BGVJXX6557
Peer Review Certificate No.: 014926

ADOR FONTECH LIMITED SALES AND SERVICE NETWORK



PERFORMANCE AT A GLANCE



FINANCIAL
STATEMENTS
(CONSOLIDATED)

BALANCE SHEET (CONSOLIDATED)

Rupees In Lakhs

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
ASSETS			
1. NON-CURRENT ASSETS			
Property, plant and equipment	2	2,803	2,921
Intangible assets		123	-
Right of use		9	31
Investments	3	15	15
Deferred tax assets (net)	4	433	584
TOTAL		3,383	3,551
2. CURRENT ASSETS			
Inventories	5	2,294	2,350
Financial Assets			
(i) Investments	6	1,402	2,015
(ii) Trade receivables	7	3,148	2,821
(iii) Cash and cash equivalents	8	270	72
(iv) Other bank balances	9	3,983	3,822
(v) Loans	10	319	404
Other current assets	11	246	416
Current tax assets (net)	12	527	290
TOTAL		12,189	12,190
TOTAL ASSETS		15,572	15,741
EQUITY AND LIABILITIES			
1. EQUITY			
Equity share capital	13	700	700
Other equity	14	11,957	11,578
TOTAL		12,657	12,278
2. LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities	15	4	19
Provisions	16	29	40
TOTAL		33	59
CURRENT LIABILITIES			
(i) Lease liabilities	17	6	12
(ii) Trade payables	18		
Total outstanding due to Micro, small and medium enterprises (MSME)		824	519
Total outstanding due to creditors other than MSME		1,005	1,663
(iii) Other financial liabilities	19	394	397
Other current liabilities	20	491	448
Provisions	21	162	365
TOTAL		2,882	3,404
TOTAL EQUITY AND LIABILITIES		15,572	15,741

A T MALKANI
Chairman
DIN 01585637

For and on behalf of the Board of Directors
H P LEDWANI
Managing Director & CEO
DIN 00040629

GEETHA D
Company Secretary & CFO
Bengaluru, May 29, 2023

As per our report of even date attached
For PRAVEEN & MADAN
Praveen Kumar N-Membership No: 225884
Firm Registration no.:011350S
UDIN: 23225884BGVJXX6557
Peer Review Certificate No.: 014926
Bengaluru, May 29, 2023

STATEMENT OF PROFIT AND LOSS (CONSOLIDATED)

Rupees In Lakhs

Particulars	Note No.	Year ended 31.03.2023	Year ended 31.03.2022
1. INCOME			
(i) Revenue from operations	22	21,423	20,957
(ii) Other income	23	293	452
TOTAL		21,716	21,409
2. EXPENSES			
Cost of materials consumed	24	6,078	4,651
Purchase of stock-in-trade	25	6,195	6,454
Changes in inventories of work-in-progress, finished goods & stock-in-trade	26	27	338
Employee benefit expenses	27	2,866	3,016
Depreciation and amortisation expenses		358	316
Finance cost	28	3	5
Other expenses	29	3,500	3,669
TOTAL		19,027	18,449
3. PROFIT BEFORE TAX		2,689	2,960
4. TAX EXPENSES	30		
(i) Current tax		790	1,025
(ii) Deferred tax		143	(198)
TOTAL		933	827
5. NET PROFIT AFTER TAX (3-4)		1,756	2,133
6. OTHER COMPREHENSIVE INCOME	31		
Items that will not be reclassified to profit or loss in subsequent periods			
Net (loss)/gain on fair market valuation of assets		26	25
Actuarial gains/(losses) on retirement benefits		6	-
Less: Income tax effect on the above		(9)	(6)
TOTAL		23	19
7. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (5+6)		1,779	2,152
8. EARNINGS PER EQUITY SHARE	32		
Basic and diluted (in Rs.)		5.0	6.1
Face value of equity share (in Rs.)		2.0	2.0
Significant accounting policies	1		
Notes to the financial statements	2-60		
The accompanying notes 1 to 60 form an integral part of the consolidated financial statements			

A T MALKANI
Chairman
DIN 01585637

For and on behalf of the Board of Directors
H P LEDWANI
Managing Director & CEO
DIN 00040629

GEETHA D
Company Secretary & CFO
Bengaluru, May 29, 2023

As per our report of even date attached
For PRAVEEN & MADAN
Praveen Kumar N-Membership No: 225884
Firm Registration no.:011350S
UDIN: 23225884BGVJXX6557
Peer Review Certificate No.: 014926
Bengaluru, May 29, 2023

CASH FLOW STATEMENT (CONSOLIDATED)

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AS PER STATEMENT OF PROFIT AND LOSS	2,689	2,960
Add/(Less): Depreciation, amortisation and impairment	358	316
Non operating income including interest income	(293)	(452)
Finance cost	3	5
Other comprehensive income	32	25
Non cash items	(1)	3
OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL	2,788	2,857
Adjustments for: Trade receivables	(327)	(67)
Inventories	56	218
Current investments	613	(443)
Loans provided	85	85
Current tax assets	(237)	90
Other current assets	170	(275)
Trade payables	(353)	282
Lease liabilities	(21)	78
Other financial liabilities	(3)	-
Other current liabilities	43	214
Current provisions	(203)	(62)
OPERATING PROFIT AFTER CHANGES IN WORKING CAPITAL	2,611	2,977
Direct taxes paid (net of refund)	(790)	1,025
NET CASH FROM OPERATING ACTIVITIES (A)	1,821	1,952
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE, Intangible assets, ROU & CWIP	(341)	(198)
Other bank accounts	(161)	(1,173)
Purchase and sale of investments (net)	-	(192)
Non operating income	293	452
NET CASH FROM INVESTING ACTIVITIES (B)	(209)	(1,111)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(decrease) in non current liabilities	(11)	(51)
Finance costs	(3)	(5)
Dividend paid including tax	(1,400)	(770)
NET CASH FROM FINANCING ACTIVITIES (C)	(1,414)	(826)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	198	15
Opening balance of cash and cash equivalents	72	57
Closing balance of cash and cash equivalents	270	72
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Balances with banks in current accounts	270	72

A T MALKANI
Chairman
DIN 01585637

For and on behalf of the Board of Directors
H P LEDWANI
Managing Director & CEO
DIN 00040629

GEETHA D
Company Secretary & CFO
Bengaluru, May 29, 2023

As per our report of even date attached
For PRAVEEN & MADAN
Praveen Kumar N-Membership No: 225884
Firm Registration no.:011350S
UDIN: 23225884BGVJXX6557
Peer Review Certificate No.: 014926
Bengaluru, May 29, 2023

EQUITY SHARE CAPITAL

Reporting Period

Balances at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Rupees In Lakhs	
				Balance at the end of the current reporting period	
CURRENT PERIOD					
700	-	-	-	700	
PREVIOUS PERIOD					
700	-	-	-	700	

EQUITY SHARE CAPITAL

Other Equity As At March 31, 2023

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Other Comprehensive Income (OCI)			Money received against Share Warrants	TOTAL
			Capital Reserve	Securities Premium	Other Reserves	Retained Earnings	Effective portion of cash flow hedges	Revaluation Surplus	Other items of OCI		
Balance at the beginning of the current reporting period	-	-	-	-	7,889	3,518	-	-	177	-	11,584
Net profit/(loss) for the year	-	-	-	-	-	1,756	-	-	-	-	1,756
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-
Total OCI for the current year	-	-	-	-	-	-	-	-	23	-	23
Dividends	-	-	-	-	-	(1,400)	-	-	-	-	(1,400)
Transfer from retained earnings to general reserve	-	-	-	411	-	(411)	-	-	-	-	-
Any other changes (Open bal adj.)	-	-	-	-	-	-	-	-	(6)	-	(6)
Balance at the end of the current reporting period	-	-	-	8,300	-	3,463	-	-	194	-	11,957

EQUITY SHARE CAPITAL

Other Equity As At March 31, 2022

STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)

Rupees In Lakhs

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Other Comprehensive Income (OCI)			Money received against Share Warrants	TOTAL
			Capital Reserve	Securities Premium	Other Reserves	Retained Earnings	Effective portion of cash flow hedges	Revaluation Surplus	Other items of OCI		
Balance at the beginning of the current reporting period	-	-	-	-	7,489	2,549	-	-	158	-	10,196
Net profit/(loss) for the year	-	-	-	-	-	2,133	-	-	-	-	2,133
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-
Total OCI for the current year	-	-	-	-	-	-	-	-	19	-	19
Dividends	-	-	-	-	-	(770)	-	-	-	-	(770)
Transfer from retained earnings to general reserve	-	-	-	-	400	(400)	-	-	-	-	-
Any other changes	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	-	7,889	3,512	-	-	177	-	11,578

DETAILS OF PROMOTER'S HOLDING

Particulars	As at March 31, 2022		As at March 31, 2023		% change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
PROMOTER					
J B Advani and Company Pvt. Ltd.	92,13,301	26.32%	92,13,301	26.32%	-
PROMOTER GROUP					
Mr. Aditya Tarachand Malkani	15,86,452	4.53%	15,86,452	4.53%	-
Mr. Ajit T Mirchandani	1,47,460	0.42%	1,47,460	0.42%	-
Ms. Aruna Bhagwan Advani	9,01,000	2.57%	9,01,000	2.57%	-
Mr. Deep Ashda Lalvani	39,774	0.12%	39,774	0.12%	-
Ms. Michelle Gulu Malkani	83,700	0.24%	83,700	0.24%	-
Ms. Ninotchka Malkani Nagpal	7,60,700	2.18%	7,60,700	2.18%	-
Ms. Rajbir Tarachand Malkani	5,21,327	1.49%	5,21,327	1.49%	-
Mr. Ravin A Mirchandani	11,910	0.03%	11,910	0.03%	-
Ms. Reshma Ashda Lalvani	97,000	0.28%	97,000	0.28%	-
Ms. Shirin Aditya Malkani	1,81,918	0.52%	1,81,918	0.52%	-
Ms. Tania Ajit Mirchandani	1,50,000	0.43%	1,50,000	0.43%	-
Ms. Vimla Ashda Lalvani	32,722	0.09%	32,722	0.09%	-
Ms. Tanya Halina Advani	1,800	0.01%	1,800	0.01%	-
Ms. Gulshan Gulu Malkani	-	-	-	-	-
TOTAL	1,37,29,064	39.23%	1,37,29,064	39.23%	-
PROMOTER OF 3DFT					
Ador Fontech Limited	1,12,80,528	100%	97,50,000	100%	-

Notes:

- (i) Equity Share Capital/ Total number of share
Ador Fontech Limited: 3,50,00,000
3D Future Technologies Private Limited (3DFT): 1,12,80,528
- (ii) Percent to total shares: Computed on the total share capital of the respective companies
- (iii) 3D Future Technologies Private Limited (3DFT) is the wholly owned subsidiary of Ador Fontech Limited

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November 29, 2012 | Singapore

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top 200 small and midsize companies

NOTES TO
THE FINANCIAL
STATEMENTS
(CONSOLIDATED)

Note 1

COMPANY INFORMATION

Holding company

The world has limited supply of mineral resources and depletion rate resulting from continuously improving economic growth is very high. Reclamation and recycling of vital machinery components, therefore assumes high priority. Ador Fontech Limited (referred to as 'ADFL') is dedicated to the supply of products, services and solutions that help in the conservation of mineral resources as well as in reducing downtime and inventory costs. For more details about the Company kindly log on to www.adorfon.com.

Subsidiary company

3D Future Technologies Private Limited (referred to as '3DFT') is an experiential Indian Company promoted by Ador Fontech Limited, which is registered under the provisions of the Companies Act, 2013 to explore business opportunities in three dimensional printing to support dental health care industry. Currently, the Company provides aligners and services related to Orthodontic treatment. For more details about the Company kindly log on to www.3dfuturetechnologies.com.

BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

Basis of preparation and compliance with Ind-AS

- These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind-AS') as notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.
- The financial results of the subsidiary company was approved at the meeting of the Board of Directors of 3DFT on May 22, 2023 and the consolidated results at the meeting of the Board of Directors of Ador Fontech Limited on May 29, 2023. The Chairman, Managing Director & CEO and Company Secretary & CFO have been authorised to execute their signatures in confirmation of the statements.

Use of estimates and critical accounting judgements

The preparation of financial statements is in conformity with Ind-AS which requires the Management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities as on the date of financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent, 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 materialises.

Estimates and underlying assumptions are reviewed on a ongoing basis. Revisions to accounting estimates are recognised in and from the period in which the estimate gets revised.

This note provides an overview of the areas that involve a higher degree of judgement 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.

Basis of measurement

The Ind-AS financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind-AS.

FAIR VALUE MEASUREMENT

The Group measures financial instruments at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing their asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value of measurement for disclosure purpose in these financial statements is determined on the above basis, except for (i) share based payment transactions that are within the scope of Ind-AS 102 (ii) leasing transactions that are within the scope of Ind-AS 17 and (iii) measurements that have some similarities to fair value, such as net realisable value as per Ind-AS 2 or value in use as per Ind-AS 36.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

LEVEL 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities. For example: Listed equity instruments that have quoted market price.

LEVEL 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. The fair value of financial instruments that are not traded in an active market (for example: working capital instruments, traded bonds, over the counter derivatives).

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This is the case for unlisted equity securities, contingent consideration and indemnification asset.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of nature, characteristics and risks of the asset or liability and level of fair value hierarchy as explained above.

Functional and presentation currency

These Ind-AS Financial Statements are prepared in Indian Rupee which is the Group's functional currency and represented in lakhs.

SIGNIFICANT ACCOUNTING POLICIES

The Group has applied the following accounting policies to all periods presented in the Ind-AS Financial Statements.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of, discounts, volume rebates, outgoing GST (Goods and Service Tax) and other indirect taxes.

It may be pertinent to note that Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from the revenue.

Revenue from sales is recognised when all significant risks and rewards of ownership of the commodity sold are transferred to the customer which generally coincides with delivery. Realisations from sale of by-products are included in revenue.

Export benefits are accounted on recognition of export sales. Dividend income is recognised when the right to receive payment is established. Interest income is recognised using effective rate of interest method.

Property, plant and equipment

INTANGIBLE ASSETS

The Group has elected to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as at the transition date to Ind-AS, measured as per the previous GAAP and has used that carrying value as the deemed cost, pursuant to the exemption under Ind-AS 101 'First-time Adoption of Indian Accounting Standards'.

The Group provides depreciation on all assets reckoned on written down value basis over its useful life, which is in line with Schedule II of Companies Act, 2013 except (i) Leasehold land which is amortised over the period of lease and/or (ii) Where the Management opines for a specific useful life based on technical evaluation.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalised if the recognition criteria are met.

When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant & equipment and are recognised in other income/other expenses in the statement of profit and loss. An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is de-recognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

CAPITAL WORK-IN- PROGRESS

Assets in the course of construction are capitalised in the capital work-in-progress account. At the point when an asset is capable of operating in the manner intended by the Management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Cost associated with commissioning of an asset is capitalised when the asset is available for use, but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during trial period is credited to the capital work-in-progress.

DEPRECIATION

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and provisions, if any, for impairment. Depreciation commences when the asset is ready for its intended use. Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost less estimated residual value, of each asset on a written down value basis over its expected useful life determined by the Management based on Regulations and Technical estimates, which are as follows:

Description	Holding company	Subsidiary company
Plant and equipment	15 years	02-15 years
Furniture and fixtures	10 years	10 years
Office equipment	5 years	04-05 years
Electrical installations	10 years	10 years
Lease hold land	Over the period of lease	Over the period of lease
Other assets	As per Companies Act, 2013	As per Companies Act, 2013
Management estimates	Based on requirements	Useful life of 3D dental printer machine is estimated to be eight years

Intangible assets

The Group has elected to continue with the carrying value of all of its Intangible assets as recognised in the financial statements as at the transition date to Ind-AS, measured as per the previous GAAP and has used that carrying value as the deemed cost as at the transition date pursuant to exemption provided under Ind-AS 101 'First -time Adoption of Indian Accounting Standards'. The useful lives of intangible assets are assessed as either finite or indefinite. The Group currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate and are treated as changes in accounting estimates. The amortisation expense on intangible assets are recognised in the statement of profit and loss unless such expenditure forms part of the carrying value of another asset. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Investments

Subsidiaries are entities that are controlled by the Company. The Company controls an entity when the Company is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. Investments in subsidiaries are accounted at cost less impairment, if any

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Investments in joint ventures are accounted at cost less impairment, if any.

Investments in subsidiary and joint venture are accounted at cost less impairment, if any, in accordance with Ind AS-27.

Title deeds, valuation and verification

In respect of immovable properties owned by the Group, title deeds are held in the name of the Group.

The Group has not undertaken revaluation of properties during the financial year 2021-22.

The Group has undertaken physical verification of inventories during and at the end of the year. No major discrepancies were noticed.

Investments and financial assets

CLASSIFICATION

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- 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 the 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 entity 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 entity reclassifies debt investments when and only when its business model for managing those assets changes.

MEASUREMENT

At initial recognition, the Group measures a financial asset at its fair value and in the case of a financial asset not at fair value through profit or loss at transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value are expensed in the profit and loss account.

MEASUREMENT OF DEBT INSTRUMENTS

Subsequent measurement of debt instruments depends on the entity'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 the 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 the 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 : 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 the statement of profit or 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

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach, permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

DE-RECOGNITION OF FINANCIAL ASSETS

A financial asset is derecognised only when:

- (i) The Group has transferred the rights to receive cash flows from the financial asset or,
- (ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Cash and cash equivalents

CASH AND BANK BALANCES

Cash and cash equivalents in the Balance Sheet comprise cash at banks in current accounts, cash on hand and cheques pending deposits.

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Fixed deposits with banks and unclaimed dividend balances (including pending transfers subject to Investor Education Protection Fund Regulations) are reflected under bank balances other than cash and cash equivalents.

Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU's) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations. They are prepared separately for each of the Company to which individual assets are allocated.

Impairment losses of continuing operations including impairment on inventories are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's (Cash generating unit's) recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount, since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in the prior years. Such reversal is recognised in the statement of profit and loss.

Government Grants

Government grants are recognised, where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by Governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a Government grant. The loan or assistance is initially recognised and measured at fair value and the Government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Inventories

Inventories are valued at the lower of cost and net realisable value except scrap and by products which are valued at net realisable value.

Costs incurred in bringing the inventory to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location & condition. Cost is determined on a weighted average basis.

- Finished goods, work in progress and traded goods: cost includes cost of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. In effect, they are valued at 'Standard Cost' with differences from actuals posted to variance account(s).

Cost of traded goods includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided at net realisable value.

Taxation

CURRENT INCOME TAX

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the profit or loss is recognised either in other comprehensive income or in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where ever it may be appropriate.

DEFERRED TAX

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable 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 is 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 all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset(s) to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the profit or loss is recognised either in other comprehensive income or in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

MINIMUM ALTERNATE TAX

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

Employee benefit schemes

SHORT TERM EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of receiving employee services are classified as short term employee benefits. These benefits include salaries, wages, allowances/perquisites, performance incentives, contribution to employees' state insurance corporation (ESIC) which are expected to occur in the next twelve months. The undiscounted amount of short term employee benefits to be paid in exchange for employee compensation is recognised as an expense in relation to the service rendered by the employees.

COMPENSATED ABSENCES

Liability on account of compensated absences are based on actuarial valuation and recognised in the Statement of profit and loss.

POST-EMPLOYMENT BENEFITS

Defined contribution plans- Provident fund and Superannuation Fund

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee provident fund to the Government administered provident fund. The Holding Company also provides for Superannuation to its select employees (who are outside the ambit of Bonus Act). The Group's contribution is recognised as an expense in the Statement of profit or loss during the period in which the employee renders service.

Defined benefit plan -Gratuity

The Group has a defined benefit plan (the 'Gratuity Plan'). The Gratuity plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the respective company in the Group.

The Group cause an actuarial valuation of amount to be recognised towards gratuity payable to its employees. Broadly, the present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government securities that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, if any. This cost is included in employee benefit expense in the statement of profit and loss.

In case of funded scheme, the liability is defrayed year on year to the fund and in the case of unfunded scheme, the liability or asset recognised in the Balance Sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and not to be reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of profit and loss as past service cost.

Provision for liabilities, charges, contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind-AS.

Provisions represent liabilities to the Group for which the amount or timing is uncertain. Provisions are recognised, when the Company in the Group has a present obligation (legal or constructive), as a result of past events and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate, that reflects the current market assessments of the time value of money and where ever appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which the Management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in the notes, but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised, but disclosed in the financial statements when an inflow of economic benefits is probable.

Foreign currency transactions

In the financial statements of the Group, transactions in currencies other than the functional currency are translated in to the functional currency at the exchange rates ruling on the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated in to the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except any exchange difference on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognised in 'Other Comprehensive Income'.

Dividend

Dividends declared or paid by the Group is in compliance with Section 123 of the Companies Act, 2013.

Earnings per share

The Group presents basic and diluted earnings per share ('EPS') data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity Shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the 'Chief operating decision-maker (CODM)', who is responsible for allocating resources and assessing performance of the operating segments.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment-revenue is reported on the basis of transactions which are primarily market led and are off-setting in nature. Segment results represent profits before finance charges, unallocated corporate expenses and taxes.

'Unallocated Corporate Income/Expenses' include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

Leases

Leases are recognised as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

THE GROUP AS A LESSEE

Assets used under finance lease are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability, so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the statement of profit and loss.

Rentals payable under operating leases are charged to the statement of profit and loss on a straight-line-basis over the term of the relevant lease, unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increase.

THE GROUP AS A LESSOR

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating lease. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line-basis over the term of the lease.

Realisation

The Board of Directors of the Group is of the opinion that assets including property, plant & equipment, intangible assets and non-current-investments are realisable at their carrying amount in the ordinary course of business.

Note 2 PROPERTY, PLANT AND EQUIPMENT TANGIBLE ASSETS

Rupees In Lakhs

Details	Land Freehold	Land Leasehold	Factory Buildings	*Office Premises	OP*-Land component	Plant and Machinery	Electrical Installation	Computers	Office Equipment	Furniture & Fixtures	Vehicles	TOTAL
Gross carrying value as at April 1, 2022	730	502	1,100	575	9	1,850	93	303	94	103	567	5,926
Additions	9	-	11	-	-	24	-	21	19	2	306	392
Deletions	-	-	-	-	(9)	-	-	(187)	-	(3)	(193)	(392)
Gross carrying value as at March 31, 2023	739	502	1,111	575	-	1,874	93	137	113	102	680	5,926
Accumulated depreciation as at April 1, 2022	-	16	719	224	-	1,298	85	134	84	88	357	3,005
Depreciation	-	5	38	16	-	109	2	56	11	5	61	303
Accumulated depreciation on deletions	-	-	-	-	-	-	-	(84)	-	(3)	(98)	(185)
Accumulated depreciation as at March 31, 2023	-	21	757	240	-	1,407	87	106	95	90	320	3,123
Carrying value as at April 1, 2022	730	486	381	351	9	552	8	169	10	15	210	2,921
Carrying value as at March 31, 2023	739	481	354	335	-	467	6	31	18	12	360	2,803

TANGIBLE ASSETS

Rupees In Lakhs

Details	Land Freehold	Land Leasehold	Factory Buildings	*Office Premises	OP*Land component	Plant and Machinery	Electrical Installation	Computers	Office Equipment	Furniture & Fixtures	Vehicles	TOTAL
Gross carrying value as at April 1, 2021	644	502	1,081	575	9	1,791	93	109	91	102	540	5,537
Additions	86	-	19	-	-	59	-	200	3	1	110	478
Deletions	-	-	-	-	-	-	-	(6)	-	-	(83)	(89)
Gross carrying value as at March 31, 2022	730	502	1,100	575	9	1,850	93	303	94	103	567	5,926
Accumulated depreciation as at April 1, 2021	-	11	681	206	-	1,177	83	92	78	84	372	2,784
Depreciation	-	5	38	18	-	123	3	48	7	7	61	310
Accumulated depreciation on deletions	-	-	-	-	-	(2)	(1)	(6)	(1)	(3)	(76)	(89)
Accumulated depreciation as at March 31, 2022	-	16	719	224	-	1,298	85	134	84	88	357	3,005
Carrying value as at April 1, 2021	644	491	400	369	9	614	10	17	13	18	168	2,753
Carrying value as at March 31, 2022	730	486	381	351	9	552	8	169	10	15	210	2,921

INTANGIBLES AND RIGHT OF USE

Rupees In Lakhs

Details	ERP Software	Product Development	TOTAL	Right of Use	TOTAL
Gross carrying value as at April 1, 2022	21	66	87	38	38
Additions	167	-	167	6	6
Deletions	-	-	-	(17)	(17)
Gross carrying value as at March 31, 2023	188	66	254	27	27
Accumulated depreciation as at April 1, 2022	21	66	87	7	7
Depreciation	44	-	44	-	11
Accumulated depreciation on deletions	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	65	66	131	18	18
Carrying value as at April 1, 2022	-	-	-	31	31
Carrying value as at March 31, 2023	123	-	123	9	9

INTANGIBLES AND RIGHT OF USE

Rupees In Lakhs

Details	ERP Software	Product Development	TOTAL	Right of Use	TOTAL
Gross carrying value as at April 1, 2021	21	-	21	15	15
Additions	66	-	66	27	27
Deletions	-	-	-	(4)	(4)
Gross carrying value as at March 31, 2022	87	-	87	38	38
Accumulated depreciation as at April 1, 2021	21	-	21	1	1
Depreciation	66	-	66	6	6
Accumulated depreciation on deletions	-	-	-	-	-
Accumulated depreciation as at March 31, 2022	87	-	87	7	7
Carrying value as at April 1, 2021	-	-	-	14	14
Carrying value as at March 31, 2022	-	-	-	31	31

Note 3 NON-CURRENT INVESTMENTS

Rupees In Lakhs

Particulars	As at 31.03.2023		As at 31.03.2022	
	Quantity (Nos.)	Amount	Quantity (Nos.)	Amount
INVESTMENT IN MUTUAL FUNDS (QUOTED & GROWTH FUNDS)				
Investments in mutual funds	2,345	15	2,345	15
TOTAL NON-CURRENT INVESTMENTS	2,345	15	2,345	15
Aggregate amount of quoted investments and market value thereof	-	15	-	15

Note 4 DEFERRED TAX ASSETS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
DEFERRED TAX LIABILITIES ON ACCOUNT OF:		
Difference between book and tax balance of fixed assets	(314)	(179)
Fair market value of increase in investments in mutual funds and actuarial gains	(9)	(6)
SUB TOTAL	(323)	(185)
DEFERRED TAX ASSETS ON ACCOUNT OF:		
Provision for warranties	69	95
Diminution in the valuation of shares of the joint venture	26	26
Provision for doubtful debts	2	7
Service tax disallowance U/s 43B	37	37
Employee benefits	6	11
Unabsorbed depreciation and losses	616	585
Others	-	8
SUB TOTAL	756	769
TOTAL	433	584

Note 5 INVENTORIES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Raw materials	823	852
Work-in-progress	91	73
Traded goods	996	1,057
Finished goods	384	368
TOTAL	2,294	2,350

Note 6 INVESTMENTS

Rupees In Lakhs

Particulars	As at 31.03.2023		As at 31.03.2022	
	Quantity (Nos.)	Amount	Quantity (Nos.)	Amount
INVESTMENT IN MUTUAL FUNDS (QUOTED)				
HDFC mutual fund	24,813	724	41,736	1,424
ICICI mutual fund	13,89,642	676	1,85,870	586
Franklin credit risk fund	8,268	2	21,557	5
TOTAL	14,22,723	1,402	2,49,163	2,015
Aggregate amount of quoted investments and market value thereof	-	1,402	-	2,015

Note 7 TRADE RECEIVABLES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
SECURED, CONSIDERED GOOD		
Unsecured, considered good	3,148	2,821
Unsecured, considered doubtful	6	26
Less : Provision for doubtful debts	(6)	(26)
Unsecured and considered bad	-	115
Less: Bad debts written off by expensing in the profit and loss account	-	(115)
TOTAL	3,148	2,821

Note 8 CASH AND CASH EQUIVALENTS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Balances with banks in current accounts	270	71
Cash on hand	-	1
TOTAL	270	72

Note 9 OTHER BANK BALANCES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Fixed deposit with banks	3,887	3,726
Balance with banks in unclaimed dividend accounts	96	96
TOTAL	3,983	3,822

Note 10 LOANS AND ADVANCES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
UNSECURED, CONSIDERED GOOD		
SECURITY DEPOSITS		
Deposits-Government departments	144	107
Deposits-Premises	1	5
Deposits-Security, performance and earnest money deposits	164	247
OTHER ADVANCES		
Loans and advances to employees	10	45
TOTAL	319	404

Note 11 OTHER CURRENT ASSETS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
ADVANCES OTHER THAN CAPITAL ADVANCES		
Advance to suppliers	220	327
Prepaid expenses	26	89
TOTAL	246	416

Note 12 CURRENT TAX ASSETS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2023
Advance income tax (net of provision for tax)	527	290
TOTAL	527	290

Note 13 EQUITY SHARE CAPITAL

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
AUTHORISED		
5,00,00,000 equity shares of Rs. 2 each	1,000	1,000
TOTAL	1,000	1,000
ISSUED, SUBSCRIBED AND PAID-UP		
3,50,00,000 equity shares of Rs. 2 each	700	700
TOTAL	700	700

Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Rupees In Lakhs

Particulars	2022-23		2021-22	
	In Nos.	Amount	In Nos.	Amount
ADOR FONTECH LIMITED				
Shares outstanding at the beginning of the year	3,50,00,000	700	3,50,00,000	700
Shares outstanding at the end of the year	3,50,00,000	700	3,50,00,000	700
3D FUTURE TECHNOLOGIES PRIVATE LIMITED				
Shares outstanding at the beginning of the year	97,50,000	975	97,50,000	975
Additions during the year	15,30,528	153	-	-
Shares outstanding at the end of the year	1,12,80,528	1,128	97,50,000	975

Note: Inter Company capital transactions have been knocked off in Consolidation.

Rights, preferences and restrictions

The Holding Company has only one class of shares, referred to as equity shares having a par value of Rs.2/- per share. Each holder of equity share is entitled to one vote per share and dividend as may be declared at the Annual General Meeting.

Details of shares in the Company held by each Shareholder holding more than 5% shares

Particulars	2022-23		2021-22	
	Number of Shares held	Percent of Holding	Number of Shares held	Percent of Holding
EQUITY SHARES				
J. B. Advani & Co. Private Limited	92,13,176	26.32%	92,13,176	26.32%

Note: Ador Fontech holds hundred percent of equity in 3D Future Technologies Private Limited.

As on the date of the Balance Sheet

- (i) The Group has not issued any equity share as fully paid pursuant to contracts without payments being received in cash.
- (ii) The Group has not issued any fully paid bonus share.
- (iii) The Group also did not buy back any equity share.

Issue/conversion of equity shares

As on the date of the Balance Sheet, the Group has not issued securities like convertible preference shares, convertible debentures etc. which are convertible in to equity/preference shares.

Note 14 OTHER EQUITY

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Securities premium	-	-
General reserve	8,300	7,889
Retained earnings	3,657	3,689
TOTAL	11,957	11,578

GENERAL RESERVE

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Opening balance	7,889	7,489
Transferred from surplus in the statement of profit and loss	411	400
Closing balance	8,300	7,889

RETAINED EARNINGS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Opening balance	3,689	2,707
Net profit / loss for the year	1,756	2,133
Other comprehensive income for the year	23	19
Equity dividend	(1,400)	(770)
Transfer to general reserve	(411)	(400)
Closing balance	3,657	3,689

Note 15 NON-CURRENT LEASE LIABILITIES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Ador Powerton Limited	-	14
J B Advani & Company Private Limited	-	2
Hewlett Packard Financial Services	4	3
TOTAL	4	19

Note 16 NON-CURRENT PROVISIONS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for gratuity	9	13
Provision for compensated absences	20	27
TOTAL	29	40

Note 17 LEASE LIABILITIES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Ador Powerton Limited	-	3
J B Advani & Company Private Limited	2	3
Hewlett Packard Financial Services	4	6
TOTAL	6	12

Note 18 TRADE PAYABLES

Rupees In Lakhs

Particulars	Outstanding as at March 31, 2023					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
UNDISPUTED						
Micro, small and medium enterprises	824	-	-	-	-	824
Others	1,005	-	-	-	-	1,005
DISPUTED						
Micro, small and medium enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
TOTAL	1,829	-	-	-	-	1,829

Rupees In Lakhs

Particulars	Outstanding as at March 31, 2022					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
UNDISPUTED						
Micro, small and medium enterprises	519	-	-	-	-	519
Others	1,663	-	-	-	-	1,663
DISPUTED						
Micro, small and medium enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
TOTAL	2,182	-	-	-	-	2,182

Note 19 OTHER FINANCIAL LIABILITIES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Deposit from dealers and employees	298	301
Unclaimed dividends	96	96
TOTAL	394	397

Note 20 OTHER CURRENT LIABILITIES

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Statutory liabilities	167	137
Others	324	311
TOTAL	491	448

Note 21 PROVISIONS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
PROVISION FOR EMPLOYEE BENEFITS		
Provision for compensated absences	(90)	(40)
Due to Gratuity trust	21	25
OTHERS		
Warranties	231	380
TOTAL	162	365

Note 22 REVENUE FROM OPERATIONS

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
SALE OF PRODUCTS		
Manufactured goods (net of taxes)	11,207	9,961
Scrap sales	72	55
Traded goods	7,842	8,674
SERVICES		
Job work income	2,302	2,267
TOTAL	21,423	20,957

Note 23 OTHER INCOME

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest income	241	215
Lease rent received	-	-
Rental income	25	24
Discount income	19	8
Forex gains and write backs	(24)	197
Profit on sale of investments and assets	32	8
TOTAL	293	452

DETAILS OF INTEREST INCOME

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
INTEREST INCOME		
Interest on bank deposits	192	163
Others	49	52
TOTAL	241	215

Note 24 COST OF MATERIALS CONSUMED

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Opening stock	852	731
Add: Purchases	6,049	4,772
Less: Closing stock	823	852
TOTAL	6,078	4,651

Note 25 PURCHASE OF STOCK-IN-TRADE

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Welding consumables, equipment, spares and others	6,195	6,454
TOTAL	6,195	6,454

Note 26 CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, FINISHED GOODS AND STOCK-IN-TRADE

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
AT THE BEGINNING OF THE YEAR		
Work-in-progress	73	226
Finished goods	368	404
Traded goods	1,057	1,206
SUB-TOTAL (A)	1,498	1,836
AT THE END OF THE YEAR		
Work-in-progress	91	73
Finished goods	384	368
Traded goods	996	1,057
SUB-TOTAL (B)	1,471	1,498
TOTAL (A-B)	27	338

Note 27 EMPLOYEE BENEFIT EXPENSES

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Salaries, allowances and other benefits	2,347	2,545
Contribution to provident and other funds	318	316
Staff welfare	201	155
TOTAL	2,866	3,016

Note 28 FINANCE COST

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest on bank borrowings	-	3
Interest on leases	3	2
TOTAL	3	5

Note 29 OTHER EXPENSES

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Rent	58	149
Insurance	51	23
Rates and taxes	28	92
Consumables and stores	17	17
Power, fuel and utilities	96	87
Security charges	39	29
Product development, fabrication and welding	1,319	1,215
Labour charges	268	186
Books, printing and stationery	15	20
Communication expenses	68	71
Repairs to building	32	65
Repairs to machinery	143	121
Repairs to vehicles	15	7
Legal and professional fees	239	296
Director's sitting fees	3	2
Travelling and conveyance	529	385
Freight and forwarding	270	278
Sales commission and promotional expenses	193	320
Warranty expenses	(65)	63
Audit fees	9	8
Bank and other charges	25	30
Corporate social responsibility	49	39
General expenses	11	13
Bad debts written off	22	76
Software annual maintenance	66	75
Loss on sale of assets	-	2
TOTAL	3,500	3,669

AUDITORS REMUNERATION

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Statutory audit	6	5
Other services	3	3
TOTAL	9	8

Note: Amount specified above is excluding GST.

CORPORATE SOCIAL RESPONSIBILITY

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Amount required to be spent by the Company during the year	48	38
Amount of expenditure incurred	49	39
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
BRIEF DETAILS OF CSR ACTIVITIES		
Covid care support	-	21
Education	18	11
General medical support	14	6
Women empowerment	7	-
Support to the aged and disabled	5	1
Environment sustainability	2	-
Welfare of children including special children	2	-
Sports - Paralympic - Distribution of wheelchairs	1	-
TOTAL	49	39

Note 30 TAX EXPENSES

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
CURRENT TAX EXPENSE		
Current tax for the year	790	1,025
SUB-TOTAL	790	1,025
DEFERRED TAXES		
Changes in deferred tax assets	(21)	(133)
Changes in deferred tax liabilities	164	(65)
SUB-TOTAL	143	(198)
TOTAL	933	827

TAX RECONCILIATION

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Profit before income tax expense	3,257	3,504
Tax on business and other incomes	782	875
Tax on short term capital gains	9	312
Tax effect of amounts which are not deductible		
(a) Provision for retirement benefits	(16)	(17)
(b) Provision for bad debts	-	(5)
(c) Provision for warranties	15	(95)
(e) Others	-	(45)
Income tax expenses for the year	790	1,025

Note 31 OTHER COMPREHENSIVE INCOME

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		
Increase in the value of investments	26	25
Actuarial gains / (losses) on defined benefit obligations	6	-
Tax impact on the same	(9)	(6)
TOTAL	23	19

Note 32 EARNINGS PER SHARE

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Profit after tax	1,756	2,133
Number of equity shares	3,50,00,000	3,50,00,000
Earnings per share (EPS)	5.0	6.1

Note 33 FAIR VALUE MEASUREMENTS

Fair value of assets and liabilities

Rupees In Lakhs

Particulars	As at 31.03.2023				As at 31.03.2022			
	FVTPL	FVOCI	Amortised cost	Total	FVTPL	FVOCI	Amortised cost	Total
FINANCIAL ASSETS-NON-CURRENT								
Non-current investments	15	-	-	15	15	-	-	15
FINANCIAL ASSETS-CURRENT								
Investments	-	1,402	-	1,402	-	2,015	-	2,015
Trade receivables	-	-	3,148	3,148	-	-	2,821	2,821
Cash and cash equivalents	-	-	270	270	-	-	72	72
Bank balances other than cash & cash equivalents	-	-	3,983	3,983	-	-	3,822	3,822
Loans and advances	-	-	319	319	-	-	404	404
TOTAL	15	1,402	7,720	9,137	15	2,015	7,119	9,149
FINANCIAL LIABILITIES-CURRENT								
Trade payables	-	-	1,829	1,829	-	-	2,182	2,182
Other financial liabilities	-	-	394	394	-	-	397	397
TOTAL	-	-	2,223	2,223	-	-	2,579	2,579

Hierarchy of financial assets liabilities measured at fair value

Rupees In Lakhs

Particulars	As at 31.03.2023		As at 31.03.2022	
	Level 1	Level 3	Level 1	Level 3
FINANCIAL ASSETS-NON-CURRENT				
Investments	-	15	-	15
FINANCIAL ASSETS-CURRENT				
Current investments	1,402	-	2,015	-

Note: During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of trade receivables, cash and bank balances, other bank balances, non-current loans, current loans, trade payables and other current financial liabilities are considered to be approximately equal to the fair value.

Note 34 FINANCIAL RISK MANAGEMENT

The Company is exposed to risk from its venture in the subsidiary besides credit risk, liquidity risk, commodity risk and market risks. The Company's principal financial liabilities comprise deposits, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include current loans, trade and other receivables, cash and cash equivalents that derive directly from its operations. The Company also holds FVOCI investments in mutual funds. The Company's Senior Management oversees the management of these risks and devices ways to mitigate the same.

Credit risk

The Company is exposed to credit risk from its operating activities primarily in respect of trade receivables.

CREDIT RISK MANAGEMENT

To manage credit risk, the Group follows a policy of providing 30-180 days credit to its domestic customers based on the nature of the customers. The credit limit policy is established considering the current economic trends of the industry in which the Group is operating.

It may be pertinent to note that, trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provisions are created accordingly.

Details on receivables

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Upto 30 days	1,981	1,543
30-60 days	858	358
60-90 days	114	510
90 days to 6 months	163	399
6 months to 1 year	10	11
1 year to 3 years	25	4
3 year to 5 years	3	2
TOTAL	3,154	2,827
Expected credit loss	(6)	(6)
Net receivables	3,148	2,821

Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. For the Group, liquidity risk arises from obligations on account of financial liabilities – trade payables and other financial liabilities.

LIQUIDITY RISK MANAGEMENT

The Group's management is responsible for liquidity, funding as well as settlement management. The net liquidity position is monitored through rolling forecasts on the basis of expected cash flows.

Maturities of non-derivative financial liabilities

As at 31.03.2023

Rupees In Lakhs

Particulars	Within 6 months	6 months to 1 year	TOTAL
FINANCIAL LIABILITIES - CURRENT			
Trade payables-Micro, small and medium enterprises	824	-	824
Trade payables-Others	1,005	-	1,005
Lease liabilities	6	-	6
Other financial liabilities	394	-	394
TOTAL	2,229	-	2,229

NOTES TO THE FINANCIAL STATEMENTS (CONSOLIDATED)

As at 31.03.2022

Rupees In Lakhs

Particulars	Within 6 months	6 months to 1 year	TOTAL
FINANCIAL LIABILITIES - CURRENT			
Trade payables-MSME	519	-	519
Trade payables-Others	1,663	-	1,663
Lease liabilities	12	-	12
Other financial liabilities	397		397
TOTAL	2,591	-	2,591

Market risk

FOREIGN CURRENCY RISK

The Group is exposed to foreign exchange risk on its receivables and payables which are held in USD, EURO and CNY. The fluctuation in the exchange rate of INR relative to USD, EURO and CNY may have a material impact on the Group's assets and liabilities.

FOREIGN CURRENCY RISK MANAGEMENT

In respect of the foreign currency transactions, the Group does not hedge its exposures since the Management believes that the premium on hedge will off-set escalations as payment to foreign suppliers are structured for short durations and not beyond ninety days from the date of invoice.

The Group's exposure to foreign currency risks at the end of the reporting period are as under:

Rupees In Lakhs

Particulars	As at 31.03.2023			As at 31.03.2022		
	USD	EUR	CNY	USD	EUR	CNY
Financial liabilities	(451)	-	6	(281)	(9)	(101)
NET EXPOSURE TO FOREIGN CURRENCY RISK (LIABILITIES)	(451)	-	6	(281)	(9)	(101)

SENSITIVITY TO FOREIGN CURRENCY RISK

The following table demonstrates the sensitivity to USD, EURO and CNY 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 as at the date of the Balance Sheet.

Currencies	As at 31.03.2023		As at 31.03.2022	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(23)	23	(14)	14
EURO	-	-	(0.5)	(0.5)
CNY	(0.3)	(0.3)	(5)	5

Price Risk

Sensitivity	As at 31.03.2023	As at 31.03.2022
Impact on profit after tax for 5% increase in NAV	70	101
Impact on profit after tax for 5% decrease in NAV	(70)	(101)

Note 35 CAPITAL MANAGEMENT

The Group's objectives in managing capital includes:

- To safeguard its ability to continue as a going concern, so that it can continue to provide returns to its Shareholders and also benefit other Stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

Apart from trade payables, current and non-current liabilities there are no liabilities subsisting on the Group. The Treasury Management Team facilitates investment of surplus funds with banks and mutual funds in the best interest of all Stakeholders.

Dividends

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
EQUITY DIVIDEND		
Dividend paid during the year	1,400	770
The Board has recommended dividend of 250 percent which is Rs.5 per Equity Share with total outflow amounting to Rs.1,750 lakhs.		

Note 36 MICRO AND SMALL ENTERPRISES

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2023. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

DISCLOSURE REQUIREMENT UNDER MSMED ACT, 2006

Rupees In Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	824	519
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Note 37 CONTINGENT LIABILITIES, CAPITAL AND OTHER COMMITMENTS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Guarantees (Bank and Corporate)	449	556
Disputed Income tax demand under appeal	502	276
Investments lien marked for facilitating working capital loan to the subsidiary	2	2
Market value of lien marked investments	2	2

Notes

(i) Amount reflected as part of disputed liability pertains to the principal claim.

(ii) Year wise details of income tax demand under appeal:

Rupees In Lakhs

Particulars	Forum where the case is pending/update	As at 31.03.2023	As at 31.03.2022
2013-14	Commissioner (Appeals)	71	71
2014-15	Case closed with order issued for refund	-	34
2016-17	Asst. Commissioner	10	10
2018-19	Commissioner (Appeals)	161	161
2021-22	Commissioner (Appeals)	260	-
TOTAL		502	276

(iii) Income Tax Department had raised claim of rupees forty crores for the Assessment year 2021-22. Simultaneously there was scrutiny assessment in progress which upheld the return of income filed by the Company and confirmed nil demand. In the intermitten, the Company had filed an Appeal and the Commissioner/National Faceless Assessment Centre has confirmed that order passed after the scrutiny assessment will subsist. The Company has approached the Department for negating/deleting the demand being reflected in the Income Tax portal. There was no contingent liability recognised by the subsidiary. (iv) There are no contingent liabilities in so far as 3D Future Technologies is concerned. (v) While the Holding Company has no commitments, the Subsidiary has commitment towards lease liabilities (Please refer Note no. 15 and 17).

Note 38 EMPLOYEE BENEFITS

As per Ind-AS 19 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, gratuity, superannuation besides leave encashment.

Defined Contribution Plans: Under the defined contribution plans, the Group contributes towards (i) Provident fund (ii) Superannuation and (iii) Employers' State Insurance Corporation. While the holding company has all three schemes, the subsidiary as of present does not extend superannuation benefit to its employees.

Defined benefit plans: Under the defined benefit plan, the Group contributes towards employees' gratuity. While the amount is funded to a trust by the Holding Company, in respect of the Subsidiary, for the present, it remains unfunded.

Employee welfare benefit: Both companies provide for liability on account of compensated absences.

Details of contribution made to provident and other funds

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Provident fund	149	136
Employees State Insurance Corporation	3	3
Superannuation fund	121	88
Gratuity	45	28
Leave encashment/ compensated absence	-	61
TOTAL	318	316

Note: The Group causes Actuarial Valuation of Gratuity and Leave encashment facilities year on year.

Gratuity

In accordance with the Payment of Gratuity Act of 1972, the Group contributes to a defined benefit plan (the 'Gratuity Plan'). The Gratuity Plan provides for lump sum payment to vested employees at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Group.

While the Holding company has a trust called 'Cosmics Employees Gratuity Trust' and has effected funding based on actuarial valuation year on year and covers all its employees, the Gratuity scheme of the Subsidiary is unfunded and covers select employees.

ACTUARIAL VALUATION BASIS AND ASSUMPTIONS

Rupees In Lakhs

Particulars	ADOR FONTECH LIMITED		3DFT PRIVATE LIMITED	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Discount rate	7.4%	6.7%	7.5%	7.0%
Salary escalation	8.0%	8.0%	7.5%	7.5%
Mortality rate - Indian Assured Lives Mortality (2012-2014) published by the Institute of Actuaries of India.				

CHANGES IN DEFINED BENEFIT OBLIGATION

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Opening defined benefit obligation	577	537
Current service cost	35	33
Interest on defined benefit obligation	30	23
RE-MEASUREMENTS DUE TO:		
Actuarial loss/(gain) arising from change in financial assumptions	(14)	13
Actuarial loss/(gain) arising from change in demographic assumptions	(5)	5
Actuarial loss/(gain) arising on account of experience changes	-	28
Benefits paid	(37)	(62)
Closing defined benefit obligation	586	577

NOTES TO THE FINANCIAL STATEMENTS (CONSOLIDATED)

CHANGES IN FAIR VALUE OF PLAN ASSETS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Opening fair value of plan assets	539	506
Employer's contribution (Outstanding of previous year)	25	42
Return on plan assets	30	23
Remeasurements: Actual return on plan assets less interest on plan assets	(24)	30
Benefits paid	(33)	(62)
Closing fair value of plan assets	537	539

Note: In case of 3D Future Technologies (3DFT) Private Limited gratuity is unfunded and hence no fair value of assets as at March 31, 2023 and March 31, 2022.

NET LIABILITY

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Defined benefit obligation	586	577
Fair value of plan assets	537	539
Net liability	49	38

LIABILITY EXPENSED AND BALANCE CARRIED FORWARD

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
AMOUNT SET OFF IN THE PROFIT AND LOSS ACCOUNT		
Ador Fontech Limited	19	-
AMOUNT CARRIED FORWARD IN THE STATEMENT OF BALANCE SHEET		
Ador Fontech – Amount due to Gratuity Trust – Note no. 21	21	25
3DFT-Non-Current Provision-Note no.16	9	13

CHARGE TO THE STATEMENT OF PROFIT AND LOSS

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Ador Fontech Limited	40	25
3D Future Technologies Private Limited (Current service and interest cost)	5	3
TOTAL	45	28

SENSITIVITY ANALYSIS

Rupees In Lakhs

Particulars	ADOR FONTECH LIMITED		3DFT PRIVATE LIMITED	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
DISCOUNT RATE				
Impact of increase in 100/50 bps on DBO	(3%)	(3.9%)	(8.4%)	(7.7%)
Impact of decrease in 100/50 bps on DBO	3.4%	4.3%	9.5%	8.6%
SALARY ESCALATION RATE				
Impact of increase in 100/50 bps on DBO	3%	4%	9.4%	8.5%
Impact of decrease in 100/50 bps on DBO	(2.9%)	(3.7%)	(8.4%)	(7.7%)

Compensated absences

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Defined benefits obligation at the beginning of the year		
Add: Expenses related to the current year	-	61
Less: Payments made or contribution to the policy account	(61)	(61)
Defined benefits obligation at the end of the year	(61)	-

BREAK-UP OF COMPENSATED ABSENCE BENEFITS

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
Non current liability	29	40
Current liability	(90)	(40)

Note 39 INFORMATION ON THE JOINT VENTURE AND SUBSIDIARY

The Holding Company had a Malaysian Joint Venture which ceased to exist. The venture was closed as per Malaysian Laws and at present the Authorised Dealer - HDFC Bank - is in communication with the Reserve Bank of India for closure as per Indian Laws.

3D Future Technologies Private Limited is the wholly owned subsidiary of Ador Fontech Limited, in which the latter has infused both Equity and Debt (Inter-corporate-deposits).

Note 40 RELATED PARTY TRANSACTIONS

As per IND-AS 24, transactions with related parties as defined in the Accounting Standard are given below:

Names of related parties and description of relationship with the Company

Particulars	Related parties
PROMOTER	J B Advani and Company Private Limited
ASSOCIATE COMPANIES	Ador Welding Limited
	Ador Powertron Limited
	Ador Multiproducts Limited
	1908 E-Ventures Private Limited
WHOLLY OWNED SUBSIDIARY	3D Future Technologies Private Limited (3DFT)
KEY MANAGEMENT PERSONNEL	Mr. A T Malkani - Chairman
	Mr. H P Ledwani - Managing Director & CEO
	Ms. Geetha D, Company Secretary & CFO
	Mr. Sudhir Bahl (Up to 07.09.22)
	Ms. Ashwini Dhaval Gada, Company Secretary (w.e.f. 12.07.22)
RELATED PERSONNEL	Ms. Tanya Advani
RELATIVES OF KEY MANAGEMENT PERSONNEL	Mrs. Shirin Malkani - W/o Mr. A T Malkani
	Mrs. Sunila H Ledwani - W/o. Mr. H P Ledwani
OTHER RELATED PARTIES	Life Force Health Systems Private Limited (Upto 07-09-2022)

Transactions with related parties

Rupees In Lakhs

Relationship/Names of the related party	Description of the nature of transactions	Value of the transactions	
		Year ended 31.03.2023	Year ended 31.03.2022
(i) ASSOCIATE COMPANIES			
J B Advani and Company Private Limited	Purchase of capital goods	-	3
	Dividend paid	369	-
	Reimbursements	1	-
	License fee paid	5	4
	Business support	1	2
	Security deposits received	(8)	-
	Rent paid	-	32
Ador Welding Limited	Purchase of capital goods	-	14
	Purchase of raw materials	189	147
	Purchase of traded goods	187	184
	Rent deposit paid	1	-
	Sales of products or services	(253)	(175)
	Rent paid	3	3
	License fee paid	1	-
	Recovery of expenses	(4)	-
Ador Powertron Limited	Loan provided	700	700
	Loan repaid	(700)	(700)
	Interest on loans - Income	(55)	(52)
	Purchase of capital goods	18	-
	Reimbursements	12	12
	License fee paid	10	9
	AMC paid	1	1
	Website maintenance	41	21
Life Force Health Systems Private Limited	Consultancy fee paid	-	44
	Reimbursements	1	2
Ador Multiproducts Limited	Purchase of traded goods	5	4
1908 E- ventures Private Limited	Purchase of traded goods	6	7
	Lease rent received	(1)	-
KEY MANAGERIAL PERSONNEL (KMPs)	Aggregate of salaries	347	303
RELATED PERSONNEL	Remuneration	101	90
RELATIVES OF KMPs	Consultancy fee paid	12	4
	Rent	25	24

Balances to related parties

Rupees In Lakhs

Particulars	As at 31.03.2023	As at 31.03.2022
J B Advani and Company Private Limited - Security deposit	2	2
J B Advani and Company Private Limited - Other liabilities	-	(6)
Ador Powertron Limited - Receivables	-	2
Ador Powertron Limited	-	(15)
Ador Welding Limited - Receivables	1	-
Ador Powertron Limited - Receivables	-	2
Ador Multiproducts - Other financial liabilities	-	-
Mrs. Shirin A Malkani	-	2

Note 41 LEASE ARRANGEMENTS

(i) The Holding Company has entered in to cancellable operating lease with an option to renew in respect of certain offices and residential premises. The expenditure incurred thereon has been charged to the Statement of Profit and Loss

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Lease payments for the year	57	149
Lease tenure	11 months	11 months
Lease amount payable -not later than one year	58	57
Lease amount payable later than one year but not later than five years	-	-
Lease amount payable later than five years	-	-

(ii) The Subsidiary has entered into operating lease with two organisations (a) Hewlett Packard (b) J B Advani & Company Private Limited. The lease agreement with Ador Powertron ceased during the year.

Details on lease of the Subsidiary

Rupees In Lakhs

Name of the party	ROU on 01.04.22 (Gross)	Addition	ROU on 31.03.23	Dep. for the FY 2022-23	Accum. Dep. 01.04.23	Net ROU as at 31.03.23	Lease liability		Interest for the year	Lease payment for year	Lease rent period
							Non-current	Current			
Hewlett Packard Financial Services (I) [LN. 5548956949234147IND1]	3	-	3	1	1	1	-	1	0.2	1.3	30.11.23
J B Advani & Company Pvt. Ltd.	7	-	7	3	3	1	-	1	0.4	3.2	30.11.23
Hewlett Packard Financial Services (I) [LN. 5548956949INDMBLA1]	1	-	1	-	-	1	-	-	0.1	0.5	28.02.24
Hewlett Packard Financial Services (I) [LN. 5548956949268815IND2]	2	-	2	1	-	1	1	1	0.2	0.8	30.11.24
Hewlett Packard Financial Services (I) [LN. 5548956949280643IND3]	2	-	2	1	-	1	1	1	0.2	0.9	31.01.25
Hewlett Packard Financial Services (I) [LN. 5548956949301216IND4]	-	3	3	1	-	2	1	1	0.2	0.8	30.06.25
Hewlett Packard Financial Services (I) [LN. 5548956949301220IND5]	-	3	3	-	-	3	1	1	0.1	0.5	30.09.25
TOTAL	15	6	21	7	4	10	4	6	1.4	8.0	

Notes: (i) Date format-(DD/MM/YY) (ii) LN.-Lease number (iii) (I)-(India) (iv) Dep.-Depreciation (v) Accum.-Accumulated

Note 42 SEGMENT REPORTING

Rupees In Lakhs

Particulars	FY 2022-23			FY 2021-22		
	ADFL	3DFT	Total	ADFL	3DFT	TOTAL
SEGMENT REVENUE						
Operations	20,778	645	21,423	20,477	480	20,957
Other income	424	20	444	566	4	570
TOTAL	21,202	665	21,867	21,043	484	21,527
Inter segment revenue	(141)	(10)	(151)	(113)	(5)	(118)
NET SEGMENT REVENUE	21,061	655	21,716	20,930	479	21,409
SEGMENT RESULTS						
Segment results before interest and tax	2,833	(434)	2,399	2,938	(425)	2,513
Interest charges	-	(3)	(3)	-	(5)	(5)
Other income	283	10	293	453	(1)	452
Profit before tax	3,116	(427)	2,689	3,391	(431)	2,960
Tax expenses	(954)	21	(933)	(960)	133	(827)
Profit after tax	2,162	(406)	1,756	2,431	(298)	2,133
SEGMENT CAPITAL EMPLOYED						
Segment assets	17,480	(1,908)	15,572	16,898	(1,157)	15,741
Segment liabilities	(2,589)	(326)	(2,915)	(2,929)	(534)	(3,463)
NET CAPITAL EMPLOYED	14,891	(2,234)	12,657	13,969	(1,691)	12,278
Capital expenditure	363	29	392	463	15	478
Depreciation and amortisation	312	46	358	271	45	316

Note: (i) ADFL-Ador Fontech Limited (ii) 3DFT-3D Future Technologies Private Limited

Note 43 DETAILS PERTAINING TO WARRANTIES

Rupees In Lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Opening balance	380	335
Add: Provisions during the year	(65)	63
Less: Amount defrayed during the year	(84)	(18)
Closing balance	231	380

Note 44 CONTRACTUAL LIABILITIES

All contractual liabilities connected with business operations of the Group have been appropriately provided for.

Note 45 REALISATIONS

In the opinion of the Board (of both Holding and Subsidiary companies) to the best of their knowledge and belief, the value on realisation of current assets, loans and advances, will in the ordinary course of business be not less than the amounts at which they are stated in the Balance Sheet.

Note 46 TRANSFER PRICING

The Management is of the opinion that its transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for tax.

Note 47 PREVENTION OF BENAMI TRANSACTIONS AND MONEY LAUNDERING

As a responsible corporate entity, the Group is committed to preventing and combating illicit financial activities, such as benami transactions and money laundering. The following measures have been implemented to prevent such activities:

Enhanced compliance framework

- (i) The Group has a robust anti-money laundering (AML) policy in place, which outlines the procedures and controls for identifying and mitigating the risk of money laundering and terrorist financing.
- (ii) Employees receive regular training on AML regulations and procedures to ensure their compliance with the policy.
- (iii) The Group conducts periodic risk assessments to identify and address potential areas of vulnerability to money laundering and benami transactions.

Enhanced compliance framework

- (i) Our employees receive regular training on AML regulations and procedures to ensure their compliance with the policy.
- (ii) We conduct periodic risk assessments to identify and address potential areas of vulnerability to money laundering and benami transactions.

Improved due diligence process

- (i) The Group has a comprehensive Know Your Customer (KYC) process in place to verify the identity of customers and their sources of funds.
- (ii) The Group conducts enhanced due diligence measures for high-risk-customers and transactions, such as politically exposed persons and transactions involving offshore entities.
- (iii) The Group also monitors customer's transactions to identify any suspicious activities.

Note 48 GENERAL RESERVE

The Board of Ador Fontech Limited has elected to transfer an amount of rupees four hundred and eleven lakhs to the General reserve for the financial year 2022-23. In the case of Subsidiary no transfer has been effected to the General reserve.

Note 49 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Group did not have any relationship with struck off companies.

Note 50 UTILISATION OF BORROWED FUNDS & SHARE PREMIUM

(i) The Group is debt free. (ii) Balance in Share premium account of the Holding Company is Nil and that of the Subsidiary is rupees five crore and ninety seven lakhs (On account of shares issued to the Holding Company at a premium).

Note 51 UNDISCLOSED INCOME

There were no proceedings initiated against the Group regarding undisclosed income which needs to be disclosed during the current year.

Note 52 BORROWINGS OBTAINED ON THE BASIS OF SECURITY

The Holding Company has working capital limits sanctioned by the HDFC Bank Limited based on the security of current assets and fixed deposits. As per the sanction, limits can be swapped between funded and non-funded requirements.

As on March 31, 2023 the Company has availed only bank guarantees and continues to be debt free. Therefore, submission of statements to the bank is not applicable to the Company.

Further, as regards subsidiary, while it is not borrowing from the bank, credit/overdraft limit of Rs.2 lakhs continues with the HDFC Bank for any exigency without closure of the account and towards the same, Holding Company has provided guarantee from out of its mutual fund investments.

Note 53 REGISTRATION AND SATISFACTION OF CHARGES

There is no charge pending for registration either of the Holding or Subsidiary company, beyond the stipulated time period.

Note 54 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

Note 55 DISCREPANCY IN UTILISATION OF BORROWINGS

As on March 31, 2023 the Group continues to be debt free. Therefore, discrepancy report is not applicable.

Note 56 CRYPTOCURRENCY OR VIRTUAL CURRENCY

The Group has not made any trade in crypto currency or virtual currency during the year.

Note 57 WILFUL DEFAULTERS

The Group has not been declared as wilful defaulter by any bank/financial institution or any other lenders.

Note 58 FINANCIAL RATIOS

Please refer 'Ratio Analysis' - Page numbers 47 and 48.

Note 59 AMOUNT IN THE FINANCIAL STATEMENTS

Amounts in the financial statements are rounded off to the nearest lakh and have been re-grouped whenever necessary.

Note 60 CONSOLIDATION

Details of line wise aggregation of financial statements of the Holding and Subsidiary, have been provided as part of Snapshot. The same is net of inter-segment-revenue and expenditure.

Full financial statements of the Subsidiary for the year ended March 31, 2023 has been uploaded on the website of the Company.

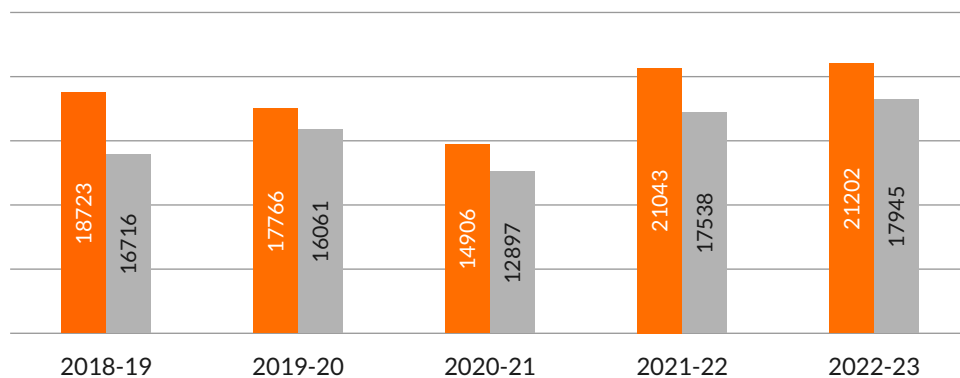
A T MALKANI
Chairman
DIN 01585637

For and on behalf of the Board of Directors
H P LEDWANI
Managing Director & CEO
DIN 00040629

GEETHA D
Company Secretary & CFO
Bengaluru, May 29, 2023

As per our report of even date attached
For PRAVEEN & MADAN
Praveen Kumar N-Membership No: 225884
Firm Registration no.:011350S
UDIN: 23225884BGVJXX6557
Peer Review Certificate No.: 014926
Bengaluru, May 29, 2023

FIVE YEARS AT A GLANCE-STANDALONE FINANCIAL STATEMENTS



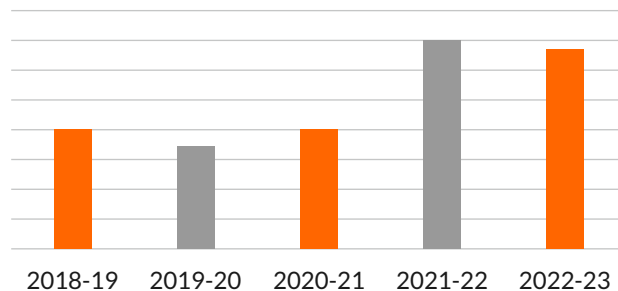
■ INCOME ■ EXPENDITURE

Rupees In Lakhs

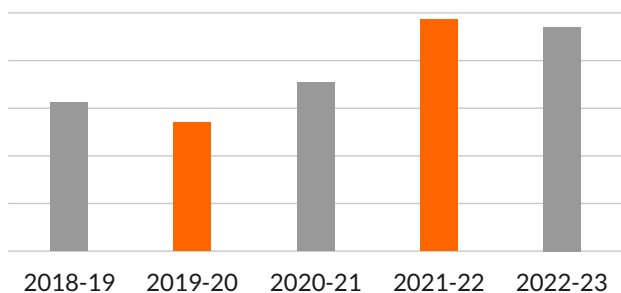
Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Income	18,723	17,766	14,906	21,043	21,202
Expenditure	16,716	16,061	12,897	17,538	17,945

Rupees In Lakhs

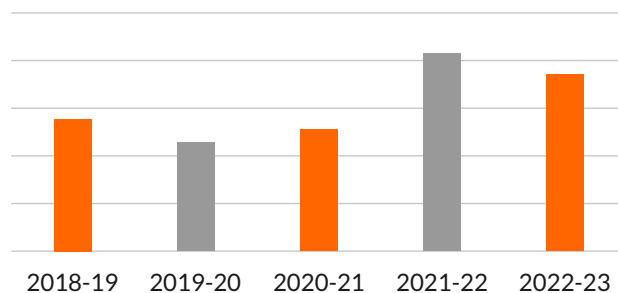
Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
PBT	2,007	1,705	2,009	3,505	3,257
Tax	625	572	738	960	954
PAT	1,382	1,133	1,271	2,545	2,303



PROFIT BEFORE TAX

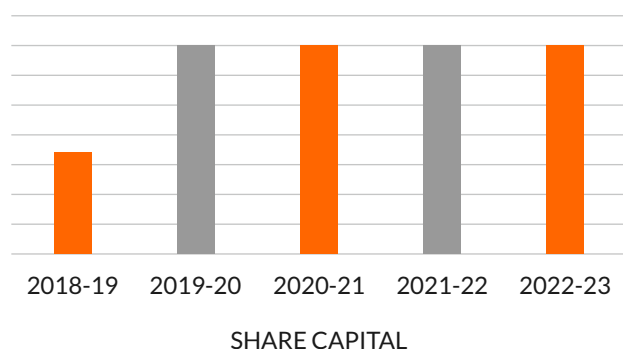


TAX



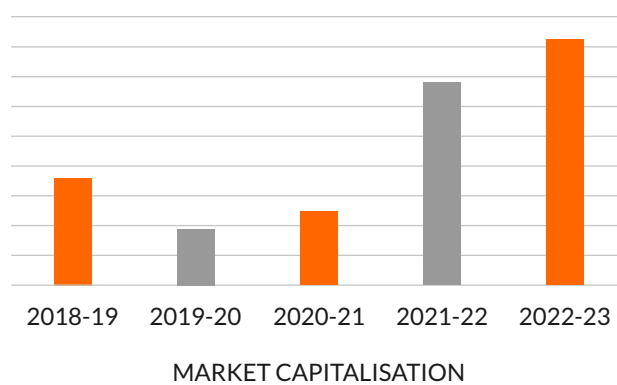
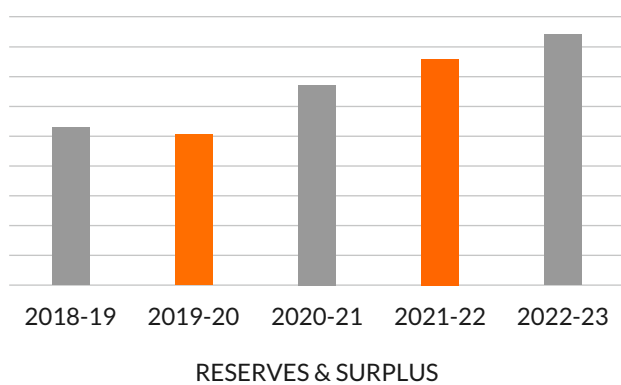
PROFIT AFTER TAX

FIVE YEARS AT A GLANCE-STANDALONE FINANCIAL STATEMENTS



Rupees In Lakhs					
Particulars	2018-19	*2019-20	2020-21	2021-22	2022-23
Share capital	350	700	700	700	700
Earnings per share	7.9	4.3	3.6	7.3	6.6

Notes: (i) Post bonus issue of 1:1, number of equity shares doubled and consequent earnings per share (EPS) (ii) Financial year 2020-21 was marked by significant lockdowns during Covid.



Rupees In Lakhs					
Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Reserves and surplus	10,865	10,179	11,477	13,269	14,191
Market capitalisation	17,850	9,800	12,950	24,500	30,800

SNAPSHOT OF THE FINANCIAL STATEMENTS OF ADOR FONTECH LIMITED AND ITS WHOLLY OWNED SUBSIDIARY

Rupees In Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	ADFL	3DFT	TOTAL	ADFL	3DFT	TOTAL
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	2,698	105	2,803	2,810	111	2,921
Right of use *	-	9	9	-	31	31
Intangible assets	111	12	123	-	-	-
Financial assets						
(i) Investments*	-	15	15	-	15	15
(ii) Other financial assets	-	-	-	-	-	-
Deferred tax assets (net)	(171)	604	433	-	584	584
TOTAL NON-CURRENT ASSETS	2,638	745	3,383	2,810	741	3,551
CURRENT ASSETS						
Inventories	2,238	56	2,294	2,274	76	2,350
Financial assets						
(i) Trade receivables	3,051	97	3,148	2,755	66	2,821
(ii) Cash and cash equivalents	155	115	270	27	45	72
(iii) Bank balances other than cash and cash equivalents	3,978	5	3,983	3,817	5	3,822
(iv) Loans*	194	125	319	313	91	404
(v) Investments	1,402	-	1,402	2,015	-	2,015
(vi) Other financial assets	-	-	-	-	-	-
Other current assets	235	11	246	387	29	416
Current tax assets (Net)	527	-	527	290	-	290
TOTAL CURRENT ASSETS	11,780	409	12,189	11,878	312	12,190
TOTAL ASSETS	14,418	1,154	15,572	14,688	1,053	15,741
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital*	700	-	700	700	-	700
Other equity	14,191	(2,234)	11,957	13,269	(1,691)	11,578
TOTAL EQUITY	14,891	(2,234)	12,657	13,969	(1,691)	12,278
NON-CURRENT LIABILITIES						
Lease liabilities*	-	4	4	-	19	19
Provisions	-	29	29	-	40	40
TOTAL NON-CURRENT LIABILITIES	-	33	33	-	59	59
Current liabilities						
Financial Liabilities						
(i) Trade payables	1,793	36	1,829	2,131	51	2,182
(ii) Lease liabilities*	-	6	6	-	12	12
(iii) Other financial liabilities	298	96	394	299	98	397
Other current liabilities	167	324	491	137	311	448
Provisions	160	2	162	362	3	365
TOTAL CURRENT LIABILITIES	2,418	464	2,882	2,929	475	3,404
TOTAL EQUITY AND LIABILITIES	17,309	(1,737)	15,572	16,898	(1,157)	15,741

Notes: * (i) Holding-Subsidiary transactions have been knocked off for the purpose of Consolidation. (ii) ADFL-Ador Fontech Limited (iii) 3DFT-3D Future Technologies Private Limited (As used across in the Statements).

SNAPSHOT OF THE FINANCIAL STATEMENTS OF ADOR FONTECH LIMITED AND ITS WHOLLY OWNED SUBSIDIARY

Rupees In Lakhs

Particulars	Year ended March 31, 2023			Year ended March 31, 2022		
	ADFL	3DFT	TOTAL	ADFL	3DFT	TOTAL
INCOME						
Revenue from operations	20,778	645	21,423	20,477	480	20,957
Other income/(Adj.)	283	10	293	453	(1)	452
TOTAL INCOME	21,061	655	21,716	20,930	479	21,409
EXPENSES						
Cost of materials consumed	5,844	234	6,078	4,478	173	4,651
Purchase of stock in trade	6,190	5	6,195	6,449	5	6,454
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	1	27	338	-	338
Employee benefit expenses	2,541	325	2,866	2,761	255	3,016
Finance cost	-	3	3	-	5	5
Depreciation and amortisation cost	312	46	358	271	45	316
Other expenses	3,032	468	3,500	3,242	427	3,669
TOTAL EXPENSES	17,945	1,082	19,027	17,539	910	18,449
PROFIT BEFORE TAX	3,116	(427)	2,689	3,391	(431)	2,960

FORMS

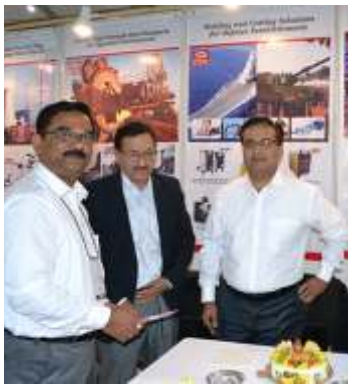
For availing the following Investor Services, kindly send a written request in the prescribed form to the RTA of the Company - Integrated Registry Management Services either by email to irg@integratedindia.in or by post-No.30 Ramana Residency Sampige Road Malleswaram Bengaluru 560 003 Tel: (080) 2346 0815-18 Fax: (080) 2346 0819

TYPE OF HOLDER	PROCESS TO BE FOLLOWED	
PHYSICAL	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for shares held in physical mode	Form ISR-1
	Update of signature of the Member	Form ISR-2
	For nomination as provided in Rule 19 (1) of the Companies (Share capital and debenture) Rules, 2014	Form SH-13
	Declaration to opt out of nomination	Form ISR-3
	Cancellation of nomination by the Holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of duplicate certificate and other service requests for shares held in physical form	Form ISR-4
	Forms for updating the above details are available at: https://www.adorfon.com/investors-info/forms/	
DEMAT	Please contact Depository Participant (DP) and register email address and bank account details in the demat account, as per the process advised by DP.	

AUTHORISED DEALERS



EXHIBITIONS OVER THE YEARS



CELEBRATING YOUNG ACHIEVERS



GLIMPSES OF ANNUAL GENERAL MEETINGS





ADOR WELDING LTD. | ADOR FONTECH LTD.

BETTER TOGETHER



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CIN: L31909KA1974PLC020010

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