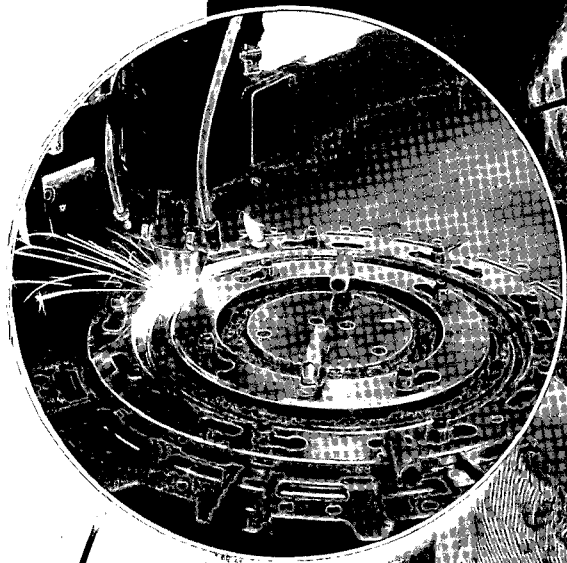




ADOR WELDING LIMITED



56th Annual Report 2008-09



INDIA'S WELDING POWER HOUSE



ADOR WELDING LIMITED

REGD. & HEAD OFFICE

Ador House, 6, K. Dubash Marg, Fort,
Mumbai - 400 001.
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Tel: (022) 2284 2525, 2287 2548
Fax: (022) 2287 3083
Email: pratikshah@adorians.com
dineshnayak@adorians.com

CORPORATE MARKETING OFFICE

5/A, CORPORA,
L.B.S.Marg, Bhandup (West),
Mumbai 400 078.
Maharashtra, INDIA.
Tel: 2596 2564 / 6623 9300
Fax: 2596 6562 / 6062
Email: cmo@adorians.com

INTERNATIONAL BUSINESS DIVISION

5/A, CORPORA,
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Maharashtra, INDIA.
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Email: exports@adorians.com



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BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT TEAM, BANKERS, SOLICITORS AND RTA

Ms. A. B. Advani
Executive Chairman

Mr. Raman Kumar
Managing Director
(from 19th Oct, 2008)

Mrs. N. Malkani Nagpal
Director

Mr. R. A. Mirchandani
Director

Mr. A. T. Malkani
Director

Mr. D. A. Lalvani
Director

Mr. J. N. Hinduja
Director

Mr. Anil Harish
Director

Mr. M. K. Maheshwari
Director

Mr. P. K. Gupta
Director

Mr. R. N. Sapru
Director
(from 19th Oct, 2008)

Mr. K. Digvijay Singh
Director
(from 01st Feb, 2009)

Mr. V. G. Kutty
Managing Director
(upto 18th Oct, 2008)

Mr. G. L. Mirchandani
Director
(Upto 11th June, 2008)

**Executive
Management Team**
Mr. S. M. Bhat

Mr. K. N. Subramanian

Mr. V. B. Tamboli

Mr. V. M. Bhide

Mr. T. P. Mukherjee

Mr. J. Rajagopalan

Mr. H. K. Bhatia

Mr. S. S. Bhoi

Mr. S. H. Lala

Mr. A. R. Vilekar

Mr. R. R. Mohapatra

Mr. S. Ajay Kumar

Mr. I. A. Pai

Mr. M. G. Gadre

Mr. G. R. Ravichandran

Company Secretary
Mr. V. M. Bhide

Registered & Head Office
Ador House,
6, K. Dubash Marg,
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Maharashtra, INDIA.
Tel.: 2284 2525, 2287 2548
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Web : www.adorwelding.com

Bankers
HDFC Bank Limited
Bank of Baroda

Auditors
Dalal & Shah,
Chartered Accountants
Mumbai

Solicitors
Nanu Hormasjee & Co.,
Mumbai

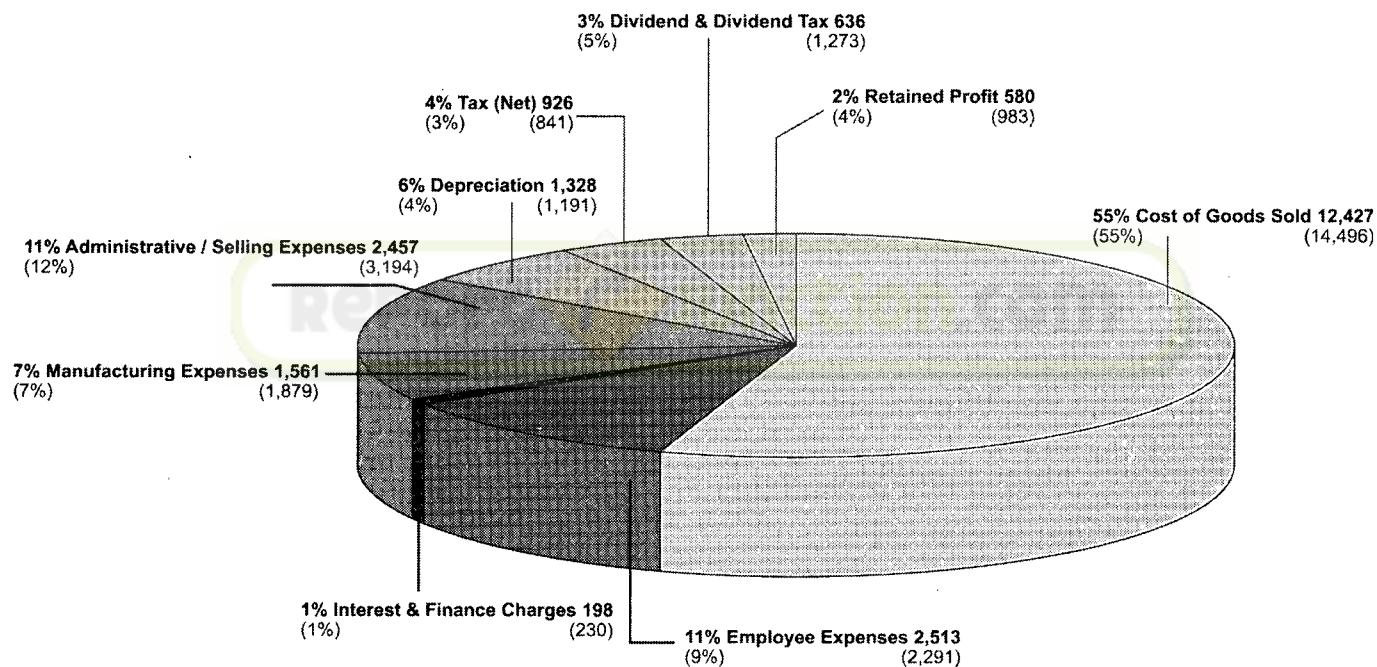
**Registrar &
Share Transfer Agent (RTA)**
M/s. Sharex Dynamic (India) Pvt. Ltd.

Head Office
17/B, Dena Bank Bldg., 2nd floor,
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Andheri (East),
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Web : www.sharexindia.com



DISTRIBUTION OF REVENUE



(Figures in bracket indicate Previous Year)



WELDING CONSUMABLES (NEW DEVELOPMENTS)

1.0 Consumables for automatic and semi automatic welding.

1.1 Automelt A82:

Classification: AWS A / SFA 5.17 F7AZ-EM12K

Product Type: Acidic Submerged Arc Welding Flux

This flux is specially designed for high speed submerged arc fillet welding of thin sheets and is used in combination with Automelt EM12K & Automelt EL8. It produces porosity free welds even at welding speeds in excess of 2.5m/min. This flux is characterized by high Silicon and Manganese pick-up.

Applications include fillet welding of thin sheets in flat and horizontal position.

1.2 Automelt A57

Classification: AWS A / SFA 5.17 F6AZ-EL8

Product Type: Acidic Submerged Arc Welding Flux

This flux is specially designed for submerged arc welding of fillets at very slow speeds and is used in combination with Automelt Automelt EM12K & Automelt EL8. Even when welding is carried out at speeds below 0.2m/min, the slag is easy to remove and the weld bead is smooth and shiny.

Applications include fillet welding of I/ H beams in flat position.

2.0 Consumables for manual welding

2.1 Tenalloy-125:

Product Type: SMAW electrode for welding high tensile steels

This is a basic coated, hydrogen controlled low-alloy Cr/Mo/V type electrode for welding similar cast steels. It is an all position welding electrode and deposits a weld bead of uniform appearance with low spatter loss and easy slag removal.

Applications include welding of GS 17 CrMoV 5.1 steel and similar low alloy cast steels.

2.2 Betachrom-13/4LB:

Classification: AWS A / SFA 5.4: E410 Ni Mo-15

Product Type: SMAW electrode for welding special types of stainless steels

This electrode has been specially developed for welding and surfacing of castings and forgings having specific chemical composition and extra low carbon. The weld deposit has excellent resistance to corrosion, erosion, pitting and impact.

The electrode is used for welding of ASTM CA 6NM castings or similar materials as well as light gauge AISI 410, 410S and 405 base metals, special low carbon castings and forgings having almost identical chemical composition, German castings/forgings type G-X5CrNi13.4 & G-5CrNi13.6 VIRGO 104 casting/forging.

Applications include surfacing of turbine blades, high pressure valves and repair of runners, valve seats, pulp and paper plant equipment.

2.3 Tenalloy-16(6GR):

Classification: AWS A / SFA 5.1 E7016

Product Type: SMAW electrode for welding high tensile steels.

This hydrogen controlled electrode has been specially developed for all position welding of "difficult to weld" steels, particularly in areas with restricted access. It deposits weld metal which is highly resistant to cracking. The arc is stable, slag removal is easy and the joint penetration is uniform.

It is suitable for welding of high carbon steels, low alloy steels, high sulphur steels, steels with unknown composition and dissimilar carbon steels. It is also used for depositing a buffer layer before hardfacing and for joining of cast iron to mild steel.

2.4 Castec-119A:

Classification: AWS A / SFA 5.11: ENi-Fe-CI-A

Product Type: SMAW electrode for welding of cast iron.

This electrode has been specially designed for welding cast iron without preheating. The nickel iron weld deposit does not pick-up carbon from the base metal and hence remains soft and is easily machinable, at the same time retaining adequate strength. It can also be used for repairing large complicated castings with little or no preheat.

Applications include welding and repairing cast iron components requiring controlled ductility, for repairing broken castings, building up of worn surfaces or correcting machining errors on castings, joining cast iron to steel and for the welding of nodular graphite/malleable iron subject to heavy wear.

2.5 Zedalloy-600WR:

Product Type: SMAW electrode for hard facing applications.

This is a hydrogen controlled, iron powder electrode specially designed for high abrasion and wear resistance. The deposition efficiency is more than 110% and the weld metal deposited is hard (600 BHN) and is machined only by grinding.

It can be used for depositing wear resistant layers on mild steel and low alloy steels. Applications include building up plough shears and mining implements, scrapper blades, cement die rings, Muller tires, bucket edges, conveyor screws, machine parts, oil expeller worms, digger teeth etc.

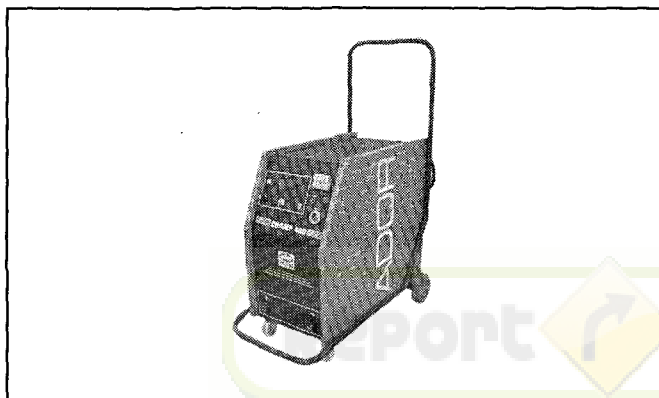


EQUIPMENT GROUP (NEW DEVELOPMENTS)

1. CHAMP 400 :

This is the world class inverter based 400A DC welder. It is suitable for MMA welding with basic, rutile and cellulosic electrodes. It is high efficiency and high power factor power source, resulting over 35% energy savings compared to the conventional thyristor type power sources.

Following are the salient features and protections provided in this welder.



Salient Features

- Latest Inverter technology
- IGBT based
- High efficiency (>85%)
- Smooth and stable arc with minimum spatter
- Hot start / Arc force control / soft arc control features available as standard
- Controls provided for adjustments of Innovative Arc dynamics
- TIG operation possible with external HF TIG control unit.

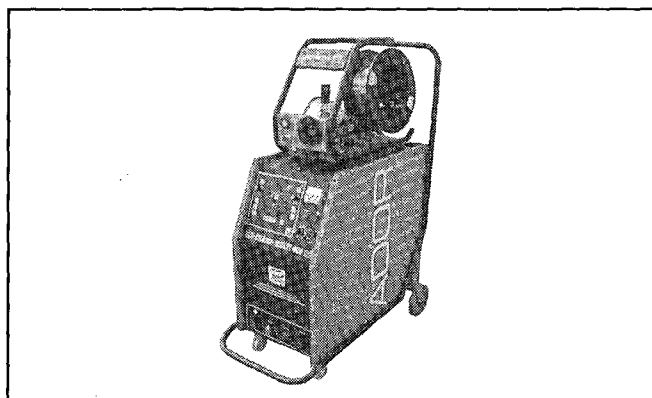
Protections

- Over voltage and Under Voltage
- Over Temperature
- Protection against Single phasing

2. CHAMP MULTI 400:

CHAMP MULTI 400 is IGBT inverter based Multi Process welding power source with Synergic operation, suitable for MIG/MAG and MMA welding applications. It is most suitable for manual and semi automatic gas shielded and FCAW metal arc welding.

The complete system consists of Power source, Wire feeder, Torch and interconnecting cables. By selecting the CC or CV mode through Digital panel, SMAW or GMAW / FCAW processes can be selected.



Salient Features

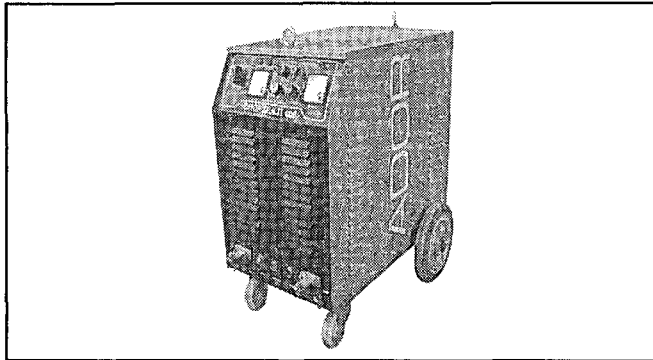
- Digital Panel for adjusting the welding parameters and selection of Process either SMAW or GMAW.
- Synergic mode of operation for single point control in short circuit arc in MIG / MAG welding.
- 30% more Energy efficient than conventional machines.
- Excellent dynamic response enables superior arc characteristics.
- Unique feature of Fresh Tip Transfer (FTT) to avoid globule formation.
- Gas preflow, post flow and Burn back time presetable
- "Fan On demand" feature enables the Fan to operate only when it is required by power semiconductors.
- Weld programmes for 10 Nos. of Job can be stored for GMAW process.
- Automatic "Weld Stop" facility.
- Suitable for TIG operation by interfacing separate HF control unit in CC mode.

3. CHOP MULTI 400 :

CHOP MULTI 400 is latest Chopper technology based Energy Efficient Power Source, suitable for MMA / MIG-MAG / FCAW welding application. It can also be used for TIG welding along with H.F outfit. The power source provides both constant



current (CC mode) and constant voltage (CV mode) characteristics.



For MMA and TIG process CC mode is selected where, Welding current remains constant in spite of variation in input supply voltage or increase in welding cable length.

It provides Drooping CV characteristics, which is suitable for MIG / MAG / FCAW welding processes. This power source is protected against output short circuit and over temperature. This is suitable for all kinds of electrodes for fabrication work, pipe welding, site construction etc.

Salient Features

- Suitable for MMA & MIG / MAG / FCAW.
- Can be used for TIG welding with HF unit attachment.
- MOSFET based Chopper technology.
- Higher switching frequency enables better welding arc dynamics.
- Chopper circuit is on the secondary (Isolated) side of mains transformer, hence immune from supply voltage spikes
- Higher OCV, hence can be used with longer cables.
- High efficiency (>75%) & Power Factor (>0.9)
- Hence low input currents as compared to conventional power sources.

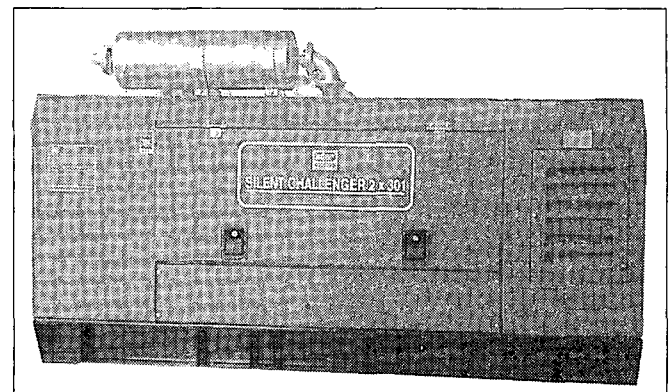
4. SILENT CHALLENGER MULTI 2X301:

This is the engine driven welding set which can be used by two welders simultaneously for multi welding processes like SMAW, GMAW, FCAW, GTAW etc. It is basically chopper based, high frequency power source which delivers welding power in CC or CV mode as required for different welding processes.

It is powered by 4 cylinder 45 BHP diesel engine and meets the requirement of CPCB norm.

Salient Features

- It is the only double operator ED set which complies CPCB Emission and Noise norms vide GSR 371(E) dated 17th May'2002 with noise level of 75 decible measured at 1 mtr from the set.
- Unique Brushless welding generator of it's kind. Maintenance free as no windings, commutator on the rotor assembly.
- Maintenance free Brushless type generator with Chopper based current control, resulting excellent welding performance even with extra long cable lengths.
- It has multi welding processes capabilities and basically designed for cross country pipeline welding applications using SMAW and GMAW / FCAW processes with self shielded wire
- Significant savings per day per set on fuel consumption account (upto Rs. 1800/- per day per set)
- Single bearing, closed coupled type construction with life-long stainless steel flexible coupling arrangement. No component on the rotor, can fail prematurely. This feature makes these machines an ideal choice for cross-country pipeline welding.
- 18 KVA, 3 Phase, 415 volts and 8 KVA, 1 Phase Auxiliary Power source provided as standard feature. This enables Customer to use more nos. of tools at a time, reduces grinding time and edge preparation time for pipes. Also single phase auxiliary power source can be used simultaneously while welding is in progress.





PROJECT ENGINEERING BUSINESS (NEW DEVELOPMENTS)

1. FLARE SYSTEM AT JANA KSA:

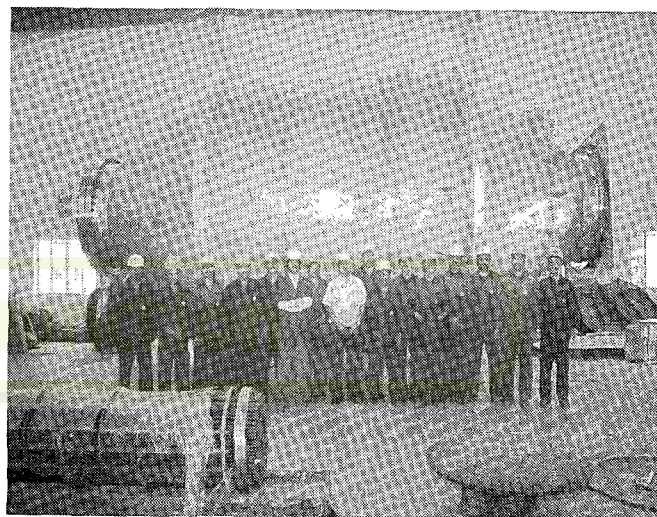
Flare is an equipment used to safely burn industrial waste gases such as Hydrocarbons, BF gas etc. in an environment friendly manner. Ador has supplied flare system in Jubail Chemical Industries – Kingdom of Saudi Arabia and successfully commissioned the system on 18th September 2008. The flare system is self supported, 40mtr height, 14" stainless steel Tip and High Energy Ignition panel for auto start – up.



2. MOLECULAR SEAL:

Molecular seal for BINA Refinery-

Molecular Seal is safety seal to prevent gas – air mixture formation in stack reducing risk of explosion. Large molecular seal made out of SS316L is supplied from Chinchwad plant PEB shop to BINA Refinery in January 2009.



3. We are also the largest suppliers of Flares for steel Industry, our esteemed customers include :

- Tata Steel
- Visakhapatnam Steel Plant
- Essar Steel
- Kalyani Steel
- Mukand Steel
- Maheshwari Ispat Ltd.
- Ramswarup Loh Udyog Ltd.
- SJK Steel
- Malvika Steel

We have recently received an order for two numbers of Flares for Coke Oven gas and BF gas from IISCO Burnpur for their expansion project.



DIRECTORS' REPORT

To

The Members,

The Directors have pleasure in presenting the **Fifty-Sixth Annual Report** of the Company and the Audited Statement of Accounts for the year ended 31st March 2009.

1.0 Financial Performance

(Rs. in Crore)

Sr. No.	Key Financial Indicators	For the year ended 31st March, 2009	For the year ended 31st March, 2008
1.1	Sales & other Income (Net of Excise Duty, Discounts & Incentives)	226.19	263.78
1.2	Profit before Interest and Depreciation	37.09	45.63
1.3	Profit before Tax (PBT)	21.83	31.42
1.4	Provision for Tax (Net of deferred tax)	9.26	8.50
1.5	Profit after Tax (PAT)	12.57	22.92
1.6	Capital Expenditure	15.14	33.62
1.7	Capital – work in progress	9.96	3.59

2.0 Dividend and Reserves

- 2.1 The Board of Directors is pleased to recommend a Dividend of 40% (i.e. @ Rs.4/- per Equity Share) for the financial year 2008-09, subject to the approval of the Members. Dividend for the previous financial year 2007-08 was declared @ 80% (i.e. @ Rs.8/- per Equity Share).
- 2.2 The Dividend for the financial year 2008-09 shall be paid to those Shareholders and Beneficial Owners whose names appear on the Register of Members as on the date of the Book closure for Dividend payment.
- 2.3 The Board recommends transfer of Rs.8.00 Crore (Rs.10.00 Crore)* to the General Reserve, and the balance of Rs.4.75 Crore (Rs. 6.96 Crore)* for retention in the Profit & Loss Account.

(* Figures in brackets indicate Previous Year).

3.0 Operations

In the financial year 2008-09, there was a drop of about 15% in the operational & other income. The year ended with an operational & other income of Rs.226.19 Crore (Rs. 263.78 Crore)*.

The Company's Sales and income during the financial year 2008-09 comprised of the following:

- 3.1 Welding Consumables at Rs.165.17 Crore (Rs.168.74 Crore)*
- 3.2 Equipment & Project Engineering at Rs.58.67 Crore (Rs. 91.81 Crore)*
- 3.3 Other Income at Rs.2.36 Crore (Rs.3.24 Crore)*

(* Figures in brackets indicate Previous Year).

4.0 Domestic Business

4.1 Welding Consumables

There was a small drop in the revenues from Consumables business because of the slow-down in the economy and the fall in prices of materials. It is expected that in the later part of this year, the growth rate will start picking-up and the business prospects will improve. The execution of the new production line for submerged arc fluxes, which was delayed due to exigencies in the last year, will be completed and commissioned for production by September 2009.