



LIFE ENHANCEMENT OF INDUSTRIAL COMPONENTS

44TH ANNUAL REPORT 2018-19



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.

OUR **VISION** IS TO BE CONSIDERED AS
THE PARTNER OF FIRST CHOICE BY OUR
CUSTOMERS.

OUR **MISSION** IS TO PARTNER WITH OUR
CUSTOMERS IN IMPLEMENTING VALUE-
ADDED RECLAMATION, FUSION,
SURFACING, SPRAYING AND
ENVIRONMENTAL SOLUTIONS.

CORPORATE INFORMATION

THE BOARD OF DIRECTORS

Mr. A T Malkani	Chairman
Mr. H P Ledwani	Managing Director
Mrs. N Malkani Nagpal	Promoter Director
Mr. N S Marshall	Independent Director
Mr. Santosh Janakiram	Independent Director
Mr. Rafique Abdul Malik	Independent Director

COMPANY SECRETARY

Ms. Geetha D

MANAGEMENT TEAM

Mr. A T Malkani	Mr. Melville Ferns
Mr. H P Ledwani	Mr. R Krishna Kumar
Mr. Deep A Lalvani	Mr. Rajesh V Joshi
Mr. P Viswanathan	Mr. S S Mohiuddin
Mr. P Gopa Kumar	Mr. Palgun Vembar

COMPLIANCE OFFICER

Mr. Gagandeep Singh

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 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. Srinivas & Subbalakshmi
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
22/A, 4th Cross Venkateshwara Theatre Road
Devasandra Krishnarajapuram Bengaluru 560 036

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

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

GOODS AND SERVICES

TAX REGISTRATIONS

Bengaluru 29AABCA1724H1ZY
Nagpur 27AABCA1724H1Z2
Gurgaon 06AABCA1724H2Z5

BOARD OF DIRECTORS



Mr. A T Malkani
Chairman



Mr. H P Ledwani
Managing Director



Mrs. N Malkani Nagpal
Promoter Director



Mr. N S Marshall
Independent Director



Mr. Santosh Janakiram
Independent Director



Mr. Rafique Abdul Malik
Independent Director

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Notice is hereby given that the **44th Annual General Meeting** (AGM) of the Members of the Company will be held at Hotel Ajantha 22-A Mahatma Gandhi Road Bengaluru 560 001 on Thursday, August 1, 2019 at 3:00 p.m. to transact the following business:

ORDINARY BUSINESS

1. Adoption of Standalone Financial Statements

To consider and adopt the audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors ('the Board') and Auditors thereon.

2. Adoption of Consolidated Financial Statements

To consider and adopt the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors ('the Board') and Auditors thereon.

3. Declaration of dividend

To declare dividend of Rs. 3.50/- (Rupees three and paise fifty only) per equity share for the financial year ended March 31, 2019.

4. Reappointment of Mrs. N Malkani Nagpal as a 'Director'

To appoint a Director in place of Mrs. N Malkani Nagpal (DIN 00031985), who retires by rotation and being eligible, offers herself for reappointment.

SPECIAL BUSINESS

5. Reappointment of Mr. N S Marshall as a Non-Executive-Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the recommendation of the Management Development, Nomination & Remuneration Committee and approval of the Board of Directors in their respective meetings held on May 17, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013; the Companies (Appointment and Qualification of Directors) Rules, 2014; Regulations pertaining to the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable Statutory Enactments, Provisions, Rules, Guidelines, Notifications (including modification(s) or re-enactment thereof for the time being in force) approval of the Members of the Company be and is hereby accorded, for the reappointment of Mr. N S Marshall (DIN 00085754) (i) whose current period of office will expire on August 19, 2019 (ii) has submitted a declaration confirming the criteria of independence under Section 149(6) of the Companies Act, 2013 (iii) is eligible for a second term under the applicable provisions of law (iv) in respect of whom the Company has received a notice in writing from a Member proposing his candidature as a Director of the Company, pursuant to Section 160 of the Companies Act, 2013 and (v) whose term shall not be subject to retirement by rotation; to hold office for a second term of five consecutive years on the Board as a Non-Executive-Independent Director of the Company w.e.f. August 20, 2019 up to August 19, 2024.

RESOLVED FURTHER THAT the Board of Directors (which term shall unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the resolution.

6. Reappointment of Mr. Santosh Janakiram as a Non-Executive-Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the recommendation of the Management Development, Nomination & Remuneration Committee and approval of the Board of Directors in their respective meetings held on May 17, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013; the Companies (Appointment and Qualification of Directors) Rules, 2014; Regulations pertaining to the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable Statutory Enactments, Provisions, Rules, Guidelines, Notifications (including modification(s) or re-enactment thereof for the time being in force) approval of the Members of the Company be and is hereby accorded, for the reappointment of Mr. Santosh Janakiram (DIN 06801226) (i) whose current period of office will expire on August 19, 2019 (ii) has submitted a declaration confirming the criteria of independence under Section 149(6) of the Companies Act, 2013 (iii) is eligible for a second term under the applicable provisions of law (iv) in respect of whom the Company has received a notice in writing from a Member proposing his candidature as a Director pursuant to Section 160 of the Companies Act, 2013 and (v) whose term shall not be subject to retirement by rotation; to hold office for a second term of five consecutive years on the Board as a Non-Executive-Independent Director of the Company w.e.f. August 20, 2019 up to August 19, 2024.

RESOLVED FURTHER THAT the Board of Directors (which term shall unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the resolution.

7. Appointment of Branch Auditors

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, 2020 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.

8. 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 is hereby approved and ratified for conducting the Cost Audit of the Company for the financial year 2019-20.

NOTES

- A Member entitled to attend and vote at the Annual General Meeting (the 'meeting') is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a Member of the Company. A person can act as proxy on behalf of a maximum of 50 Members and holding in the aggregate not more than 10% of the total share capital of the Company. A Member holding more than 10% of the total share capital of the Company and carrying voting rights may appoint a single person as proxy, provided that the person does not act as proxy, for any other person or Shareholder.
- Corporate Members intending to send their authorised representatives to attend, are requested to send a certified copy of the Board resolution to the Company or upload it on the e-Voting portal, authorising their representative to attend and vote on their behalf at the meeting.

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- Instrument appointing proxy should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
 - Statement pursuant to Section 102 of the Companies Act, 2013 and explanations relating to business to be transacted at the meeting are annexed hereto.
 - Register of Members and Share Transfer Books will remain closed from July 26, 2019 to August 1, 2019 (both days inclusive). Eligibility for dividend will be reckoned as on July 25, 2019; if declared at the Annual General Meeting.
 - Members are requested to note that dividend(s) not claimed within seven years from the due date are required to be transferred to the Investor Education and Protection Fund. As such, Shareholders who have not encashed their dividend warrants are requested to write to the Company for claiming outstanding dividends, if any, in respect of the previous years.
 - In terms of the Investor Education and Protection Fund (IEPF-Rules 2016), the Company has posted requisite details of dividends on the website of the Company 'www.adorfon.com' to enable Shareholders to check for their unclaimed dividend(s), if any.
 - Amount of unclaimed dividend as at March 31, 2019 for the years 2011-12 to 2017-18 aggregate to Rs. 1,13,46,649 (previous year: Rs. 1,13,06,967).
 - Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all equity shares of the Company on which dividend has not been claimed for seven consecutive years or more will have to be transferred by the Company to the Investor Education and Protection Fund (IEPF). The Company has also written to the concerned Shareholder(s) intimating them, their particulars of equity shares due for transfer. These details are also available on the Company's website 'www.adorfon.com'. Shareholders are requested to claim dividend on these equity shares at the earliest to avoid transfer of the aforesaid shares. No claim shall lie against the Company in respect of these equity shares, post their transfer to IEPF. However, upon transfer, the Shareholders will be able to claim these equity shares from the IEPF Authority by making an online application, the details of which are available at www.iepf.gov.in.
 - Member(s) whose shareholding is/are in electronic mode are requested to direct change of address and update details of bank account with their respective Depository Participant(s).
 - 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.
 - The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of contracts or arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.
 - Copies of Annual Report 2018-19 including Notice to the 44th Annual General Meeting are being sent by electronic mode to all the Members whose e-mail addresses are registered with the Company, unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address or if e-mail sent bounces back, physical copies of the Annual Report are being sent by the permitted mode.
 - The Company has provided e-Voting as an option. E-Voting will commence from July 29, 2019 at 9:00 a.m. and end on July 31, 2019 at 5:00 p.m. Instructions for the same have been made available as part of addendum to this Annual Report. Further, voting rights will be reckoned on the paid-up value of shares registered in the name of the Member(s) as on July 25, 2019. Any person, who acquires shares and becomes a Member of the Company after dispatch of Notice and holding shares as on the cut-off date i.e. July 25, 2019 may obtain Login Id & Password by sending a request to NSDL-evoting@nsdl.co.in.
 - Statutory Auditors: At the forty second AGM, Members had appointed M/s Srinivas & Subbalakshmi, Chartered Accountants (Firm Registration No. 011350S) as Statutory Auditors of the Company for a period of five years, which was duly ratified by the Members on August 2, 2018. The requirement to seek year on year ratification has been done away by the Companies (Amendment) Act, 2017 w.e.f. May 7, 2018. Accordingly the audit firm, M/s Srinivas & Subbalakshmi, Chartered Accountants will continue as Statutory Auditors until the conclusion of the 47th Annual General Meeting of the Company. Further an increase of ten percent in their remuneration over the previous year has been envisaged.
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ADDITIONAL INFORMATION ON DIRECTORS BEING APPOINTED/ REAPPOINTED

As required under Regulation 36 of the Securities and Exchange Board of India (LODR) Regulations, 2015 and Secretarial Standard-2 issued by the ICSI.

Item No. 4

NAME OF THE DIRECTOR: Mrs. N Malkani Nagpal

DIRECTOR IDENTIFICATION NUMBER (DIN)
00031985

DATE OF BIRTH: July 6, 1971

DATE OF FIRST APPOINTMENT ON THE BOARD
July 20, 2007

BRIEF RESUME, QUALIFICATION, EXPERIENCE AND NATURE OF EXPERTISE IN SPECIFIC FUNCTIONAL AREAS: 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 and 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. Her specific area of expertise is General Management.

NO. OF BOARD MEETINGS ATTENDED DURING THE YEAR AS A DIRECTOR: Four

DIRECTORSHIPS HELD IN OTHER COMPANIES (OTHER THAN ADOR FONTECH LIMITED)

- (i) Public Limited Companies: Ador Welding Limited, Piem Hotels Limited and Ador Multiproducts Limited.
- (ii) Private Limited Companies: J B Advani and Company Private Limited, Ador Green Energy Private Limited, 3 D Future Technologies Private Limited and 1908 E-Ventures Private Limited.

***MEMBERSHIPS / CHAIRMANSHIPS OF COMMITTEES OF OTHER BOARDS (OTHER THAN ADOR FONTECH LIMITED):**

- Stakeholder's Relationship Committee
- (i) Ador Welding Limited (Member)
- (ii) Ador Multiproducts Limited (Chairman)

REMUNERATION LAST DRAWN: Sitting fees for Board and Committee meetings. (2018-19:Rs. 68,000).

REMUNERATION SOUGHT TO BE PAID: Sitting fees for Board and Committee meetings.

SHAREHOLDING IN THE COMPANY: 27,350 shares

RELATIONSHIP WITH OTHER DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY: Nil

Item No. 5

NAME OF THE DIRECTOR: Mr. N S Marshall

DIRECTOR IDENTIFICATION NUMBER (DIN):
00085754

DATE OF BIRTH: March 21, 1976

DATE OF FIRST APPOINTMENT ON THE BOARD:
April 29, 2009

BRIEF RESUME, QUALIFICATION, EXPERIENCE AND NATURE OF EXPERTISE IN SPECIFIC FUNCTIONAL AREAS: Mr. N S Marshall is a British national of Indian origin. He holds a Master's degree in Business Administration. His specific areas of expertise are Production, Planning and Leadership.

NO. OF BOARD MEETINGS ATTENDED DURING THE YEAR AS A DIRECTOR: Four

DIRECTORSHIPS HELD IN OTHER COMPANIES (OTHER THAN ADOR FONTECH LIMITED):

- (i) Public Limited Companies: Simmonds Marshall Limited and Ador Multiproducts Limited.
- (ii) Private Limited Companies: J N Marshall Engineering Private Ltd., Marshall Poultry Farm (India) Private Ltd., Langford Estates Private Ltd., Powair Automation Equipments Private Ltd., J N Marshall Private Ltd., Diamtools Private Ltd., Desmet Ballestra India Private Ltd., Sadafuli Finstock Private Ltd., Nap Apps Private Ltd. and Corrodyne Coatings Private Ltd.

***MEMBERSHIPS / CHAIRMANSHIPS OF COMMITTEES OF OTHER BOARDS (OTHER THAN ADOR FONTECH LIMITED):**

- Stakeholders' Relationship Committee
- (i) Simmonds Marshall Limited (Member)

Audit Committee

- (i) Simmonds Marshall Limited (Member)
- (ii) Ador Multiproducts Limited (Member)

REMUNERATION LAST DRAWN: Sitting fees for Board and Committee meetings. (2018-19: Rs. 52,000).

REMUNERATION SOUGHT TO BE PAID: Sitting fees for Board and Committee meetings.

SHAREHOLDING IN THE COMPANY: 3,099 shares

RELATIONSHIP WITH OTHER DIRECTORS & KEY MANAGERIAL PERSONNEL OF THE COMPANY: Nil

Item No. 6

NAME OF THE DIRECTOR: Mr. Santosh Janakiram

DIRECTOR IDENTIFICATION NUMBER (DIN):
06801226

DATE OF BIRTH: August 22, 1978

BRIEF RESUME, QUALIFICATION, EXPERIENCE AND NATURE OF EXPERTISE IN SPECIFIC FUNCTIONAL AREAS: Mr. Santosh Janakiram is a Law Graduate from the National Law School and is an enrolled Advocate of the Bar Council of Maharashtra & Goa. He is associated with Amarchand Mangaldas Suresh A Shroff & Company (Advocates and Solicitors), Mumbai as 'Partner'. His specific areas of expertise are Corporate and General Laws.

NO. OF BOARD MEETINGS ATTENDED DURING THE YEAR AS A DIRECTOR: Three

DIRECTORSHIPS HELD IN OTHER COMPANIES (OTHER THAN ADOR FONTECH LIMITED):

- (i) Public Limited Companies: Nil
- (ii) Private Limited Companies: Social Lending Technologies & Holdings Private Limited and 3D Future Technologies Private Limited.

***MEMBERSHIPS / CHAIRMANSHIPS OF COMMITTEES OF OTHER BOARDS (OTHER THAN ADOR FONTECH LIMITED):** Nil

REMUNERATION LAST DRAWN: Sitting fees for Board and Committee meetings. (2018-19: Rs. 51,000).

REMUNERATION SOUGHT TO BE PAID: Sitting fees for Board and Committee meetings.

SHAREHOLDING IN THE COMPANY: Nil

RELATIONSHIP WITH OTHER DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY: Nil

*Note: Membership of Committees comprise Audit and Stakeholders' Relationship Committee.

DETAILS AND 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 reappointment. She has furnished her Director's identification number as 00031985 and has made declaration that she is not disqualified to become a Director.

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

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

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

Item No. 5

The Company has received notice in writing from a Member proposing the candidature of Mr. N S Marshall for reappointment. The same was perused by the Management Development, Nomination & Remuneration Committee and based on the evaluation of performance, appointment was recommended to the Board. Further, Mr. N S Marshall has furnished (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and qualification of Directors) Rules, 2014 (ii) Intimation in form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under