

# Price Waterhouse Chartered Accountants LLP

## Independent Auditors' Report on Review of Interim standalone results for the quarter ended December 31, 2017

The Board of Directors,  
Wendt (India) Limited,  
Flat No. 105, 1<sup>st</sup> Floor, Cauvery Block,  
National Games Housing Complex,  
Koramangala, Bangalore – 560047, India

1. We have reviewed the unaudited financial results of Wendt (India) Limited (the "Company") for the quarter ended December 31, 2017 which are included in the accompanying 'Statement of standalone unaudited financial results for the quarter and nine months ended December 31, 2017' (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. (a) The financial results of the Company for the quarter ended December 31, 2016 prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, were reviewed by another firm of chartered accountants who issued their unmodified conclusion, vide their report dated January 24, 2017.



Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor  
Bangalore - 560 008  
T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

## Independent Auditors' Report on Review of Interim standalone results for the quarter ended December 31, 2017

(b) The financial statements of the Company for the year ended March 31, 2017 prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, was audited by another firm of Chartered Accountants, who issued an unmodified opinion vide their report dated April 24, 2017.

(c) The financial results of the Company for the quarter ended June 30, 2017 prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, were reviewed by another firm of chartered accountants who, vide their report dated July 24, 2017, expressed an unmodified conclusion on those financial results.

Our conclusion is not qualified in respect of these matters.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Mohan Danivas S A

Partner

Membership Number: 209136

Bangalore  
January 24, 2018

# Price Waterhouse Chartered Accountants LLP

## Independent Auditors' Report on Review of Interim consolidated results for the quarter ended December 31, 2017

The Board of Directors  
Wendt (India) Limited  
Flat No. 105, 1<sup>st</sup> Floor, Cauvery Block,  
National Games Housing Complex,  
Koramangala, Bangalore – 560047, India

1. We have reviewed the unaudited consolidated financial results of Wendt (India) Limited (the "Company"), its subsidiaries (together referred to as the "Group") [(refer Note 3 on the Statement)] for the quarter ended December 31, 2017 which are included in the accompanying 'Statement of consolidated unaudited financial results for the quarter and nine months ended December 31, 2017' (the "Statement"). The Statement has been prepared by the Company's Management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's Management and has been approved by its Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of group personnel and analytical procedures applied to group's financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We did not review the financial results of two subsidiaries considered in the preparation of the Statement and which constitute total revenue of Rs. 583 Lakhs and total comprehensive income (comprising of profit/ loss and other comprehensive income) of Rs. 58 Lakhs for the quarter ended December 31, 2017. These financial results/ statements and other financial information have been reviewed by other auditors whose reports have been furnished to us by the Management, and our conclusion on the Statement to the extent they have been derived from such financial results/ statements is based solely on the report of such other auditors.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. (a) The consolidated financial results of the Group for the quarter ended December 31, 2016 prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 were reviewed by another firm of chartered accountants who issued their unmodified conclusion, vide their report dated January 24, 2017.



Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor  
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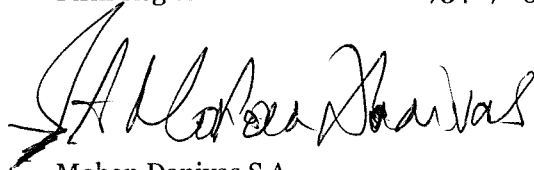
# Price Waterhouse Chartered Accountants LLP

## Independent Auditors' Report on Review of Interim consolidated results for the quarter ended December 31, 2017

- (b) The financial statements of the Group for the year ended March 31, 2017 prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 was audited by another firm of Chartered Accountants, who issued an unmodified opinion vide their report dated April 24, 2017.
- (c) The consolidated financial results of the Group for the quarter ended June 30, 2017 prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, were reviewed by another firm of chartered accountants who, vide their report dated July 24, 2017, expressed an unmodified conclusion on those financial results.

Our conclusion is not qualified in respect of these matters.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Mohan Danivas S A  
Partner  
Membership Number: 209136

Bangalore  
January 24, 2018



WENDT (INDIA) LIMITED  
CIN No :- L85110KA1980PLC003913  
Regd. Office :105, 1st Floor, Cauvery Block,National Games  
Housing Complex,Koramangala, Bangalore- 560 047

Statement of Standalone Unaudited Financial Results  
for the Quarter and Nine months ended 31st December 2017

(Rs in lakhs, except EPS)

| Particulars   | STANDALONE FINANCIAL RESULTS |              |              |                   |               |               |
|---|------------------------------|--------------|--------------|-------------------|---------------|---------------|
|   | Three months ended           |              |              | Nine months ended |               | Year ended    |
|   | 31/12/2017                   | 30/09/2017   | 31/12/2016   | 31/12/2017        | 31/12/2016    | 31/03/2017    |
|   | Unaudited                    |              |              |                   |               | Audited       |
| <b>1. Income</b>  |                              |              |              |                   |               |               |
| a) Gross Sales/Revenue from Operations<br>(Refer Note 3)                            | 3,112                        | 3,270        | 3,495        | 9,389             | 10,173        | 13,910        |
| b) Other Operating Income   | 30                           | 31           | 41           | 102               | 136           | 171           |
| c) Other Income   | 24                           | 145          | 30           | 216               | 182           | 373           |
| <b>Total Income</b>   | <b>3,166</b>                 | <b>3,446</b> | <b>3,566</b> | <b>9,707</b>      | <b>10,491</b> | <b>14,454</b> |
| <b>2. Expenses</b>  |                              |              |              |                   |               |               |
| a) Cost of materials consumed   | 877                          | 987          | 1,070        | 2,770             | 2,974         | 4,198         |
| b) Purchases of stock-in-trade  | 41                           | 64           | 45           | 152               | 243           | 276           |
| c) Changes in inventories of finished goods,<br>work-in-progress and stock-in-trade | 4                            | 97           | (121)        | 144               | (171)         | (140)         |
| d) Excise Duty on sales   | -                            | -            | 278          | 226               | 822           | 1,131         |
| e) Employee benefits expense  | 640                          | 672          | 583          | 1,899             | 1,716         | 2,301         |
| f) Finance costs  | -                            | -            | 12           | 5                 | 12            | 12            |
| g) Depreciation and amortisation expense  | 251                          | 250          | 249          | 751               | 713           | 964           |
| h) Other expenses   | 990                          | 999          | 1,128        | 2,882             | 3,075         | 4,142         |
| <b>Total expenses</b>   | <b>2,803</b>                 | <b>3,069</b> | <b>3,244</b> | <b>8,829</b>      | <b>9,384</b>  | <b>12,884</b> |
| <b>3. Profit (+) / Loss (-) before tax (1-2)</b>                                    | <b>363</b>                   | <b>377</b>   | <b>322</b>   | <b>878</b>        | <b>1,107</b>  | <b>1,570</b>  |
| <b>4. Tax expense</b>   |                              |              |              |                   |               |               |
| <b>Current tax</b>  | 124                          | 128          | 105          | 312               | 323           | 388           |
| <b>Deferred tax</b>   | (31)                         | (30)         | (2)          | (92)              | (9)           | 13            |
| <b>Total tax expense</b>  | 93                           | 98           | 103          | 220               | 314           | 401           |
| <b>5. Profit (+) / Loss (-) after tax (3-4)</b>                                     | <b>270</b>                   | <b>279</b>   | <b>219</b>   | <b>658</b>        | <b>793</b>    | <b>1,169</b>  |
| <b>6. Other Comprehensive income</b>  |                              |              |              |                   |               |               |
| <b>A) Items that will not be reclassified to profit or loss</b>                     |                              |              |              |                   |               |               |
| (i) Remeasurements of the defined benefit plans                                     | (26)                         | (52)         | -            | (78)              | -             | (68)          |
| <b>B) Items that will be reclassified to profit or loss</b>                         | -                            | -            | -            | -                 | -             | -             |
| <b>Total Other Comprehensive income (A+B)</b>                                       | <b>(26)</b>                  | <b>(52)</b>  | <b>-</b>     | <b>(78)</b>       | <b>-</b>      | <b>(68)</b>   |
| <b>7. Total Comprehensive income (5+6)</b>  | <b>244</b>                   | <b>227</b>   | <b>219</b>   | <b>580</b>        | <b>793</b>    | <b>1,101</b>  |
| <b>8. Paid-up equity share capital (Face Value Rs. 10/- per share)</b>              | <b>200</b>                   | <b>200</b>   | <b>200</b>   | <b>200</b>        | <b>200</b>    | <b>200</b>    |
| <b>9. Total Reserves</b>  |                              |              |              |                   |               | <b>10,043</b> |
| <b>10. Earnings Per Share (EPS)</b>   |                              |              |              |                   |               |               |
| Basic and diluted EPS (not annualized)  | 13.50                        | 13.95        | 10.97        | 32.90             | 39.67         | 58.47         |

Standalone Segment wise Revenue and Results

(Rs in lakhs)

| Particulars   | STANDALONE FINANCIAL RESULTS |              |              |                   |               |               |
|---|------------------------------|--------------|--------------|-------------------|---------------|---------------|
|   | Three months ended           |              |              | Nine months ended |               | Year ended    |
|   | 31/12/2017                   | 30/09/2017   | 31/12/2016   | 31/12/2017        | 31/12/2016    | 31/03/2017    |
|   | Unaudited                    |              |              |                   |               | Audited       |
| <b>1. Segment Revenue</b>   |                              |              |              |                   |               |               |
| a) Super Abrasives  | 2,576                        | 2,604        | 2,820        | 7,464             | 7,876         | 10,414        |
| b) Machines , Accessories and Components                                | 536                          | 666          | 675          | 1,925             | 2,297         | 3,496         |
| Total   | 3,112                        | 3,270        | 3,495        | 9,389             | 10,173        | 13,910        |
| Less:- Inter Segment Revenue  | -                            | -            | -            | -                 | -             | -             |
| <b>Gross sales/Revenue From Operations</b>                              | <b>3,112</b>                 | <b>3,270</b> | <b>3,495</b> | <b>9,389</b>      | <b>10,173</b> | <b>13,910</b> |
| <b>2. Segment Results Profit (+)/ Loss (-) before tax and interest.</b> |                              |              |              |                   |               |               |
| a) Super Abrasives  | 539                          | 460          | 520          | 1,318             | 1,402         | 1,822         |
| b) Machines , Accessories and Components                                | 84                           | 54           | 52           | 153               | 255           | 452           |
| Total   | 623                          | 514          | 572          | 1,471             | 1,657         | 2,274         |
| Less: (i) Finance costs   | -                            | -            | 12           | 5                 | 12            | 12            |
| (ii) Other Un-allocable Expenditure net off Un-allocable income         | 260                          | 137          | 238          | 588               | 538           | 692           |
| <b>Total Profit Before Tax</b>  | <b>363</b>                   | <b>377</b>   | <b>322</b>   | <b>878</b>        | <b>1,107</b>  | <b>1,570</b>  |



*S. G. M. S. M. S.*

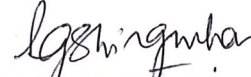
**Notes on Segment Information:**

- 1) The Company is organised into two business segments, namely :
  - a) Super Abrasives and b) Machines, Accessories and Components.
- 2) Segment Assets and Segment Liabilities of the company's business have not been identified to any reportable segment, as these are used interchangeably between segments.

**Other Notes:**

- 3) Sales for the quarter ended September 30, 2017 and December 31, 2017 does not include Goods and Service Tax (GST), however, sales till period ended June 30, 2017 and comparative periods is gross of excise duty.
- 4) The Directors have recommended an Interim dividend of Rs.10/- per share (100% on face value of equity share of Rs. 10/- each).
- 5) The figures for the corresponding periods have been restated / regrouped, wherever necessary to make them comparable.
- 6) The Unaudited financial results, after being reviewed by the Audit Committee, were approved by the Board of Directors at their meeting held on 24th January, 2018.

For and on Behalf of Wendt (India) Limited



Shrinivas G Shirgurkar  
Director

Place : Bangalore  
Date : 24.01.2018





**WENDT (INDIA) LIMITED**  
 CIN No :- L85110KA1980PLC003913  
 Regd. Office :105, 1st Floor, Cauvery Block,National Games  
 Housing Complex,Koramangala, Bangalore- 560 047

**Statement of Consolidated Unaudited Financial Results  
 for the Quarter and Nine months ended 31st December 2017**

(Rs in lakhs, except EPS)

| Particulars  | CONSOLIDATED FINANCIAL RESULTS |              |              |                   |               |               |
|--|--------------------------------|--------------|--------------|-------------------|---------------|---------------|
|  | Three months ended             |              |              | Nine months ended |               | Year ended    |
|  | 31/12/2017                     | 30/09/2017   | 31/12/2016   | 31/12/2017        | 31/12/2016    | 31/03/2017    |
|  | Unaudited                      |              |              |                   |               | Audited       |
| <b>1. Income</b>   |                                |              |              |                   |               |               |
| a) Gross Sales/Revenue from Operations<br>(Refer Note 4)                               | 3,594                          | 3,664        | 3,856        | 10,767            | 11,553        | 15,597        |
| b) Other Operating Income  | 25                             | 29           | 35           | 89                | 119           | 148           |
| c) Other Income  | 27                             | 56           | 33           | 144               | 109           | 164           |
| <b>Total Income</b>  | <b>3,646</b>                   | <b>3,749</b> | <b>3,924</b> | <b>11,000</b>     | <b>11,781</b> | <b>15,909</b> |
| <b>2. Expenses</b>   |                                |              |              |                   |               |               |
| a) Cost of materials consumed  | 877                            | 987          | 1,070        | 2,770             | 2,974         | 4,198         |
| b) Purchases of stock-in-trade   | 294                            | 332          | 213          | 865               | 964           | 1,202         |
| c) Changes in inventories of finished goods,work-in-progress and stock-in-trade        | 46                             | 15           | (94)         | 173               | (113)         | (127)         |
| d) Excise Duty on sales  | -                              | -            | 278          | 226               | 822           | 1,131         |
| e) Employee benefits expense   | 692                            | 715          | 624          | 2,033             | 1,833         | 2,463         |
| f) Finance costs   | -                              | -            | 12           | 5                 | 12            | 12            |
| g) Depreciation and amortisation expense   | 257                            | 256          | 258          | 772               | 741           | 999           |
| h) Other expenses  | 1,035                          | 1,064        | 1,191        | 3,059             | 3,247         | 4,374         |
| <b>Total expenses</b>  | <b>3,201</b>                   | <b>3,369</b> | <b>3,552</b> | <b>9,903</b>      | <b>10,480</b> | <b>14,252</b> |
| <b>3. Profit (+) / Loss (-) before tax (1-2)</b>                                       | <b>445</b>                     | <b>380</b>   | <b>372</b>   | <b>1,097</b>      | <b>1,301</b>  | <b>1,657</b>  |
| <b>4. Tax expense</b>  |                                |              |              |                   |               |               |
| Current tax  | 146                            | 145          | 118          | 366               | 365           | 439           |
| Deferred tax   | (31)                           | (30)         | (2)          | (92)              | (9)           | 13            |
| <b>Total tax expense</b>   | <b>115</b>                     | <b>115</b>   | <b>116</b>   | <b>274</b>        | <b>356</b>    | <b>452</b>    |
| <b>5. Profit (+) /Loss (-) after tax (3-4)</b>   | <b>330</b>                     | <b>265</b>   | <b>256</b>   | <b>823</b>        | <b>945</b>    | <b>1,205</b>  |
| <b>6. Other Comprehensive income</b>   |                                |              |              |                   |               |               |
| A) Items that will not be reclassified to profit or loss                               |                                |              |              |                   |               |               |
| (i) Remeasurements of the defined benefit plans  | (26)                           | (52)         | -            | (78)              | -             | (68)          |
| b) Items that will be reclassified to profit or loss                                   |                                |              |              |                   |               |               |
| (i) Exchange differences in translating the financial statements of foreign operations | 44                             | -            | (28)         | 83                | 22            | (2)           |
| <b>Total Other Comprehensive income (A+B)</b>  | <b>18</b>                      | <b>(52)</b>  | <b>(28)</b>  | <b>5</b>          | <b>22</b>     | <b>(70)</b>   |
| <b>7. Total Comprehensive income (5+6)</b>   | <b>348</b>                     | <b>213</b>   | <b>228</b>   | <b>828</b>        | <b>967</b>    | <b>1,135</b>  |
| <b>8. Paid-up equity share capital (Face Value Rs. 10/- per share)</b>                 | <b>200</b>                     | <b>200</b>   | <b>200</b>   | <b>200</b>        | <b>200</b>    | <b>200</b>    |
| <b>9. Total Reserves</b>   |                                |              |              |                   |               | <b>11,031</b> |
| <b>10. Earnings Per Share (EPS)</b>  |                                |              |              |                   |               |               |
| Basic and diluted EPS (not annualized)   | 16.50                          | 13.25        | 12.79        | 41.15             | 47.26         | 60.26         |

**Consolidated Segment wise Revenue and Results**

(Rs in lakhs)

| Particulars   | CONSOLIDATED FINANCIAL RESULTS |              |              |                   |               |               |
|---|--------------------------------|--------------|--------------|-------------------|---------------|---------------|
|   | Three months ended             |              |              | Nine months ended |               | Year ended    |
|   | 31/12/2017                     | 30/09/2017   | 31/12/2016   | 31/12/2017        | 31/12/2016    | 31/03/2017    |
|   | Unaudited                      |              |              |                   |               | Audited       |
| <b>1. Segment Revenue</b>   |                                |              |              |                   |               |               |
| a) Super Abrasives  | 2,712                          | 2,666        | 2,874        | 7,815             | 8,227         | 10,847        |
| b) Machines , Accessories and Components                                | 536                            | 666          | 675          | 1,925             | 2,297         | 3,496         |
| c) Others   | 346                            | 332          | 307          | 1,027             | 1,029         | 1,254         |
| Total   | 3,594                          | 3,664        | 3,856        | 10,767            | 11,553        | 15,597        |
| Less:- Inter Segment Revenue  | -                              | -            | -            | -                 | -             | -             |
| <b>Gross sales/Revenue From Operations</b>                              | <b>3,594</b>                   | <b>3,664</b> | <b>3,856</b> | <b>10,767</b>     | <b>11,553</b> | <b>15,597</b> |
| <b>2. Segment Results Profit (+)/ Loss (-) before tax and interest.</b> |                                |              |              |                   |               |               |
| a) Super Abrasives  | 547                            | 479          | 517          | 1,406             | 1,505         | 1,924         |
| b) Machines , Accessories and Components                                | 84                             | 54           | 52           | 153               | 255           | 456           |
| c) Others   | 76                             | 76           | 55           | 217               | 181           | 211           |
| Total   | 707                            | 609          | 624          | 1,776             | 1,941         | 2,591         |
| Less: (i) Finance costs   | -                              | -            | 12           | 5                 | 12            | 12            |
| (ii) Other Un-allocable Expenditure net off Un-allocable income         | 262                            | 229          | 240          | 674               | 628           | 922           |
| <b>Total Profit Before Tax</b>  | <b>445</b>                     | <b>380</b>   | <b>372</b>   | <b>1,097</b>      | <b>1,301</b>  | <b>1,657</b>  |



*lgsmrignka*

**Notes on Segment Information:**

1) The Group is organised into three business segments, namely :

a) Super Abrasives, b) Machines, Accessories and Components & c) Others. The "Others" segment includes other trading products.

2) Segment Assets and Segment Liabilities of the group's business have not been identified to any reportable segment, as these are used interchangeably between segments.

**Other Notes:**

3) The above consolidated results include the results of two wholly owned subsidiaries, viz:-

(a) Wendt Grinding Technologies Ltd, Thailand and (b) Wendt Middle East, FZE, Sharjah

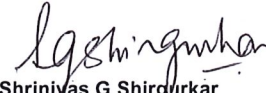
4) Sales for the quarter ended September 30, 2017 and December 31, 2017 does not include Goods and Service Tax (GST), however, sales till period ended June 30, 2017 and comparative periods is gross of excise duty.

5) The Directors have recommended an Interim dividend of Rs. 10/- per share (100% on face value of equity share of Rs. 10/- each).

6) The figures for the corresponding periods have been restated / regrouped, wherever necessary to make them comparable.

7) The Unaudited financial results, after being reviewed by the Audit Committee, were approved by the Board of Directors at their meeting held on 24th January, 2018.

For and on Behalf of Wendt (India) Limited

  
Shrinivas G Shirgurkar  
Director

Place : Bangalore

Date : 24.01.2018

