

WENDT (INDIA) LIMITED

No. 69/70, Sipcot, Hosur 635 126, Tamilnadu, INDIA
CIN : L85110KA1980PLC003913
Telephone : + 91 4344 405500
Telefax : + 91 4344 405620 / 405630
E-mail : wil@wendtindia.com
Web : www.wendtindia.com



30th June 2022

BSE Limited
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai 400 001

Stock Code: 505412

National Stock Exchange of India Ltd.
Plot No. C/1, G Block
Bandra - Kurla Complex, Bandra (E)
Mumbai 400 051

Stock Code: WENDT

Dear Sir/Madam,

Sub.: Annual Report for the financial year ended 31st March 2022 and Annual General Meeting updates pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015.

Further to our intimation dated 22nd April 2022 regarding the convening of the 40th Annual General Meeting ('AGM') of the Wendt (India) Limited ('the Company') on Friday, 22nd July 2022 at 3.00 P.M. IST through Video Conferencing/Other Audio Visual Means ('VC/OAVM'), in compliance with the various circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India ('SEBI'), pursuant to the applicable provisions of the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we submit an electronic copy of the Annual Report of the Company comprising the audited financial statements, Directors' report and Auditors' report thereon for the financial year ended 31st March 2022 and the Notice convening the 40th AGM.

The electronic copies of the Annual Report and the AGM notice have been sent today to all the Members holding shares in dematerialised form whose e-mail addresses are available with their Depository Participants ('DPs') as well as to the Members holding shares in physical form whose e-mail addresses are registered with the Company/Registrar and Share Transfer Agent viz. M/s. KFin Technologies Limited (formerly known as M/s. KFin Technologies Private Limited) ('RTA') for communication purposes. The above-mentioned documents have also been uploaded on the website of the Company at www.wendtindia.com and that of the RTA at evoting.kfintech.com and this submission will enable them to be available on the website of the stock exchanges for access by any Member. In view of the exemptions provided, no physical or hard copies of the Notice and the Annual Report are being sent to the shareholders.

The Company vide newspaper publications dated 28th June 2022 as well as through communications uploaded in the website at www.wendtindia.com has informed the Members regarding the detailed instructions for the registration / updation of their PAN, KYC (including e-mail addresses, bank account details etc.), Nomination details for receiving the Annual Report and AGM Notice and the manner of participating in the 40th AGM through VC/OAVM. Detailed instructions for voting electronically and attending the meeting through VC/OAVM is also available in the Notice convening the AGM.



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Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members have been provided with the facility to cast their vote electronically, through the e-voting services provided by M/s. KFin Technologies Limited ('KFin') on all Resolutions set forth in the AGM Notice. The facility to vote electronically shall be available through remote e-voting prior to the AGM. The facility for voting will also be made available during the AGM through Instapoll and Members attending the 40th AGM who have not cast their vote(s) by remote e-voting will be able to vote during the AGM through Instapoll.

In line with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020, Members (individuals holding shares in demat mode) can avail remote e-voting facility, by using a single login credential in websites of Depositories/Depository Participants. The process and manner of remote e-voting in pursuance of the SEBI circular is set out in the Notice convening the AGM.

The remote e-voting period commences on Tuesday, 19th July 2022 (9.00 a.m. IST) and ends on Thursday, 21st July 2022 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. 15th July 2022 may cast their vote electronically in the manner and process set out in the AGM Notice. The voting rights of the Members shall be in proportion to their shareholding in the Company as on 15th July 2022 i.e. cut-off date.

Members are being provided with a facility to attend the AGM through the Video Conferencing platform provided by the Company's Registrar and Transfer Agent viz. KFin Technologies Limited. Members can access the facility at emeetings.kfintech.com.

For any further information or clarification, Members can write to investorservices@wendtindia.com or einward.ris@kfintech.com.

Kindly take note of the same.

Thanking you.

Yours faithfully,
For **Wendt (India) Limited**

A handwritten signature in blue ink, appearing to read "Arjun Raj P.", written over a circular stamp.

Arjun Raj P.
Company Secretary

NOTICE CONVENING THE 40TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Fortieth Annual General Meeting ('AGM') of the Members of Wendt (India) Limited will be held at 3.00 p.m. on Friday, 22nd July 2022 through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS

Item No.1 - Adoption of Standalone Financial Statements

To consider and if deemed fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT the Audited Standalone Financial Statements for the year ended 31st March 2022 and the Reports of the Board and Independent Auditors' thereon be and are hereby considered, approved and adopted.

Item No.2 - Adoption of Consolidated Financial Statements

To consider and if deemed fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT the Audited Consolidated Financial Statements for the year ended 31st March 2022 and the Independent Auditors' Report thereon be and are hereby considered, approved and adopted.

Item No.3 - Declaration of Dividend

To consider and if deemed fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT a dividend of Rs.45/- per equity share of Rs.10/- each be declared for the financial year ended 31st March 2022 and that the same be paid out of the profits of the Company to those shareholders whose names appear in the Register of Members as on 15th July 2022 in case the shares are held in physical form and to the beneficial holders of the dematerialised shares as on 15th July 2022 as per the details provided by National Securities Depository Limited and Central Depository Services (India) Limited in case the shares are held in electronic form.

RESOLVED FURTHER THAT the interim dividend of Rs.20/- per equity share of Rs.10/- each declared by the Board of Directors and paid for the financial year ended 31st March 2022 be and is hereby confirmed.

Item No.4 - To re-appoint M/s. Price Waterhouse Chartered Accountants LLP as Statutory Auditors of the Company and to fix their remuneration

To consider and if deemed fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 and any other Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the re-appointment of M/s. Price Waterhouse Chartered Accountants LLP (Firm Regn. No. 012754N/N500016) as the Statutory Auditors of the Company to hold office from the conclusion of the 40th Annual General Meeting until the conclusion of the 45th Annual General Meeting on a remuneration of Rs. 12,50,000/- (excluding out of pocket expenses incurred by them in connection with the Audit and applicable taxes) for the FY 2022-23 be and is hereby approved and the Board may decide the remuneration payable to the Statutory Auditors for the subsequent years based on the recommendation of the Audit Committee.

SPECIAL BUSINESS

Item No.5 - Retirement of Director

To consider and if deemed fit, to pass the following as an Ordinary Resolution:

RESOLVED THAT Mr. Rajesh Khanna (DIN: 06923493), Non-Executive Director, who retires by rotation at the Fortieth Annual General Meeting and who does not offer himself for re-appointment, be not re-appointed as a Director of the Company and the vacancy, so created on the Board of Directors of the Company, be not filled at the AGM.

Item No.6- To re-appoint Ms. Hima Srinivas (DIN: 07556717) as an Independent Director

To consider and if deemed fit, to pass the following as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), Ms. Hima Srinivas holding DIN - 07556717 who was appointed as an Independent Director of the Company at the 35th Annual General Meeting for a term of five (5) consecutive years from 24th April 2017 and who being eligible for re-appointment as an Independent Director has offered herself for re-appointment and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years from and effective 24th April 2022.

Item No.7 - Approval for payment of commission to Directors of the Company

To consider and if deemed fit, to pass the following as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), the Directors (excluding Managing Director(s)/Executive Director(s)/Whole-time Director(s) but including the Alternate Directors) of the Company be paid remuneration by way of commission for a period of five financial years commencing from 1st April 2022, not exceeding 3% of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 for each financial year.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to decide from time to time, the quantum and manner of distribution of commission, to one or more Directors, including the Chairman within the limit of 3% prescribed above.

RESOLVED FURTHER THAT the aforesaid commission shall be in addition to the fees payable to such Directors for attending the meetings of the Board and Committees thereof.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution.

**By order of the Board
For Wendt (India) Limited**

**Arjun Raj P
Company Secretary**

**Place: Hosur
Date : April 22, 2022**

Notes:

1. In view of the prevailing COVID-19 pandemic situation as well as continuing Government guidelines to maintain social distancing, the Ministry of Corporate Affairs (MCA) vide its latest General Circular No. 02/2022 dated 05th May, 2022 in furtherance to its earlier circulars 20/2020 dated 5th May 2020, Circular Nos. 14/2020 dated 8th April 2020 and 17/2020 dated 13th April 2020 has permitted companies, whose Annual General Meetings (AGM) due to be conducted on or before 31st December 2022, to hold their AGMs through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') not requiring the physical presence of the Members at a common venue. Considering the health and safety of all stakeholders including the shareholders, the 40th AGM of the Company is being conducted through VC/OAVM in compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and applicable circulars issued in this regard.

Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum for the meeting under Section 103 of the Act.

2. 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 the proxy need not be a Member of the Company. However, as this AGM is being held through VC/OAVM, physical attendance of Members is being dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence, the Proxy Form and Attendance Slip are not being annexed to this Notice and the resultant requirements for entitlement to appoint a proxy and submission of proxy form does not arise.

M/s. KFin Technologies Limited (formerly known as "KFin Technologies Private Limited"), Hyderabad, is the Company's Registrar and Share Transfer Agent ('RTA').

3. Corporate Members intending to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend the AGM and vote on their behalf.
4. The statement of material facts pursuant to Section 102 of the Companies Act, 2013 in respect of the businesses under Item nos.4, 5, 6 and 7 of the Notice to be transacted at the AGM are annexed hereto.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 15th July 2022 to Friday, 22nd July 2022 (both days inclusive) for the purpose of payment of final dividend for the financial year ended 31st March 2022. Subject to the provisions of the Act, the dividend as recommended by the Board, if declared at the meeting will be paid by Friday, the 12th August 2022.
6. Dividends remaining unclaimed/unpaid for a period of seven (7) years is required to be transferred to the Investor Education Protection Fund ('IEPF'). The Company has transferred unclaimed/unencashed dividends up to the interim dividend for FY 2014-15 to the IEPF during the year ended 31st March 2022.

The Company has uploaded the details of unpaid and unclaimed amounts lying with it as on 31st March 2021 on the website www.wendtindia.com and also on the website of the Ministry of Corporate Affairs in line with the amendments made to the IEPF Rules during the year. Members can ascertain the status of their unclaimed dividend amounts from these websites.

Members who have not encashed their warrants in respect of the final dividend declared for financial year 2014-15 and subsequent dividends thereon may write to the Company Secretary or RTA immediately for claiming their dividends.

As per Section 124(6) of the Companies Act, 2013 and extant Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to the IEPF Authority. As at 31st March 2022, the Company has transferred 9,849 shares to the IEPF Authority. Further, the Company has uploaded the details of the above on its website for the information of Members.

Members are entitled to claim the shares from the IEPF Authority by making an application online along with the requisite documents in Form IEPF-5 available on the website <http://www.iepf.gov.in/IEPF/corporates.html>. Shareholders are requested to contact the Company's RTA or the Company in this regard.

Members are requested to note that pursuant to an amendment in the Income Tax Act, 1961, dividends declared and paid by the Company with effect from 1st April 2020 are taxed in the hands of the recipient of dividend i.e. shareholders. Hence, effective 1st April 2020, all dividends paid/ to be paid by the Company will be subject to deducting tax at the applicable rate prescribed under the Income Tax Act, 1961. Members may note that in the absence of the details of the PAN, the Company would be required to deduct tax at a higher rate prescribed under the Income Tax, 1961. Hence, Members who have not furnished their PAN to the Company are requested to immediately submit a copy of the same. Members seeking non-deduction of tax on their dividends may submit Form 15G/15H as applicable to the Company on a yearly basis at the link <https://ris.kfintech.com/form15/>. The detailed information with respect to tax deduction at source on dividend payments including the formats of Form 15G/Form 15H for seeking exemption is available at the links <https://ris.kfintech.com/form15/> as well as <https://www.wendtindia.com/investors/>. Members may contact the Company Secretary or any executive in the Secretarial team in case of any clarification in this regard.

7. The Securities and Exchange Board of India ('SEBI') vide its circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 has made it mandatory for holders of physical securities to furnish their PAN, email address, mobile number, bank account details and also to either register or declare opt out for nomination facility against the shares held in the Company. Also, new forms were introduced with respect to investor servicing, the details of which are available on the website of the Company at <https://www.wendtindia.com/investors/>.

Freezing of Folios without PAN, KYC details and Nomination:

8. In terms of SEBI circular no SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021 folios wherein any one of the document / details viz., PAN, KYC and Nomination are not available or not provided to the Company/RTA before April 01, 2023, shall be frozen and the shareholders will not be eligible to lodge grievance or avail service request from the RTA or be eligible for receipt of dividend in physical mode. After December 31, 2025, the frozen folios shall be referred by RTA/Company to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and / or Prevention of Money Laundering Act, 2002. Hence, Members are requested to provide the above details immediately to the Company/RTA in case it has not been provided so far.
9. Members are advised to intimate the details of their bank account to facilitate electronic remittance of dividend or for being incorporated in the dividend warrants. This would help avoiding fraudulent encashment of the warrants.

Members may follow the process detailed below for updation of their bank account for timely receipt of dividends:

Type of holder	Process for updating bank account details
Physical	Members can send a request to the Company's RTA at einward.ris@kfintech.com by providing the following: <ul style="list-style-type: none"> - Scanned copy of the signed request letter mentioning the Folio No. and name of the Member; - Self-attested copy of PAN; - Self-attested copy of any address proof including Aadhar, Passport etc.; - Scanned copy of share certificate(s) (front and back); - Scanned copy of the cancelled cheque bearing the name of the first named shareholder; - Form ISR-1, Form ISR-2 & Form SH-13 / Form ISR-3 duly filled up.
Demat	Members to contact their respective DPs and register their PAN, e-mail address and bank account details in their demat account, as per the process recommended by the DP.

10. Members are requested to note that in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (amended from time to time), with effect from 1st April 2019, shares of the Company can be transferred only in dematerialised form. In view of the above, Members are advised to dematerialise the shares held by them in physical form. This will also eliminate all risks associated with holding securities in physical form and provide ease in portfolio management. For further information, please contact us at investorservices@wendtindia.com or the RTA at einward.ris@kfintech.com.
11. Registration of e-mail address by Members and details for obtaining/downloading the electronic copy of the Annual Report and Notice convening the AGM:

In view of the prevailing COVID-19 pandemic situation, MCA vide its Circulars dated 5th May 2020 and 5th May 2022 and SEBI vide circular dated 13th May 2022 has exempted companies from sending Annual Reports in physical mode. Accordingly, an electronic copy of the Annual Report is being sent to all the Members holding shares in dematerialised form and whose e-mail addresses are available with the DPs as well as to all the Members holding shares in physical mode whose e-mail addresses are registered with the Company/RTA for communication purposes. Procedure for obtaining the Annual Report, AGM notice as well as electronic voting

(e-voting) instructions for Members whose e-mail addresses are not registered with the DPs or with RTA is provided herein and also available on the website of the Company. The Annual Report is also available on the Company's website <https://www.wendtindia.com>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively as well as the website of RTA at <https://evoting.kfintech.com/>.

12. Additional information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings in respect of the Directors seeking appointment/re-appointment at the AGM is furnished and forms part of the Notice. The Directors have furnished the requisite consents/declarations for their appointment/re-appointment.
13. The business set out in the Notice would be transacted through electronic voting. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and amendments thereof, the e-voting facility will be made available to Members to cast their votes electronically on all resolutions set forth in the Notice convening the 40th AGM. The Company has engaged the services of M/s. KFin Technologies Limited to provide remote e-voting facility and voting facility during the AGM i.e. through Instapoll, to enable Members to exercise their votes in a secured manner. The instructions for remote e-voting as well as Instapoll is provided in this Notice.

The Board of Directors have appointed Mr. R Sridharan of M/s. R Sridharan and Associates, Practising Company Secretaries or failing him Ms. Srinidhi Sridharan of M/s. Srinidhi Sridharan and Associates, Company Secretaries as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

The Notice and the instructions for attending the AGM and exercising the voting are being sent in electronic form to all the Members whose e-mail addresses are registered with the Company/their DPs for communication purposes. For others who have not registered their e-mail addresses, please refer the instructions in Note 11 above.

In view of the exemptions provided, no physical or hard copies of the Notice and Annual Report will be sent to Members who have not registered their e-mail addresses with the Company/ RTA. However, in line with SEBI circular dated 13th May 2022, hard copy of annual report will be sent to the shareholders who request for the same. A request in this regard, can be made by sending an email to einward.ris@kfintech.com or investorservices@wendtindia.com.

Members may follow the process detailed below for registration of e-mail addresses to obtain the Annual Report and AGM Notice:

Type of holder	Process to be followed for registration of e-mail address
Physical	Members may send an e-mail request to einward.ris@kfintech.com or investorservices@wendtindia.com along with a : <ul style="list-style-type: none"> - Form ISR-1 for updation of KYC details including e-mail address; - Scanned copy of the signed request letter mentioning the Folio No., name of the Member, e-mail address and mobile number; - Self-attested copy of PAN; - Self-attested copy of any address proof including Aadhar, Passport etc.; - Scanned copy of share certificate(s) (front and back).
Demat	Members may contact their DPs and register or update their respective e-mail addresses in the demat account, as per the process recommended by the DP.

Alternatively, Members holding shares in physical or in electronic form who have not registered their e-mail address may temporarily get their e-mail address and mobile number registered with RTA by clicking the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> for enabling receipt of the Annual report electronically. Members are requested to follow the process stated in the link to register their e-mail address and mobile number. After due verification, RTA will forward the documents and the login credentials for voting and attending the AGM to the registered e-mail address.

Members can also send the above-mentioned documents addressed to M/s. KFin Technologies Limited at Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032.

As an eco-friendly measure intending to benefit the society at large, we request you to be part of the e-initiative and register your e-mail address to receive all communication and documents including Annual reports from time to time in electronic form to the e-mail address provided by you.

In case of any queries, Members may write to inward.ris@kfintech.com or investorservices@wendtindia.com by quoting their Folio number or DP and Client ID.

14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send their share certificates to the RTA for consolidation into a single folio.
15. All documents referred to in the accompanying Notice and the statement under Section 102 of the Act, shall be open for inspection during normal business hours (9.30 a.m. to 5.30 p.m.) on all working days up to the date of the AGM. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the meeting. Members seeking to inspect such documents can send an e-mail to investorservices@wendtindia.com.
16. Members holding shares in physical form are requested to address all correspondence relating to their shareholding to the Company's RTA or to the Company. Members holding shares in dematerialised form may send such correspondence to their respective DPs.

17. Instructions for attending the AGM and voting:

17.1. Instructions for remote e-Voting before the AGM:

While Members can vote electronically during the AGM, they can also avail remote e-voting facility provided by the Company for voting before the AGM. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members are provided with the facility to cast their votes electronically, through the e-voting services provided by M/s. KFin Technologies Limited ('KFin') on all Resolutions set forth in this Notice. The facility for voting will also be made available during the AGM and Members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote during the AGM (Instapoll).

In line with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020, Members (individuals holding shares in demat mode) can avail remote e-voting facility, by using a single login credential in websites of Depositories/Depository Participants (DPs).

The process and manner for e-Voting is as below:

i. In case of individual shareholders holding shares in demat mode:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDeAS e-Services:</p> <ol style="list-style-type: none"> a) Visit URL: https://eservices.nsdl.com. b) Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. c) A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. d) Click on "Access to e-Voting" appearing on the left hand side under e-Voting services and you will be able to see e-Voting page. e) Click on options available against Company name or e-Voting service provider - Kfintech and you will be redirected to KFin tech's e-Voting website for casting your vote during the remote e-Voting period. <p>2. User not yet registered for IDeAS e-Services</p> <ol style="list-style-type: none"> a) To register, click on link: https://eservices.nsdl.com b) Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp c) Please follow steps given in point 1. <p>3. Directly accessing the e-Voting website of NSDL</p> <ol style="list-style-type: none"> a) Open URL: https://www.evoting.nsdl.com/ b) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. c) A new screen will open. 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. d) After successful authentication, you will be redirected to NSDL website wherein you can see e-Voting page. Click on options available against Company name or e-Voting service provider - Kfintech and you will be redirected to e-Voting website of KFin Technologies Limited for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing user already registered for Easi/Easiest</p> <ol style="list-style-type: none"> a) Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com b) Click on New System My easi c) After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of ESP i.e. Kfin tech portal. Click on Kfin tech to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> a) Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration b) Please follow the steps given in point 1. <p>3. Directly accessing the e-Voting website of CDSL</p> <ol style="list-style-type: none"> a) Visit URL: https://evoting.cdslindia.com/Evoting/EvotingLogin b) Enter your demat account number and PAN. c) The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the demat Account. After successful authentication, user will be provided with the links for the respective ESP i.e. Kfin tech where you can vote during the remote e-Voting period.
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> a) You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-Voting facility. b) Once logged-in, you will be able to see e-Voting option. Once you click on e- Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. c) Click on options available against Company name or e-Voting service provider - Kfintech and you will be redirected to e-Voting website of KFin Technologies Limited for casting your vote during the remote e-Voting period.

Members who are unable to retrieve User ID/password are advised to use Forgot User ID and Forgot Password options available at respective websites.

Members are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

Help desk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Help desk details
Securities held with NSDL	Please contact NSDL help desk by sending a request at evoting@nsdl.co.in or contact the toll free no.:18001020990 and 1800224430
Securities held with CDSL	Please contact CDSL help desk by sending a request at helpdesk.evoting@cdslindia.com or contact at: 022-23058738 or 022-23058542-43

ii. In case of Members other than individuals and those holding securities in physical mode

A. In case a Member receives an e-mail from RTA [for Members whose e-mail addresses are registered with the Company/Depository Participant(s)]:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be Event number 6668 followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with atleast one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$ etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select e-voting event i.e., Wendt (India) Limited. Now you are ready for e-voting as "cast vote" page opens.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have vote don the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to end scanned certified true copy (PDF) of the Board Resolution/ Authorisation Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser at rsaevoting@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format "Wendt- 40th AGM".

B. Members holding shares in dematerialised form whose e-mail addresses are not registered with the Company/DPs:

- i. Please follow the steps provided in Note 11 in this Notice to obtain the User ID and password.
- ii. Please follow all steps from sl. no. (i) to sl. no. (xii) of 17.1(ii)(A) to cast your vote by electronic means.

C. Other Instructions:

- i. In case of Individual Members holding securities in demat mode who becomes a Member of the Company after dispatch of Notice of the Meeting and holding shares as on the cut-off date i.e., 15th July 2022 may follow the steps mentioned under point no. (i) in 17.1.
- ii. Any person holding shares in physical form and non-individual Members who becomes a Member of the Company after dispatch of Notice of the Meeting and holding shares as on the cut-off date i.e., 15th July 2022 may obtain the User ID and password by sending an e-mail request to evoting@kfintech.com. If the Member is already registered with KFin's e-voting platform, then he/she can use the existing password for logging in. If the e-mail address or mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399.

Example for NSDL-MYEPWD<SPACE>IN12345612345678

Example for CDSL-MYEPWD<SPACE>1402345612345678

Example for Physical-MYEPWD<SPACE>XXXX1234567890

- iii. The remote e-voting period commences on Tuesday, 19th July 2022 (9.00 a.m. IST) and ends on Thursday, 21st July 2022 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. 15th July 2022 may cast their vote electronically in the manner and process set out herein above. The remote e-voting modules shall be disabled for voting here after. Once the vote on are solution is cast by the Member, the Member will not be allowed to change it subsequently.
- iv. You can also update your mobile number and e-mail address in the user profile details of the folio which may be used for sending future communication(s).
- v. In case of any queries, you may refer Help & FAQ section in <https://evoting.kfintech.com> (KFin website) or call KFin on 040-67162222; Toll Free No.1800 3454 001.

17.2. Instructions for attending the AGM through VC:

- a) Members can attend the AGM through the video conferencing facility provided by RTA. Members can access the facility at <https://emeetings.kfintech.com/>. Members whose email IDs are registered with the Company/Depository Participants(s) will receive an e-mail from RTA with the User ID and password.
- b) Members are requested to follow the below procedure to join the AGM:
 - i. Launch internet browser (Chrome/Firefox/Safari) by typing the URL: <https://emeetings.kfintech.com>.
 - ii. Enter the login credentials.
 - iii. After logging in, click on 'Video Conference' option.
 - iv. Click on Camera icon appearing against AGM event of Wendt (India) Limited, to attend the Meeting.
- c) The facility to join the AGM through VC/OAVM will be open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- d) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to participate and vote at the AGM.
- e) Please note that participants connecting from Mobile Devices or Tablets or through laptops or devices 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. Members are encouraged to join the Meeting through Laptop devices with Google Chrome for better experience.

- f) To join the meeting, Members will be required to permit the use of Camera, if any. It is suggested to use an internet facility with a good speed and bandwidth to avoid any disturbance during the meeting. The Company will not be responsible for any disruption in the proceedings caused due to technical issues including in adequate and width or internet at the end of the shareholder.
- g) **AGM queries to be sent in prior to the AGM:** As the AGM is being conducted through VC/OAVM, Members who would like to express their views or ask questions can login to <https://emeetings.kfintech.com/>, click on 'Post your Questions' and post their queries in the window provided during the period 19th July 2022 to 21st July 2022. Queries received by the Company on or before 21st July 2022 shall only be considered and responded to during the AGM.
- h) **Registration as a Speaker at the AGM:** Members who would like to express their views or ask questions during the AGM will have to register themselves as a Speaker by logging in <https://emeetings.kfintech.com/>, click on 'Speaker Registration' in the window provided in the link during the period 19th July 2022 to 21st July 2022. Those Members who have registered themselves as a Speaker on or before 21st July 2022 will only be allowed to express their views or ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
- i) The Company reserves the right to restrict the number of questions and number of speakers depending on the availability of time for smooth conduct of the AGM. Please note that Members are entitled to attend the AGM and ask questions only if the Member continues to hold the shares as on cut-off date.
- j) A person who is not a member as on the cut-off date, should treat the Notice for information purpose only. Detailed instructions for joining the AGM through video conferencing is also available at <https://www.wendtindia.com/investors/>.

17.3 Instructions for voting during the AGM through Instapoll:

- (i) Only those Members present during the AGM through Video Conference facility and who have not cast their vote through remote e-voting earlier are eligible to vote through e-voting in the AGM. Members who have voted through remote e-voting will be eligible to attend the AGM but will not be permitted to vote again.
- (ii) The facility to cast the vote at the AGM would be available on the left hand corner of the Video Conferencing screen in the form of a 'Thumb' sign and will be activated once the voting is announced by the Chairman during the Meeting. Members can click on the same to take them to the 'Instapoll' page.
- (iii) On clicking 'Instapoll', Members will reach the Resolution page. Please follow the instructions given to vote on the resolutions.
18. The voting rights of Members shall be in proportion to their shareholding as on the cut-off date i.e. 15th July 2022. The Scrutiniser shall immediately after the conclusion of voting at the AGM first count the votes cast at the meeting, there after unblock the votes cast through remote e-voting in the digital presence of at least two (2) witnesses not in the employment of the Company and make a consolidated Scrutiniser's Report of the votes cast to the Chairman of the Company. For the purpose of ensuring that Members who have cast their votes through remote e-voting do not vote again at the Meeting, the Scrutiniser will have access, after closure of the period for remote e-voting, to details relating to Members, as the Scrutiniser may require except the manner in which the Members have cast their votes.
- The results will be declared not later than forty-eight hours from the conclusion of the meeting. The results declared along with the Scrutiniser's Report will be placed on the Company's website www.wendtindia.com as well as the website of RTA i.e. <https://evoting.kfintech.com> immediately after declaration of results by the Chairman/Authorised person and the Company shall simultaneously forward the results to NSE/BSE for placing it on their respective websites.
19. Resolutions passed through e-voting would be deemed to have been passed as on the date of the AGM i.e., 22nd July 2022.
20. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice. For easy and quick reference, key details required for reference by Members is annexed to this Notice.

ANNEXURE TO THE NOTICE

Statement pursuant to Section 102 of the Companies Act, 2013

As required under Section 102 of the Companies Act, 2013 the following statement sets out all material facts relating to the businesses mentioned under Items Nos. 4 to 7 of the accompanying Notice:

Item No.4

M/s. Price Waterhouse Chartered Accountants LLP (Firm Regn. No. 012754N/N500016) Chartered Accountants were appointed as the Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of the 35th Annual General Meeting till the conclusion of 40th Annual General Meeting.

In terms of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the Board of Directors at its meeting held on 22nd April 2022 after considering the recommendations of the Audit Committee, the Board had recommended the re-appointment of M/s. Price Waterhouse Chartered Accountants LLP, for a second tenure of five consecutive years as the Statutory Auditors of the Company for the approval of Members.

The Auditors shall hold office for the second term of five consecutive years from the conclusion of the Fortieth Annual General Meeting till the conclusion of Forty Fifth Annual General Meeting of the Company.

M/s. Price Waterhouse Chartered Accountants LLP have consented to the aforesaid re-appointment and confirmed that their re-appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made thereunder.

The Audit Committee reviewed the performance of M/s. Price Waterhouse Chartered Accountants LLP and their performance was found to be satisfactory. In light of the above, the Audit Committee recommended their re-appointment as the Statutory Auditors for the second term of five years.

Pursuant to Section 139 of the Companies Act, 2013, approval of the members is required for re-appointment of the Statutory Auditors and fixing their remuneration by means of an Ordinary Resolution.

The details of the non-audit fee paid to the Statutory Auditors for the FY 2021-22 are available in the Corporate Governance Report section of the Annual Report. The Statutory Auditors are proposed to be paid a remuneration of Rs.12,50,000/- (excluding out of pocket expenses incurred by them in connection with the Audit and applicable taxes) for the FY 2022-23, which is subject to the approval of the Shareholders at the 40th AGM. The remuneration payable for subsequent years shall be based on the recommendation of the Audit Committee and approval of the Board.

Considering the evaluation of the past performance, experience and expertise of M/s. Price Waterhouse Chartered Accountants LLP and based on the recommendation of the Audit Committee, it is proposed to re-appoint them as Statutory Auditors of the Company for a second term of five consecutive years till the conclusion of the 45th AGM of the Company.

Brief Profile of Price Waterhouse Chartered Accountants LLP:

Cumulatively, one of the oldest professional services firms with PAN India presence and:

- Established more than 140 years back in India.
- Present in 9 cities of India.

The Firm has around 5000+ Staffs, 210+ Partners and 3000+ Chartered Accountants in India. They have offices at Ahmedabad, Bengaluru, Bhopal, Chennai, Dehradun, Delhi NCR, Hyderabad, Kolkata, Mumbai, Pune, Jaipur, and Jamshedpur. The firm has a valid peer Review certificate and has been subject to inspection by the Quality Review Board. The Firm serves large clients like listed companies, mutual funds, PE funds, large unlisted companies etc.

The Board recommends the resolution set forth in item no. 4 for the approval of members.

Memorandum of interest:

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in passing the proposed Ordinary Resolution.

Item No. 5

Mr. Rajesh Khanna, Non-Executive Director is liable to retire by rotation at the 40th Annual General Meeting ('AGM').

Mr. Rajesh Khanna expressed his desire to retire from the Board of the Company as a Non-Executive Director at the 40th Annual General Meeting. The Directors place on record the valuable guidance, support and advice extended by him during his tenure.

The Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on 22nd April 2022, considered the willingness of Mr. Rajesh Khanna to retire as a Director from the Board of the Company and recommends his retirement for approval of the shareholders at the 40th AGM.

Accordingly, the Ordinary Resolution set out under item No. 5 of the Notice is placed before the Members for approval.

Memorandum of Interest:

Except Mr. Rajesh Khanna being the retiring Director, none of the other Directors of the Company or their relatives are interested or concerned, financially or otherwise in this Ordinary Resolution.

Item No. 6

Ms. Hima Srinivas (DIN: 07556717) was appointed as an Independent Director at the 35th Annual General Meeting convened on 24th July 2017 to hold office for a period of five consecutive years from 24th April 2017 based on the recommendation of the Nomination and Remuneration Committee and the Board of the Company. Her first term of office as an Independent Director concludes at the close of business hours on 23rd April 2022. Pursuant to Section 149 (10& 11) of the Companies Act, 2013, an Independent Director can hold office for two consecutive terms of five consecutive years but shall be eligible for re-appointment on passing of Special Resolution by the Shareholders.

Ms. Hima Srinivas is a finance professional having degree in MBA - Finance from Andhra University. She has over 30 years of experience in the field of Financial Management including Treasury, Management Accounting, Portfolio Management, Long term Planning, Budgeting, Financial Analysis, Project appraisals, Mergers & Acquisitions including a few overseas ventures, etc. She worked with Coromandel International Limited (Murugappa Group Company), a leading manufacturer of Phosphaticfertilisers since 1985 and served the organisation for nearly three decades till her superannuation as Associate Vice President – Finance in 2014.

The information under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings is provided in the annexure. The Company has received the requisite consent and disclosure forms from her. Ms. Hima Srinivas was paid a sitting fee of Rs. 2.07 lakhs for attending the meetings of the Board and Committees thereof for the FY 2021-22. A commission of Rs. 5 lakhs is payable for the FY 2021-22 to Ms. Hima Srinivas, which would be paid after adoption of accounts by the shareholders at the 40th AGM.

The Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing Ms. Hima Srinivas's candidature for the office of Director. In the opinion of the Board, Ms. Hima Srinivas satisfies the criteria prescribed in the Act and Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for re-appointment as an Independent Director of the Company and that she is independent of the Management.

The Nomination and Remuneration Committee at its meeting held on 22nd April 2022 on the basis of the performance evaluation conducted and further considering Ms. Hima's technical & management expertise, business knowledge and significant contribution made by her during her tenure, has recommended to the Board her re-appointment as an Independent Director. The performance evaluation of Independent Directors was based on various factors including attendance at Board and Committee Meetings, familiarity with the Company's policies and values, ability to objectively communicate views/concerns on matters discussed at the meetings, exercise own judgement and voice out opinions besides having an understanding of the industry trends.

In furtherance to the Committee's recommendation and Mr. Hima's performance evaluation undertaken in March 2022, the Board believes that her continued association would be beneficial to the Company and hence recommends her re-appointment as an Independent Director for a second term of five (5) consecutive years commencing from 24th April 2022.

Ms. Hima Srinivas would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof. Further, she would be entitled to commission determined by the Board within the overall limits not exceeding three per cent of the net profits of the Company which would be subject to the approval by the

shareholders at the 40th Annual General Meeting to be held on 22nd July 2022. She is not entitled for stock options and does not hold any shares in the Company.

The draft letter of appointment setting out the terms and conditions of her appointment is available on the website of the Company and would also be available for inspection without any fee by the Members at the Company's Registered Office during normal business hours on any working day up to the date of the AGM.

Accordingly, the Special Resolution set out under Item No. 6 of the Notice is placed before the Members for approval.

Memorandum of Interest:

Except Ms. Hima Srinivas being the appointee, none of the other Directors of the Company or their relatives are interested or concerned, financially or otherwise in this Special Resolution.

Item No.7:

The Non-Executive Directors including the Independent Directors of the Company bring with them significant professional expertise and rich experience in diverse fields such as technology, engineering, corporate strategy and management. The Board is of the view that adequate compensation be given to the Non-Executive Directors in recognition for their time and efforts.

At the 36th Annual General Meeting held on 24th July 2018, the Shareholders had approved the payment of commission to the Non-Executive and Independent Directors up to an amount not exceeding 3% of the net profits for five financial years commencing from 1st April 2017. Further, at the 38th Annual General Meeting held on 24th July 2020, the Shareholders had approved payment of commission to Non-Executive Directors exceeding 1% of the net profits computed pursuant to Section 197 of the Companies Act, 2013 from 1st April 2019 to 31st March 2022, considering the appointment of Mr. Rajesh Khanna as Executive Director on the Board of the Company. In 2020, Mr. Rajesh Khanna was re-designated as Non-Executive Director. The approvals granted by Shareholders are valid till 31st March 2022 (i.e. till FY 2021-22).

The Remuneration policy adopted by the Board which provides the framework for remuneration of members of the Board of Directors, Key Managerial Personnel and other employees of the Company specifies that the commission payable to Non-Executive Directors will be restricted to a fixed sum within the limits prescribed under Section 197 of the Companies Act, 2013 annually on the basis of tenor in office during a financial year.

The Board of Directors at their meeting held on 22nd April 2022 have recommended to the Shareholders to consider granting approval for payment of remuneration to Non-Executive Directors upto a sum not exceeding 3% of the net profits of the Company computed in accordance with Section 198 of the Companies Act, 2013 for five financial years commencing from 1st April 2022 till 31st March 2027. The said commission payable shall be in addition to the fees payable to Non-Executive Directors for attending the meetings of the Board and Committees thereof. Details of Directors as required under Secretarial Standard on General Meetings is available in the Corporate Governance Report. Section 197 of the Act states that in the absence of a Whole-time Director or Managing Director, the remuneration payable to Directors, who are neither Managing Director(s) nor Whole-Time Director(s) shall not exceed 3% of the net profits of the Company and such remuneration shall be subject to the approval of the Members by a Special Resolution, if the articles so require. Article 116 of the Articles of Association of the Company provides that such approval be obtained by means of a Special Resolution and accordingly the Special Resolution set out under Item no. 7 of the Notice is placed before the Members for approval.

Memorandum of Interest:

All the Directors and their relatives except Mr. N Ananthaseshan, Non-Executive Non-Independent Director who is not paid any remuneration from the Company are concerned or interested in the above resolution to the extent of the remuneration that they may receive. None of the key managerial personnel or their relatives are concerned or interested, financially or otherwise in the aforesaid Special Resolution.

By order of the Board
For Wendt (India) Limited

Place: Hosur
Date: April 22, 2022

Arjun Raj P
Company Secretary

Disclosure under Reg. 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards on General Meetings

Name of Director	Ms. Hima Srinivas
DIN	07556717
Date of Birth	24/09/1956
Date of Appointment (Initial)	24.04.2017
Qualification	MBA (Finance)
Experience in specific functional areas	Ms. Hima Srinivas is a finance professional having degree in MBA - Finance from Andhra University. She has over 30 years of experience in the field of Financial Management including Treasury, Management Accounting, Portfolio Management, Long term Planning, Budgeting, Financial Analysis, Project appraisals, Mergers & Acquisitions including a few overseas ventures, etc. She worked with Coromandel International Limited (Murugappa Group Company), a leading manufacturer of Phosphaticfertilisers since 1985 and served the organisation for nearly three decades till her superannuation as Associate Vice President – Finance in 2014.
Directorships in other companies (including foreign companies)	Nil
No. of meetings of the board attended during the year	6(6)
Memberships in Board Committees of other companies (includes membership details of all Committees)	Nil
No. of shares in the Company	Nil
Inter-se relationship with any other Directors or KMP of the Company	Nil

Note: For further details, please refer the Corporate Governance Report section of the Annual Report.

In order to enable ease of participation of the Members, key details regarding the 40th AGM is provided for reference:

Sl. No.	Particulars	Details	
1.	Date and Time of AGM	22 nd July 2022 at 03.00 p.m. IST	
2.	Link for participation through Video Conferencing (VC)	https://emeetings.kfintech.com/ . Please refer the instructions in Note 17.2 of this Notice.	
3.	Remote e-voting	Please refer instructions in Note 17.1 of this Notice	
4.	Cut-off date for e-voting	15 th July 2022	
5.	E-voting period	Commences at 9.00 a.m. IST on Tuesday, 19 th July 2022 and ends at 5.00 p.m. IST on Thursday, 21 st July 2022.	
6.	Link for Members to temporarily update e-mail address to receive the AGM documents	https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx	
7.	Registrar and Share Transfer Agent contact details	Ms. Krishna Priya Maddula, Senior Manager M/s. KFin Technologies Limited E-mail: einward.ris@kfintech.com Contact No.: 040-67161736	
8.	Help line number for e-voting	Login type	Help desk details
		Securities held with NSDL	Please contact NSDL help desk by sending a request at evoting@nsdl.co.in or contact the toll free no.: 18001020990 and 1800224430
		Securities held with CDSL	Please contact CDSL help desk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43
9.	Help line number for VC participation	Contact: M/s. KFin Technologies Limited at 1800-3094-001 or write to them at evoting@kfintech.com	
10.	Contact details of the Company	E-mail: investorservices@wendtindia.com Contact: 044-30006166	




Wendt (India) Limited
CIN : L85110KA1980PLC003913

Plot No: 69/70, SIPCOT Industrial Estate, Hosur - 635 126, Tamil Nadu
Ph.: +91 4344 276851 / 52, 405500
Fax: +91 4344 405620, 405610
E-mail: wil@wendtindia.com

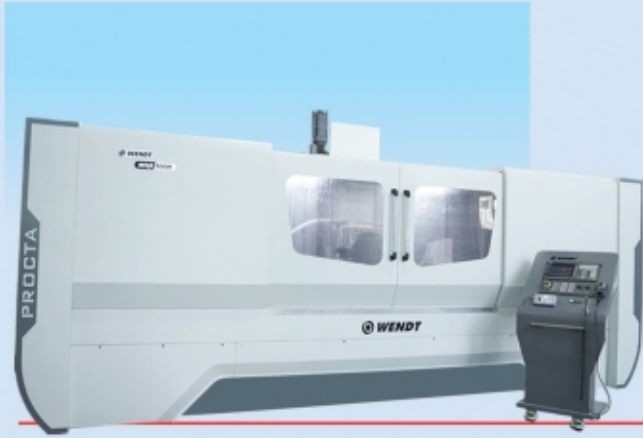
Visit us: www.wendtindia.com

**40th ANNUAL REPORT
2021-2022**

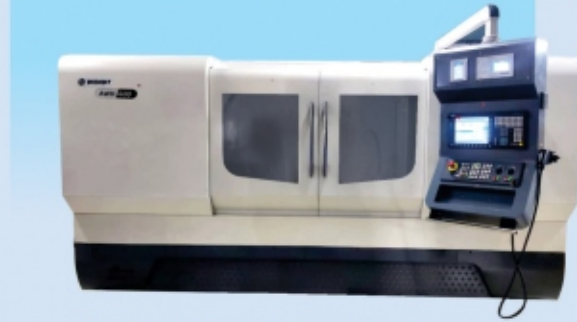
WENDT (INDIA) LIMITED

New Product Development

Machine Tools



Surface Grinder WHS 500H - 2MTR BED



Angle Wheel Head Machine AWH



Opera 200



WDM 8V



Delta 150



WSP 350



Delta 250

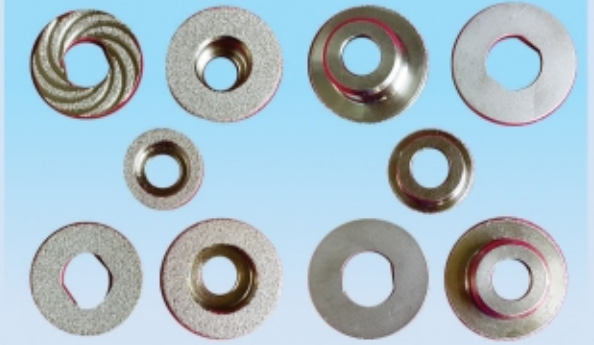
New Product Development

Super Abrasive Tools

Pencil Edging Wheel for Solar Glass



Products for Textile and knife industry



Electroplated CBN Wheels



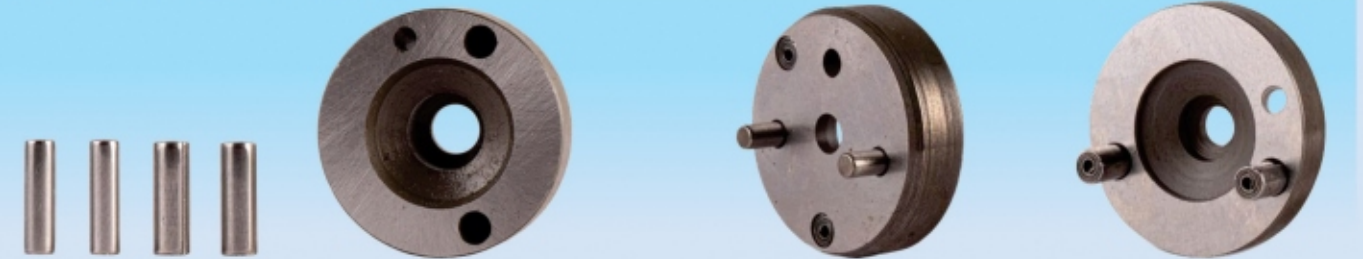
Slot Grinding Wheel

Gear Grinding Wheel

Precision Products - Valve Insert



Precision Products - Distance Piece



Precision Products - Valve Insert



Precision Products - V7 Rotor



BOARD OF DIRECTORS

Chairman & Non-Executive Independent Director	Mr. Shrinivas G Shirgurkar
Non-Executive Independent Director	Ms. Hima Srinivas
Non-Executive Independent Director	Mr. M Lakshminarayan
Non-Executive Independent Director	Mr. Bhagya Chandra Rao
Non-Executive Non-Independent Director	Mr. N Ananthaseshan
Non-Executive Non-Independent Director	Mr. Rajesh Khanna

SENIOR MANAGEMENT

Chief Executive Officer	Mr. C Srikanth
Unit Head	Mr. S Sundariya
Chief Financial Officer	Mr. Mukesh Kumar Hamirwasia

COMPANY SECRETARY

Mr. Arjun Raj P

BANKERS

State Bank of India, ICICI Bank

STATUTORY AUDITOR

M/s. Price Waterhouse Chartered Accountants LLP

INTERNAL AUDITOR

M/s. Deloitte Touche Tohmatsu India LLP

SECRETARIAL AUDITOR

M/s. R Sridharan & Associates, Company Secretaries

REGISTERED OFFICE

Flat No. 105, 1 Floor, Cauvery Block,
National Games Housing Complex, Koramangala,
Bangalore-560047, Karnataka
Tel.: +91 80 25701423/1424
Fax: +91 80 25701425

FACTORY

Plot No. 69/70, SIPCOT Industrial Estate,
Hosur- 635126, Tamil Nadu
Tel: +91 4344 276851/52, 405500
Fax: +91 4344 405620, 405630

REGISTRAR & SHARE TRANSFER AGENT

M/s. KFin Technologies Limited (formerly known as "KFin Technologies Private Limited)
Unit: Wendt (India) Limited
Selenium Tower B, Plot 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal, Hyderabad-500 032;
Tel.: +91-40-67161527; Toll Free no.: 1800-309-4001;
E-mail: einward.ris@kfintech.com;
Website: <https://kfintech.com/>

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SAFE HARBOR

This communication contains statements relating to future business developments and economic performance that could constitute 'forward-looking statement'. While these forward-looking statements represent the Company's judgments and future expectations, several factors could cause actual developments and results to differ materially from expectations. The Company undertakes no obligation to publicly revise any forward-looking statements to reflect future events or circumstances. Further investors are requested to exercise their own judgment in assessing various risks associated with the Company and the effectiveness of the measures being taken by the Company in tackling them as those enumerated in this report are only as perceived by the management.

FINANCIAL TRACK RECORD - STANDALONE

Rs. In Lakhs, except EPS

Year ending 31st March	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
REVENUE										
Net sales	8895	9449	10560	11655	12779	12685	13986	12037	11945	15812
Domestic sales	7176	7110	7890	8354	9760	8828	9733	8033	8637	11858
Export sales	1719	2339	2670	3301	3019	3857	4253	4004	3308	3954
Other Operating Income	75	116	136	162	170	257	299	290	128	190
Other Income	150	495	664	486	373	428	410	767	634	554
PROFITABILITY										
Operating EBITDA	1782	1605	1900	1849	2173	2259	2478	1329	1867	3803
Profit before depreciation	1930	2098	2556	2335	2534	2668	2887	2093	2499	4430
Profit before tax	1528	1640	1764	1499	1570	1651	1904	1189	1653	3615
Profit after tax	1012	1187	1485	1041	1169	1230	1345	934	1291	2710
Dividend % (Actual & Proposed)	150%	250%	250%	250%	250%	250%	300%	250%	300%	650%
EPS (Rs.)	50.59	59.34	74.24	52.06	58.47	61.49	67.33	46.70	64.56	135.49
ASSETS EMPLOYED										
Fixed assets	5027	5510	5608	6060	6078	5595	5689	5533	5497	5275
Investments	1496	1703	1866	1360	1502	2229	3596	3524	3669	6225
Net current assets*	1485	1505	2047	1505	3077	3233	2154	2479	2800	2555
Non- current assets	-	-	-	470	339	338	330	604	752	504
Total assets	8008	8718	9521	9395	10996	11395	11769	12140	12718	14559
CAPITAL STRUCTURE										
Paid up share capital	200	200	200	200	200	200	200	200	200	200
Reserves	7425	8031	8790	9544	10043	10707	11261	11766	12358	14214
Loan fund	-	-	-	-	-	-	-	-	-	-
Non- current liability	-	-	-	127	187	91	0	0	0	0
Deferred tax liability	383	487	531	553	566	397	308	174	160	145
Total funds	8008	8718	9521	10424	10996	11395	11769	12140	12718	14559

* Net current assets is arrived after reducing current liabilities, long term liabilities and provisions from current assets(excluding current investments) and long term loans and advances for 2013, 2014 and 2015

Note : 2016, 2017,2018,2019 ,2020 ,2021 and 2022 figures are as per IND AS

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FINANCIAL TRACK RECORD - CONSOLIDATED

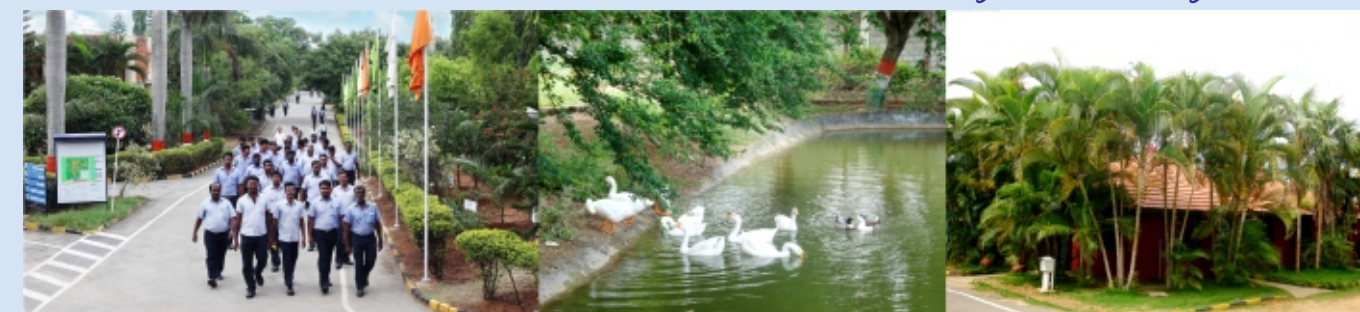
Rs. In Lakhs, except EPS

Year ending 31st March	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
REVENUE										
Net sales	10059	10890	12274	14296	15597	14657	16178	14063	13567	17724
Other Operating Income	58	119	131	145	149	237	277	260	96	157
Other Income	178	185	193	236	164	255	242	485	396	387
PROFITABILITY										
Operating EBITDA	2173	2012	2330	2215	2504	2612	2979	1828	2200	4167
Profit before depreciation	2348	2193	2516	2450	2656	2847	3221	2310	2594	4552
Profit before tax	1874	1675	1686	1580	1657	1804	2193	1361	1700	3691
Profit after tax	1286	1166	1354	1078	1205	1312	1541	1003	1277	2707
Dividend % (Actual & Proposed)	150%	250%	250%	250%	250%	250%	300%	250%	300%	650%
EPS (Rs.)	64.30	58.30	67.70	53.88	60.26	65.62	77.07	50.13	63.83	135.34
ASSETS EMPLOYED										
Fixed assets	5300	5770	5915	6324	6316	5884	5989	5825	5722	5469
Investments	1547	1873	2077	1388	1467	2245	3636	3598	3747	6448
Net current assets*	2179	2059	2498	3198	3861	4173	3370	3905	4266	3907
Non- current assets	-	-	-	474	345	348	333	609	758	510
Total assets	9026	9702	10490	11384	11989	12650	13328	13937	14493	16334
CAPITAL STRUCTURE										
Paid up share capital	200	200	200	200	200	200	200	200	200	200
Reserves	8442	9015	9759	10499	11032	11962	12826	13568	14138	15996
Loan fund	-	-	-	-	-	-	-	-	-	-
Non- current liability	-	-	-	132	191	91	-	-	-	-
Deferred tax liability	384	487	531	553	566	397	302	169	155	138
Total funds	9026	9702	10490	11384	11989	12650	13328	13937	14493	16334

* Net current assets is arrived after reducing current liabilities, long term liabilities and provisions from current assets(excluding current investments) and long term loans and advances for 2013, 2014 and 2015

Note : 2016, 2017, 2018, 2019, 2020, 2021 and 2022 figures are as per IND AS

...Total Grinding and Honing Solutions

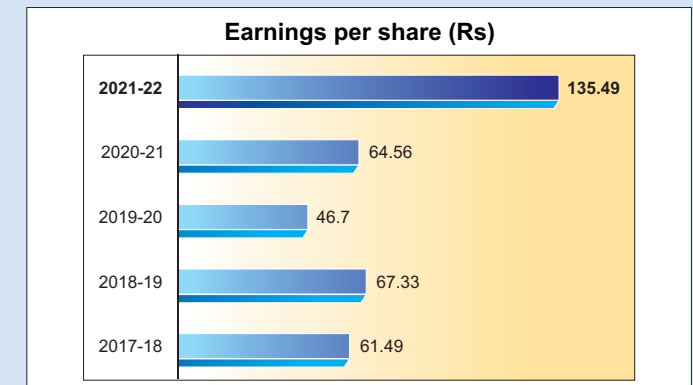
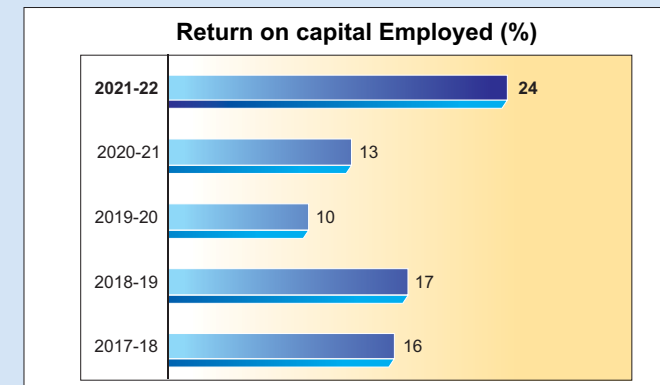
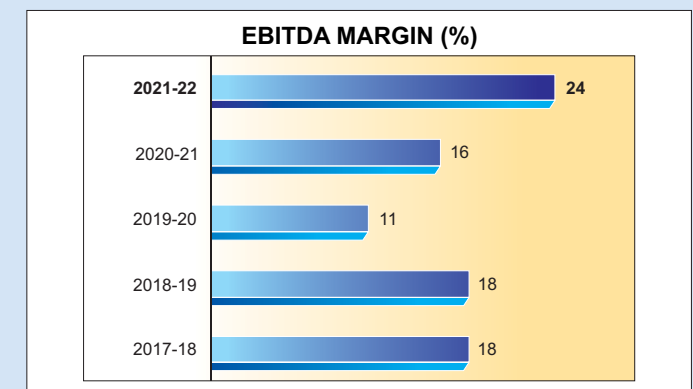
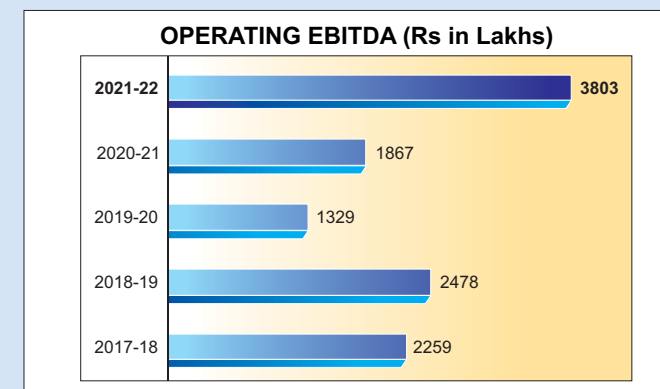
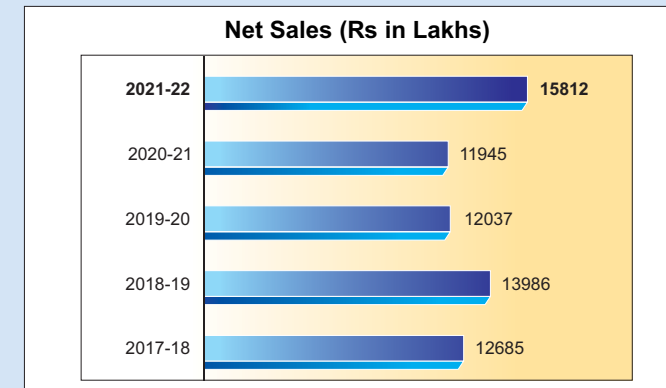


DELIVERING STELLAR FINANCIAL PERFORMANCE

**Highest Ever
Sales & Profitability**

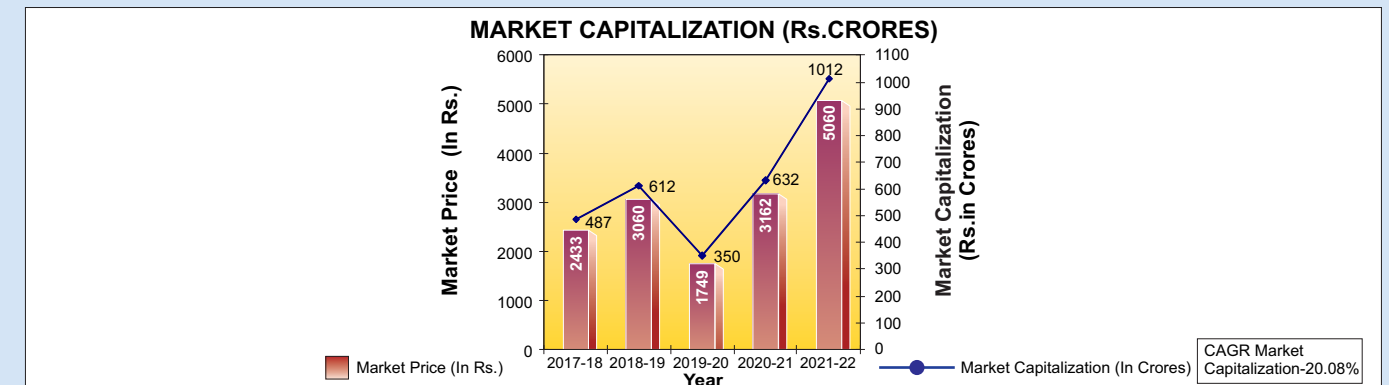
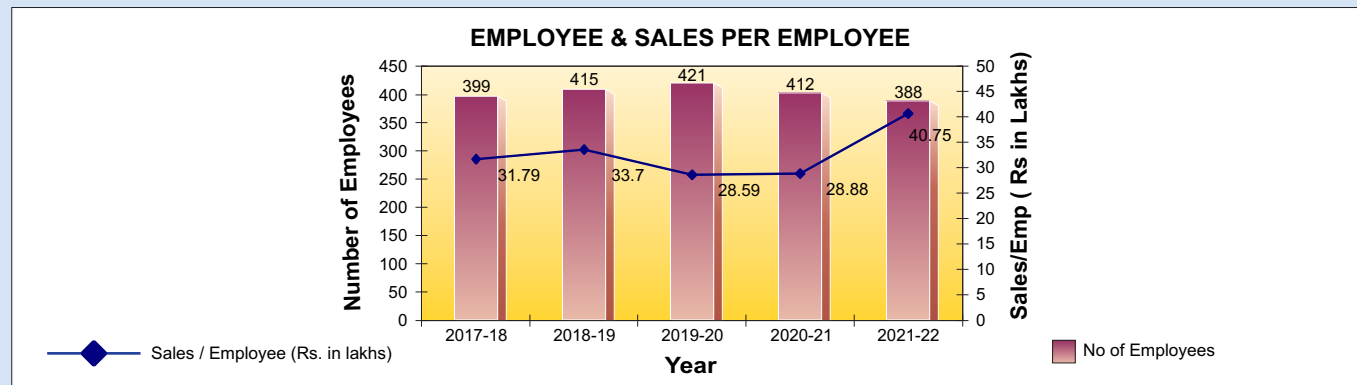
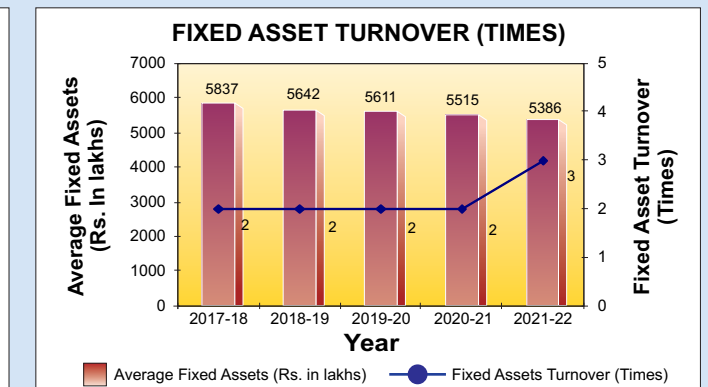
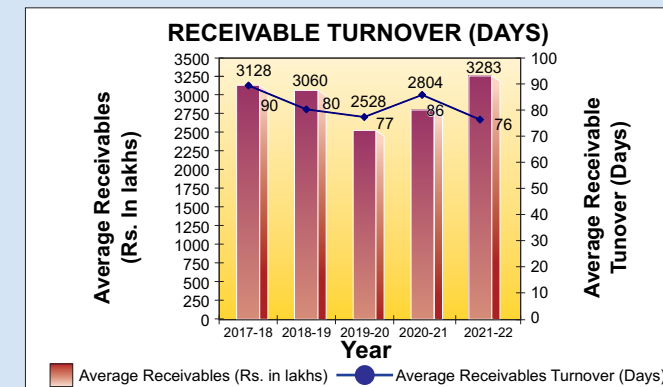
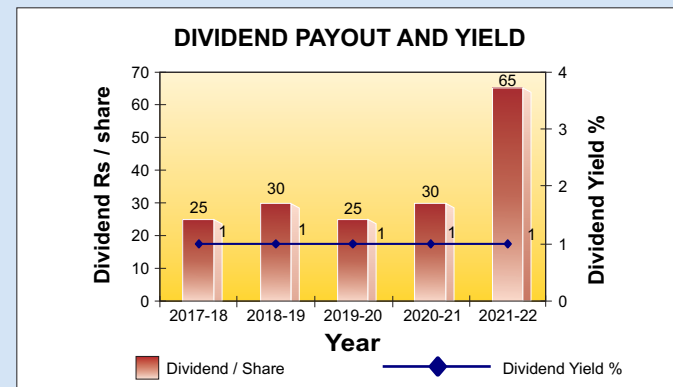
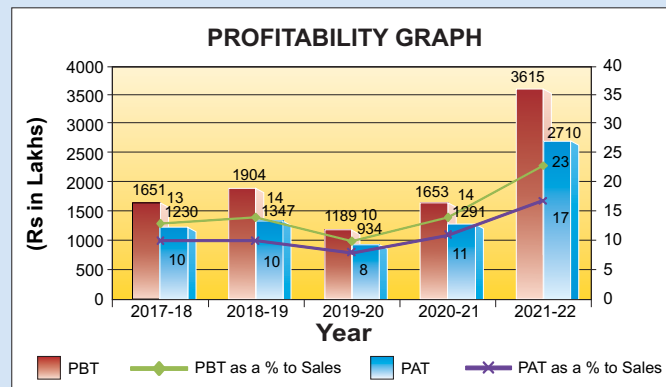
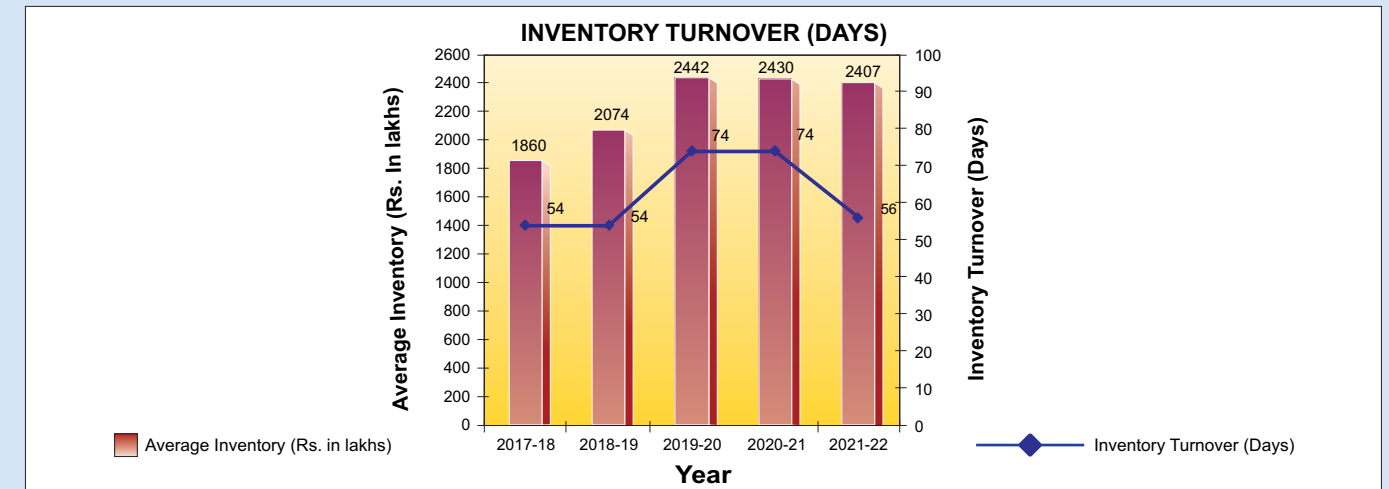
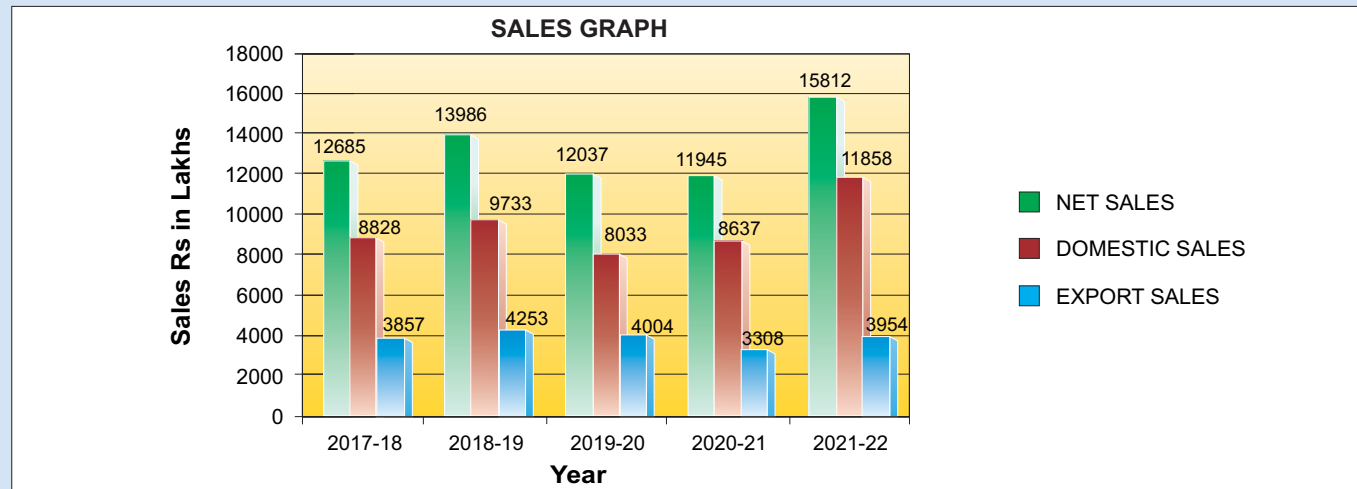
Performance in Financial year 2021-22

- **Sales:**
Rs. 15812 Lakhs (↑ 32% YOY)
- **Earning before interest taxes depreciation and amortization (Operating EBITDA)**
Rs. 3803 Lakhs (↑ 104% YOY)
- **Profit Before Tax (PBT)**
Rs. 3616 Lakhs (↑ 119 YOY)
- **Profit After Tax (PAT)**
Rs. 2710 Lakhs (↑ 110% YOY)
- **Earning Per Share (EPS)**
Rs. 136/- (↑ 110% YOY)
- **Market Capitalisation**
Rs. 101204 Lakhs(↑ 60% YOY)



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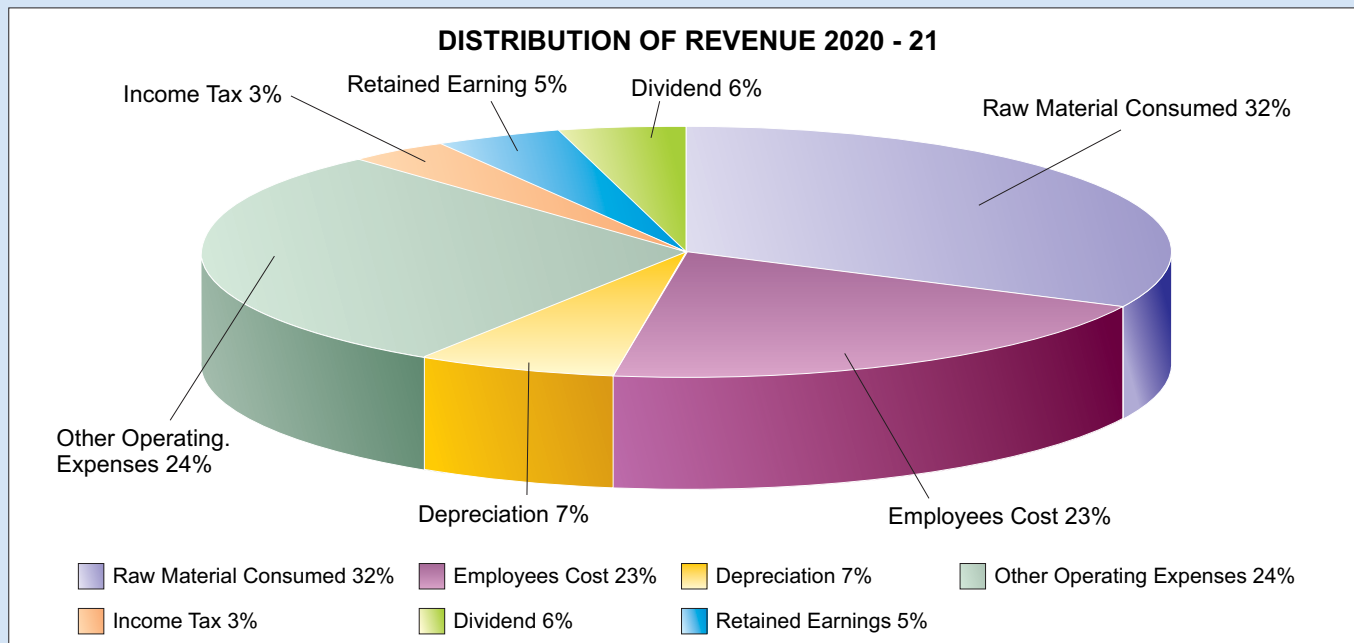
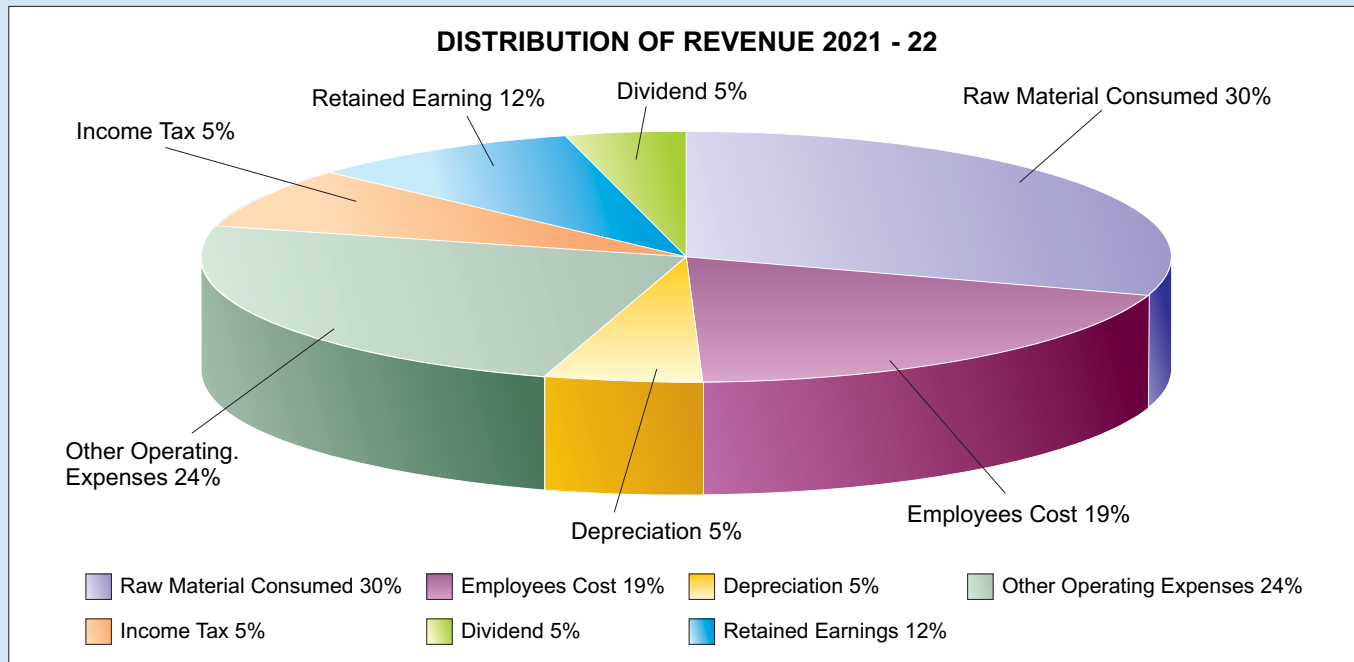


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...Total Grinding and Honing Solutions





Report of the Directors

Engineering Flair with Environmental Care...

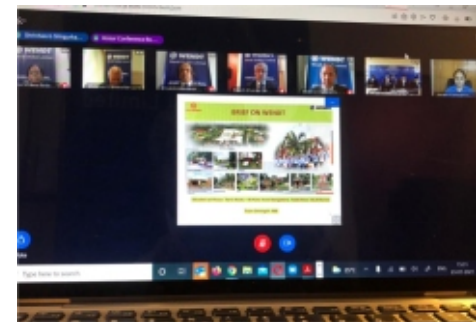


REPORT OF THE DIRECTORS

(Including Management Discussion and Analysis)

TO THE MEMBERS OF WENDT (INDIA) LIMITED

Your Directors have the pleasure in presenting the 40th Annual Report of Wendt (India) Limited (hereinafter referred to as 'the Company') together with the Audited Financial Statements for the year ended 31st March 2022. The Management Discussion & Analysis Report which is required to be furnished as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations") has been included in the Directors' Report to avoid duplication and overlap.

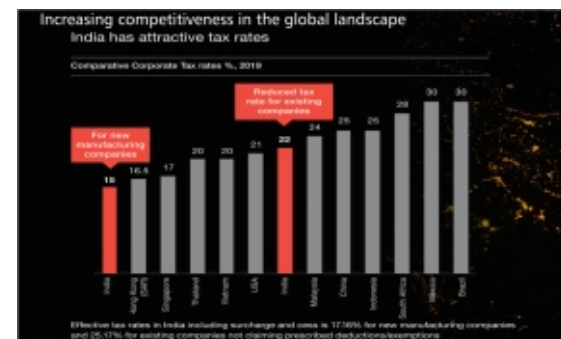
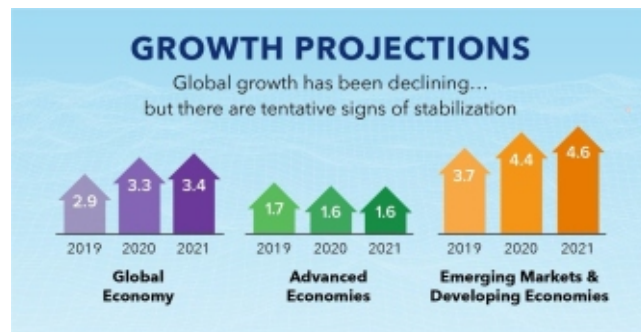


ECONOMIC OVERVIEW

The year 2021 brought hope for global economic growth following 2020 corona virus caused downturn, largely owing to the development and widespread deployment of COVID-19 vaccines despite the emergence of new variants. High energy prices and supply chain pressures have spurred record high inflation.

India began 2021 with high hopes buoyed by vaccine optimism only to be bogged down by the disastrous Delta variant led second wave. Quick recovery backed by less stringent lockdown conditions resulted in minimal

impact as compared to the conditions during the first wave. The Reserve Bank of India maintained its accommodative stance throughout the year along with record low interest rates in a bid to support the nascent recovery. The resultant high liquidity coupled with supply chain issues and semi-conductor chip crunch led to soaring input costs and pinching inflation. Experts argue that the recovery which India witnessed was not broad based and was largely uneven hurting the consumption of lower income households. The pace of activity across segments was uneven with some exhibiting robust growth while some showing modest advances. The consumption expenditure and private investments remained timid. Sectors employing unorganised sector workers bore the burnt of the contagious virus the most.



In this context, the Government took up number of structural reforms like Production Linked Incentive Schemes (PLI Schemes) across 13 sectors to boost manufacturing - Make in India (Atmanirbhar Bharat) and Make for World and stimulate output and investments. The rationalisation of customs duty is a step to promote domestic manufacturing and helping India becoming stronger in the global value chain with higher exports. The initiatives like vehicle scrappage policy, thrust on renewable and non-conventional energy sources is expected to reduce the India's overreliance on fossil fuel. To promote 'Ease of Doing Business'

initiatives like proposed digitisation of land records, digital payments, single window clearance ensuring faster setup of new manufacturing units, faceless assessment and tax administration will boost manufacturing and help in making India a global manufacturing hub. Mirroring these initiatives, during the previous financial year, India became a major start-up hub with number of start ups attracting investment.



The Government's initiative of manufacturing vaccines to combat COVID-19 in India and vaccinating the entire Indian population in phases - a herculean task was completed along with private support. Not only India vaccinated its own population, but also exported vaccines worldwide to save other needy countries.

The growth of Foreign Direct Investments (FDIs) signals the confidence of global investors in the Indian growth story as India remains the best performing Emerging Market Economy in the world. On the exports front, India surpassed the exports target of \$ 400 billion (Rs. 30530 crores) by clocking more than \$ 419 billion (Rs. 31981 crores) for the financial year. India signed New Economic Cooperation and Trade Agreement deals with Australia and UAE which will open infinite opportunities in terms of duty-free exports for textile, handloom, footwear etc., and boost



employment opportunities. Further, to boost infrastructure, Government has announced National Infrastructure policy and asset monetisation measures of non-core public sector assets leading to India attaining self-sufficiency in infrastructure development.

The direct tax collections rose 50% to record Rs. 13.81 trillion in FY 2021-22 exceeding budget and revised estimates. GST collections have been above Rs. 1 lakh crore every month since July 2021 showing strong recovery in industrial activities.

Employment prospects too picked up with the recovery on account of reverse migration of labour during festive season. As economic recovery takes hold, hiring returns to pre-COVID levels across sectors.

Towards the end of the FY 2021-22, the uncertainties caused by the Russia-Ukraine war and the resultant economic impact including sanctions imposed on Russia, leading to surge in global crude oil and gas price, food grains like wheat and corn and several other commodities cast a shadow on India's growth prospects and the cascading inflationary trend. This has led to downgrading of Indian GDP growth for FY 2022-23 to 7.4% (FICCI) & threat of increased current account deficit. Besides, the increase in commodity price along with supply chain issues will be a testing time for Indian industry. Continuing inflationary pressures could dampen consumer sentiment and reduce consumption expenditure. In short, FY 2022-23 will be a challenging year for businesses and the Government to continue the growth momentum.

INDUSTRY STRUCTURE & DEVELOPMENTS

The demand for Super Abrasive products is closely linked to the level of industrial production. Super Abrasives are used to manufacture long-lasting, expensive items like auto and aircraft parts, demand for which is highly cyclical. Diamond and Cubic Boron Nitride (CBN) Super Abrasive products are used extensively in aerospace industry and other industrial applications where price considerations are less significant as they incur high initial costs. They are used in the





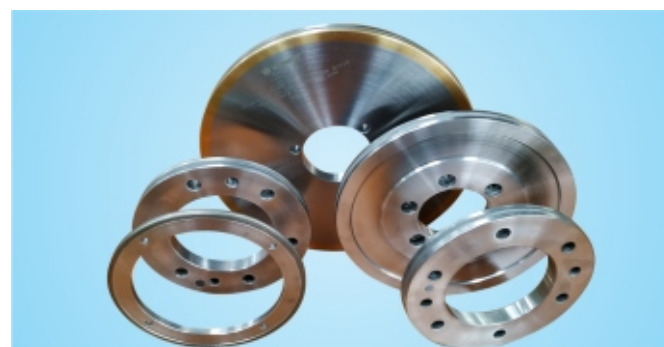
machining of materials such as nickel, cast iron and cobalt-based superalloys, where precision in machining operations is of prime importance.

Increasing complexity of Super Abrasive technology in high performance applications and its high initial cost provide entry barriers for small-scale and medium-scale companies to compete with the global market leaders. While industry leaders can afford significant research operations, most unorganised players do not have access to substantial R&D resources. This disparity can make it difficult for small and medium-scale companies to compete in the market, in terms of developing products that may require advanced technologies.

The Company being a total Grinding Solution provider, innovation is at the core of the Company's products and processes. As such majority of our products are customised to fulfil customers' requirements.

Our comprehensive product range backed by state-of-the-art technology, valued-added services and consistent performance, by and large fulfil the needs and expectations of our customers in diverse industrial segments.

The Company is a preferred supplier for many of the automobile, auto component, engineering, aerospace, defence, ceramics customers for their Super Abrasive Tooling solutions, Grinding & Honing Machines and Precision components. A major contribution to the Company's revenues comes from these industries.



Also, the Company is committed to introducing new products and exploring new markets for Glass Wheels for Auto/Solar/Construction Application; Textile industry for Knife grinding industry; High performance grinding wheels for the cutting tool industry.

COMPANY PERFORMANCE OVERVIEW (STANDALONE)

(Rs. in lakhs)

	FY 2021-22	FY 2020-21	% change
Domestic Sales	11858	8637	37%
Export Sales	3954	3308	20%
Total Sales	15812	11945	32%
EBITDA (before exceptional item)	3803	1867	104%
Other Income	744	762	-2%
Profit Before Tax	3615	1653	119%
Profit After Tax	2710	1291	110%
Capital Employed	14414	12558	15%
Earnings per Share - Rs.	135.49	64.56	110%

During the FY 2021-22 the Company clocked its highest ever sales of Rs. 15812 lakhs, higher by 32 per cent over the previous year.

The **Super Abrasive Business** comprising Diamond/CBN Grinding Wheels in various Bonding Systems, Rotary Dressers, Stationary Dressers, Hones and Segmented products, was impacted in earlier year due to widespread COVID-19 and the related lockdowns and volatile economic situation both in India and the world. During the year, with the widespread vaccination leading to less stringent lockdown conditions resulting in pent up demand, the

Company took initiatives like regaining lost business, new products development, horizontal deployment of successful applications and products, exploring new customers, opportunities and markets, leveraging all its products as a complete package solution to serve customers better, sourcing etc., to grow the Super Abrasive Business.

These initiatives helped the Super Abrasive business achieve sales of Rs.11051 lakhs, its highest ever, growth of 37 % over the previous year.

The domestic Super Abrasives business recorded sales of Rs. 7702 lakhs, growth of 34% over last year. The higher sales was demand from industries like auto, auto ancillaries, bearings, ceramics, cutting tools, steel, glass, etc.

The export Super Abrasives sales during the year was Rs. 3349 lakhs, higher by 44% over the previous financial year. The higher exports was due to increased sales in focus countries like USA, UK, Germany, Korea, Taiwan, Russia etc. This was achieved despite international travel restrictions whereby visiting and meeting customers in focus countries continued to be a challenge. The Company continued its efforts in connecting with customers through virtual platforms.



The **Non-Super Abrasive Business** comprising Machines, accessories and components clocked sales of Rs. 4761 lakhs, the highest ever, growth of 22% over the previous year.

In the machine product category, sales were Rs. 2454 lakhs, growth of 8% over previous year. Last year witnessed supply chain issues leading to global shortage of semi-conductor chips and other related parts which goes into manufacturing of machines. The timely execution and delivery of machines to various customers was ensured by better planning and bulk ordering of parts for the entire year including working closely with critical vendors and developing alternate vendors.

During the year, the Company had sold higher volume of machines. Some of the new machines developed include CUMI Jeevan – portable oxygen concentrator which provided a lifeline during COVID-19. The Company successfully developed and established models/variants of machines viz., Profile Testing machine WHS 100V, Single Pass Honing WSP 350, Angle Wheel Head Machine AWH, CNC Wheel Dressing machine OPRA 400, Surface Grinder WHS 500H- 2 metre length long bed besides the existing range of High Precision Tungsten Carbide Ring Grinding Machine: Delta 150/250, PDM 400. These machines have been well received by the customers projecting a good performance. Machine sales in the export market achieved good growth and acceptance by the customers.

Like the previous year, the Machine Tool Division team successfully conducted online commissioning of some of the machines like OPERA 400, Delta 150, WDM 8V etc. These commissioning were done at customer place as travelling was not possible due to restrictions imposed to prevent the spread of COVID.





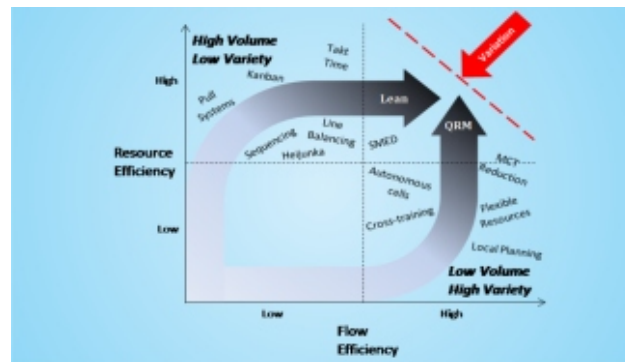
The Precision Components product category clocked sales of Rs. 2307 lakhs, higher by 43% over the previous year. The key initiatives included business in shoe CAM roller for off-road vehicles, CB18 project, distance piece besides regular business of components for the pump vanes etc. Despite the automobile slowdown, the Company managed to grow its component business due to de-risking strategy and looking at alternate opportunities wherever possible.

The Company continues its focus on exploring new business opportunities in aerospace, compressor & hydraulic parts, special inserts, Carbide industry,

deploying its core competencies - Expertise, Experience and Knowledge on Grinding, Machines & Super Abrasive Tools for producing related precision components.

Focus on Process Efficiency

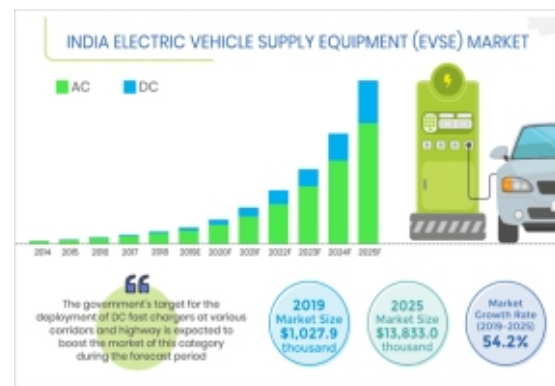
The Company continues to focus on improving operational efficiency as well as optimal utilisation of various resources in manufacturing and production areas. The QRM (Quick Response Management) Initiative -POLCA which started as a pilot in the previous year was extended to one more product during this year. The project envisages reorganising the machine layout in the shop floor thereby reducing lead-time/waiting time between workstations and improvement in shop floor inventory and other resources. This initiative is beneficial in addressing some of the key areas like planning and scheduling, production reliability, materials availability, and product delivery. The success of pilot project has laid the way to extend the QRM initiative to other manufacturing lines also. This needs to be extended not only in manufacturing process but also in support functions. The Company ensures maintaining minimum inventory levels while safeguarding on-call supplies and on-time delivery to customers.



Optimum usage/sweating of assets based on Value Stream Mapping, by using common pool of resources (Machine) for similar operation across all cells remains the Company's priority.

Supply Chain efficiency is one of the Company's key focus area. The Company is committed to reducing product lead time and improving operational efficiency by reducing work in progress.

On the raw material front, the Company continuously develops alternative, reliable and competitive sources/suppliers for critical raw materials including Diamond/CBN, machine castings, systems, electrical, chemicals etc.

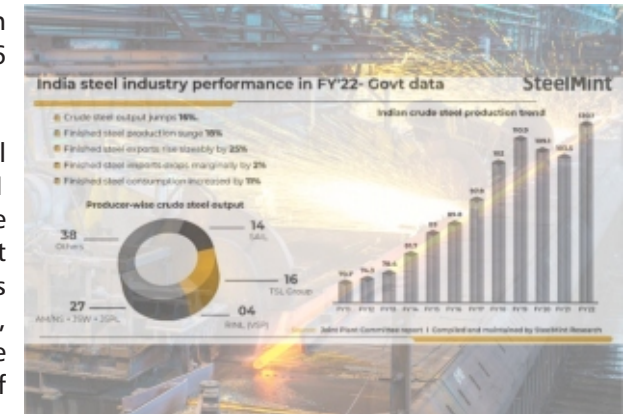


FUTURE PROSPECTS AND OUTLOOK

In the auto ancillary segment, rising middle class income and huge youth population in India is expected to be the key demand driver. India could be a leader in shared mobility by 2030, providing opportunities for Electric Vehicle (EV) and autonomous vehicles. The EV industry is expected to create 5 crores jobs by 2030 (Indian Brand Equity Foundation (IBEF)). Further, initiatives like the PLI schemes for automobile and auto components, vehicle scrappage policy, flexi fuels etc., are expected to provide growth opportunities to the automobile sector. Indian automotive industry

(including component manufacturing) is expected to reach Rs.16.16-18.18 trillion (USD 251.4-282.8 billion) by 2026 (IBEF).

With regards to the steel industry, India's finished steel consumption is anticipated to increase to 230 MT by 2030-31 from 93.43 MT in 2020-21. As of October 2021, India was the world's second largest producer of crude steel, with an output of 9.8 MT. In FY 2022-23, crude steel production in India is estimated to increase by 18%, to reach 120 million tonnes, driven by rising demand from customers. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour (IBEF). Due to Government's continued thrust on infrastructure development, the demand for Indian steel is expected to increase further.



Indian Abrasive market was valued at USD 363.26 million in 2021 and is expected to project a robust growth with a CAGR of 6.61%. Initiatives like 'Smart Cities Mission' and 'Housing for All' along with rising demand for electronics and automobiles are driving the growth of Indian Abrasive market.

Global Super Abrasive market size is estimated to grow to USD 4.8 billion by 2025. Major factors responsible for the growth of global super abrasives market include growing awareness regarding adoption of high-end technologies and their benefits coupled with the continuing growth of the automotive industry. In addition to this, the product is widely popular due to its long lifecycle, high scale hardness and

superlative performance, which is anticipated to spur the global super abrasives market growth. However, some of the factors that might act as major impediments to the growth of super abrasives market across the globe in the years to come are high cost of production along with product price volatility due to the fluctuating raw material costs.

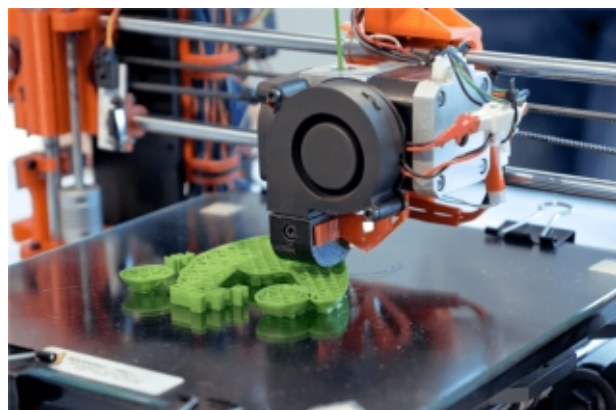
The expected growth of above sectors provides good opportunities for the Company's products viz., Super Abrasives, Machines and the Precision Components in future.

The Company's growth lies in constantly monitoring changes in the external environment and adapting to the customer needs that are emerging. Accordingly, mega trends and underlying new opportunities that unfolds are being tracked continuously.

The growing usage of Super Abrasive products for various medical applications such as Surgical Instruments, Hypodermic Needles, Dental implants, Knee, Hip and Shoulder joints create new opportunities for the Company to explore through technical collaboration and new products development. Also, growing Consumer Electronic Segment, with manufacturing facilities in India is expected to provide a wide array of opportunities for consumption of Super Abrasives in the coming years. The Company is exploring necessary tie-ups and collaboration to venture into these growing sectors.



To bridge the gap between optimising existing technologies & investing in advancements, the Company's in-house R&D



efforts are aimed at strengthening the existing technology, complemented by new methods of manufacturing.

Adoption and deployment of appropriate technologies for indigenous bond development, streamlining processes has been the key focus areas for Company's growth prospect and the Company will continue to do so.

The Company made progress on adoption of additive manufacturing technology which is estimated as a descriptive technology for most of the machine grinding technology by partnering with leading manufacturer of 3D printing from Europe.

The Company is also exploring locating near to customers or market to serve them better. Pilot project will be established during next year for Western region in the Precision products category.

SUBSIDIARY COMPANIES

Wendt Grinding Technologies Limited, Thailand

The Company's wholly owned subsidiary, Wendt Grinding Technologies Limited, Thailand, achieved sales of Thai Baht 1010 lakhs (Rs. 2298 lakhs) which is 32 % higher than the last year. This is despite unprecedented challenges and industry slowdown on account of increase in COVID-19 infection, EV impetus, political uncertainties, rising costs and all odds. The subsidiary continues to demonstrate its strong resolve and business acumen challenging the unfavourable conditions and churning out good results on a consistent basis.

The Profit Before Tax was Thai Baht 175 lakhs (Rs. 382 lakhs) and the Profit After Tax has been Thai Baht 140 lakhs (Rs. 302 lakhs), 32% higher over previous year.

With increase in number of COVID cases, employee safety was given top priority with 100% timely vaccination drive including the booster dose. During this challenging year, the subsidiary resorted to strict cost control, robust receivable management and clear business focus in terms of increasing product and customer basket and strengthening the export business. These initiatives helped in de-risking the business by compensating for the decline in existing products. Focus on providing value added services, enhancing product basket, new customer additions and entering new geographies yielded desirable results.

The subsidiary will continue to focus on core business & value-added service and increased customer/product base along with measures to ensure OPEX, safety and cash flow to achieve sustainable & profitable growth.

During the year, the subsidiary successfully received strong recommendation and revalidated "ISO9001-2015" audit from "TUV NORD".



WENDT MIDDLE EAST FZE, SHARJAH

Wendt Middle East FZE ('WME'), Sharjah, the other wholly owned subsidiary of the Company, had applied for voluntary de-registration during last year and there were no operations. The subsidiary clocked loss of AED 1.42 lakhs (Rs. 29 lakhs).

During the year, WME has completed de-registration related procedures and has repaid the share capital to the Company. Clearance from the Hamriyah Free Zone Authority (HFZA) is awaited, after which WME will be formally liquidated/ de-registered.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company (incorporating the operations of the Company and its two wholly owned overseas subsidiaries), for the financial year 2021-22 are prepared in compliance with the applicable provisions of the Companies Act, Accounting Standards as prescribed by Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Consolidated Financial Statements have been prepared based on the audited financial statements of the Company, its subsidiaries, as approved by their respective Board of Directors.



Pursuant to provisions of Section 136 of the Act, the Financial Statements of the Company including the Consolidated Financial Statements along with the relevant documents and the Auditors' Report thereon forms part of this Annual Report. A statement of summarised financials of all subsidiaries of the Company in Form AOC-1 also forms part of this Annual Report. The audited annual accounts and related information of the subsidiaries is available on our website www.wendtindia.com.

The key financial information on the consolidated operations are as follows: -

KEY CONSOLIDATED FINANCIAL SUMMARY

(Rs. in lakhs)

	FY 2021-22	FY 2020-21	% change
Sales	17724	13567	31%
EBITDA	4167	2200	89%
Other Income	543	492	10%
Profit Before Tax	3691	1700	117%
Profit After Tax	2707	1277	112%
Earnings per share - Rs.	135.34	63.83	

DIVIDEND

Considering the past dividend pay-out ratio and the current year's operating profit, the Board has recommended a final dividend of Rs.45/- per equity share of Rs.10/- each for the year ended 31st March 2022. Besides, in January 2022, an interim dividend at the rate of Rs.20/- per equity share of Rs.10/- each was declared and paid in February 2022. This aggregates to a total dividend of Rs.65/- per equity share of Rs.10/- each for the financial year.



The Company has adopted the Dividend Distribution Policy as approved by the Board in line with the Listing Regulations and the same is available on the Company's website www.wendtindia.com. The dividend paid as well as being recommended for the year ended 31st March 2022 is in line with this policy.

TRANSFER TO RESERVES

The Company transferred Rs.271 lakhs to the General Reserve. An amount of Rs.7738 lakhs is retained in the Statement of Profit & Loss.

APPROPRIATIONS

	(Rs. in lakhs)
Available for appropriation	
Profit After Tax	2710
Add: Other Comprehensive Income	(54)
Add: Balance brought forward from previous year	6153
Total	8809
Recommended appropriations	
Transfer to General Reserve	(271)
Dividend	
-Final (Dividend paid for 2020-21 @ Rs. 20/- per share of face value of Rs.10/- each)	(400)
Dividend tax	
-Interim (Dividend paid for 2021-22 @ Rs.20/- per share of face value of Rs.10/- each)	(400)
Balance carried forward	7738

CORPORATE SOCIAL RESPONSIBILITY (CSR)



The Company's Corporate Social Responsibility pursuits have always been based on the foundation of ethical behaviour in all its business transactions and contributions for economic development of not only the workforce and their families but also extending to the local communities and society at large. The Company being a part of the Murugappa Group has been upholding this tradition by allocating a part of its profits for fulfilling its social responsibilities. The Group's philosophy is to serve the communities in which it operates through the services of service-oriented philanthropic institutions with education and healthcare being the core focus areas.

The Company believes that social responsibility is not just a corporate obligation that has to be carried out, but an opportunity to make a difference. The Company's Corporate Social Responsibility programmes are aimed at inclusive growth and sustainable development of the community.

The Company's Skill Development Program was set up in 2012 in collaboration with Carborundum Universal Limited. The major focus was to provide high quality vocational and technical training to less privileged youth from weaker sections of the society by uplifting their lives and equipping them with employable skill sets. This training programme is designed based on the coaching methodology defined by Government of India, Ministry of Skill Development and Entrepreneurship. This builds up a skill bank of technically competent and



industry ready work force benefitting the less privileged sections of the society.

This 3 year training programme is based on National Council of Vocational Training syllabus. This training is imparted with stipend to the enrolled students and free boarding facilities ensuring that they earn while they learn. Not only does this initiative help in imparting formal education, but also helps them in honing them to become a valuable citizen while helping them in seeking gainful employment upon successful completion of the course.



During the year, a grant was made to Hosur Industrial Association ('HIA') towards building a Skill Development Centre, thus enabling the Company support the infrastructure for skill development in the area in which it operates. Hosur Industrial Association was set up in the year 1981 with an aim to protect and promote the interests of industrial establishments located in and around Hosur. Considering the increasing unemployment due to lack of requisite skill and to bridge the gap between the skill requirement versus the actual skills available, a Skill Development Centre is being built by HIA in Hosur to promote education in the field of technical trades as well as commercial education like ERP, use of computers etc. Hosur Industrial Association is registered with the Ministry of Corporate Affairs for the purpose of undertaking/implementing CSR activities on behalf of the Company.



The Company also gives importance to green environment and tree plantation in the nearby communities by distributing and planting free saplings every year. Employees are encouraged to participate in activities like blood

donation camps, creating awareness on road safety, nominating employees with RTO as traffic wardens, 5S campaigns towards cleaner environment, imparting special education to the school children to name a few.



The Company in line with the amendments in Companies Act, 2013, formulated an annual action plan, which was approved by the Board of Directors, in pursuance of the CSR Policy of the Company, based on which spending on CSR activities were completed. The Company, during the FY 2021-22 spent Rs. 32.125 lakhs towards CSR activities and no amounts remain unspent at the end of the year.

In accordance with requirements of the Companies Act, 2013, the Company has a CSR policy incorporating the requirements therein which is also available on Company's website at the following link www.wendtindia.com

The Annual Report on CSR activities in the prescribed format is annexed to this Report as **Annexure C**.

TRANSFER TO THE INVESTOR EDUCATION & PROTECTION FUND (IEPF)

In terms of Section 124 (5) of the Companies Act, 2013, an amount of Rs. 4,30,440 lakhs being unclaimed dividend during the year, pertaining to the final dividend for the FY 2013-14 (Rs. 2,51,550) and the interim dividend for the FY 2014-15 (Rs. 1,78,890) was transferred to IEPF after sending due reminders to the shareholders.

FIXED DEPOSITS

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the rules framed thereunder and no amount of principal or interest was outstanding as on the balance sheet date.





LOANS AND INVESTMENTS

Particulars of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 are given below. There were no loans or guarantees granted during the year.

(Rs. in lakhs)

Description	As on 31.03.2021	Movement (net of deletions)	As on 31.03.2022
Loans given by the Company	-	-	-
Corporate Guarantee given by the Company	-	-	-
Investments made by the Company	430.55	(153.16)*	277.39

*During the year, WME, Sharjah completed the de-registration formalities with the HFZA and repaid the share capital. Clearance from HFZA is awaited after which Company will be de-registered.

Current Investments: Investments in Mutual Funds as on 31.03.2022 was Rs. 5948 Lakhs

KEY RATIOS

Sl. no.	Ratios	In terms of	31.03.2022	31.03.2021
1.	Performance Ratios			
a.	Operating Profit / Net Sales	(%)	19	9
b.	EBIDTA / Net Sales	(%)	28	21
c.	PBIT / Net Sales	(%)	22	14
d.	Net Profit / Net Sales	(%)	17	11
e.	ROCE	(%)	24	13
f.	ROE	(%)	20	11
g.	Fixed Asset Turnover Ratio	Times	2.94	2.17
2.	Activity Ratios			
a.	Inventory Turnover Ratio	Days	56	74
b.	Receivable Turnover Ratio	Days	76	86
3.	Liquidity Ratio			
a.	Current Ratio	Times	1.66	1.77

The significant change in operating profit, EBITDA, Net Profit and PBIT to net sales is mainly on account of rigorous operational efficiency measures including variable and fixed cost reduction initiatives undertaken in the previous year. This has also resulted in favorable change in ROCE and ROE for the year ended 31st March 2022.



QUALITY

The Company follows a quality assurance system with stringent tests built into every stage of production ensuring the quality of its products. The quality consciousness inbuilt in the Company's DNA backed by a thorough understanding of customer application needs and "one to one" customer support, has made the Company a synonym for quality and reliability.

The Company has certifications of ISO 9001 and TS 16949 reinforcing its commitment to ensure Quality Management Standards are met. During the year, the Company also received TUV Nord EN9100:2018 certificate enabling the manufacture of precision grinding, honing and CNC machined components for aerospace applications.

TS 16949 pertains to manufacturing of precision components. In order to comply with the safety norms and requirements of overseas customers, the Company has successfully renewed EN 13236 Standards during the year. Quality being the uncompromised differentiator, the Company aims to ensure that product quality is built by deploying and embracing effective quality control management, process robustness, quality assurance and discipline at every stage of material flow.

During the year, the Company has strengthened its Quality Assurance by piloting 'Green Channel Suppliers & vendors' which will eliminate incoming inspection thereby reducing production lead time & faster customer delivery. Also, the Company continued planned supplier audits and assessing supplier gaps, if any thereby improving incoming materials quality performance.



SAFETY, HEALTH AND ENVIRONMENT (SHE)

Safety remains the key area of focus for the Company. Behaviour based training both in person as well as virtually were conducted to promote a culture of safe working. The Company recognises the need and is committed to provide Safe, Healthy and Socially Accountable Work Culture in the Organisation. The Company has complied with the requirements of internationally recognised Social Accountability Standard SA 8000:2014 and periodically reviews its policy to cater to the changing requirements. The Senior Management takes responsibility for maintaining these standards through deployment of relevant processes and guidelines in line with OHSAS 18001 and ISO 14001 standards.

All personnel on a periodical basis receive effective health and safety training, including on-site training, job specific training etc. During the year, the Company has provided trainings for creating awareness about the significance of safety amongst employees and visitors including by way of setting up of safety training kiosk.

Quarterly mock drills for fire safety, annual health check-up for employees, special medical attention for employees working in special process & sensitive areas, use of Personal Protection Equipment (PPEs), zero discharge of ETP/STP and hazardous waste handling are some of the initiatives, which the Company undertook during this year.

The COVID-19 pandemic spread to India, actions were taken to enhance employee awareness, health, and safety, with also ensuring business continuity.





The Company continues following the COVID-19 protocols and safety measures in terms of social distancing, including restricted movement of manpower, use of hand sanitisers and face mask at workplace. The Company is a 100% Vaccinated Company with all employees and their families completing both doses of vaccines. The Company organised several vaccination camps in tie-up with Kauvery Hospitals and HIA within its premises for employees, their family members as well as for its suppliers, and vendors. It has also extended the COVID-19 safety protocols to its suppliers and outsourcing partners. This has enabled the Company to continue uninterrupted production.

RECOGNITIONS AND AWARDS

The Company encourages its employees to participate in customer audits, group competitions, various national and international events & competitions. During the year, the Company received many awards and accolades from well recognised organisations, establishments and certifying bodies for various distinctive achievements. Needless to mention that these recognitions and accolades enhance the passion and optimism among the employees and acts as key motivator for the Company as a whole. Some of the key recognitions received during the year are as follows:

- **QCFI-CCQC 2021 Competition**

10 teams participated in CCQC Competition during November 2021. 9 teams won Gold Award and 1 team bagged Silver Award.

- **NHRD - Hosur Chapter, HIA & JDISH OSH Excellence Award**

Employees participated and shared the Best OHS Practices of Wendt. Participants were recognised and certified during the valedictory function conducted on 25th March 2022 at HIA-Hosur that was headed by Director of Industrial Safety and Health (FAC) & Joint Director of Industrial Safety and Health, Hosur.

- **Cufest 2021 Awards**

Employees participated in Group-level Quality competitions 'Virtual CUFEST 2021' (Quality festival of CUMI), and won awards for Sustainability Quiz, Suggestions, SCM Excellence and Sales Excellence.

- **CFO of the Year Engineering 2021 Award**

Mr. Mukesh Kumar Hamirwasia, CFO was awarded by Inflection Ventures as CFO of the Year Engineering 2021.



OPPORTUNITIES & THREATS

OPPORTUNITIES

Disruptive technologies like Electric Automobiles, the recent emerging trend in the automotive industry, although a threat to the IC engine, provides opportunities in this segment in particular in parts suitable for EV vehicles.

Nano Cubic Boron Nitride abrasives are likely to augment applicability of Super Abrasives in many medical and electronic industry applications. The Company is exploring

venturing into EV, medical and electronics segments by collaboration and technology tie-ups with global partners to grow further.

The industries in the Auto, Aerospace and Electronics manufacturing space demand high-performance applications. Improvements in the design of diamond wheels used to finish ceramics can be key to cost-effective manufacturing. Metal-bond specially design wheels for longer wheel life can lead to shorter process cycle times while also ensuring longer life, thereby reducing the overall grinding cost. The Company achieving the aerospace certification is a step in looking at growing this segment in future.



The Company would continue to leverage upon its vast experience and technical expertise, deep understanding of customer requirements, comprehensive product range, superior technology and the resultant competitive edge emerging out of its complementary business verticals namely Super Abrasives and Non- Super Abrasives comprising of Machine Tools and Precision Components products category.



Further, the Government's focus on projects like 'Make In India' or 'Atma Nirbhar Bharat' are expected to give a boost to the Company's products being import substitute, thus helping in conservation of precious foreign exchange during these difficult times.

THREATS

Industry leaders across globe, with high brand value afford significant research operations. Investment in R&D activities by these major players to innovate the existing products and to develop new technologies to sustain competition in the market is very high. On the other hand, we have many

unorganised, regional proprietary run entities that are smaller in size with limited offering, addressing customer requirements in a specific region.

In order to counter both the extremes, the Company strives to evolve a unique approach to improve its market presence and market share. To address the price competitive market, the Company has launched fast moving and Standard Super Abrasives and other tooling products in STAR brand and has been aggressively conducting promotional activities in the vicinity of high potential customers. For addressing the high performance, quality conscious segment, the Company is working with foreign research institutes and is on lookout for product specific, niche manufacturers for acquiring state-of-the-art technology.



Enterprise Value Addition (EVA)

(Rs. in lakhs)

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Generation of Gross Value added	7494	5451	5251	5800	5272
Breakup on Application of Value added					
Payment to Employees	3110	2928	3136	2892	2588
Payment to Shareholders (on payment basis)	800	700	300	600	500
Payment to Government	921	375	404	740	692
Payment to Directors	29	24	22	21	16
Towards replacement and expansion	2634	1424	1389	1547	1476
Total	7494	5451	5251	5800	5272

- Gross Value Added is Revenue less Expenditure (excluding depreciation, expenditure on employee & directors service).
- Payment to Government is current tax + dividend distribution tax.
- Replacement and expansion is retained earnings + depreciation + deferred tax.
- The Company has been constantly investing towards replacement and expansion expenditure to ensure fulfilment of market demand.

RISK & CONCERN

The Company has constituted a Risk Management Committee aligned with the requirements of the Companies Act, 2013 and Listing Regulations. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of this Report.

The Company has a robust business risk management process to identify, evaluate and mitigate risks impacting business including those which may threaten the existence of the Company. The Company determines the categories of risk from – strategic, operational, environmental, legal, social, cyber risks, extended enterprise and financial, which the organisation may be exposed to and could impact its ability to conduct its business operations without disruption, to provide customer satisfaction and achieve sustained success.

The Risk Management also forms an integral part of the Company's Business Plan. The Company has developed a structured risk management policy encompassing the risk management objectives, principles, process responsibility for implementation, maintenance of risk registers, review of risk movements, risk reporting framework etc.



After the risk is identified, Risk Prioritisation involves assigning score based on impact (potential outcome) & likelihood (probability of occurrence). The risks are also assessed for velocity (how fast a risk can impact an organisation) to assess the need for crisis plan.

The risk response of the Company is of the following types:

- Avoidance i.e., not to start or continue with an activity which gives rise to a risk
- Sharing the risk i.e., Sharing with another party, the burden of loss or the benefit of gain, from a risk.
- Mitigating risk, an action that reduces the impact or likelihood of a risk.



- Retention where no worthwhile controls actions are feasible, and the risk is within the organisation's risk tolerance.

Some of the risks associated with the business and the related mitigation plans are given below. However, the risks given below are not exhaustive and assessment of risk is based on management perception.

Raw Material commodity price increase

Why is it considered as a Risk?

- non availability due to pandemic, global supply chain issues and global unrest.
- scarcity of raw material.
- logistics issues.

Mitigation Plan/Counter measure to address

- Identifying alternate source of raw material.
- Premium price for faster delivery.
- Better forecasting and advance ordering in bulk.

User Industry concentration Risk

Why is it considered as a Risk?

- Disruption in the overall automotive market landscape due to transition of the automobile industry towards hybrids and electric vehicles.
- Effect on customer relationship with change in ownership.
- Disruptive innovation & process changes.
- Newer technology like Integrated Starter Generator and Belt-Driven Starter Generator that are likely to replace alternator and generator in the automobile.

Mitigation Plan/Counter measure to address

- Identifying alternate Industry base Segments based on Mega Trends- Aerospace, Bearings, Razor Blade, Glass, Power (Solar, Nuclear, Wind and Gas).
- Widening the customer base/new industry segment & new geographies thereby de-risking the business.
- Pursuing product innovation and new application development as per government norms.
- Building relationship and engagement with the customer by adopting new initiatives conducting Technical Seminar - both online and on-site, participation in international exhibitions, CRM & Knowledge Management application.
- Working with renowned research universities and technical consultants, to develop new products.
- Focus on Digital Marketing, to acquire new customers and pursue new applications.

Competition Risk

Why is it considered as a Risk?

- Loss in share of business for standard and low precision products, due to presence of many unorganised regional players often adopting measures like pricing strategy, free samples, longer credit period etc.
- Disruption in global competition by Chinese low-cost products.
- Major companies acquiring local dealers/manufacturers and entering into partnerships with major end users for continuous supply of products.
- Organised player spending on Research and Development and coming up with new products.



Mitigation Plan/Counter measure to address

- Launching High Performance standard products, with competitive price and branding products by conducting seminar at Tier 1 & Tier 2 cities, Mela at dealer locations and participating in various exhibitions.
- Measures like New product development, lost business regain, gain from competition, horizontal deployment of successful applications.
- Association with external agency for developing new products for different applications.
- Offering products against import substitute by focusing on cost, delivery, quality and technical support.
- Automation and Robotisation to address lower manufacturing cost and enhance competitiveness.

Technology Risk

Why is it considered as a Risk?

- Elimination of Machining Process (Turning, Milling, Grinding, Honing).
- High investment on Technology by key global players.
- Access to advanced technologies.

Mitigation Plan/Counter measure to address

- Enhance in-house R&D efforts (DSIR approved R&D) to strengthen existing technology, complemented by new methods of manufacturing.
- Association with external Research laboratories/Technical institutes for technology upgradation.
- Collaboration with external consultants for product and process innovations.
- Initiated overseas partnership for Additive Manufacturing.

HR & Legal Risk

Why is it considered as a Risk?

- Employee disengagement risk, owing COVID-19 Pandemic.
- Attrition of skilled/trained manpower by competition leading to disruption of operations or knowledge gap.
- Millennial work force - no long-term interest.
- Delay in recruitment of talents as per business needs.
- Succession planning for key roles.

Mitigation Plan/Counter measure to address

- Facilitate to enhance technical and behavioural capabilities through e-learning modes and Webinars.
- Continuous counselling on health, safety and mental well-being besides extending necessary support to employees and their family members on matters relating to COVID-19.
- Improve leadership readiness to manage the growth initiatives by identifying internal and external incumbent for next set of leadership positions through the Internal Development Programs (IDP).
- Focus on acquiring high skilled talents from best-in-class domains/organisations.
- Design & implement career road map through structured development plan for career enhancement based on roles and job descriptions.
- Mentoring and Coaching programme for employees for enhancing engagement level.
- JD mapping and identifying training needs to fill gaps for employee development ensuring right person on right job.

Online Data & Information Security Risk-Cyber Security

Why is it considered as a Risk?

- Disruption of technology service providers (in Work from Home conditions).
- Data breach, loss or exposure increase due to a remote/mobile workforce.
- Security breaches, compliance, bugs due to unauthorised access and potential attacks.

Mitigation Plan/Counter measure to address

- The Company has a backup process available for data restoration. The Company has identified alternate service providers in case of switch over.

- Implemented SIEM (Security Information and Event Management) for identifying, monitoring, recording and analysing security events or incidents in a real-time IT environment.
- Continuous review of the Disaster Recovery Strategy & Business Continuity Policy for Technical Controls.
- Data Center access limited to authorised personnel.
- Crisis Management Group in Place.
- Strengthening network security.
- Enhancing Information Security policies & procedures.
- Vulnerability assessment and penetration testing for information system conducted periodically.
- Updating patches monthly and monitoring for issues antivirus update for entire environment including standalone IT assets.

INDIAN ACCOUNTING STANDARDS (IND AS) - IFRS CONVERGED STANDARDS

The Company had adopted Ind AS with effect from 1st April 2016 pursuant to the Companies (Indian Accounting Standard) Rules, 2015 notified by the Ministry of Corporate Affairs on 16th February 2015.

INTERNAL CONTROL SYSTEM & ADEQUACY

The Company has an Internal Control system commensurate with the size, scale and complexity of its operations. The controls have been designed and categorised based on the nature, type and the risk rating so as to effectively ensure the reliability of operations with adequate checks and balances.

The Company's internal control system covers the following aspects:

- Safeguarding the assets of the Company.
- Financial propriety of business transactions.
- Compliance with prevalent statutes, regulations, policies and procedures.
- Control over capital and revenue expenditure with reference to approved budgets.

The Internal Audit function is delegated to an external Chartered Accountants' firm which evaluates the effectiveness and adequacy of internal controls, compliance with operating systems, policies and procedures of the Company and recommends improvements. The scope of the Internal Audit is annually determined by the Audit Committee considering inputs from the Statutory Auditors and the Management Team. Significant audit observations and the corrective/ preventive actions taken by the process owners is presented to the Audit Committee. Periodic review of the adherence to the agreed action plan is carried out. The Audit Committee of the Board periodically reviews audit plans, observations and recommendations of the internal and external auditors, with reference to the significant risk areas and adequacy of internal controls and keeps the Board of Directors informed of its observations, if any, from time to time.

During the year, there were no changes in internal control over financial reporting that have materially affected or are likely to have any financial reporting lapse.

INTERNAL FINANCIAL CONTROLS (IFC)

As per Section 134 of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and the procedures adopted by the Company for ensuring:

- orderly and efficient conduct of its business, including adherence to accounting policies,
- safeguarding of its assets,
- prevention and detection of frauds and errors,
- accuracy and completeness of accounting records and
- timely preparation of reliable financial information.

The key components of IFC followed by the Company are:

1. **Entity Level Controls (ELC)** that the management relies on to establish appropriate Code of Conduct, Enforcement and Delegation of Authority, Hiring and Retention practices, Whistle Blower mechanism, and other policies and procedures.

2. **Process Level Controls (PLC)** to ensure processes are stable, predictable and consistently operating at targeted level of performance classified into Manual or Automated Controls. They are also classified as Preventive or Detective.
3. **General IT Controls** to ensure appropriate functioning of IT applications and systems built by Company to enable accurate and timely processing of financial data are - User Access rights Management and Logical Access, Change Management controls; password policies and practices, Patch management and License management; backup and recovery of data.

The adequacy of IFC is ensured by:

- Documentation of risks and controls associated with major processes.
- Validation classification of existing Controls to mitigate risks.
- Improving the effectiveness of controls through data analytics.
- Performing testing of controls by Independent Internal Audit firm.
- Implementation of sustainable solutions to Audit observations.

The IFC Audit is conducted annually by an independent firm of Accountants by testing of controls to ensure that all controls are operational, effective, adequate and identifying improvements to controls wherever necessary which is reviewed by the Audit Committee.

FINANCIAL REVIEW

Liquidity and Cash Equivalents

The Company continued to have healthy cash generation during the year, being prudent in capital expenditure and efficient working capital management thereby maintaining its debt free status. The Company holds sufficient cash and cash equivalents to meet its futuristic strategic growth initiatives by following prudent investment policy. The Company's cash surplus position helps to eliminate short and medium-term liquidity risks.

The Company follows a robust Cash Management Policy whereby it:

- a. Uses cash to provide sufficient working capital to address business objectives of the Company and to add value to all stakeholders by continued enhancement.
- b. Conserves sufficient cash as reserves that will aid the Company in venturing into meaningful business opportunities that unfold in future.
- c. Prudently invests surplus funds that the business generates in liquid investments including AAA rated debt schemes of mutual funds as per the Board approved policy. This ensures availability, safety and liquidity of Company's funds while allowing reasonable yield as per the prevailing market rates. The surplus funds are generated through stringent control on working capital.

As on 31st March 2022, the Company's investment in debt mutual funds was Rs. 5948 lakhs in securities holding papers with high credit rating.

Costs

The year witnessed commodity price increase along with supply chain disruption. The Company managed its cost by negotiating annual price with critical suppliers and buying in bulk based on annual demand projection. To combat supply chain disruption, the Company continues developing alternate suppliers as a part of its de-risking strategy. Also, Company continues looking at indigenisation of some of the supplies. Initiatives like Vendor Managed Inventory (VMI) has ensured continuity of supplies of critical items including rationalisation of costs. Focus on Cost Optimisation has yielded savings in all the business segments - Super Abrasives, Machines and Precision Components. The rigorous variable and fixed cost reduction initiatives undertaken in the previous year has resulted in good improvement in the bottom line.

FINANCIAL POSITION

Share Capital

The paid-up equity share capital as on 31st March 2022 was Rs. 200 lakhs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

Shareholders' Funds

The shareholders' fund as on 31st March 2022 was Rs.14,414 lakhs against Rs.12,558 lakhs of previous year. Accordingly, the book value of the share stands at Rs.721/- as compared to Rs.628/- during the previous year.

Loan Funds

The Company is debt free as it does not have any long-term borrowing. It continues to utilise its cash credit limit with the banks to bridge the short-term fund requirement and for meeting the temporary mismatches in its cash flow. During the year, the Company availed Export Packing Credit (EPC) of Rs.100 lakhs under MSME scheme.

During the current year as well, the working capital limits of the Company continued to be rated by ICRA as **AA-** (pronounced ICRA double A minus) assigned to Rs. 2 Crore Long-term Fund facilities of the Company which signifies low credit risk and stable. The short-term rating assigned to Rs. 19 crore Non-Fund Based working capital limit also continued to be reaffirmed as **A1+** (pronounced ICRA A one plus).

ASSETS

Capital Expenditure

The Company follows the policy of being prudent in its capex spend. During the current year, the capital expenditure was Rs. 608 lakhs. The major capex spent was on addition of new plant & machinery towards capability building in fast growing products and new products capacity enhancements, which are critical for the future growth of the Company. As in the past, the Company follows the policy of funding all the capex through internal accruals.

Inventories and Sundry Debtors

The Company follows rigorous Working Capital Management, based on a well-organised process of continuous monitoring and control on Receivables, Inventories and other parameters. The overall inventory levels as on 31st March 2022 is Rs. 2568 lakhs which is higher than previous year by Rs. 321 lakhs, increase by 14%.

Receivables (Gross) as on 31st March 2022, were at Rs. 3312 lakhs against Rs. 3321 lakhs during the previous year. The Company closely monitors the DSO (Days Sales Outstanding) through aggressive receivable management system including close follow ups and credit lock through the SAP system. This ensures that receivables are kept under control and payments are received in time. The Company has reduced the receivable average credit days to 76 days from 86 days in the previous year.

FOREIGN EXCHANGE HEDGING

Being a net exporter, the Company continues to practice natural hedging of foreign exchange earnings and outflow and does not take forward covers. The net forex gain during the year has been Rs.82 lakhs (Previous Year Rs.40 lakhs).

HUMAN RESOURCE

Wendt being an engineering -knowledge-based company, employees are its most precious assets. The Company has a strong and diverse workforce where every employee is involved as "partners" in the progress. The intangible asset comprises all the competencies of the people within the organisation in terms of education, experience, potential and capacity. The Company encourages & motivates diversity amongst employees and encourages them to take active part in activities such as Cross Functional Teams (CFTs), Kaizens, Small Group Activities (SGAs), and Suggestions.

Safety at the workplace remains the top priority with focused and highest attention from the Board. Periodic training and awareness sessions continue to be conducted for identification and elimination of unsafe working conditions.

During the year, the Company organised several rounds of COVID-19 vaccination drives for its employees and their families in its premises. This has ensured the Company to achieve 100% vaccination status as on date.

The Company continues to focus on identifying and drawing a structured training plan based on the competency levels, future needs and focusses on recruiting high skilled talents from best-in-class domains/organisations to fulfil the growth plans. The Company gives equal importance to physical wellness of not only its employees but also their family members by conducting annual health check up every year. For High Potential Individuals, the Company encourages them to undergo Mentoring and Personality Development Programs, to prepare them for leadership roles and bigger business challenges in future.

Cordial relations continue to be maintained with the employees' cordial and the work atmosphere remained congenial throughout the year. The manpower strength of employees (excluding casuals and trainees) of the Company as on 31st March 2022 was 388 (previous year - 412).

During the year, the Company undertook organisation restructuring in line with future business goals by creating bonded and coated products under Super Abrasives segment from the erstwhile cell concept. This would ensure optimum utilisation of resources – man, material, and machines in the respective product line. The Product and Application Engineering has been created as a new role to help in quicker development and establishing the products at the customers' end. Production Planning Control (PPC) has been created to ensure better planning, scheduling of material and machines based on available orders ensuring faster delivery to the customers.

The Company started an organisation wide job description and competency mapping exercise for all roles to identify the right fit for the right job. This will ensure in identifying the right positions based on job descriptions and finding gaps where training and development needs to be provided. This will ensure Company is adequately staffed for its future growth.

The Company has a policy on prevention of sexual harassment at workplace in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has constituted an Internal Complaints Committee as required under Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. No complaints were received during the year under review.

Some of the other initiatives introduced are sales incentive scheme for sales team based on sales and order booking achieved, senior management team meeting individual employees in groups for better connect and identifying development needs, opportunity for traffic warden services for our employees, communications in local language for attracting more employees, enhanced induction process for new joiners, periodic feedback to each individual from functional heads to ensure function is progressing towards business goals, career guidance advice with experts to employee children, online experts sessions on financial wellness and health issues to the employees, PACE (Platform for Accelerated Career Experience) through CUMI providing employees to work on different projects of their choice for developing cross functional capability and improve engagement levels, Catalyst, voluntary mentoring program with CUMI where employees directly sign up for dialogues with mentors for people development.

RELATED PARTY TRANSACTIONS

The Company as per the requirements of the Companies Act, 2013 and Regulation 23 of the Listing Regulations has a Policy for dealing with Related Parties. Further, in line with the amendments made in Listing Regulations pertaining to related party transactions which are effective on prospective basis i.e. w.e.f. 1st April 2022 onwards, the policy on dealing with related party transactions was amended to adapt to the changes.

In line with the stated policy, all Related Party transactions are placed before the Audit Committee for review and approval. Prior approval of the Committee is taken for the estimated value of transactions which are foreseen and repetitive in nature. Omnibus approval in respect of transactions which are not routine, or which cannot be foreseen

or envisaged are also obtained as permitted under the applicable laws. The list of related parties is reviewed and periodically updated as per the prevailing regulatory conditions.

The details of transactions proposed to be entered with Related Parties are placed before the Audit Committee for approval on an annual basis before the commencement of the financial year. Thereafter, a statement containing the nature and value of the transactions entered by the Company with Related Parties is presented for quarterly review by the Committee. Further, revised estimates or changes, if any to the proposed transactions for the remaining period are also placed for approval of the Committee on a quarterly basis. Besides, the Related Party transactions entered during the year are also reviewed by the Board on an annual basis.

All transactions with Related Parties entered during the financial year were in the ordinary course of business and on an arm's length basis and hence not requiring particulars to be entered in the Form AOC-2. Further, all transactions entered into with Related Parties during the year even at arm's length basis in the ordinary course did not exceed the thresholds prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 or Listing Regulations or the Company's Policy in this regard and hence no disclosure was required to be made in Form AOC-2. Accordingly, there are no contracts or arrangements entered with Related Parties during the year to be disclosed under Sections 188(1) and 134(h) of the Companies Act, 2013 in Form AOC- 2. The Form AOC-2 in the prescribed format is annexed to this report as **Annexure-B**.

There are no materially significant Related Party transactions made by the Company with its Promoters, Directors, Key Managerial Personnel or their relatives that may have a potential conflict with the interest of the Company at large.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.wendtindia.com. None of the Directors and KMPs had any pecuniary relationship or transaction with the Company other than those relating to remuneration in their capacity as Directors/Executives and corporate action entitlements in their capacity as shareholders of the Company.

BUSINESS RESPONSIBILITY REPORTING (BRR)

The Company's ethical and responsible behaviour complements its corporate culture. Being a public listed company, the Company recognises that its accountability is not limited only to its shareholders from a financial perspective but also to the larger society in which it operates. During the year 2019-20, consequent to the mandatory reporting of its business responsibility initiatives under the Listing Regulations, the Company had formulated a consolidated policy on Business Responsibility which lays down the broad principles guiding the Company in delivering its various responsibilities to its stakeholders. The policy is intended to ensure that the Company adopts responsible business practices in the interest of the social set up and the environment so that it contributes beyond financial and operational performance.

A copy of the Policy is available at www.wendtindia.com and the Business Responsibility Report for the year ended 31st March 2022 in terms of Regulation 34 of the Listing Regulations is annexed to this Report as **Annexure E**.

GOVERNANCE

BOARD OF DIRECTORS

As on 31st March 2022, the Board of the Company comprised six Directors of which majority (four) are independent.

Ms. Hima Srinivas who was appointed as an Independent Director held office for the first term of five years until 23rd April 2022. The Nomination and Remuneration Committee and the Board of the Company at their meetings held on 22nd April 2022 recommended her appointment as an Independent Director for a second term of five years from 24th April 2022. In the opinion of the Board, Ms. Hima Srinivas satisfies the independence criteria prescribed in the Act and Rules made thereunder for appointment as an Independent Director of the Company and that she is independent of the Management. Notice in this regard under Section 160 has been received from a Member. Her detailed profile is provided in the notice convening the meeting.

Mr. M Lakshminarayan was appointed as an Independent Director of the Company on 20th March 2018 for a period of five years with the approval of the shareholders of the Company vide an ordinary resolution passed at the 36th Annual General Meeting held on 24th July 2018. Since Mr. M Lakshminarayan has completed 75 years during the financial year, a special resolution under Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was obtained from the shareholders through postal ballot exercise on 30th December 2021, for his continuation till the end of his present term i.e. 19th March 2023 and for re-appointing him for another term after completion of the current tenure until 30th November 2023.

During the FY 2021-22, at the 39th AGM of the Company, the shareholders approved the appointment of Mr. Bhagya Chandra Rao as an Independent Director effective 22nd January 2021.

Mr. Rajesh Khanna retires by rotation at the forthcoming Annual General Meeting and has expressed his desire to retire from the Board of the Company as a Non-Executive Director.

The Company has received declarations from all its Independent Directors confirming that they meet the criteria of independence prescribed both under the Companies Act, 2013 and the Listing Regulations. In the opinion of the Board, all the Directors appointed/re-appointed during the year are persons with integrity, expertise and possess relevant experience in their respective fields.

All the Independent Directors of the Company have registered their names in the Independent Directors Databank and had completed proficiency assessment/are exempted as required under the Companies Act, 2013 and the Rules referred therein.

During the year, the Board at its meeting held on 23rd July 2021, based on the recommendation of the Nomination and Remuneration Committee appointed Mr. Arjun Raj P as the Company Secretary with effect from 1st August 2021 in place of Ms. Janani T A who had resigned as Company secretary with effect from 1st August 2021.

KEY MANAGERIAL PERSONNEL (KMP)

Mr. C Srikanth, Chief Executive Officer, Mr. Mukesh Kumar Hamirwasia, Chief Financial Officer and Mr. Arjun Raj P Company Secretary are the Key Managerial Personnel of the Company as per Section 203 of the Companies Act, 2013.

BOARD MEETINGS

A calendar of Board Meetings is prepared and circulated in advance to the Directors.

During the year, six (6) Board Meetings were convened and held in accordance with the provisions of the Act. The date(s) of the Board Meetings, attendance of the directors are given in the Corporate Governance Report forming an integral part of this report.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board carried out an annual evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees as per the evaluation framework adopted by the Board on the recommendation of the Nomination and Remuneration Committee. Structured assessment forms were used in the overall Board evaluation comprising various aspects of the Board's functioning in terms of structure, its meetings, strategy, governance and other dynamics of its functioning besides the financial reporting process, internal controls and risk management. The evaluation of the Committees was based on their terms of reference fixed by the Board besides the dynamics of their functioning in terms of meeting frequency, effectiveness of contribution etc.

Separate questionnaires were used to evaluate the performance of individual Directors on parameters such as their level of engagement and contribution, objective judgement etc.

The Chairman was also evaluated based on the key aspects of his role. The performance evaluation of the

Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman, the Board as whole and the Non-Independent Directors was carried out by the Independent Directors at their separate meeting held during the year.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

Pursuant to Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board has formulated the criteria for Board nominations as well as the policy on remuneration for Directors and employees of the Company.

The criteria for Board nominations lays down the qualification norms in terms of personal traits, experience, background and standards for independence besides the positive attributes required for a person to be inducted into the Board of the Company. Criteria for induction into Senior Management positions have also been laid down.

The Remuneration policy provides the framework for remunerating the members of the Board, Key Managerial Personnel and other employees of the Company. This Policy is guided by the principles and objectives enumerated in Section 178(4) of the Companies Act, 2013 and reflects the remuneration philosophy and principles of the Murugappa Group to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company. The policy lays down broad guidelines for payment of remuneration to Executive and Non-Executive Directors within the limits approved by the shareholders. Further details are available in the Corporate Governance Report.

The Board Nomination criteria and the Remuneration policy are available on the website of the Company at www.wendtindia.com.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee of the Board comprises five members out of which four are independent. Mr. Shrinivas G. Shirgurkar is the Chairman and other members are Mr. M Lakshminarayan, Ms. Hima Srinivas, Mr. Bhagya Chandra Rao and Mr. N Ananthasheshan. During the year, five Audit Committee meetings were held, the details of which are provided in the Corporate Governance Report.

COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and amendments thereof, the Company does not fall under the category of companies required to mandatorily undertake Cost Audit. However, the Company maintains cost accounting records in respect of products of the Company.

PARTICULARS OF EMPLOYEES

The information on employees and other details required to be disclosed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to and forms part of this Report as **Annexure D**.

STATUTORY AUDITORS AND AUDITORS' REPORT

In line with the requirements of the Companies Act, 2013, the Company, with the approval of the shareholders at the Annual General Meeting held on 24th July 2017, had appointed M/s. Price Waterhouse Chartered Accountants LLP (Reg. No. FRN 012754N/N500016) (PWC) as the Statutory Auditors of the Company to hold office from the conclusion of 35th Annual General Meeting until the conclusion of the 40th Annual General Meeting.

Considering that the tenure of PWC is concluding at the 40th AGM, the Company is required to appoint a Statutory Auditor in place of PWC, the retiring Auditor. Pursuant to Section 139 of the Companies Act, 2013, PWC is eligible to be re-appointed as Statutory Auditors for a second term of five consecutive years. The Board of Directors at their meeting held on 22nd April 2022, based on the recommendation of the Audit Committee, have recommended the

re-appointment of PWC to hold office for a term of five years from the conclusion of the 40th Annual General Meeting until the conclusion of the 45th Annual General Meeting of the Company.

As required under Regulation 33 of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Report given by PWC on the Financial Statements of the Company for the year ended 31st March 2022 is provided in the financial section of the Annual Report.

There are no qualifications, reservations, adverse remarks or disclaimers given by the Auditors in their report. During the year under review, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013 and hence there are no details to be disclosed under Section 134(3)(ca) of the Act.

SECRETARIAL AUDIT

M/s. R Sridharan and Associates, Practising Company Secretaries, Chennai were appointed as the Secretarial Auditor to undertake the Secretarial Audit of the Company for the FY 2021-22. The report of the Secretarial Auditor for year ended 31st March 2022 is annexed to and forms part of this Report. There are no qualifications, reservations, adverse remarks or disclaimers given by the Secretarial Auditor in the Report.

In terms of Regulation 24A of the Listing Regulations, there is no material unlisted subsidiary incorporated in India. Material unlisted subsidiary for the purpose of this Regulation is a subsidiary whose income/net worth exceeds 10 per cent of the consolidated income/net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year. Hence, the requirement prescribed under Regulation 24A of the Listing Regulations is not applicable to the Company, in so far as material subsidiary is concerned.

SECRETARIAL STANDARDS

The Company is in compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2).

CORPORATE GOVERNANCE

In terms of Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on Corporate Governance including the certificate from a Practising Company Secretary confirming compliance is annexed to and forms an integral part of this Report.

CEO/CFO CERTIFICATE

Mr. C. Srikanth, Chief Executive Officer and Mr. Mukesh Kumar Hamirwasia, Chief Financial Officer have submitted a certificate to the Board on the integrity of the financial statements and other matters as required under Regulation 17(8) of the Listing Regulations.

VIGIL MECHANISM UNDER WHISTLE BLOWER POLICY

The Company has a well-established whistle blower policy as part of vigil mechanism for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of conduct or ethics policy. This mechanism also provides for adequate safeguards against victimisation of Director(s)/employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Whistle blower policy is available on the Company's website at www.wendtindia.com. It is affirmed that during the year, no employee was denied access to the Audit Committee.

ANNUAL RETURN

The Annual Return in Form MGT 7 is available at www.wendtindia.com.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Board, to the best of its knowledge and belief and according to the information and explanations obtained by it confirm that:

- in the preparation of the annual accounts for the year ended 31st March 2022, the applicable accounting standards have been followed and there have been no material departures from the same.
- they have selected appropriate accounting policies and applied them consistently and made judgments 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 the end of the financial year and of the profits of the Company for that period.
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the annual accounts have been prepared on a going concern basis.
- proper internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The information on energy conservation, technology absorption, expenditure incurred on Research & Development and forex earnings/outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed to and forms part of this Report as **Annexure A**.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its future operations.

OTHER CONFIRMATIONS

No application under the Insolvency and Bankruptcy Code, 2016 (IBC) was made on the Company during the year. Further, no proceeding under the IBC was initiated or is pending as at 31st March 2022.

There was no instance of one-time settlement with any Bank or Financial Institution.

ACKNOWLEDGMENTS

The Board gratefully acknowledges the co-operation received from various stakeholders of the Company viz., customers, suppliers, partners, banks, government and other statutory authorities, auditors, business associates and shareholders. The Directors extend their gratitude to all the regulatory agencies like SEBI, Registrar of Companies, stock exchanges and other Central and State Government authorities/agencies, vendors and sub-contracting partners for their support. The Board also acknowledges the unstinted co-operation, commitment and dedication made by all the employees of the Company in the previous financial year.

The Directors also wish to place on record their gratitude to the members of the Company for their unrelenting Support & Confidence.

On behalf of the Board
For Wendt (India) Limited

Shrinivas G Shirgurkar
Chairman

Place: Hosur
Date: April 22, 2022

ANNEXURES TO THE DIRECTORS' REPORT

ANNEXURE A

A) Information under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014 and forming part of Directors' Report.

a) Conservation of Energy

The Company does not fall under the category of power intensive industries. However, the Company adopts sustained efforts to reduce energy consumption. The organisation is an ISO 14001 certified Company which is an International Management System (IMS) Standard on Environment Management. The environmental policy of the Company focusses on conservation of natural resources and minimisation of pollution. The following energy conservation measures continued during the year:

- Natural lighting ventilation for all Pre-Engineered Building (PEB) buildings by providing polycarbonate transparency sheet.
- Provided AHF (Active Harmonic Filter) in main power distribution system to ensure the quality of power.
- Introduction of Natural Turbo Ventilation, which is reckoned as a perfect and natural air exhausting option for the industry.
- Installation of Solar Heater in many areas to increase dependency on clean energy.
- Installation of APFC (Automatic Power Factor Controllers) to improve/stabilise power factor.
- Installation of occupancy sensors in certain administrative areas.
- Optimum utilisation of energy through process redesigning as well as maximum utilisation of equipment that offers improved energy efficiency.
- Time switches installed at various places for automatic control of street lights.
- Replacement of all conventional high energy consumption lightening, by installation of LED and induction lights in major areas.
- Introduction of LDR-light dependent resistance sensor harnessing natural daylight for all outdoor lighting with automatic controls.
- The Company has taken measures to save water whereby 100 per cent of the domestic effluent and the trade effluent are treated and used for gardening and electroplating processes (Zero discharge).

During the year, there are no capital investments on energy conservation equipments.

b) Technology Absorption, Adaptation and Innovation

The Company is continuously focussing on upskilling its employees in digital marketing, use of IT & digital technology, to complement our traditional way of reaching out to customers in a much cost-effective manner in order to enhance the customer experience.

The Company's R&D team has taken initiatives to develop own technologies and patent novel concepts/designs to become the front-line runners in the Super Abrasives technology and has put in efforts for indigenised bonding systems suitable for varied verticals in Super Abrasives.

The Company's in-house R&D also collaborates with renowned institutes & laboratories to further strengthen existing technology, complemented by new methods of manufacturing. Increasing implementation of these manufacturing technologies drive the demand of products for Bearing & Guide Ways, Gears, Cam & Crank shaft and in industries like Semi-conductor, Biomedical, Aerospace, Cutting Tool, Engineering & Auto Sectors.

The Company is also supported by the rich experience, knowledge pool and R&D facility of Carborundum Universal Limited, shareholder of the Company and pioneers in the field of conventional abrasive & material science for some of the application developments for specific areas. No technology was imported by the Company during the last three years.

RESEARCH & DEVELOPMENT (R&D)

The Research and Development function of the Company represents the activities it undertakes to innovate and introduce new Super Abrasive products and services to improve its existing offerings. The objective of R&D is to design and develop new processes/products through the advancement of Materials Science & Machining Techniques towards providing the "Complete Grinding Solutions" to its customers. The Company's R&D facilitates the development of future products or the improvement of current products and/or operating procedures. The Company's R&D centre is recognised by Department of Scientific and Industrial Research (DSIR) under the Ministry of Department of Science and Technology, Government of India. The validity of this recognition is available till 31st March 2023.

The Company's R&D is keen on filing patents and publishing papers in the peer reviewed SCI journals. The R&D personnel also build their network by attending seminars, workshops, national & international conferences and develop transferable skills by undertaking required training and workshops.

Industrial Research & Development plays an important role in the innovation process by developing future technology and future capabilities, which transforms into new products, processes and services. This offers a basic platform to conduct both fundamental and applied research for better understanding of the products and push the frontiers of the technology further. In this context, the R&D team has taken efforts to develop products for flute grinding, Brake Disc (2W and 4W) honing and products for solar and laminated glass.

The Company is agile in adapting to situations and shifting their product baskets into the non-automobile sectors, electronic industries with the help of its R&D in fast growing areas like semi-conductor, biomedical which pose big challenge for sustainability. In this context, the R&D team is focussed to develop new products with superior performance. Addressing products to these sectors requires high competency and superior bonding systems to match ever growing market competition.

On the other hand, the Company also aims at addressing the gaps on account of process developments. New processes such as hot press sintering, induction heating, vacuum brazing and pulse electroplating replaced the conventional methods. These processes substantially decreased the cycle time and enhanced the quality of the products being manufactured in an economical and effective way.

Following are the benefits accruing out of R&D activities:

1. Development of materials and processes for self-sufficiency.
2. Indigenisation of Bonding raw materials for Super Abrasives as import substitution.
3. Grinding Solutions for new applications like solar and tempered glass, razor blade, semi-conductor, biomedical and carbide grinding.
4. Upgrading Manufacturing Technologies to match changing needs of the customer as well as to venture into new markets.

The Company mainly caters to niche market where majority of customers are OEMs and look for technologically superior products with consistent performance. Majority of the customers consider the Company as a One-Stop Shop for Complete Grinding Solutions offering technologically superior products with reliable performance. The Company can address the ever-changing needs & expectations of the customers, by virtue of its strong focus on R&D and customer centricity. This facilitates the Company to retain its niche position in the market.

(i) Expenditure on R&D

(Rs. in lakhs)

Sl. No	Particulars	2021-22	2020-21
a)	Capital Expenditure	2	-
b)	Recurring (revenue expenditure)	142	161
c)	Total Expenditure	144	161
d)	Total R&D Expenditure as a percentage of turnover	0.91%	1.35%

(ii) Foreign Exchange Earnings and Outgo

(Rs. in lakhs)

Sl. No	Particulars	2021-22	2020-21
a)	Foreign Exchange Used	3,287	2,625
b)	Foreign Exchange Earned	4,170	3,574

On behalf of the Board
For Wendt (India) Limited

Shrinivas G Shirgurkar
Chairman

Place: Hosur
Date: April 22, 2022

ANNEXURE B

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis: Nil

a)	Name(s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

On behalf of the Board
For Wendt (India) Limited

Shrinivas G Shirgurkar
Chairman

Place: Hosur

Date: April 22, 2022

ANNEXURE C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1.	Brief outline on CSR policy of the Company	The Company recognises the importance of a sustainable growth benefiting all stakeholders including the society in which it operates. CSR is imbibed into its values and beliefs and all business activities even before the compulsory spend was mandated. It continues to perform its CSR obligations directly through the skill development centre as well indirectly through contributions to recognised implementing agencies in the field of Education and Healthcare, in line with the CSR Annual Action Plan and the CSR Policy of the Company. In line with its objectives and practices, the CSR policy focuses on Health, Education and Skill Development. The policy is uploaded on the website of the Company.
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2. Composition of CSR Committee

Sl. No	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
1.	Ms. Hima Srinivas	Chairperson / Independent & Non-Executive Director	1	1
2.	Mr. Shrinivas G Shirgurkar	Member / Independent & Non-Executive Director /	1	1
3.	Mr. Bhagya Chandra Rao	Member / Independent & Non-Executive Director /	1	1
4.	Mr. N Ananthaseshan	Member / Non-Independent & Non-Executive Director /	1	1

3.	Provide the 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.wendtindia.com/wp-content/themes/wendtindia/pdf/csrapolicy.pdf
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4.	Impact assessment on CSR Projects	Not Applicable
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5. Details of the 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

Sl. No	Financial Year	Amount available for set - off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
Not applicable			

6.	Average net profit of the Company as per Section 135(5)	Rs. 1606 Lakhs
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7.	(a) Two percent of average net profit of the company (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years (c) Amount required to be set off for the financial year, if any (d) Total CSR obligation (7a+7b-7c)	Rs. 32.125 Lakhs - - Rs. 32.125 Lakhs
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8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	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
Rs. 32.125 Lakhs	Nil				

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation Direct (Yes/No)	Mode of Implementation -Through Implementing Agency	
				State	District						Name	CSR Registration No.
Nil												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	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)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	CUMI Centre for Skill Development -Hosur	Employment enhancing vocational skills	Yes	Krishnagiri District,	Tamil nadu	24,62,500	Yes	-	
2.	Building for Skill Development Centre	Employment enhancing vocational skills	Yes	Krishnagiri District,	Tamil nadu	7,50,000	No	Hosur Industrial Association	CSR00007167

d. Amount spent in Administrative Overheads	-
e. Amount spent on Impact Assessment, if applicable	-
f. Total amount spent for the Financial Year (8b+8c+8d+8e)	Rs. 32.125 lakhs

g. Excess amount for set off, if any

Sl. No	Particulars	Amount (in Rs.)
1.	Two percent of average net profit of the company as per section 135(5)	32,12,500
2.	Total amount spent for the Financial Year	32,12,500
3.	Excess amount spent for the financial year [(ii)-(i)]	-
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not applicable

Sl. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent succeeding financial years. (inRs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
Nil							

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

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project- Completed /Ongoing.
Nil								

10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset wise details) a) Date of creation or acquisition of the capital asset(s). b) Amount of CSR spent for creation or acquisition of capital asset. c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. d) Provide details of the capital asset(s) created or acquired including complete address and location of the capital asset.							Not applicable
11	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).							Not applicable

For and on behalf of the Board of Directors

DATE: April 22, 2022			
PLACE: HOSUR			
SIGNATORY			
NAME OF THE DIRECTOR	HIMA SRINIVAS	SHRINIVAS G SHIRGURKAR	SRIKANTH C
DESIGNATION	CHAIRPERSON - CSR COMMITTEE	MEMBER - CSR COMMITTEE & CHAIRMAN - BOARD	CHIEF EXECUTIVE OFFICER
DIN	07556717	00173944	-

ANNEXURE D

STATEMENT OF EMPLOYEES' REMUNERATION

A. The details of top ten employees in terms of remuneration drawn during the financial year 2021-22 as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 duly amended by the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as follows:

Sl. No.	Name and Age	Designation/ Nature of duties	Gross remuneration paid (Rs.)	Qualification & experience (years)	Date of commencement of employment	Previous employment
1.	Srikanth C (57)	Chief Executive Officer	77,45,198	B.E / MBA (36 Years)	01-04-2021	Carborundum Universal Ltd
2.	S Sundariya (58)	Unit Head	54,21,219	IIIE (39 years)	03-08-1992	Rane Brake Lining Limited
3.	Mukesh Kumar Hamirwasia (50)	Chief Financial Officer	49,72,422	B.Com (Hons.), ACA, AICWA (24 years)	15-04-2010	Ecom Gill Coffee Trading Pvt. Ltd.
4.	Santosh Kulkarni P (51)	Sr. General Manager - SA Marketing (Domestic & Exports)	3,298,497	B.E. Mechanical Engineering (29 years)	02-05-1997	Ultra Filter Pvt. Ltd.
5.	Uday R B (53)	Senior General Manager-Sales & Marketing	3,037,689	M. Tech (29 years)	17-01-2005	Sundram Fasteners Ltd.
6.	Rathinam P (51)	General Manager - SA Manufacturing	2,881,888	M. Tech (30 years)	08-06-1992	Nil
7.	Satheesh C (50)	Dy. General Manager - Human Resources	2,423,528	B.Sc., PGDPM (26 years)	17-08-2016	Carborundum Universal Limited
8.	Amit Kumar Gupta (50 years)	General Manager - SA Marketing (Domestic)	2,456,211	B.E Mechanical Engineering (26 years)	27-01-2003	Diato India Private Limited
9.	Raghunatha Naidu B P (54 years)	General Manager -NSA (MTD & PC)	2,241,969	B.E, MBA (27 years)	09-06-2004	Indicarb Limited
10.	Margabandu V S (47 Years)	Asst General Manager - Finance & Accounts	2,120,926	M.Com, AICWA, ACS (25 Years)	08-03-1997	Nil

Details of employees who were employed for part of the year and earning eight lakh and fifty thousand rupees per month apart from the top ten employees: Nil

- a) Remuneration shown above includes salary, allowances, Company's contribution to provident, superannuation and gratuity funds, medical facilities and perquisites valued as per income tax rules.
- b) The employment of the above persons is whole-time in nature and terminable with 3 months' notice on either side.

c) The above mentioned employees are not relatives (in terms of the Companies Act, 2013) of any Director of the Company. Further, no employee of the Company is covered by the Rule 5(2)(iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (employee holding by himself or with his family shares of 2% or more in the Company and drawing remuneration in excess of the Managing Director). Hence, the details required under Rule 5(3) (viii) is not applicable.

d) The remuneration details are for the financial year 2021-22 and all other particulars are as on 31st March 2022.

e) None of the employees of the Company were in receipt of remuneration for the FY 2021-22 in excess of Rupees one crore and two lakh rupees per year or eight lakh and fifty thousand rupees per month.

B. The details of remuneration during the year 2021-22 as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as amended by the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as follows:

(i) Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name	Designation	Ratio
Mr. Shrinivas G Shirgurkar	Chairman and Independent Director	1.18
Mr. Hima Srinivas	Independent Director	1.51
Ms. M Lakshminarayan	Independent Director	1.09
Mr. Bhagya Chandra Rao	Independent Director	1.26
Mr. N Ananthasheshan	Non-Executive Director	-
Mr. Rajesh Khanna	Non-Executive Director	0.91

(ii) Percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Name	Designation	Increase (%)
Mr. Shrinivas G Shirgurkar	Chairman & Independent Director	1.79
Ms. Hima Srinivas	Independent Director	2.82
Mr. M Lakshminarayan	Independent Director	-3.64
Mr. Bhagya Chandra Rao*	Independent Director	NA
Mr. N Ananthasheshan	Non - Executive Director	-
Mr. Rajesh Khanna@	Non - Executive Director	NA
Mr. C Srikanth#	Chief Executive Officer	-
Mr. Mukesh Kumar Hamirwasia	Chief Financial Officer	12.38
Mr. Arjun Raj P**	Company Secretary	-

*Joined the Board on 22nd January 2021 and hence not comparable.

@not comparable as the remuneration drawn during 2020-21 relates to his position in different designations.

**deputed from Carborundum Universal Limited.

#Mr. C Srikanth has been appointed as CEO from 1st April 2021 and hence not comparable.

The remuneration paid to Non-Executive Independent Directors comprises commission and sitting fees for attending the meetings of the Board/committees which remain unaltered during the year. The increase in remuneration of Non-Executive Independent Directors was mainly on account of the number of Board meetings attended by them during the year.

(iii) Percentage increase/decrease in the median remuneration of employees in the financial year: 3 percent increase in median remuneration of employees (employees who were in employment for the whole of FY 2021-22 & whole of FY 2020-21 considered for this purpose in the respective financial years).

(iv) Number of permanent employees on the rolls of the Company as on 31st March 2022: 388

(v) The average annual increase in salaries of employees was 10% compared to a decrease in managerial remuneration of 5%. Hence, the confirmation with respect to exceptional circumstances for increase in managerial remuneration does not arise.

Annual increase in employee's remuneration is based on Company and individual performance. The individual performance parameters vary based on employee cadres.

(vi) The Company affirms that the remuneration is in compliance with its Remuneration policy.

On behalf of the Board
For Wendt (India) Limited

Shrinivas G Shirkurkar
Chairman

Place: Hosur
Date: April 22, 2022

ANNEXURE E

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L85110KA1980PLC003913
2	Name of the Company	Wendt (India) Limited
3	Registered address	Flat No. 105, Cauvery Block National Games Housing Complex, Koramangala, Bangalore, Karnataka - 560047
4	Website	https://www.wendtindia.com/
5	E-mail id	wil@wendtindia.com
6	Financial Year reported	1 st April 2021 to 31 st March 2022
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	
S.No.	Class	Description
(i)	239	Super Abrasives
(ii)	357	Machine Tools
(iii)	359	Precision Components
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Super Abrasives, Machine Tools and Precision Components
9	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	On a consolidated basis, the Company's wholly owned subsidiary, Wendt Grinding Technologies Limited carries its manufacturing operations in Thailand.
	(b) Number of National Locations	On a standalone basis, the Company carries its manufacturing operations in Hosur, Tamil Nadu.
10	Markets served by the Company – Local/State/National/International	Local/State/National/International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	Rs. 2 Crores
2	Total Turnover (INR)	Rs. 16002.51 Lakhs
3	Total profit after taxes (INR)	Rs. 2709.81 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Rs. 32.125 Lakhs (1.19% on profit after tax for the current year) (2% of the average net profits of the preceding three years)
5	List of activities in which expenditure in 4 above has been incurred:-	Skill Development - Enhancing employment skills of underprivileged youth in the manufacturing sector.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/Companies?	Yes. As at 31 st March 2022, the Company has two wholly owned subsidiaries - Wendt Grinding Technologies Limited, Thailand and Wendt Middle East FZE is undergoing de-registration.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The subsidiary company carries out BR initiatives as per its local requirements.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company does business with reputed organisations who undertake BR initiatives as per their respective organisational policies. CUMI Centre for Skill Development, the CSR initiative of the Company for enhancing the employment of skills of underprivileged youth is undertaken jointly with Carborundum Universal Limited at Hosur.

SECTION D: BR INFORMATION

1	Details of Director/Directors responsible for BR		
(a)	Details of the Director/Directors responsible for implementation of the BR policy/policies		
1	DIN	02402921	
2	Name	Mr. N Ananthaseshan	
3	Designation	Director	
(b)	Details of the BR head		
No.	Particulars	Details	Details
1	DIN (if applicable)	NA	NA
2	Name	Mr. C Srikanth	Mr. S Sundariya
3	Designation	Chief Executive Officer	Unit Head
4	Telephone number	+91-4344-276851	+91-4344-276851
5	e-mail id	Srikanthc@wendtindia.com	SundariyaS@wendtindia.com

2	Principle - wise (as per NVGs) BR Policy/policies									
(a)	Details of compliance (Reply in Y/N)									
No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	The policy(ies) has been framed keeping in mind the interests of the stakeholders at large.								
3	Does the policy conform to any national / international standards?	Various practices/processes emanating out of the policy(ies) conform to national/international standards.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online	www.wendtindia.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policy(ies) has been disseminated on the Employee Portal, Shop floor and the intranet as well as on the website of the Company.								
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	The individual policies by and large prescribe a grievance redressal mechanism for the stakeholders concerned. Wherever, the individual policies do not explicitly state the grievance redressal mechanism, grievances can be addressed to wil@wendtindia.com .								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Internal Auditors of the Company review the implementation of policies from time to time. The Company's Plant has been subject to audit by external certification agencies. No dedicated Business Responsibility audit has been conducted.								
(b)	If answer to the question at serial number 1 against any principle, is 'No', please explain why: Not Applicable									
No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3	Governance related to BR	
a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The BRR policy was framed only during the Year 2020 and is being periodically reviewed.
b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The requirement of publishing BRR annually is applicable to the Company from the FY 2019-20 only. This report is available at https://www.wendtindia.com/investors/

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with ethics, transparency and accountability.

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the group/ joint ventures/ suppliers/ contractors/ NGOs/ others?

Wendt (India) Limited is committed to high standards of business ethics and integrity. The Company has a 'zero tolerance' policy when it comes to deviation from ethical business conduct. The Company promotes transparency in business transactions with all its stakeholders including business partners. The spirit of the Murugappa Group – 'The Five Lights' comprising Integrity, Passion, Quality, Respect & Responsibility governs all its business dealings. The Company has a code of conduct for its business operations and all the stakeholders connected with the Company as suppliers, contractors, business partners, associates, its personnel employed by the Company or engaged to provide services are required to be aligned with the same.

The Company and its subsidiaries are governed by this philosophy in addition to the requirements of their Local jurisdictions.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

The Whistle Blower mechanism of the Company provides the Directors, Employee, Customers and Vendors an avenue to raise concerns, in line with the Company's commitment to open communication and standards of ethical, moral and legal business conduct. During the year, there was one referral made under the Whistle Blower Policy of the Company which was closed.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

The Company caters to the B2B market and has close interaction with customers on the goods manufactured for them. The safety, health and workplace environment concerns are deeply inculcated not only in the processes involved to make the product but in the end product itself.

The Company undertakes to assure safety and optimal resource use over the life cycle of its products. The purpose statement has been laid out after undertaking a very elaborate and participative exercise across the organisation to facilitate a common message strategy. The Integrated Management system policy is built on continual improvement by focusing on Processes, Conservation of Natural Resources, Protection of Environment, Prevention of Pollution, Injury and ill Health, Elimination of Hazards & minimizing Risks with effective Consultation and Participation of all Employees.

The Company's social accountability policy has built the need to be committed to provide Safe, Healthy and Socially Accountable Work Culture in the Organisation.

The Company's Environmental Pledge is built on reduction of Carbon foot print, Reusable shopping bags reduction of fuel by carpooling, refusing usage of plastic bottles, involvement in neighborhood clean up and minimise water usage.

Through the above, the Company attempts to meet the UN Sustainable Development Goals.

1. List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and for opportunities:

The Company takes all efforts to ensure that whatever it produces is safe and environment friendly. Over the years, the Company has been continuously making improvements in recycling & reusing of waste, consumption of water & energy and optimal use of available natural resources. The Company has been certified in recognised Standards such as ISO 9001, ISO 14001, OHSAS18001, SA 8000, TS16949, EN13236 to ensure its products have a sustainable use from a social and environmental perspective.

This year the Company has upgraded from existing OHSAS 18001 to ISO 45001 Occupational Health and Safety Management Systems and has been certified.

This year the Company has undergone Certification process of EN9100:2018 for Aerospace Quality Standards and has been recognised.

Super Abrasives:

- The dimensions like Diameter (D), Thickness/Height (T) and Bore (H) of the products are designed with specific criteria so that they can resist the expected forces and loads when used as intended and also avoids ejection of parts.
- Resin, Metal Bond and other Super Abrasive products are designed in such a way that, when used in accordance with instructions, there is no hazardous decomposition of products.
- Latest versions of scrubber and exhaust systems have been installed in manufacturing of electroplated products and its design for improved air quality.
- All Super Abrasives products are 100% recyclable once the life cycle of product is complete. The Company has successfully implemented EN13236 Standards to address the safety norms and requirements of overseas customers.

Machine Tools:

- The Company's machines are designed with operator safety system and necessary interlock to ensure safety at customer's end during operation.
- Machine Tools includes a range of machines such as Rotary Surface Grinding, Notch Milling, TC Ring Grinding, Vertical & Horizontal Honing, Cylindrical grinding & accessories that adhere to the International standards and CE certification fulfilling the international safety norms.
- The business offers IOT (Internet of Things) enabled machines helps in reducing energy consumption and also helps in optimum usage of resources via constant feedback to the user through the various sensors.

Precision Component:

- Dust collection systems & Mist collection System installed in Grinding Machine and Honing Machine enable collection of dust and oil mist at the time of grinding operations thus ensuring safe and clean environment.
- The Company manufactures products customised for customers based on their recommended design incorporating cleanliness and environment friendly standards.
- The packing material used for products supplied to its customers can be re-used multiple times and be recycled.
- The Machines used are designed with operator safety system and necessary interlock to ensure safety while usage & production.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

- **Water**
 - Water Treatment: As a responsible organisation, the Company has been at the forefront when it comes to implementation of Effluent Treatment Plants (ETPs) and Sewage treatment plant (in line with the compliance norms in force).
 - Water recycle & Reuse: The Company has installed a RO plant to achieve zero discharge of water waste.

The Company treats its process effluents and reuses it in its process. This facility has also been installed in the Company's manufacturing facility for electroplated products.

- The Company's Green belt within its facility is fully maintained using Sewage recycled water.
- Water Recharge: Water collected out of rain is harvested through a percolation pond carrying a storage capacity of 1.2 million liters.
- The Company has installed Rain water harvesting in the CCSD Building with an Underground storage capacity of 0.6 million liters and being directly used for Toilets and hand wash purposes of CCSD & FGS stores since April 2020 onwards.
- Scrubbers has been built in the plating process for reducing the odour and discharge of particulate matter
- We are a zero discharge Company

• Energy

- The Company's manufacturing processes are not power intensive. However, the Company takes continuous efforts to reduce energy consumption. The Integrated Management System policy of the Company focusses on Processes, Conservation of Natural Resources, Protection of Environment, Prevention of Pollution towards Environment.
- The energy conservation measures include reforms such as installation of Energy Savers in the lighting circuit to conserve energy through replacement of high voltage consumption lamps with LED lights, introduction of LDR-light dependent resistance sensors that harnesses natural daylight for all outdoor lighting with automatic controls.
- The Company has initiated the installation of Solar energy in its facilities.

b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Innovation and listening to the voices of the customers has always been the Company's priority. Constantly adjusting our processes, methods and systems across the value chain in shortest possible time and designing our responses in terms of products, services and behaviour ensures manufacturing excellence.

- The Super Abrasive wheel (CBN/Diamond) provides an advantage of reduced risk of thermal damage to the workpiece. The reduced risk of thermal damage in CBN grinding is at times attributed to the lower grinding specific energies. This advantage can allow a marked increase in removal rate whilst maintaining surface quality of the component compared to grinding with conventional abrasives such as aluminum oxide.
- Super Abrasive wheels extend bearing, spindle and overall machine life thereby reducing the power draw and energy consumption for acceleration & deceleration in linear and rotary movement.
- The Company offers an eco-friendly, high-performance coolant along with its super abrasive wheels and machines to ensure there is optimum usage of Super Abrasive wheels and reduction in waste generated during grinding process.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Yes. The raw materials critical for manufacture of Super Abrasives, Machine Tool and Precision Components are sourced from renowned, technologically sound suppliers.

The Company's business partners and suppliers play a key role in our performance footprint. To forge a relationship with them in the long-term, the Company has established a dedicated accountability mechanism through our Supplier's Code of Conduct that encourages business partners and suppliers to adopt principles and practices comparable to our own.

Joint project opportunities amongst various business units improves efficiencies in sourcing besides resulting in product efficiencies. Conscious efforts are made to ensure that everyone connected with the Company in its value chain including customers and recyclers are made aware of their responsibilities.

4. Has the Company taken any steps to procure goods and services from local & small producers, including

communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

Yes. The Company utilises the services of the local and small producers in and around the plant location for procurement of goods and services. The Company sources packing materials, materials for canteen, local transport, housekeeping and other repairs & maintenance only through local sources. The Company has been associated with dedicated, skilled and well-equipped local sub-contractors for more than two decades.

The Company from time to time provides training and guidance to its contractors on optimum use of resources, thereby saving cost and time. This has resulted in the small producers, manufacturing products which benchmarks in quality, thereby gaining an edge over the market.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%)?

Duly recognising that over-consumption results in unsustainable exploitation of the planet's resources, the business units in the Company are committed to promoting sustainable consumption, including recycling of resources.

While setting the Environment, Health, Safety objectives and targets, considerations are given to reuse, recycle, reduction, handling and disposal of wastes. Measurable performance indicators include waste produced per unit of production. The Company has installed high-tech pre-treatment line in the place of conventional treatment to ensure clean production and reduction in hazardous waste generation. During the year, the Company has achieved a Significant waste reduction in the case of electroplating products. The Company has zero discharge facility for sewage, canteen, electroplating process, paint booth, DM water effluent and used coolant through RO method. This treated water is reused for relevant manufacturing processes. The Company has been achieving reduction in wastes year on year.

The Company has a secured landfill facility in line with the applicable guidelines for storage of hazardous waste. The Company has also created a Vermi compost facility to convert all the garden/green waste into manure.

During this year, the Company has carried out recycling of Aluminum scrap into castings. 20 tonnes of Aluminum ingots has been converted from Aluminum Turnings generating a revenue of 35 Lakhs.

Principle 3: Businesses should promote the well-being of all employees.

The Company believes that its employees are an indispensable asset. To ensure safety and health of its employees, the Company provides effective health and safety training, including on-site training, job specific training. These trainings are repeated for new/re-assigned personnel to avoid untoward incidents and are also provided training in case of technology related changes and/or the introduction of new machinery that might pose risk to health and safety.

Providing and maintaining a safe and hygiene working environment is a continuous process at Wendt. Periodic awareness sessions, training on usage of protective equipment, identifying and eliminating unsafe conditions are given top priority. Work place safety is of prime importance to the Company and there have been sustained efforts over the year in training employees to raise awareness of safe work practices. A stringent Safety Assessment is being practised.

With a focus on ergonomics, reducing waste and clutter, minimising unnecessary movements and reducing fatigue, this initiative aims at creating a truly world-class environment in the Company.

The Company is an ISO 45001:2018 certified for Occupational Health and Safety Management systems.

The Company continued following the COVID related Safety protocols which was initiated during 1st wave like, wearing nose masks, social distancing, sanitation, distribution of Nilavembu kudineer to the employees.

Through its focused vaccination programme, the Company has achieved 100% vaccination for its employees.

The Company organised on health and safety awareness both physical and virtual session for the employees to reduce stress and to improve physical and mental well-being of employees by tying up with Doctors and local hospitals.

Awareness sessions continued on importance of sanitisation / handwashing and other hygiene factors as well

as social distancing, monitoring temperature and oxygen levels of all employees and visitors are checked and monitored to maintain safe environment.

While most of the sales pitches were undertaken through the virtual mode, to ensure safety of its employees during customer facing, employees on the field were provided with a complete kit comprising of personal protective equipment, gloves, masks, zinc tablets, sanitizer etc.

Employees who went above and beyond their roles to ensure business continuity were recognised.

The Company has installed Safety Training Kiosk which is a sophisticated touch screen based Digital tool with Audio visual facility that can be used directly without any intervention to get safety awareness by our Guest, Visitors, Employees, Drivers and New Joiners in multiple languages to undergo appropriate safety training.

The Company conducts Regular Annual Health Checkup for all the employees. The outcome of the medical health camp illustrated good health condition of Wendt employees.

The Company has a fully equipped fitness center and a walking track which can be utilised by the employees before and after working hours.

Based on a dedicated assessment of risks and taking into account the results of internal/external monitoring undertaken, the Human Resources department in consultation with the Departmental heads and the Social Performance Team identifies the trainings to be provided and formulates a training plan for its employees.

The Company neither supports nor engages in discrimination in hiring, remuneration, access to training, promotion, termination or retirement based on race, national or territorial or social origin, caste, birth, religion, disability, gender etc., that could give rise to discrimination. The Company does not tolerate any behaviour that is threatening, abusive, exploitative, or sexually coercive, including gesture, language and physical contact at the workplace. The Company is in compliance with the applicable laws, collective bargaining agreements and industry standards with respect to employment conditions.

The Company has participated in OHSE Awards conducted by National Safety Council , Tamilnadu Chapter and received Appreciation Award for the year 2020.

All these initiatives were undertaken with the health and safety of employees being the top priority.

1. **Total number of employees** The number of employees as on 31st March 2022 (including Non-Management staff) was 388.
2. **Total number of employees hired on temporary/ contractual/ casual basis** 87
3. **Number of permanent women employees** 25
4. **Number of permanent employees with disabilities** 5
5. **Do you have an employee association that is recognised by Management?** Yes. There are recognised trade unions not affiliated to various trade union bodies.
6. **What percentage of your permanent employees are members of this recognised employee association** 12.1 per cent of the employees are members of recognised employee associations
7. **Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year**

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of financial year
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

No.	Category	Safety Training	Skill upgradation
1.	Permanent Employees	100%	100%
2.	Permanent Women Employees	100%	100%
3.	Casual/Temporary/Contractual Employees	100%	100%
4.	Employees with Disabilities	100%	100%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1. **Has the Company mapped its internal and external stakeholders?**
Yes. The Company as a first step towards stakeholder engagement has identified relevant stakeholders both Internal and External.
2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?**
Yes. The Company has identified disadvantaged, vulnerable & marginalised stakeholders from the local community and has also engaged them for their socio-economic development through various CSR and affirmative action interventions. The systems and processes are in place to systematically identify stakeholders, understanding their concerns and for engaging with them is reviewed from time to time. The feedback mechanism available for stakeholders to assess the service levels and other complaints follows the spirit laid down therein.
3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders?**
The Company seeks to impact the lives of the disadvantaged by supporting and engaging in activities that aim to improve their well-being. The Company is dedicated to the cause of empowering people, educating them and in improving their quality of life. While the Company undertakes programmes based on the identified needs of the community, education and healthcare remains top priority. Across the different areas identified by the Company, it endeavors to reach the disadvantaged and the marginalised sections of the society to make a meaningful impact on their lives. The Skill Development Centre has been a major initiative towards addressing the social responsibility. The main objective behind the Skill Development Centre is to provide high quality vocational and technical training towards uplifting the lives of young children drawn from poor and deprived background. The Company also provides access to necessities like healthcare, drinking water & sanitation and the like to the underprivileged located in the neighbourhood.

Principle 5: Businesses should respect and promote human rights.

1. **Does the policy of the Company on human rights cover only the Company or extend to the group / joint ventures/ suppliers/ contractors/NGOs/others?**
The Company has adopted the Social Accountability Standard to devise an auditable voluntary mechanism based on UN Declaration of Human Rights, Principles of ILO, International Human Rights, Labour Norms and National Labour Laws that is applicable not only to its employees but also to the stakeholders viz., suppliers, sub-contractors, sub-suppliers, home workers etc.
2. **How many stakeholder complaints have been received in the past financial year and what per cent was satisfactorily resolved by the Management?**
Nil.

Principle 6: Business should respect, protect and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the Company or extends to the group / joint ventures/ suppliers/contractors/ NGOs/ others?

Protection of the environment ranks high among the Company's goals and as a responsible corporate citizen, the Company is committed taking definite steps to protect the environment. The Quality, Environment, Health and safety policy of the Company covers all its business verticals and it applies to the contractors as well, engaged with the Company including by way of incorporating the Safety, Health and Environment compliances in the agreement and in certain cases also cover the interest of customers/suppliers/transporters/contractors etc.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.?

Yes. The Company understands the implications of global environmental hazards, not only in terms of cost to our operations but more from the ill effects it could have on the environment.

Apart from Integrated Policy implementation, maintaining a fine balance between its surrounding and operations comes naturally for the Company. As a part of its commitment to ensure greenery within the factory premises, every prominent visitor to the plant is encouraged to Plant a Tree in their name at the Company's facility which also serves a commemoration of their visit. This is evident from the bountiful Flora & Fruit laden trees surrounding the plant. The Company has taken initiatives and has implemented innovative technologies to reduce the impact on the environment. The Company has also achieved a year on year reduction in consumption of electric power.

The Company has taken the following steps to address the environment concerns:

- More than 5000 trees planted and maintained inside the factory premises.
- Rainwater harvested through percolation pond having a storage capacity of 1.2 Million litres.
- Rain water harvesting with a Under ground storage capacity of 0.6 million liters.
- Effluent Treatment Plant installed to treat process effluents.
- RO plant installed towards implementation of zero discharge.
- Zero emissions.

The Company's facility at Hosur, Tamil Nadu has received the ISO 9001, ISO 14001, ISO 45001 and SA8000 certification.

The Risk management framework covers the environmental risks which is reviewed on a periodical basis and the steps that are required to be taken for mitigating the related risks are analysed and implemented.

The Company also recognises the significance of Greener belt by virtue of which a number of saplings are planted on a yearly basis to reduce the carbon footprint. The Company also continues to support to watering the plants through "miyawaki method" on rotation basis through biotasoil foundation and karisakattu poove trust.

3. Does the Company identify and assess potential environmental risks?

The Company has an Environment, Health and Safety policy, Sustainability policy and has also adopted the ISO standards which identify the potential risks and guides the efforts in limiting the environmental impact arising out of its operations. Based on an initial environmental & hazard review and evaluation of significant impacts and unacceptable risks, the Company sets its overall EHS objectives and targets. The Company also reviews the progress achieved towards EHS objectives and targets from time to time as a part of the Management Reviews. A report of the same is also placed before Risk Management committee of the Board of directors on periodical basis. Further, the Company also ensures that the effluent / emissions are within the permissible limits as prescribed by the statutory authorities.

4. Does the Company have any project related to Clean Development Mechanism?

No, the Company has not undertaken any specific project related to the Clean Development Mechanism as per the Kyoto Protocol. However, the Company's manufacturing location is certified ISO 14001 (Environment Management System), QMS - ISO 9001 (Quality Management System), ISO 45001 (Occupational Health and Safety System). The Company has set up a dedicated task force to identify activities to be undertaken to control the emissions to air and noise, release to water and contamination of land.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.?

The Company utilises resources in an optimal and responsible manner ensuring sustainability through reduction, re-use, recycling and managing waste. Appropriate measures to check and prevent pollution are undertaken. The Company seeks to improve its environmental performance by adopting cleaner production methods, promotion of energy efficient and environmental friendly technologies. Suitable processes and systems are developed with contingency plans and processes that help preventing, mitigating and controlling environmental damages caused due to the Company's operations.

The Company has undertaken initiatives on clean technology, energy efficiency and renewable energy. Some of the initiatives are highlighted below:

- Energy Savers installed in the lighting circuit to conserve energy;
- High-tech pre-treatment line in place of conventional treatment to ensure clean production and reduction in hazardous waste generation;
- Acoustic Covers introduced for the generators to reduce the noise levels significantly;
- Advanced technology paint booths with water spray installed to wash the paint particles in the spray booth and also neutralise the effluent from the paint booth;
- Vermi compost facility to convert all the garden/green waste into manure is set up;
- Implemented ultrasonic cleaners with organic biological cleaning agent thus eliminating the usage of TCE;

For more details on the energy conservation initiatives - please refer Annexure A of the Directors' report for the FY 2021-22.

6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes. The Company being in manufacturing business, at all times ensures compliance with the applicable environmental laws. The emissions/waste generated by the Company is within the permissible limits given by Pollution Control Board(s) for the FY 2021-22.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year:

Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your Company a member of any trade and chamber or association? Yes

- a. CII- Confederation of Indian Industry
- b. IMTMA – Indian Machine Tool Manufacturers' Association
- c. HIA – Hosur Industries Association
- d. Indo German Chamber of Commerce
- e. Bangalore Chamber of Industry
- f. Quality Circle Forum of India
- g. Engineering Export Promotion Council
- h. Indian Cutting Tool Manufacturer

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good?

The Company is not actively involved in lobbying. However, as a responsible corporate citizen, the Company as a part of industry associations/chambers makes recommendations/representations before regulators and associations for advancement and improvement of the industrial climate in India.

Principle 8: Businesses should support inclusive growth and equitable development.

1. Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8?

The Company attaches great importance to factors contributing towards community & society welfare activities. The Company has been practicing this right from the beginning with the employment of underprivileged & rural people from surrounding areas.

The CUMI Centre for Skill Development (CCSD) is a unique initiative undertaken by the Company jointly with its promoter Carborundum Universal Limited since 2012 to build mutually beneficial relationship with the local community and society. The Skill Development Centre is housed within the Company's Hosur facility augments the Company's commitment to society through initiatives that would address the needs of the underprivileged populations and to create good citizens. The Centre provides specialised training based on National Council for Vocational Training syllabus for the rural youth drawn from the socially and underprivileged section of the society. The job oriented skill training enhances their employability and aids in uplifting their socio economic status. The technically trained students can be employed by any industrial entity once they complete the training programme. The courses conducted in CCSD covers provision of extensive facilities including state-of-the-art classrooms, experienced & motivated instructors, a well-stocked library, audio visual aids, well-maintained machines & equipment for hands-on training etc. Apart from this, a very integral part of the programme is the importance attached to the development of soft skills through Group activities, Yoga, Communication building exercises, NGO activities & extracurricular events. All this makes the program a holistic and enriching experience both professionally and personally for the students.

Another initiative that has been widely appreciated by the community is the traffic warden duty undertaken by the employees and students at Hosur. Employee volunteers and students of the CCSD has been trained by the local police department and take up traffic management during peak hours in Hosur junction – a highly accident prone area.

The Traffic wardens also played a very crucial role in maintaining social distancing norms amongst public and in controlling traffic in Hosur, Tamilnadu through the entire lockdown.

Further, contributions in form of groceries were made to Abalashram, Sri Saratha nketan NGO, Hosur.

During this year, a grant was made to Hosur Industries Association towards building a Skill Development Centre. Hosur Industries Association was set up in the year 1981 with an aim to protect and promote the interests of industrial establishments located in and around Hosur. Considering the increasing unemployment due to lack of requisite skill and to bridge the gap between the skill requirement versus the actual skills available, a Skill Development Centre is being built by HIA in Hosur to promote education in the field of Technical trades as well as commercial education like ERP, use of computers etc.

The Company supported HIA on Documentation process of ISO 21001:2018 – Management systems for Educational organisations, which is yet to get certified.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organisation?

The Company's Corporate Social Responsibility initiatives are implemented through an in-house team while also pursuing CSR activities for the benefit of community around its local areas of operations.

3. Have you done any impact assessment of your initiative?

The CCSD programme is designed with a perfect balance of theory and practical training to ensure maximum learning and retention of the concepts. The syllabus and coaching methodology defined by Government of India, Ministry of Skill Development and Entrepreneurship is adopted.

4. What is your Company's direct contribution to community development projects?

Please refer the CSR report forming part as an annexure to the Directors' report for the FY 2021-22 for complete details on the spend made by the Company during the financial year ended 31st March 2022.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

The CCSD team operating at Hosur constantly engages with the NGO's, Gandhigram Rural Institute, Society for

Rural Development & NOCPL and other residential associations etc., in Tamil Nadu to identify the deserving candidates from various backgrounds.

The main driving force behind such an initiative is the co-creation of value which happens - not only is the skilled labour being made available on a regular basis but also such an initiative takes into account the wellbeing and development of the local community to drive both the community and industry towards greater heights of progress and prosperity. The initiative ensures development of soft skills through group activities, yoga, communication building exercises, NGO activities & extra-curricular events.

The students enrolled at the centre are also highlighted the importance of being a healthy and responsible citizen. They practice yoga, regulate traffic at important junctions, initiate 5S, Cleanliness drives from their hostel rooms to external environment. The confidence and the professional conduct shown by the students is an acknowledgment to the Company of its successful implementation of the CCSD initiative.

Befitting its size, the Company continues to make contributions to various social causes such as education for underprivileged school children, old age homes, orphanages, as well as providing sanitation facilities. The Company also gives importance to green environment and tree plantation in the nearby communities by distributing free saplings every year during World Environmental day which is widely celebrated.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

The total number of customer complaints across all businesses which were pending at the end of the year constitutes less than 3 percent which have been subsequently resolved.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Yes. Wherever relevant, the Company encourages that its packaging/ labelling contain detailed information regarding safe handling, storage and use, which is over and above what is mandated as per local laws.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behavior during the last five years and pending as on end of financial year?

None

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

The Company is a customer-centric organisation and attaches considerable value to the trust, satisfaction and loyalty of our customers across the world. The Company strives to ensure that customer needs are satisfied and our products and services offer value to our customers. As a part our stakeholder engagement strategy, the Company engages with its customers and carries consumer surveys every year to know the customer satisfaction level so that necessary steps may be taken to enhance customer satisfaction levels.

The Company collaborates meaningfully with its customers for co-creating sustainable products and solutions. Dedicated Customer / dealer meetings, customer plant visits, transparent and complaining product labelling ensures awareness creation for the product usage and safe disposal. Customer visits are not necessarily confined to their product needs but also extends to sharing of best practices like TQM, 5S etc. It is also worthy to note that a significant portion of the Company's business pertains to offering customised products. Hence, the customers' requirements rank very high to the Company.

The Business Responsibility Policy of the Company governing its business sustainability efforts is available on the Company's website www.wendtindia.com.

On behalf of the Board
For Wendt (India) Limited

Shrinivas G Shirgurkar
Chairman

Place: Hosur
Date: April 22, 2022

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

The Members,
WENDT (INDIA) LIMITED
CIN: L85110KA1980PLC003913
Flat No 105, Cauvery Block
National Games Housing Complex,
Koramangala, Bangalore - 560047

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WENDT (INDIA) LIMITED** [Corporate Identification Number: L85110KA1980PLC003913] (hereinafter called "the Company") for the financial year ended 31st March, 2022. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. There was no Foreign Direct Investment and External Commercial Borrowings during the year under review;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are applicable;
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;(not applicable during the year under review)
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 & the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;(not applicable during the year under review);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 & the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;(not applicable during the year under review);

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable as the company is not registered as Registrar to an issue and share transfer Agent during the year under review).
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ; (not applicable during the period under review); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 ; (not applicable during the year under review);
- (vi) We have reviewed the systems and mechanisms established by the Company for ensuring compliances under the other applicable Acts, Rules, Regulations and Guidelines prescribed under various laws which are applicable to the Company and categorized under the following major heads/groups:
1. Factories Act, 1948;
 2. Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution, welfare, provident fund, insurance, compensation etc.;
 3. Industries (Development & Regulation) Act, 1991;
 4. Acts and Rules prescribed under prevention and control of pollution;
 5. Acts relating to protection of IPR;

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (revised effective from October 1, 2017) and Guidance Note on Meetings of the Board of Directors and General Meetings (revised) issued by The Institute of Company Secretaries of India.
- (ii) The Uniform Listing Agreement entered with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (hereinafter referred to as "Listing Regulations")

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive directors, Woman Independent Director and Independent Directors. The company has appointed Chief Executive Officer pursuant to Section 203 of the Companies Act, 2013. There were no changes in the composition of the Board of Directors during the financial year under review.

Adequate notice is given to all the directors before schedule of 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 meeting. The meeting convened at shorter notice and notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meeting are complied

with. The necessary compliances of Rule 3 & 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 have been complied with in respect of meetings convened through Video Conferencing / Audio Visual means.

Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions at the Board / Committee Meetings were taken with the consent of the Board of Directors / Committee Members and no Director / Member had dissented on any of the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting, the Members who voted against the resolution(s) have been duly recorded.

We further report that based on review of compliance mechanism established by the Company we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that the above mentioned Company being a Listed entity this report is also issued pursuant to Regulation 24A of the Listing Regulations as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by the Securities and Exchange Board of India.

We further report that as per the information and explanations provided by the Management, the Company does not have any Material Unlisted Subsidiary(ies) incorporated in India as defined in Regulation 16(1) (c) and Regulation 24A of the Listing Regulations as amended during the period under review.

We further report that during the audit period, no major action having a bearing on the Company's affairs pursuant of the above referred laws, rules, regulations, guidelines, standards, etc., above have taken place.

**For R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

CS R. SRIDHARAN

CP No. 3239

FCS No. 4775

PR. NO.657/2020

UIN: S2003TN063400

UDIN: F004775D000183184

Place: CHENNAI

Date: 22nd April, 2022

Note: This Report is to be read with letter of even date, which is annexed as "Annexure A" and Forms an integral part of this report.

'Annexure A to MR-1'

The Members,
WENDT (INDIA) LIMITED
CIN: L85110KA1980PLC003913
Flat No 105, Cauvery Block
National Games Housing Complex,
Koramangala, Bangalore - 560047

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

CS R. SRIDHARAN

CP No. 3239

FCS No. 4775

PR. NO.657/2020

UIN: S2003TN063400

UDIN: F004775D000183184

Place: CHENNAI

Date: 22nd April, 2022

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Corporate Governance is a process that aims to allocate corporate resources in a manner that maximises value for all stakeholders - shareholders, employees, customers, suppliers, environment and the community at large. Good Corporate Governance is characterised by a firm commitment and adoption of transparent ethical practices by an organisation across its entire value chain and in all of its dealings.

Company's Philosophy on Corporate Governance

Wendt (India) Limited ('the Company') is committed to high standards of governance, developing robust policies and aligning the interest of all stakeholders at large to foster a culture of responsibility and compliance. The driving forces of Corporate Governance at Wendt are its core values, belief in people, entrepreneurship, customer orientation and pursuit for excellence. The Company believes that Corporate Governance is not an end to itself but a catalyst in the process towards maximisation of stakeholders' value. Established Board processes, well-structured internal control systems, unrelenting trust of its people, customer centric approach coupled with untiring efforts towards sustainable development and social responsibility are core to the Company's Corporate Governance practices.

The Company has adopted a Code of Conduct for the Board and its employees which contains the fundamental principles and rules concerning ethical business conduct. This Code embodies the belief that acting always with the Company's legitimate interest in mind and being aware of the Company's responsibility towards its stakeholders is an essential element of the Company's long-term excellence.

A. BOARD OF DIRECTORS

The Company's Board of Directors recognise its responsibilities towards all stakeholders and play a key role in not only providing directions in terms of strategy but also in upholding the highest standards of Governance. Wendt firmly believes that Board's independence is essential to bring objectivity and transparency in the management of the Company. The Board of Directors provides leadership and strategic guidance to the Company's management, monitor the implementation of the plans and review the performance of the Company. The Independent Directors provide an objective judgement on matters placed before them.

The Company's day to day affairs are managed by the Chief Executive Officer, assisted by a competent Management team under the overall supervision of the Board. The Company's commitment to ethical and lawful business conduct is a fundamental shared value of the Board, Senior Management and all its employees.

(i) Size and Composition of the Board

The key to good Corporate Governance for a Company is a diverse Board with appropriate balance of professionalism, knowledge and experience.

The Board of Directors the Company comprises eminent persons having collective experience in diverse fields of technology, engineering, finance, management and compliance. As of March 31, 2022, the Board at Wendt (India) Limited comprises 6 Directors out of which 4 are Independent Directors including a Woman Director.

Name	Category	No. of Directorships/ (Chairmanships) in companies ^(a)	No. of other Directorships	No. of Committee memberships / (Chairmanships) in companies including Wendt ^(b)	No. of Board meetings attended	Attendance at last AGM	Shares held in Wendt
Mr. Shrinivas G Shirgurkar DIN - 00173944	Chairman, Non-Executive & Independent Director (ID)	6(2)	4	3(1)	6(6)	Yes	Nil
Mr. M Lakshminarayan DIN - 00064750	Non-Executive & Independent Director (ID)	8(2)	3	8(3)	5(6)	Yes	Nil
Ms. Hima Srinivas DIN - 07556717	Non-Executive & Independent Director (ID)	1	1	1(0)	6(6)	Yes	Nil
Mr. Bhagya Chandra Rao DIN - 00211127	Non-Executive & Independent Director (ID)	2	1	4(1)	6(6)	Yes	Nil
Mr. N Ananthasheshan DIN - 02402921	Non-Executive & Non-Independent Director (NED)	5(1)	6	3(1)	6(6)	Yes	Nil
Mr. Rajesh Khanna DIN - 06923493	Non-Executive & Non-Independent Director (NED)	2	2	1	6(6)	Yes	240 shares

(a) Excluding Alternate Directorships and Directorships in Foreign companies, Private companies (which are not subsidiary or holding company of a Public company) and Section 8 companies;

(b) Only Audit & Stakeholders Relationship Committee of Public companies;

(c) Inter-se relationship between Directors – Nil.

The names of listed entities where the Directors hold directorship (excluding the Company) is given below:

Name of the Director	Company Name	Category
Shrinivas G Shirgurkar (SGS)	-	-
M Lakshminarayan (ML)	TVS Electronics Limited	Non - Executive Independent Director
	ZF Commercial Vehicle Control Systems India Limited	Chairman and Non - Executive Independent Director
	Kirloskar Oil Engines Limited	Non - Executive Independent Director
	ASM Technologies Limited	Non - Executive Independent Director
	Suprajit Engineering Limited	Non - Executive Independent Director
	Sansera Engineering Limited	Non - Executive Independent Director
Hima Srinivas (HS)	-	-
Bhagya Chandra Rao (BCR)	Disa India Limited	Non - Executive Independent Director
N Ananthasheshan (NA)	Carborundum Universal Limited	Managing Director
Rajesh Khanna (RK)	-	-

Changes in Board composition during the financial year 2021-22

During the year ended 31st March 2022, there were no changes in the Board composition other than as detailed below:

Name	Category	Nature of Change	Remarks
Mr. Rajesh Khanna	Non-Executive Non-Independent Director	Re-appointment	Retired by rotation and was re-appointed as a Non-Executive Director at the 39 th Annual General Meeting held on 23 rd July 2021.
Mr. Bhagya Chandra Rao	Non-Executive Independent Director	Appointment	The shareholders at the 39 th AGM approved the appointment of Mr. Bhagya Chandra Rao as an Independent Director with effect from 22 nd January 2021.
M Lakshminarayan	Non-Executive Independent Director	Continuation and re-appointment	The shareholders through a postal ballot process, on 30 th December 2021 approved and authorised the continuation of Mr. M Lakshminarayan as an Independent Director, who completed 75 years of age during the year as well as his re-appointment for a second term to hold office until 30 th November 2023.

The Company has received the requisite declarations from its Independent Directors confirming that they meet the criteria of independence prescribed both under the Companies Act, 2013 and the Listing Regulations. The Board at its meeting held on 22nd April 2022 has taken on record the declarations received from the Independent Directors. In the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified in the Listing Regulations and are independent of the Management.

The Company operates in the field of Engineering and presence of engineers and technologists in the Board guiding the Company in its projects and strategy assumes significance. Considering the nature of the business the Company operates in, the Board members skills/expertise are in the field of engineering, finance, and management. The Directors are nominated to the Board based on their qualification and experience in order to maintain a healthy balance of diversified experts on the Board.

The matrix setting out the skills / expertise / competence of the Board of Directors identified by the Board as required in the context of its business(es) and sector(s) for it to function effectively and those available with the Board is given below:

Key Skills & competencies	Description	SGS	ML	HS	BCR	NA	RK
Technical	By qualification or by experience, having an understanding of the prevalent technology, future trends and its impact on the Company's manufacturing processes and products and further guide the Company in its innovation model.	✓	✓		✓	✓	✓
Financial	Understanding financial reporting process, capital allocation, audit processes, internal controls, understanding of treasury management, debt management, advising leveraging banking relationships etc.	✓	✓	✓	✓	✓	✓
Board positions/ Governance	Directorship positions or experience with Regulatory interfaces and having an insight into Board processes, structures, committee constitutions, protecting stakeholder interests, aligning with appropriate governance practices.	✓	✓		✓	✓	
Management	Leadership positions in enterprises by virtue of which has requisite experience in management skills or functional expertise across various functions of the Company, guiding strategies for sustainable enhancing enterprise reputation.	✓	✓	✓	✓	✓	✓
Strategic advisory	Ability to advise on organic/inorganic growth opportunities through acquisitions/combinations, assess build or purchase proposals, appreciative of and understanding of the regulatory and legal requirements of the sector/industry in which the Company operates in.		✓		✓	✓	

(ii) Board Meetings

The Board meets at regular intervals and has a formal schedule in respect of matters placed before it for its consideration. While the routine matters for discussion include strategy, financial, operational and compliance matters, meetings are also convened as and when deemed necessary. The Board on a periodical basis reviews the key business initiatives, the performance of the subsidiaries and the matters concerning thereto, compliance with the applicable laws and provides appropriate directions, wherever necessary. The Board is supplied with adequate, relevant and timely information on the operations, financial performance of the Company to facilitate the Board to make well informed decision. While the detailed notes on the agenda to be discussed at the meeting is provided well in advance, presentations to supplement the agenda is made at the meeting by the Management. The Board also has complete access to the Management to seek clarifications on any matter of discussion. The Board has established procedures in place to periodically review compliance reports pertaining to all laws applicable to the Company.

The Board periodically reviews the matters required to be placed before it, monitors the overall performance of the Company and *inter alia* reviews and approves the quarterly financial statements, business plan, capital expenditure etc. During the year, six Board meetings were held on 23rd April 2021, 23rd July 2021, 22nd October 2021,

25th November 2021, 21st January 2022 and 16th March 2022. The dates of the Board meetings are fixed in advance for the calendar year to enable maximum attendance from the Board members. As required under the Companies Act, 2013, the Company facilitates participation of a Director who is unable to attend the Board / Committee meetings physically, through video conference or other audio visual means in the manner prescribed under the relevant regulations. During the year, considering the outbreak of the COVID-19 pandemic, the Board meetings were held through video conferencing mode.

In line with the Regulation 24 of the Listing Regulations requiring at least one Independent Director of the Company to be a Director on the Board of an unlisted material subsidiary, whether incorporated in India or not, Ms. Hima Srinivas, Independent Director was nominated to the Board of Wendt Grinding Technologies Limited on 3rd June 2019. For the purpose of this requirement, a material subsidiary means any subsidiary whose net worth exceeds 20% of the consolidated net worth of the Company or which has generated more than 20% of the consolidated income of the Company in the preceding financial year. As at 31st March 2022, Wendt Grinding Technologies Limited, Thailand does not meet the criteria of a material subsidiary mandating a Board representation. However, from a governance perspective, the Board continued its nomination of Ms. Hima Srinivas, Independent Director on the Board of Wendt Grinding Technologies Limited. The Board reviews the significant transactions and arrangements of the subsidiary companies besides being apprised of their business plan and performance.

In line with the amendments to the Companies Act, 2013, Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has in place policies for determining 'materiality' for disclosure of events/information to stock exchanges, policy for preservation and archival of documents, dividend distribution policy, policy on related party transactions, business responsibility policy, whistle blower policy, policy for prevention of sexual harassment at workplace. The above policies are periodically reviewed by the Board. The Guidelines for determining materiality, Policy on Related Party transaction has been reviewed in line with the amendments made to SEBI LODR. The above mentioned policies are posted on the website of the Company at the link www.wendtindia.com. During the year, Risk Management policy recommended by the Risk management committee was approved by the Board as a part of establishing an enterprise risk management framework.

Separate meeting of the Independent Directors

Besides the formal Board meetings, the Independent Directors hold meetings without the participation of the Non-Independent Directors and the members of the Management. During the year, the Independent Directors met on 16th March 2022 and reviewed the performance of the Non Independent Directors, Board as a whole and also assessed the quality, quantity and timeliness of the flow of information between the Management and the Board.

(iii) Board Familiarisation

The members of the Board are equipped with many opportunities to familiarise themselves with the Company, the operations and the Management. At the time of appointment of a Director, a formal induction programme comprising of a detailed presentation on the operations, the business segments and profile, organisation structure and other market related information is done. Dedicated plant visits are also arranged for the Directors to enable them familiarise with the manufacturing and product processes. The Directors are also provided with a letter of appointment along with the Company's Code of Conduct detailing the duties and responsibilities of the Directors including that of an Independent Director.

On an ongoing basis as well, exclusive plant visits are organised periodically for the existing Directors to stay abreast of the operational and manufacturing processes. The Board is also apprised on a quarterly basis through presentations and discussions on the overall economic trends, the performance of the Company, analysis of the circumstances which helps or adversely impact the Company's performance, the initiatives taken / proposed to be taken, marketing strategy, business risks and mitigation plan, the regulatory changes impacting the Company etc. These initiatives help the Directors in understanding the Company, its businesses, the regulatory arena in which it operates, thus enabling the Directors in effectively contributing to the Board. The familiarisation programme for Independent Directors is disclosed on the Company's website www.wendtindia.com.

(iv) Board Evaluation

During the year, the Board conducted an evaluation of its own performance, individual Directors as well as the working of the Committees as per the Board evaluation framework adopted by it. The manner and criteria for the evaluation of the Directors including the Independent Directors of the Company is detailed in the Directors' Report.

B. BOARD COMMITTEES

The Board has constituted various Committees for effectively discharging its responsibilities more specifically in areas as where specialised and extensive discussions are required. The Board's Committees include Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and the Risk Management Committee. The Company Secretary acts as the Secretary to the Committees of the Board.

The Board at the time of constitution of each Committee determines the terms of reference and also delegates further powers from time to time. Various recommendations of the Committees are submitted to the Board for consideration and approval and the minutes of all meetings of the Committees are circulated to the Board for information.

AUDIT COMMITTEE

Terms of Reference

The role of the Audit Committee includes overseeing the financial reporting process and disclosure of financial information, review of financial statements before submission to the Board, review of adequacy of internal control system, findings of internal audit, whistle blower mechanism, review and approval of related party transactions entered by the Company and the subsidiary entities, scrutiny of inter-corporate loans & investments, review of utilisation of loans and/ or advances from / investments made in subsidiaries, review of compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, valuation of assets/undertakings of the Company, appointment of registered valuers etc., besides recommending the appointment of Auditors and their remuneration to the Board as well as approval of payments to Statutory Auditors for non-audit services and review of effectiveness of audit process. The Audit Committee also reviews the financial statements of unlisted subsidiary companies, in particular, the investments made by them.

Composition & Meetings

The Audit Committee comprises five members of which four members including the Chairman are Independent Directors and all members of the Committee are financially literate. The Statutory Auditor and Internal Auditors are invited to attend meetings of the Committee. During the financial year 2021-22, there was no change in the constitution of the Audit Committee.

During the year, the Committee had five meetings on 23rd April 2021, 23rd July 2021, 22nd October 2021, 21st January 2022 and 16th March 2022 for reviewing the financial statements, considering the internal audit reports, audit plans and other matters as per the terms of reference of the Committee. The composition and attendance of the Committee members at the meetings held during the year are given below:

Name of Member	Category	No. of meetings attended (No. of meetings held)
Shrinivas G Shirgurkar, Chairman	ID	5 (5)
M Lakshminarayan	ID	4 (5)
Hima Srinivas	ID	5 (5)
Bhagya Chandra Rao	ID	5 (5)
N Ananthsheshan	NED	5 (5)

NOMINATION & REMUNERATION COMMITTEE

Terms of Reference

The role of the Committee is to (a) recommend to the Board the appointment of Directors (b) recommend re-election of Directors retiring by rotation (c) recommend the remuneration including pension rights and periodic increments of the Executive Director (d) determine the annual incentive of the Executive Director (e) recommend to the Board, the commission payable annually to each of the Non-Wholetime Directors, within the limits fixed by shareholders (f) formulating criteria for appointment of Directors and Senior Management and identification of persons who may be qualified to be appointed in these positions (g) devise policy on Board diversity (h) formulate criteria for evaluation of Independent Directors/Board, evaluation of the Directors' performance (i) recommend Remuneration policy to the Board (j) ensuring Board Diversity (k) recommend to the Board the appointment and remuneration payable to Senior Management (l) Evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing a description of the role and capabilities required of an independent director, pertaining to the appointment/ re-appointment of such Independent Director.

The Committee has formulated the criteria for determining the qualifications, positive attributes and independence of Directors and the criteria for Senior Management positions in terms of Section 178(3) of the Companies Act, 2013 besides laying down the criteria for Board evaluation. The Board evaluation including that of the Independent directors is done based on the evaluation framework detailed elsewhere in the Directors' Report. The Company also has in place a Board approved policy for the remuneration for Directors, Key Managerial Personnel and other employees which had been duly recommended by the Committee. The policy is available in the link www.wendtindia.com.

Board Diversity Policy

The Company has a Board diversity policy in place which sets out the approach to having a diverse Board. A Board is diverse when the Board comprises qualified people having varied range of experience, possessing relevant expertise to the business. In line with the Board diversity policy, the Board is a balanced one having collective knowledge of business strategy, finance, manufacturing, technology, engineering etc.

Criteria for Board Nomination

The Nomination and Remuneration Committee is responsible for identifying persons for initial nomination as Directors as well as evaluating incumbent Directors for their continued service. The Committee has formulated a criteria in terms of Section 178 of the Companies Act, 2013 and the Listing Regulations *inter alia* detailing the qualifications in terms of personal traits, experience & background, fit & proper, positive attributes and independence standards to be considered for nominating candidates for Board positions/re-appointment of Directors.

Criteria for Senior Management

The Nomination and Remuneration Committee is also responsible for identifying persons who are qualified to be appointed in Senior Management. The Committee has formulated a criteria in terms of personal traits, competencies, experience & background, etc., to be considered for nominating candidates to Senior Management positions.

Composition & Meetings

The Committee comprises four members of which three are Independent Directors.

Mr. M Lakshminarayan is the Chairman of the Committee. During the financial year 2021-22, there was no change in the constitution of the Nomination and Remuneration Committee.

The Committee met on four occasions during the year on 23rd April 2021, 23rd July 2021, 25th November 2021 and 21st January 2022. The composition and attendance of Committee members are given below:

Name of Member	Category	No. of meetings attended (No. of meetings held)
M Lakshminarayan	ID	4 (4)
Shrinivas G Shirgurkar	ID	4 (4)
Bhagya Chandra Rao	ID	4 (4)
N Ananthaseshan	NED	4 (4)

STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The terms of reference of this Committee includes formulation of investor servicing policies, review of redressal of investor complaints and approval/overseeing of transfers, transmissions, transpositions, splitting, consolidation of securities, issue of certificates, demat/remat requests, review of service standards in respect of various services rendered by the Registrar & Share Transfer Agent, to consider and resolve the grievances of security holders of the Company and to determine, monitor and review the standards for resolution of stakeholders grievance, review measures taken for effective exercise of voting rights by shareholders, review of various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders, administering the unclaimed shares suspense account and performing other functions as delegated to it by the Board from time to time.

Composition & Meetings

The Committee comprises three members with one Independent Director.

Mr. N Ananthaseshan is the Chairman of the Committee. During the financial year 2021-22, there was no instance of reconstitution of the Stakeholders' Relationship Committee.

The Committee met on two occasions during the year on 23rd April 2021 and 22nd October 2021. The composition and attendance of Committee members are given below:

Name of Member	Category	No. of meetings attended (No. of meetings held)
N. Ananthaseshan, Chairman	NED	2 (2)
Bhagya Chandra Rao	ID	2 (2)
Rajesh Khanna	NED	2 (2)

During the year, the Company did not receive any investor complaints. There were no investor service complaints pending as at 31st March 2022.

Mr. Arjun Raj P, Company Secretary is the Compliance Officer for compliance with the requirements of the Listing Regulations.

KFin Technologies Limited, Hyderabad is the Company's Registrar and Share Transfer Agent (RTA). The contact details are available in the General Shareholder Information section of the Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of reference

The Board has constituted a Corporate Social Responsibility (CSR) Committee in line with the requirements of the Companies Act, 2013 for assisting in discharging its corporate social responsibility. The Board has approved a CSR policy formulated and recommended by the Committee which is uploaded and available on the Company's website at the following link www.wendtindia.com. The functions of the Committee *inter alia* include recommending the annual action plan, the amount of expenditure to be incurred on the CSR activities during the year, monitoring the implementation of CSR activities as per the CSR policy of the Company from time to time.

Composition & Meetings

The Committee comprises four members of which three are Independent Directors. Ms. Hima Srinivas is the Chairperson of the Committee. During the financial year 2021-22, there was no instance of reconstitution of the CSR Committee.

The Committee met once on 23rd April 2021 during the year. The composition and attendance of Committee members are as follows:

Name of Member	Category	No. of meetings attended (No. of meetings held)
Hima Srinivas, Chairperson	ID	1 (1)
Shrinivas G Shirgurkar	ID	1 (1)
Bhagya Chandra Rao	ID	1 (1)
N Ananthaseshan	NED	1 (1)

RISK MANAGEMENT COMMITTEE

The role of this Committee is to review the annual risk management framework to ensure that it is comprehensive & well developed, to periodically review the process for systematic identification and assessment of the business risks, to assess the critical risk exposures by specialised analysis and quality reviews and report to the Board the details of any significant development relating to these including the steps being taken to manage the exposures and review the risks associated with cyber security.

The Committee has formulated a risk management policy with the following key objectives:

- Strengthening the business performance by informed decision making and planning.
- Adding sustainability value to the activities of the Company.
- Enhancing risk awareness amongst employees.
- Having in place an early warning mechanism for identification of threats/opportunities.
- Enabling optimum resources allocation and efficient use.
- Promoting an innovative culture with proper understanding of risks.

During the year, the Committee reviewed the risks identified by the Management in the risk registers prepared pursuant to the Risk Management Policy of the Company.

Composition & Meetings

In terms with Regulation 21 of Listing Regulations, the Board of Directors at their meeting held on 23rd July 2021, constituted a risk management committee comprising three directors out of whom two are independent directors.

The Committee met twice on 22nd October 2021 and 16th March 2022 during the year. The composition and attendance of Committee members are as follows:

Name of Member	Category	No. of meetings attended (No. of meetings held)
Bhagya Chandra Rao, Chairman	ID	2 (2)
M Lakshminarayan	ID	1 (2)
N Ananthaseshan	NED	2 (2)

DIRECTORS' REMUNERATION:

The Company has in place a Remuneration policy to provide the framework for remuneration of the Board members as well as all employees including the Key Managerial Personnel and Senior Management. This policy is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Listing Regulations to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short-term and long-term performance.

The compensation to the Non-Executive Directors (except Mr. N Ananthaseshan) takes the form of commission on profit. The Non-Executive Directors (except Mr. N Ananthaseshan) are paid remuneration by way of sitting fees for every Board/Committee meeting attended by them. Considering the increased time spent by Ms. Hima Srinivas, Independent Director, in matters pertaining to the Company and its subsidiary, Wendt Grinding Technologies Limited, a differential commission is paid to her.

The Remuneration Policy is made available on the website of the Company www.wendtindia.com.

REMUNERATION OF DIRECTORS

Non-Executive Directors

(Rs. in lakhs)

Director	Sitting Fee	Commission [@]
Shrinivas G Shirgurkar	2.70	3.00
M Lakshminarayan	2.30	3.00
Hima Srinivas	2.30	5.00
Bhagya Chandra Rao	3.10	3.00
N Ananthaseshan	-	-
Rajesh Khanna	1.40	3.00
Total	11.80	17.00

@ will be paid after adoption of accounts by shareholders at the ensuing Annual General Meeting.

General Body Meetings

Last three Annual General Meetings

Financial Year	Date	Time	Venue	Special Resolution passed
2020-21	23.07.2021	03.00 PM	AGM Conducted through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')	No special resolutions passed.
2019-20	24.07.2020	03.00 PM	AGM Conducted through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')	1. Approval of payment of remuneration to Directors in excess of the limits stipulated under Section 197 of the Companies Act, 2013 read with rules made thereunder.
2018-19	22.07.2019	03.00 PM	Bharatiya Vidya Bhavan, Race Course Road, Bangalore	1. Re-appointment of Mr. Shrinivas G Shirgurkar and Mr. K S Shetty as Independent Directors. 2. Appointment of Mr. Rajesh Khanna as an Executive Director

There are no proposals to pass special resolutions through postal ballot except those requiring to be passed pursuant to the Companies Act, 2013 / Listing Regulations which will be done after providing adequate notice to the shareholders. During the financial year 2021-22, the following special resolution was passed through postal ballot:

Financial Year	Date	Type of resolution	Mode	Resolution passed
2021-22	30.12.2021	Special resolution	Postal Ballot	Continuation of directorship of Mr. M Lakshminarayan (DIN: 00064750) as a Non-Executive Independent Director of the Company post completing 75 years of age during the year and approved his re-appointment for a second term.

In the above postal ballot exercise, Mr. R Sridharan, Practicing Company Secretary of M/s. R Sridharan & Associates, who had given his consent, was appointed as the Scrutiniser for conducting the postal ballot through remote e-voting in a fair and transparent manner. The notice for postal ballot was issued in accordance with the provisions of Companies Act, 2013, Listing Regulations and the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. The Company had engaged the services of M/s. KFin Technologies Limited to provide remote e-voting facility to its members to exercise their votes electronically in a secured manner on the resolution set forth in the postal ballot notice. In compliance with the MCA Circulars, voting for the special resolution set out in the postal ballot notice was provided and carried out through remote e-voting only. The remote e-voting commenced on Wednesday, 1st December 2021 (9.00 a.m. IST) and closed on Thursday, 30th December 2021 (5.00 p.m. IST).

The details of voting pattern are as below:

Resolution required: (Ordinary / Special)					Special			
Whether promoter/promoter group are interested in the agenda/resolution?					No			
Description of resolution considered					To consider the continuation of directorship of Mr. M Lakshminarayan (DIN: 00064750) as a Non-Executive Independent Director of the Company and approve his re-appointment			
Category	Mode of voting	No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes-in favour	No. of votes-against	% of votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting		750000	50.0000	750000	0	100.0000	0.0000
	Poll	1500000						
	Postal Ballot (if applicable)							
	Total	1500000	750000	50.0000	750000	0	100.0000	0.0000
Public-Institutions	E-Voting		131721	97.8916	131721	0	100.0000	0.0000
	Poll	134558						
	Postal Ballot (if applicable)							
	Total	134558	131721	97.8916	131721	0	100.0000	0.0000
Public- Non Institutions	E-Voting		973	0.2663	966	7	99.2806	0.7194
	Poll	365442						
	Postal Ballot (if applicable)							
	Total	365442	973	0.2663	966	7	99.2806	0.7194
	Total	2000000	882694	44.1347	882687	7	99.9992	0.0008
Whether resolution is Passed or Not.								Yes

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company is committed to the highest standards of Corporate Governance and stakeholder responsibility. To provide an avenue to raise concerns, if any, in line with the Company's commitment to the high standards of ethical, moral and legal conduct of business, the Company has established the Whistle Blower policy. The mechanism also provides for adequate safeguards against victimisation of employees who avail of the mechanism and also for appointment of an Ombudsman who will deal with the complaints received. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct appeal to the Chairperson of the Audit Committee. In line with the requirements of the Companies Act, 2013, the policy coverage extends to the Directors of the Company. The Ombudsman for dealing with any referrals made by Board members is the Chairman of the Audit Committee. In line with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Whistle Blower policy also covers reporting of instances that may result in leakage of Unpublished Price Sensitive Information (UPSI). The Whistle blower policy is available on the Company's website at the following link www.wendtindia.com. It is affirmed that during the year, no employee was denied access to the Audit Committee.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prohibition of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares for all transactions by Directors and designated employees (together called Designated Persons) and prohibits the purchase or sale of Company's securities by Designated Persons while in possession of Unpublished Price Sensitive Information (UPSI) in relation to the Company. Further, trading in securities is also prohibited for Designated Persons during the period when the Trading Window is closed. During the year, Audit Committee reviewed the compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and also verified that the systems for internal control as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 are adequate and are operating effectively. The Company Secretary is responsible for implementation of the Code. The Company also has in place a Code for practices and procedures for fair disclosure of unpublished price sensitive information which is available on the website of the Company.

DISCLOSURES

During the year, there were no material transactions entered with Related Parties both under the Listing Regulations as well as the Companies Act, 2013. The Company has devised policies on dealing with Related Party Transactions

and for determination of material subsidiary. The policy on dealing with related party transaction was reviewed and amended in line with the changes introduced through SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021. The same is available on the website of the Company at the link www.wendtindia.com. Considering the enhanced regulatory purview of monitoring and supervising the related party transactions of subsidiary companies or transactions with the subsidiaries Related Parties which is effective 1st April 2022, compliance awareness sessions as well as establishment of process framework for reporting by the many subsidiary companies, both overseas and domestic were held/initiated during the year.

The requirements of Regulation 17 to Regulation 27 of the Listing Regulations and clauses (b) to (i) of Regulation 46(2) to the extent applicable to the Company have been complied with as disclosed in this Report. Further, there were no instances of non-compliance by the Company nor were there any penalties or strictures imposed on the Company by the stock exchanges, SEBI or any statutory authority on any matter related to capital markets in the preceding three years. The disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Board's report.

DISCLOSURE RELATING TO FEE PAID TO STATUTORY AUDITOR

During the year, the Company has made the following payments to M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors and all entities in the network firm/ network entity of which the Statutory Auditor is a part. During the year, the Company's subsidiaries have not made any payments to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part. The Company has relied on the information furnished by the Statutory Auditors in respect of the firms / entities covered under network firm / network entity of which the Statutory Auditor is a part.

(Rs. in lakhs)

Network firm	Service availed	Amount
Price Waterhouse Chartered Accountants LLP	Statutory Audit including limited review	9.50
	Tax Audit and R&D related certifications	1.00
	Out of pocket expenses	2.04

Payment in respect of non-audit services provided by the Statutory Auditors to the Company are made only with the approval of the Audit Committee as required under Section 144 of the Companies Act, 2013.

DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES

The Company does not carry out commodity hedging activities and hence does not have any risk pertaining to commodity price.

DISCLOSURE ON CREDIT RATINGS

During the year, no credit ratings were obtained by the Company nor were there revisions. The disclosure relating to reaffirmation of the existing ratings in respect of the borrowings of the Company forms part of the Directors' Report.

MEANS OF COMMUNICATION

The Company recognises the significance of dissemination of timely and relevant information to shareholders. In order to enable the stakeholders to understand the financial results in a meaningful manner, the Company gives a press release along with the publication of quarterly/ annual financial results. The quarterly unaudited financial results and the annual audited financial results are normally published in Business Standard (in English) and Vijaya Karnataka (in Kannada). Press releases are given to all important dailies. The quarterly/half yearly/Annual Financial Results are promptly and prominently posted on the website www.wendtindia.com.

MANAGEMENT DISCUSSION & ANALYSIS

In order to avoid duplication and overlap between the Directors' Report and a separate Management Discussion & Analysis (MD&A), the information required to be provided in the MD&A has been given in the Board's Report itself as permitted by the Listing Regulations.

NON-MANDATORY REQUIREMENTS

The quarterly financial results are published in leading financial newspapers, uploaded on the Company's website, and any major developments are conveyed in the press releases issued by the Company and posted on the Company's website. The Company therefore did not send the half yearly performance update individually to the shareholders of the Company.

Further, the Financial Statements have an unmodified opinion by the Company's Auditors.

The Internal Auditor reports directly to the Audit Committee for the purpose of audit conducted by him/her. Other non-mandatory requirements have not been adopted at present.

CEO/CFO CERTIFICATION

In accordance with the requirements of Regulation 17(8) of the Listing Regulations, Mr. C Srikanth, Chief Executive Officer and Mr. Mukesh Kumar Hamirwasia, Chief Financial Officer of the Company have given a certificate to the Board on matters relating to financial reporting, compliance with relevant statutes and adequacy of internal control systems as contemplated in Regulation 17(8) read with Part B of Schedule II of the Listing Regulations.

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

A certificate from M/s. R Sridharan & Associates, Practising Company Secretaries, Chennai on compliance with Corporate Governance requirements is annexed.

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON THE DIRECTOR'S DISQUALIFICATION

A certificate from M/s. R Sridharan & Associates, Practising Company Secretaries, Chennai confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority is annexed and forms part of this Report.

CODE OF CONDUCT

The Company has in place a Code of Conduct which helps to maintain high standards of ethics for the Company's employees. The Code lays down the standard of conduct which is expected to be followed by the Directors and by the employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Company has adopted a Code of Conduct which applies to all its Directors and employees in terms of Regulation 17 of the Listing Regulations. All the Board Members and the Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer is enclosed.

The Code of Conduct is available on the website of the Company www.wendtindia.com.

GENERAL SHAREHOLDER INFORMATION

A separate section in this regard is annexed and forms part of this Report.

INSTRUCTIONS TO SHAREHOLDERS

Shareholders holding shares in physical form are requested to address their communications regarding change in address/contact details by quoting their folio number to the Company's Registrar and Share Transfer Agent (RTA) or to the Company by e-mailing to investorservices@wendtindia.com. Shareholders holding shares in electronic form may send the communications regarding the above to their Depository Participant.

The Ministry of Corporate Affairs vide circulars dated 5th May 2020 and 13th January 2021 has relaxed the requirement on companies to send Annual Report in physical mode owing to the practical difficulties arising from COVID-19. Accordingly, an electronic copy of the Annual Report will be sent to all the Members holding shares in

dematerialised mode and whose e-mail IDs are available with the Depository Participant(s) and to all the Members holding shares in physical mode whose e-mail IDs are registered with the Company / RTA for communication purposes. Shareholders holding shares in physical mode are requested to furnish their e-mail addresses with Company's Registrar and Share Transfer Agent (RTA) or to the Company by e-mailing to investorservices@wendtindia.com for obtaining the Notice and the Annual Report. Alternatively, the same will also be made available on the website of the Company at <https://www.wendtindia.com>. Detailed information on registration of e-mail addresses with the Company/RTA is provided in the Notice convening the AGM.

Shareholders are requested to register their e-mail ID with the RTA/ Depository Participant to enable the Company to send communications electronically. Members are advised to intimate the details of their PAN and bank account details to enable electronic remittance of dividend or alternatively for being incorporated in the dividend warrants. This would help to avoid fraudulent encashment of dividend warrants.

The Securities and Exchange Board of India (SEBI) vide its circular SEBI/HO/MIRSDMIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 has made it mandatory for holders of physical securities to furnish their PAN, email address, mobile number, bank account details and also to either register or declare opt out for nomination facility against the shares held in the Company. Also, new forms were introduced with respect to investor servicing, the details of which are available in the website of the Company at www.wendtindia.com. Shareholders are requested to submit Form ISR-1 for updating PAN and other KYC details with RTA of the Company. In case of mismatch in the signature of the holder in the records of RTA, the shareholders need to furnish original cancelled cheque and banker's attestation of the signature as per Form ISR-2. It is advised that the shareholders send the original cancelled cheque with name of shareholder printed on it and duly filled Form ISR-2 along with Form ISR-1 to update signature so as to avoid further correspondence in case of signature mismatch. Shareholders are requested to submit Form SH-13 duly filled to register nomination in their Folios. However, in case shareholders want to opt-out of nomination, Form ISR-3 shall be submitted to RTA. Shareholders may send correspondences in respect of their holdings to M/s. KFin Technologies Limited at their contact details provided below:

Kfin Technologies Limited

Registrar and Share Transfer Agent

Unit: Wendt (India) Limited

Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda,

Hyderabad – 500032, India, Toll Free No.: 1800 309 4001

Email: einward.ris@kfintech.com

Freezing of Folios without PAN, KYC details and Nomination:

Folios wherein any one of PAN, KYC and Nomination are not available on or before April 01, 2023, shall be frozen and the shareholders will not be eligible to lodge grievance or avail service request from the RTA or be eligible for receipt of dividend in physical mode. After December 31, 2025, the frozen folios shall be referred by RTA/Company to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

Members may note that pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 effective 1st April 2019, requests for effecting transfer of securities in physical form shall not be processed unless the securities are held in the dematerialised form with a Depository. Members would be able to transfer their shares only after necessarily dematerialising their physical shares. Hence, Members are encouraged to dematerialise their physical holdings to demat form at the earliest. As per the mandate of SEBI, the Company is required to conduct enhanced due diligence for transactions in physical folios of shareholders.

Members are also requested to note that pursuant to an amendment in the Finance Act, 2020, with effect from 1st April 2020, dividends declared by the Company will be taxed in the hands of the recipient of dividend i.e. shareholders. Hence, all dividends declared after 1st April 2020 by the Company have been paid/will be paid to the Members after deducting tax at the applicable rate of interest prescribed under the Income Tax Act, 1961. Members

may note that in the absence of PAN, the Company would be required to deduct tax at a higher rate prescribed under the Income Tax Act, 1961. Hence, Members who have not furnished their PAN to the Company are requested to immediately submit a copy of their PAN to the Company. Members seeking non-deduction of tax on their dividends may submit Form 15G / 15H as applicable to the Company on a yearly basis. The formats of Form 15G / Form 15H are available in www.wendtindia.com. Members may contact the Company Secretary or any executive in the Secretarial team at contact numbers provided in the General Shareholder Information in case of any clarification with respect to the dividends declared by the Company.

In case of Members holding shares in demat form, all intimations are to be sent to their respective Depository Participants (DPs). Shareholders may contact the Secretarial team in case of any query regarding their holdings in the Company. Further, SEBI vide circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated issuance of securities in dematerialised form in case of Investor Service Requests.

SOCIAL ACCOUNTABILITY POLICY

The Company recognises the need and is committed to provide a safe, healthy and respectable work environment to all its employees. The Company strives to provide an environment, which is free of discrimination, intimidation and abuse. The Company has put in place SA 8000 System & Social Accountability Policy. As per the policy, the Company will not engage, support or tolerate the use of Child Labour, Forced or Compulsory Labour, Discrimination based on Race, National or Social origin, Caste, Birth, Religion, Disability, Gender etc., Corporal punishment, Mental or Physical coercion, verbal abuse, harsh or inhumane treatment of personnel and will comply with all the requirements as outlined by applicable Law.

On behalf of the Board
For Wendt (India) Limited

Shrinivas G Shirgurkar
Chairman

Place: Hosur

Date: April 22, 2022

GENERAL SHAREHOLDER INFORMATION

1. Addresses for Correspondence

Registered Office Address

Flat No. 105, 1st Floor, Cauvery Block,
National Games Housing Complex, Koramangala,
Bangalore-560047, Karnataka
Tel.: +91 80 25701423/1424
Fax: +91 80 25701425

Compliance Officer

Mr. Arjun Raj P
Wendt (India) Limited,
Plot No. 69/70, SIPCOT Industrial Estate,
Hosur- 635126, Tamil Nadu
E-mail: [https://arjunrajp@wendtindia.com/](mailto:arjunrajp@wendtindia.com/)

Registrar and Share Transfer Agent

M/s. KFin Technologies Limited
Unit: Wendt (India) Limited,
Selenium Tower B, Plot 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032;
Tel.: +91-40-67161527; Toll Free no.: 1800-309-4001;
E-mail: [https://einward.ris@kfintech.com/](mailto:einward.ris@kfintech.com/); Website: <https://www.kfintech.com/>;
Contact Person: Ms. Krishna Priya Maddula

2. Corporate Identity Number: L85110KA1980PLC003913

3. Auditors

Statutory Auditor

M/s. Price Waterhouse Chartered Accountants LLP,
5th Floor, Tower 'D', The Millenia,
1 & 2 Murphy Road, Ulsoor,
Bangalore - 560008

Internal Auditor (for the FY 2021-22)

M/s. Deloitte Touche Tohmatsu India LLP,
ASV N Ramanas Towers, No. 52, (Old No. 37),
Venkatnarayana Road, T. Nagar,
Chennai - 600017

Secretarial Auditor (for the FY 2021-22)

M/s. R Sridharan & Associates, Company Secretaries,
Thiruvaramam Apartments, Flat No.3, First Floor,
New No.44, Old No.25, Unnamalai Ammal Street,
T.Nagar, Chennai – 600 017

4. Financial Year

1st April to 31st March

5. Plant Location

Wendt (India) Limited

Plot No. 69/70, SIPCOT Industrial Estate,
Hosur- 635126, Tamil Nadu
Tel: +91 4344 276851/52, 405500
Fax: +91 4344 405620, 405630

6. Subsidiaries

(i) M/s. Wendt Grinding Technologies Limited, Thailand

109/21, Moo.4, Tambon Pluakdaeng,
Aumpur Pluakdaeng,
Rayong 21140 Thailand

(ii) M/s. Wendt Middle East FZE, Sharjah (under de-registration process)

Warehouse No. P1-ELOB Office No: E-23F-05
PO Box No.50732
Hamriyah Free Zone - Sharjah
United Arab Emirates

STOCK MARKET INFORMATION

1. Listing on stock exchanges and stock code

Stock Exchange	Stock Code
National Stock Exchange of India Ltd. Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051	WENDT
BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	505412

Annual listing fees has been paid to the above stock exchanges.

International Securities Identification Number (ISIN): INE274C01019

2. Depositories Connectivity

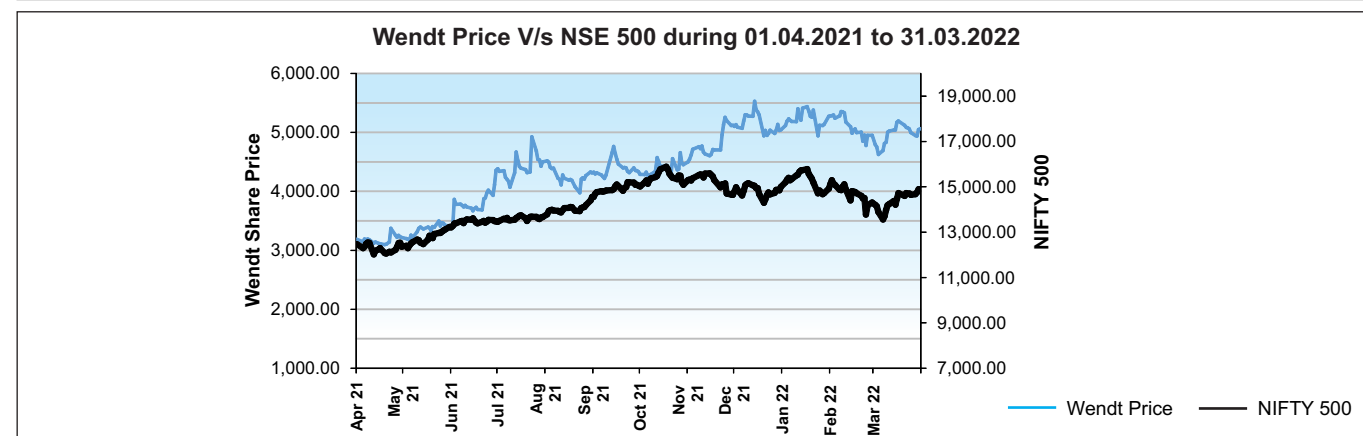
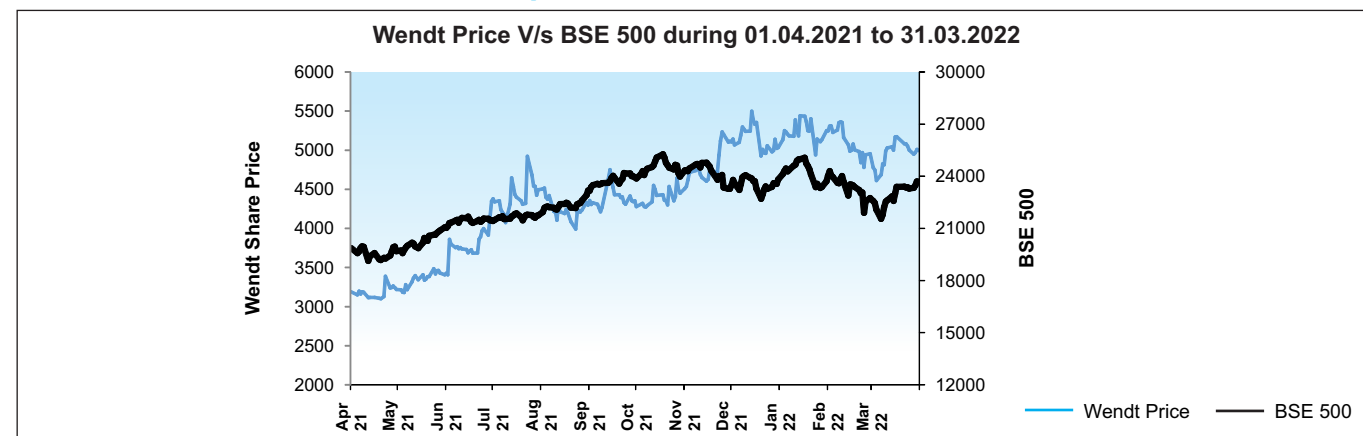
The Company has signed agreements with the following Depositories to provide the facility of holding equity shares in dematerialised form:

Name of the Depository	Website
National Securities Depository Ltd. (NSDL)	www.nsdl.co.in
Central Depository Services (India) Ltd. (CDSL)	www.cdslindia.com

3. Share Price Data

Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Traded volume (No. of shares)	High (₹)	Low (₹)	Traded volume (No. of shares)
April 2021	3540	3060	1908	3,499.95	3,054.55	16146
May 2021	3653	3155	4118	3,600.00	3,126.00	36343
June 2021	4490	3382	80225	4,498.00	3,370.00	112081
July 2021	5103.95	4038	12773	5,140.00	4,035.00	135802
August 2021	4673.75	3932.3	4700	4,669.75	3,932.30	28391
September 2021	5121	4204	5003	4,899.90	4,208.00	42915
October 2021	4800	4250	3819	4,800.00	4,230.10	31163
November 2021	5426.9	4303.65	4622	5,419.95	4,406.00	42178
December 2021	6249	4851	1855	5,690.00	4,899.95	20957
January 2022	5595	4800	2270	5,619.90	4,775.00	20539
February 2022	5440	4708.4	829	5,439.95	4,746.20	8584
March 2022	5200	4513.05	1179	5,249.00	4,538.30	9486

4. Stock Performances in comparison to broad based indices:



5. Other information

Share Capital Details

The total number of outstanding shares as on 31st March 2022 is 20,00,000. All the shares have been fully paid up. As on 31st March 2022, 19,77,710 shares constituting 98.88% of the total paid up capital of the Company have been dematerialised. A quarterly audit is carried out by an independent auditor to reconcile the total share capital admitted with the Depositories and held in physical form with the issued and listed capital which is submitted to the stock exchanges and placed before the Board.

Shareholding Pattern as on 31st March 2022

Category	% to total paid up capital
Promoters	75.00
Mutual Funds	6.59
Bodies Corporate	0.36
Banks	0.09
Individuals	16.49
Non - Resident Indians	0.29
HUF	0.66
Others (Clearing Members, IEPF etc.)	0.52
TOTAL	100

Distribution of Shareholding as on 31st March 2022

Category (Amount) (Rs.)	No. of holders	% to holders	No. of Shares	% to Equity
1 - 5,000	7105	98.79	2491920	12.46
5,001 - 10,000	51	0.71	393170	1.97
10,001 - 20,000	21	0.29	295610	1.48
20,001 - 30,000	3	0.04	79670	0.40
30,001 - 40,000	3	0.04	100000	0.50
40,001 - 50,000	1	0.01	40060	0.20
50,001 - 1,00,000	3	0.04	250650	1.25
1,00,001 & Above	6	0.08	16348920	81.74
Total	7193	100.00	20000000	100.00

Outstanding GDRS/ADRS/Warrants etc.

The Company has not issued any GDRS/ADRS/Warrants or any convertible instruments during the financial year 2021-22.

Share Transfer Process

The applications for transfer of shares and other requests from shareholders holding shares in physical form are processed by KFin Technologies Limited, Company's Registrar and Share Transfer Agent. However, transfer of shares in physical mode is prohibited effective April 01, 2019. In respect of transmission of shares, all requests are considered for approval by the Stakeholders Relationship Committee. As stated in the Corporate

Governance Report, Members holding shares in physical form are urged to dematerialise the shares as they would be unable to transfer the shares in physical form hereafter in view of the requirements prescribed in this regard by SEBI.

AGM & Dividend details

(i) Forthcoming Annual General Meeting

Friday, the 22nd July, 2022 at 3.00 P.M. IST through video conferencing/other audio visual means.

(ii) Dividend

The Board at its meeting held on 21st January 2022 had approved payment of an interim dividend on the equity shares of the Company at 200% i.e., Rs. 20/- per equity share which was paid on 16th February 2022. The Board at its meeting held on 22nd April 2022 has further recommended a payment of final dividend at 450% i.e., Rs. 45/- per equity share for the year ended 31st March 2022. The final dividend will be paid by 12th August 2022, upon declaration by the shareholders at the ensuing Annual General Meeting.

Unclaimed Dividend

Dividends remaining unclaimed/unpaid for a period of seven years shall be transferred to the Investor Education Protection Fund (IEPF). The details of dividend paid by the Company and the respective due dates of transfer of the unclaimed/unencashed dividend to the IEPF of the Central Government are as below:

Year	Type of Dividend	Dividend per share (Rs.)	Date of declaration	Due date for transfer
2014 - 15	Final	15.00	23/07/2015	29/08/2022
2015 - 16	Interim	10.00	25/01/2016	02/03/2023
2015 - 16	Final	15.00	26/07/2016	01/09/2023
2016 - 17	Interim	10.00	24/01/2017	02/03/2024
2016 - 17	Final	15.00	24/07/2017	30/08/2024
2017 - 18	Interim	10.00	24/01/2018	02/03/2025
2017 - 18	Final	15.00	24/07/2018	30/08/2025
2018 - 19	Interim	15.00	23/01/2019	01/03/2026
2018 - 19	Final	15.00	22/07/2019	28/08/2026
2019 - 20	Final	25.00	24/07/2020	30/08/2027
2020 - 21	Interim	10.00	22/01/2021	28/02/2028
2020 - 21	Final	20.00	23/07/2021	29/08/2028
2021 - 22	Interim	20.00	21/01/2022	27/02/2029

The Company has transferred unclaimed/unencashed dividends upto interim dividend for FY 2014-15 to the IEPF during the year ended 31st March 2022. The Company has uploaded the details relating to unclaimed dividends on its website for the information of its shareholders.

Shares transferred to IEPF

In terms of Section 124(6) of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, the Company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government. As required under the said Rules, the Company had published a Notice in the newspapers inviting the Members attention to the aforesaid Rules. The Company has also

sent out individual communications to the concerned Members whose shares were liable to be transferred to IEPF Account, pursuant to the said Rules to take immediate action in the matter. As at 31st March 2022, the Company has transferred 9849 shares to the IEPF Authority.

Shareholders are entitled to claim the shares from the Investor Education and Protection Fund Authority by making an application online in Form IEPF-5 available on the website <https://www.iepf.gov.in/> along with the requisite documents. Shareholders are requested to contact the Company's RTA – KFin Technologies Limited or the Company in this regard. The contact details are available in the General Shareholder information section of this Report.

Other disclosures

During the year, there has been no instance where the Board did not accept the recommendation of its Committees. Further during the year, the Company has not raised funds through preferential allotment or qualified institutions placement. Neither the Company nor its subsidiary has provided loans or advances in the nature of loans to firms/companies in which directors are interested.

On behalf of the Board
For Wendt (India) Limited

Shrinivas G Shirgurkar
Chairman

Place: Hosur
Date: April 22, 2022

Declaration on Code of Conduct

To,

The Members of Wendt (India) Limited

This is to confirm that the Board has laid down a Code of Conduct for all Board members and Senior Management of Company. It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company as at 31st March 2022, as envisaged in regulation 34(3) read with Schedule V of the Listing Regulations.

On behalf of the Board
For Wendt (India) Limited

C Srikanth
Chief Executive Officer

Place: Hosur
Date: April 22, 2022

CORPORATE GOVERNANCE CERTIFICATE

The Members
WENDT (INDIA) LIMITED
 Flat No. 105, Cauvery Block,
 National Games Housing Complex,
 Koramangala, Bangalore – 560047.

We have examined documents, books, papers, minutes, forms and returns filed and other relevant records maintained by **Wendt (India) Limited (CIN: L85110KA1980PLC003913)** having its Registered Office at Flat No. 105, Cauvery Block, National Games Housing Complex, Koramangala, Bangalore – 560047, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2022. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the financial year ended 31st March, 2022.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R. SRIDHARAN
FCS No. 4775
CP No. 3239
PR NO.657/2020
UIN: S2003TN063400
UDIN: F004775D000183239

PLACE: CHENNAI
DATE: 22ND APRIL, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members
WENDT (INDIA) LIMITED
 CIN: L85110KA1980PLC003913
 Flat No. 105, Cauvery Block,
 National Games Housing Complex
 Koramangala, Bangalore - 560047

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **WENDT (INDIA) LIMITED (CIN: L85110KA1980PLC003913)** having its Registered Office at Flat No. 105, Cauvery Block, National Games Housing Complex, Koramangala, Bangalore – 560047 (hereinafter referred to as “The Company”) produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board India /Ministry of Corporate Affairs or any such other statutory authority.

S.NO	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF APPOINTMENT
1.	00173944	Shrinivas G Shirgurkar	Non-Executive- Independent Director - Chairman	17/04/2006
2.	07556717	Hima Srinivas	Non-Executive- Independent Director	24/04/2017
3.	00064750	M Lakshminarayan	Non-Executive- Independent Director	20/03/2018
4.	06923493	Rajesh Khanna	Non-Executive - Non Independent Director	24/07/2018
5.	02402921	N Ananthaseshan	Non-Executive - Non Independent Director	23/11/2019
6.	00211127	Bhagya Chandra Rao	Non-Executive-Independent Director	22/01/2021

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

FOR R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R. SRIDHARAN
FCS No. 4775
CP No. 3239
PR NO.657/2020
UIN: S2003TN063400
UDIN: F004775D000183217

PLACE: CHENNAI
DATE: 22ND APRIL, 2022

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Standalone
Financial
Statements

Independent Auditor's Report

To the Members of Wendt (India) Limited.

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of Wendt (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and 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 then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive loss), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
<p>Appropriateness of revenue recognition on sale of goods and services</p> <p>Refer Note 2.5 (Revenue recognition) and Note 20(a) and (b) (Revenue from contract with customers) of the standalone financial statements.</p> <p>Revenue from sale of goods and services is recognised in accordance with Ind AS 115 "Revenue from Contracts with Customers" at a point-in-time when control of goods and/or services has been transferred to customers. For the majority of the Company's customer arrangements, the control transfers to customers at a point-in-time when goods have been dispatched or delivered to customers as that is generally when legal title, physical possession and risks and rewards of goods transfers to the customers. Revenue from rendering of services is recognized at a point-in-time on rendering of services.</p>	<p>Our audit procedures relating to revenue recognition included the following:</p> <ol style="list-style-type: none"> a. Understood and performed procedures to assess the design and test the operating effectiveness of relevant controls related to recording of revenue; b. Assessed whether the accounting policy of recognising revenue was in line with Ind AS 115; c. Tested the reconciliation of the amounts as per the sales register to the general ledger; d. Performed tests, on a sample basis, by verifying the amounts recorded with the underlying documents which inter-alia included invoices, dispatch documents, customer orders/ contracts, receipt of consideration from customers, where applicable, and estimation of variable consideration, where applicable;

We determined this to be a key audit matter due to the significant risk of fraud in revenue recognition and the substantial time and effort involved in assessing the appropriateness of revenue recognition.

e. Performed tests, on a sample basis, on revenue recognised from services and verified that the revenue was recognised at a point-in-time, as per the terms of agreement with customers; and

f. Performed cut-off testing, on a sample basis and corroborated that the revenue from sale of goods is recognised in the appropriate period.

Based on the above procedures performed, we did not identify any material exceptions in revenue recognition of sale of goods and services.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Directors including Management Discussion and Analysis Report, Corporate Governance Report and Shareholder information, but does not include the standalone financial statements and our auditor's 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 in the 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.

Responsibilities of management and those charged with governance for the standalone financial statements

6. 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

8. 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.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
11. 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.
12. 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

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report, to the extent applicable, 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.
 - 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.
 - The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - 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 does not have any pending litigations which would impact its financial position.
 - The Company was not required to recognise any provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any derivative contracts as at March 31, 2022.
 - There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company during the year.
 - 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Note 47(vi)(a) to the standalone financial statements];
 - 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Note 47(vi)(b) to the standalone financial statements]; and
 - Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) above contain any material misstatement.
 - The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

**Amit Kumar Agrawal
Partner
Membership Number: 064311
UDIN: 22064311AHOUA08863**

Place: Hosur
Date: April 22, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Wendt (India) Limited on the standalone financial statements as of and for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Financial Statements under Section 143(3)(i) of the Act

1. We have audited the internal financial controls with reference to financial statements of Wendt (India) limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 issued by ICAI.

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

Amit Kumar Agrawal
Partner
Membership Number: 064311
UDIN: 22064311AHOUAO8863

Place: Hosur
Date: April 22, 2022

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Wendt (India) Limited on the standalone financial statements as of and for the year ended March 31, 2022

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, plant and equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible assets.
- (b) The Property, plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3A Property, plant and equipment to the standalone financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, plant and equipment (including Right of Use assets) or Intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, plant and equipment (including Right of Use assets) or Intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate having regard to the volume and nature of the inventory. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from a bank on the basis of security of current assets. The Company has filed quarterly returns or statements with such bank which are not in agreement with the audited books of account as set out below. Also refer Note 17A to the standalone financial statements.

Name of the Bank	Aggregate working capital limits sanctioned (Rs in Lakhs)	Nature of Current Asset offered as Security	Quarter Ending	Amount disclosed as per quarterly return/statement (Rs in lakhs)	Amount as per books of account (Rs in lakhs)	Difference (Rs in lakhs)	Reasons for difference
State Bank of India	1,100	Inventories	Jun-21	2,489	2,446	(43)	Adjustment entries representing Provision for excessive and obsolete inventories made after submission of the Statement.
		Inventories	Sep-21	2,326	2,338	12	
		Inventories	Dec-21	2,519	2,496	(23)	
		Inventories	Mar-22	2,568	2,568	-	
		Trade Receivables	Jun-21	3,371	3,318	(54)	Adjustment entries representing Loss allowance for receivables, adjustment of customer advances and discounts recorded after submission of the Statement.
		Trade Receivables	Sep-21	3,303	3,284	(19)	
		Trade Receivables	Dec-21	3,102	3,026	(76)	
		Trade Receivables	Mar-22	3,287	3,312	26	

- iii. (a) The Company has made investments in five mutual fund asset management companies and has granted unsecured loans to four employees of the Company during the year. The Company has not granted any loans to, or stood guarantee, or provided security to its subsidiaries or has made any investments in the subsidiaries during the year. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans and investments are as per the table given below:

	Amount (Rs. lakhs)
Aggregate amount granted / provided during the year:	
- Loans to employees	0.3
- Investment in mutual fund schemes	3,572.43
Balance outstanding as at balance sheet date in respect of the above cases:	
- Loans to employees	0.4
- Investment in mutual fund schemes	2,741.32

Also refer Notes 6B and 12 to the standalone financial statements.

- (b) In respect of the aforesaid investments and loans, the terms and conditions under which such investments were made or loans were granted are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans, the schedule of repayment of principal has been stipulated, and the parties are repaying the principal amounts, as stipulated. These loans are interest free hence the question of commenting on payment of interest does not arise.
- (d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans which were granted to same parties and which fell due during the year and were renewed/extended. Further, no fresh loans were granted to any party to settle the overdue loans.
- (f) There were no loans which were granted during the year to promoters/related parties.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, in respect of the investments made by it. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company to that extent.

- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of property tax and professional tax which have not generally been regularly deposited, the Company is generally regular in depositing undisputed statutory dues in respect of income tax including tax deducted at source, though there has been a slight delay in a few cases, it is regular in depositing other undisputed statutory dues, including provident fund, employees' state insurance, duty of customs, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2022, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Due date	Date of payment
The Tamil Nadu District Municipalities Act, 1920	Property tax	78,849	October, 2015 - March, 2016	October 31, 2015	Yet to be paid
		2,36,545	April, 2016 to September, 2016	April 30, 2016	
		2,36,545	October, 2016 to March, 2017	October 31, 2016	
		2,36,545	April, 2017 to September, 2017	April 30, 2017	
		2,36,545	October, 2017 to March, 2018	October 31, 2017	
		2,36,545	April, 2018 to September, 2018	April 30, 2018	
		2,36,545	October, 2018 to March, 2019	October 31, 2018	
		2,36,545	April, 2019 to September, 2019	April 30, 2019	
		2,36,545	October, 2019 to March, 2020	October 31, 2019	
		2,36,545	April, 2020 to September, 2020	April 30, 2020	
		2,36,545	October, 2020 to March, 2021	October 31, 2020	
		2,36,545	April, 2021 to September, 2021	April 30, 2021	
The Tamil Nadu District Municipalities, 1920	Professional Tax	3,882	October, 2018 to March, 2019	April 30, 2019	April 20, 2022
		9,706	April, 2019 to September, 2019	October 31, 2019	
		2,533	October, 2019 to March, 2020	April 30, 2020	
		5,118	April, 2020 to September, 2020	October 31, 2020	
		1,236	October, 2020 to March, 2021	April 30, 2021	

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of property tax, professional tax, provident fund, employees' state insurance, duty of customs, cess, goods and services tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2022, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	4,40,171	2000-01	High Court of Karnataka Assistant Commissioner of Income tax Bengaluru
		3,00,037	2007-08	
		2,92,740	2015-16	

- viii. According to the information and explanations given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender as at the balance sheet date.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, was not required to be filed. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Ind AS 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
(b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, the reporting under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
(b) The Company has not conducted non-banking financial or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
(d) Based on the information and explanations provided by the management of the Company, the group does not have any CICs, which are part of the group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 48 to the standalone financial statements), 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 Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act.
(b) In respect of ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under this clause is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

**Amit Kumar Agrawal
Partner**

**Membership Number: 064311
UDIN: 22064311AHOUAO8863**

Place: Hosur
Date: April 22, 2022

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BALANCE SHEET AS AT MARCH 31, 2022

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3A	5,184.22	5,319.35
(b) Capital work-in-progress	3B	53.50	108.92
(c) Goodwill	4	10.27	10.27
(d) Other intangible assets	5	27.02	58.80
(e) Financial assets			
(i) Investments	6A	277.39	430.55
(ii) Other financial assets	12	44.22	55.52
(f) Other non-current assets	7	201.84	343.72
(g) Income tax assets (net)	8	258.43	353.10
Total non - current assets (1)		6,056.89	6,680.23
2 Current assets			
(a) Inventories	9	2,567.94	2,246.99
(b) Financial assets			
(i) Investments	6B	5,947.68	3,238.40
(ii) Trade receivables	10	3,277.90	3,288.16
(iii) Cash and cash equivalents	11A	217.74	180.01
(iv) Bank balances other than (iii) above	11B	24.89	27.04
(v) Other financial assets	12	69.71	129.90
(c) Other current assets	7	243.36	567.49
Total current assets (2)		12,349.22	9,677.99
Total assets (1+2)		18,406.11	16,358.22
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	13	200.00	200.00
(b) Other equity - reserves and surplus	14	14,214.36	12,358.40
Total equity (1)		14,414.36	12,558.40
LIABILITIES			
2 Non-current liabilities			
(a) Deferred tax liabilities (net)	15	145.47	160.57
Total non - current liabilities (2)		145.47	160.57
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17A	99.92	99.74
(ii) Trade payables			
- total outstanding dues of micro and small enterprises	16	138.29	125.97
- total outstanding dues of creditors other than micro and small enterprises	16	2,013.81	2,067.69
(ii) Other financial liabilities	17B	412.05	365.05
(b) Provisions	18	521.78	460.23
(c) Income tax liabilities (net)	8	53.86	1.36
(d) Other current liabilities	19	606.57	519.21
Total current liabilities (3)		3,846.28	3,639.25
Total liabilities (2+3)		3,991.75	3,799.82
Total equity and liabilities (1+2+3)		18,406.11	16,358.22

The above balance sheet should be read in conjunction with the accompanying notes.
This is the balance sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number : 012754N/N500016
AMIT KUMAR AGRAWAL
Partner
Membership Number : 064311
Place: Hosur
Date: April 22, 2022

For and on behalf of the Board of Directors
SHRINIVAS G SHIRGURKAR
Chairman, DIN:00173944
C SRIKANTH
Chief Executive Officer
Place: Hosur
Date: April 22, 2022
N ANANTHASESHAN
Director, DIN:02402921
MUKESH KUMAR HAMIRWASIA
Chief Financial Officer
P ARJUN RAJ
Company Secretary
Membership Number: A30324

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
1 INCOME			
(a) Revenue from operations	20	16,002.51	12,072.82
(b) Other income	21	554.08	634.35
Total income (1)		16,556.59	12,707.17
2 EXPENSES			
(a) Cost of materials consumed	22	4,677.16	3,493.07
(b) Purchases of stock-in-trade	23	551.08	249.10
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	24	(195.55)	413.54
(d) Employee benefits expense	25	3,110.12	2,928.36
(e) Finance costs	26	2.09	2.66
(f) Depreciation and amortisation expense	27	814.09	846.00
(g) Other expenses	28	4,056.35	3,121.51
Total Expenses (2)		13,015.34	11,054.24
3 Profit before exceptional item and tax (1-2)		3,541.25	1,652.93
4 Exceptional item	29	74.22	-
5 Profit before tax (3+4)		3,615.47	1,652.93
6 Tax expense			
(a) Current tax	30	921.41	374.73
(b) Deferred tax	30	(15.75)	(12.92)
Total tax expense		905.66	361.81
7 Profit for the period (5-6)		2,709.81	1,291.12
8 Other comprehensive income			
A Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit obligation		(71.96)	1.20
(ii) Income tax relating to the above		18.11	(0.30)
Total Other Comprehensive income		(53.85)	0.90
9 Total comprehensive income for the period (7+8)		2,655.96	1,292.02
8 Earnings per equity share (Rs.):	36		
(1) Basic		135.49	64.56
(2) Diluted		135.49	64.56

The above statement of Profit and Loss should be read in conjunction with the accompanying notes.
This is the statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number : 012754N/N500016
AMIT KUMAR AGRAWAL
Partner
Membership Number : 064311
Place: Hosur
Date: April 22, 2022

For and on behalf of the Board of Directors
SHRINIVAS G SHIRGURKAR
Chairman, DIN:00173944
C SRIKANTH
Chief Executive Officer
Place: Hosur
Date: April 22, 2022
N ANANTHASESHAN
Director, DIN:02402921
MUKESH KUMAR HAMIRWASIA
Chief Financial Officer
P ARJUN RAJ
Company Secretary
Membership Number: A30324

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

(A) Equity Share Capital

Balance as at April 1, 2020	200.00
Add: Changes in equity share capital during the current year	-
Balance as at March 31, 2021	200.00
Add: Changes in equity share capital during the current year	-
Balance as at March 31, 2022	200.00

(B) Other Equity

Particulars	Reserves and surplus		Total
	General Reserve	Retained Earnings	
Balance as at April 1, 2020	6,076.13	5,690.25	11,766.38
Profit for the year	-	1,291.12	1,291.12
Other comprehensive income for the year, net of income tax	-	0.90	0.90
Total comprehensive income for the year	-	1,292.02	1,292.02
Payment of final dividend for the preceding financial year	-	(500.00)	(500.00)
Payment of dividend tax on final dividend for the preceding financial year	-	(200.00)	(200.00)
Transfer to General reserve	129.00	(129.00)	-
Balance as at March 31, 2021	6,205.13	6,153.27	12,358.40
Profit for the year	-	2,709.81	2,709.81
Other comprehensive income for the year, net of income tax	-	(53.85)	(53.85)
Total comprehensive income for the year	-	2,655.96	2,655.96
Payment of final dividend for the preceding financial year	-	(400.00)	(400.00)
Payment of interim dividend for the current year	-	(400.00)	(400.00)
Transfer to General reserve	271.00	(271.00)	-
Balance as at March 31, 2022	6,476.13	7,738.23	14,214.36

The above statement of changes in equity should be read in conjunction with the accompanying notes.
This is the statement of changes in equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number : 012754N/N500016
AMIT KUMAR AGRAWAL
Partner
Membership Number : 064311
Place: Hosur
Date: April 22, 2022

For and on behalf of the Board of Directors
SHRINIVAS G SHIRGURKAR
Chairman, DIN:00173944
C SRIKANTH
Chief Executive Officer
Place: Hosur
Date: April 22, 2022
N ANANTHASESHAN
Director, DIN:02402921
MUKESH KUMAR HAMIRWASIA
Chief Financial Officer
P ARJUN RAJ
Company Secretary
Membership Number: A30324

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from operating activities		
Profit before tax	3,615.47	1,652.93
Adjustments for :		
Depreciation and amortisation expense	814.09	846.00
Loss allowance for trade receivables (net of reversal)	15.49	0.88
Bad Debts written off	0.24	0.12
Finance costs	2.09	2.66
Interest income	(35.97)	(7.20)
Dividend from long term investments in subsidiaries	(171.05)	(243.16)
Loss / (Profit) on sale / discarding of property, plant and equipment (net)	15.94	31.78
Liabilities no longer required, written back	(8.29)	(35.05)
Net Gain on sale / fair valuation of current investments (net)	(173.48)	(199.35)
Gain on disposal of subsidiary - exceptional item	(74.22)	-
Unrealised exchange loss / (gain)	4.61	3.45
Operating profit before working capital changes	4,004.92	2,053.06
Changes in working capital :		
(Increase)/Decrease in inventories	(320.95)	365.26
(Increase)/Decrease in trade receivables	(5.99)	(969.17)
(Increase)/Decrease in other financial assets	60.19	(7.43)
(Increase)/Decrease in other non-current financial assets	11.30	(1.61)
(Increase)/Decrease in other current assets	324.13	9.37
Increase/(Decrease) in trade payables	(37.38)	203.30
Increase/(Decrease) in other current financial liabilities	56.17	(713.89)
Increase/(Decrease) in current provisions	(10.41)	(17.08)
Increase/(Decrease) in other current liabilities	87.36	25.68
Cash flow generated from operating activities	4,169.34	947.49
Income Taxes Paid (net of refunds)	(755.48)	(385.31)
Net Cash generated from operating activities (A)	3,413.86	562.18
Cash flow from investing activities		
Capital expenditure on property, plant and equipment	(474.99)	(1,045.72)
Capital expenditure on intangible assets	-	(7.15)
Proceeds from sale of property, plant and equipment	-	21.90
Sale / (Purchase) of current investments (net)	(2,535.78)	54.32
Proceeds from repayment of share capital by subsidiary	227.38	-
Interest income	35.97	11.19
Dividend from long term investment in subsidiaries	171.05	243.16
Bank balances not considered as cash and cash equivalents		
- Placed	(800.00)	(700.00)
- Matured / encashed	802.15	1,494.13
Net Cash flows from / (used in) investing activities (B)	(2,574.22)	71.83
Cash flow from financing activities		
Proceeds from Short term borrowing	99.92	99.74
Repayment of Short term borrowing	(99.74)	-
Finance costs paid	(2.09)	(2.66)
Dividend paid	(800.00)	(700.00)
Net Cash flows (used in) financing activities (C)	(801.91)	(602.92)
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	37.73	31.09
Cash and cash equivalents at the beginning of the year (D)	180.01	148.92
Cash and cash equivalents at the end of the year (refer Note 11A) (A+B+C+D)	217.74	180.01

The above statement of cash flows should be read in conjunction with the accompanying notes.
This is the statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number : 012754N/N500016
AMIT KUMAR AGRAWAL
Partner
Membership Number : 064311
Place: Hosur
Date: April 22, 2022

For and on behalf of the Board of Directors
SHRINIVAS G SHIRGURKAR
Chairman, DIN:00173944
C SRIKANTH
Chief Executive Officer
Place: Hosur
Date: April 22, 2022
N ANANTHASESHAN
Director, DIN:02402921
MUKESH KUMAR HAMIRWASIA
Chief Financial Officer
P ARJUN RAJ
Company Secretary
Membership Number: A30324

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

Statement showing the applicable Key Accounting Standards (Ind AS) with related Policy and Notes references as per Standalone financial statements

Ind AS No.	Description	Accounting policy Reference	Note Reference
2	Inventories	2.17	9
7	Statement of Cash flows	2.18	11A & 11B
8	Accounting Policies, Changes in Accounting Estimates and Errors	2.1 & 2.2	
12	Income taxes	2.11	8 & 30
16	Property, plant and equipment	2.14	3A, 3B & 27
19	Employee benefits	2.10	25 & 34
24	Related party disclosures		35
33	Earnings per share	2.12	36
36	Impairment of assets	2.16	3A, 3B & 5
37	Provisions, Contingent liabilities and Contingent assets	2.19	18 & 37
38	Intangible assets	2.15	5 & 27
107	Financial instruments - Disclosures	2.20 & 2.21	10, 12, 16, 17, 21 & 31
108	Operating segments	2.22	32
113	Fair value measurement		31
115	Revenue from contracts with Customers	2.5	19, 20 & 32
116	Leases	2.6	33

NOTE No.

1 COMPANY OVERVIEW

Wendt (India) Limited (the "Company") was incorporated on August 21, 1980 under the provisions of the erstwhile Companies Act, 1956, and is a joint venture between Wendt GmbH, Germany and Carborundum Universal Limited, India. The Company is into manufacturing, selling and servicing of Super Abrasives, High precision Grinding, Honing, Special Purpose Machines and Precision components. The Company's registered office is in Bangalore and factory is situated in Hosur, Tamilnadu. The CIN of the Company is L85110KA1980PLC003913.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation and Presentation

(i) Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Indian Accounting Standards Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price 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.

(iii) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(iv) New and amended standards adopted by the Company

The company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2021:

(a) Extension of COVID-19 related concessions – amendments to Ind AS 116.

(b) Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in current and prior periods and are not expected to significantly affect the future periods.

(v) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021. Consequent to above, the Company has changed the classification/presentation of security deposits, in the current year. The Company has also reclassified comparative amounts to conform with current year presentation as per requirements of Ind AS 1 - Presentation of financial statements.

2.2 Critical estimates and judgements

The preparation of these financial statements requires the use of accounting estimates which, by definition, which seldom equals the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved 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. Detailed information about each of these estimates and judgements is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

(i) Estimation of defined benefit obligation - refer note 34

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2.3 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Company and fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets and liabilities are measured initially at their fair values at the acquisition date. Acquisition related costs are expensed as incurred.

2.4 Goodwill

Goodwill arising on acquisition of a business is carried at costs as established at the date of acquisition of the business less accumulated impairment losses, if any.

If the initial accounting for a business combination is incomplete by end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill is tested for impairment annually. For the purpose of impairment testing, goodwill is allocated to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated to reduce the carrying amount of the goodwill. Any impairment loss recognised for goodwill is not reversed in subsequent periods.

2.5 Revenue recognition

2.5.1 Sale of goods

Revenue is recognised when control of products has transferred to customers and there are no unfulfilled obligations that could affect the customer's acceptance of the products. Control of products is considered to be transferred at a point-in-time when goods have been despatched or delivered, as per the terms agreed with the customer as that is when the legal title, physical possession and risks and rewards of goods transfers to the customers.

Revenue is recognised at the transaction price which the company expects to be entitled.

The Company does not adjust any of the transaction prices for the time value of money as the contract with customers does not contain a significant financing component.

Receivable is recognised when the right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

A contract asset is recognised when the Company gets the right to consideration in exchange for goods or services that it has transferred to the customers and the right is conditional upon acts other than passage of time.

When the payment exceeds the value of goods supplied or services rendered, a contract liability (advance from customers) is recognised.

2.5.2 Sale of services

Revenue from rendering of services is recognized at a point in time on rendering of services as per the terms of contracts with customers.

2.5.3 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised and accrued using effective interest rate method.

2.5.4 Rental income

The company's policy for recognition of revenue from operating lease is described in note 2.6.1

2.6 Leasing - Operating

2.6.1 The Company as lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The respective lease assets are included in the balance sheet based on their nature.

2.6.2 The Company as lessee

The Company has a leasing arrangement which meets the definition of short term lease in accordance with Ind AS 116. The Company has elected to apply the practical expedient to not recognise a lease liability and right-of-use asset for short-term leases with a lease term of 12 months or less. Payments associated with short term

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

leases are recognised on a straight line basis in the Statement of Profit and Loss.

2.7 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Government grants relating to the purchase of property, plant and equipment are netted off with the cost of related asset.

The export incentives from the Government are recognized based on eligibility at their fair value where there is a reasonable assurance that the incentive will be received and the Company will comply with all attached conditions.

2.8 Foreign currency transactions

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee (INR), the national currency for India, which is the functional and presentation currency of the company.

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at that date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss.

2.9 Borrowing costs

Borrowing costs, other than that are directly attributable to the acquisition, construction or production of a qualifying asset are expensed in the period in which they are incurred.

2.10 Employee benefits

2.10.1 Long Term Employee Benefits

Defined Contribution Plans

Superannuation fund, Provident fund and Pension fund are defined contribution plans towards which the Company makes contribution at predetermined rates to the Superannuation Trust, and the Regional Provident Fund Commissioner respectively. The same is debited to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees.

The Company also makes contributions to state plans namely Employee's State Insurance Fund and Employee's Pension Scheme 1995. The Company has no further payment obligation once the contributions have been paid.

Defined Benefit Plan

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The amount is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India.

Remeasurement, comprising actuarial gain and losses arising from experience adjustments and changes in

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income;
- remeasurement

Other long term Employee Benefits - Compensated Absences

The Company also has liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Termination benefits are recognized as an expense as and when incurred.

2.10.2 Short-term employee benefits

Short term employee benefits including performance incentives which are expected to be settled within 12 months after the end of the period in which the employee renders related service, are determined as per Company's policy and recognized as expense based on expected obligation on undiscounted basis.

2.11 Taxation

Income tax expense represents the sum of the current tax payable and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

2.11.1 Current tax

Current tax is measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

2.11.2 Deferred tax

Deferred tax is recognized using the Balance Sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. However, the deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill or from initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or losses at the time of the transaction.

Deferred tax asset are recognized 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 utilized.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

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

2.12 Earnings per share

The basic earnings/ (loss) per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.13 Research and development costs

Revenue expenditure pertaining to research are charged to the respective heads in Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, plant and equipment.

2.14 Property, Plant and equipment

Freehold Land is carried at historical cost.

All other items of Property, Plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. The cost of Property, Plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use. Machinery spares which can be used exclusively in connection with an item of Property, Plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent costs are included in the asset's carrying amount are recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Capital work-in-progress:

Items of assets which are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest, if any.

Depreciation

Depreciation is recognised so as to write off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

Estimated useful lives of the tangible assets are as follows:-	
Buildings - Freehold	
(i) Factory Building	30 years
(ii) Building (Other than factory building)	60 years
Plant and Equipment	
(i) Single Shift	15 years
(ii) Double Shift	10 years
(iii) Triple Shift	7.5 years
Office Equipment	
(i) Computers and Data Processing equipments	3 years
(ii) Servers and Networks	6 years
(iii) Others	5 years
Furniture and Fixtures	10 years
Vehicles	8 years

Depreciation on property, plant and equipment has been provided on the straight-line method as above except in respect of the used / second hand machinery and process bath equipment, in whose case the life of the assets has been assessed to be shorter based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation on assets added / disposed off during the year is provided on pro-rata basis from the month of addition or up to the month prior to the month of disposal, as applicable.

Individual assets costing less than Rs.5,000 each are depreciated in full in the year of acquisition.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.15 Intangible assets

2.15.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.15.2. Intangible assets acquired in a business combination

Intangible assets acquired in a business combination other than goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

2.15.3 Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:-

Technical Knowhow	5 years
Computer Software	5 years
Brands and Trademarks	5 years
Patents	5 years

2.16 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is higher of fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

2.17 Inventories

Inventories are valued at lower of cost and net realizable value. Cost of raw materials, stores and spares and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour, and an appropriate proportion of overheads. Cost of inventories also include all other costs incurred in bringing the inventories to the present location and condition. Cost is computed on weighted average basis.

Net realisable value represents the estimated selling price for inventories less the estimated costs of completion and estimated costs necessary to make the sale.

Provisions are made for potential obsolescence based on management assessment of aged inventory items.

2.18 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with maturity of 3 months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in values, and bank overdrafts. Bank overdrafts and Book overdrafts are disclosed under "Financial liabilities".

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.19 Provisions and contingencies

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle present obligation at the end of reporting period, taking into account the risk and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or where there is an obligation for which the future

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements.

2.20 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provision of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.21 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

2.21.1. Classification of financial assets

Financial Assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as fair value through profit or loss on initial recognition):

- the asset is held within business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal and interest on the principal amount outstanding.

Financial assets are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss.

Amortised cost are represented by security deposits, cash and cash equivalents and eligible current and non-current assets. Cash and cash equivalent comprise cash on hand and in banks and demand deposit with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the impairment policy on financial assets measured at amortised cost, refer Note 2.21.5

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal and interest on the principal amount outstanding.

2.21.2 Investment in Subsidiaries

Investment in subsidiaries is carried at cost.

2.21.3 Investment in equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)

On initial recognition, the company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investment in equity

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value. Subsequently, they are measured at fair value with gain and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instrument through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

2.21.4. Financial assets at fair value through profit or loss (FVTPL)

Financial asset at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporate any dividend or interest earned on the financial asset and is included under 'Other income'. Dividend on financial asset at FVTPL is recognised when the company's right to receive the dividends is established. It is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount can be measured reliably.

FVTPL is a residual category for financial assets. Any financial categorisation which is not at amortised cost or as FVTOCI, is classified at FVTPL. In addition, the company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, at FVTPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

2.21.5. Impairment of financial assets

The company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instruments at an amount equal to 12 month expected credit losses. 12 month expected credit losses are portion of the lifetime expected credit losses and represents the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the 12 months.

For trade receivables or any contractual rights to receive cash or another financial assets that result from transactions that are within the scope of Ind AS 115, the company always measures the loss allowance at an amount equal to life time expected credit losses.

Further, for the purposes of measuring lifetime expected credit loss allowance for trade receivables, the company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.22 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Refer Note 32 for segment information presented.

2.23 Exceptional Items

Exceptional items are material items of income or expenses that are disclosed separately due to the significance of their nature or amount, to provide further understanding of the financial performance of the Company.

2.24 Rounding Off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs, as per the requirement of Schedule III, unless otherwise stated.

2.25 New standards and interpretations not yet adopted

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified the Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Description of assets	Land - Freehold	Buildings - Freehold	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Block							
Balance as at April 1, 2020	3.66	1,699.74	9,408.41	942.87	307.03	141.25	12,502.96
Additions	-	548.59	599.62	12.54	3.93	-	1,164.68
Disposals	-	-	(112.03)	(11.97)	-	(47.34)	(171.34)
Balance as at March 31, 2021	3.66	2,248.33	9,896.00	943.44	310.96	93.91	13,496.30
Balance as at April 1, 2021	3.66	2,248.33	9,896.00	943.44	310.96	93.91	13,496.30
Additions	-	5.56	634.13	2.31	3.41	17.71	663.12
Disposals	-	-	(50.61)	(1.20)	(14.14)	-	(65.95)
Balance as at March 31, 2022	3.66	2,253.89	10,479.52	944.55	300.23	111.62	14,093.47
II. Accumulated depreciation							
Balance as at April 1, 2020	-	573.36	5,849.56	818.79	207.30	58.79	7,507.80
Depreciation expense for the year (refer note 27)	-	60.99	626.94	64.30	22.34	12.24	786.81
Eliminated on disposal of assets	-	-	(93.19)	(10.58)	-	(13.89)	(117.66)
Balance as at March 31, 2021	-	634.35	6,383.31	872.51	229.64	57.14	8,176.95
Balance as at April 1, 2021	-	634.35	6,383.31	872.51	229.64	57.14	8,176.95
Depreciation expense for the year (refer note 27)	-	71.78	636.49	42.70	21.35	9.99	782.31
Eliminated on disposal of assets	-	-	(34.67)	(1.20)	(14.14)	-	(50.01)
Balance as at March 31, 2022	-	706.13	6,985.13	914.01	236.85	67.13	8,909.25
Net carrying value as at March 31, 2021	3.66	1,613.98	3,512.69	70.93	81.32	36.77	5,319.35
Net carrying value as at March 31, 2022	3.66	1,547.76	3,494.39	30.54	63.38	44.49	5,184.22

Notes:

- a) Refer to Note 37.1 (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
b) Refer to Note 37.2 and Note 17A for information on property, plant and equipment pledged as security by the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Note 3B: Capital work in progress (CWIP)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	108.92	417.09
Addition during the year to CWIP	50.10	105.69
Capitalised during the year from CWIP	(105.52)	(413.86)
Balance at end of the year	53.50	108.92

Note: Capital work in progress represents expenditure incurred towards plant and equipment.

As at March 31, 2022

CWIP	Amount in CWIP for the period of			Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	
Projects in progress	49.70	3.24	-	53.50
Projects temporarily Suspended	-	-	-	-

As at March 31, 2021

CWIP	Amount in CWIP for the period of			Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	
Projects in progress	107.85	-	1.07	108.92
Projects temporarily Suspended	-	-	-	-

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at end of the year or previous year.

Note 4 - Goodwill

A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period

Description of Assets	As at March 31, 2022	As at March 31, 2021
Cost		
Balance at beginning of year	10.27	10.27
Additions	-	-
Disposals	-	-
Balance at end of year	10.27	10.27
Accumulated impairment		
Balance at beginning of year	-	-
Impairment losses recognised during the year	-	-
Balance at end of year	-	-
Net carrying value	10.27	10.27

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Description of Assets	Technical Knowhow		Computer Software		Brands and Trademarks		Patents		Total
	Amount	Units (Nos)	Amount	Units (Nos)	Amount	Units (Nos)	Amount	Units (Nos)	
I. Gross Block									
Balance as at April 1, 2020	202.27	-	358.58	7.15	81.00	-	50.00	-	691.85
Additions	-	-	-	-	-	-	-	-	7.15
Disposals	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	202.27	-	365.73	7.15	81.00	-	50.00	-	699.00
Balance as at April 1, 2021	202.27	-	365.73	-	81.00	-	50.00	-	699.00
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	202.27	-	365.73	-	81.00	-	50.00	-	699.00
II. Accumulated amortisation									
Balance as at April 1, 2020	199.74	-	283.02	30.48	60.75	-	37.50	-	581.01
Amortisation expense for the year (refer note 27)	2.51	-	30.48	-	16.20	-	10.00	-	59.19
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	202.25	-	313.50	-	76.95	-	47.50	-	640.20
Balance as at April 1, 2021	202.25	-	313.50	-	76.95	-	47.50	-	640.20
Amortisation expense for the year (refer note 27)	-	-	25.23	-	4.05	-	2.50	-	31.78
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	202.25	-	338.73	-	81.00	-	50.00	-	671.98
Net Carrying Value as on March 31, 2021	0.02	-	52.23	-	4.05	-	2.50	-	58.80
Net Carrying Value as on March 31, 2022	0.02	-	27.00	-	-	-	-	-	27.02

Note 5 - Other intangible assets

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

(Rs. in Lakhs)

Sl No.	Particulars	As at March 31, 2022				As at March 31, 2021			
		Current		Non-current		Current		Non-current	
		Units (Nos)	Amount	Units (Nos)	Amount	Units (Nos)	Amount	Units (Nos)	Amount
A	Measured at cost								
	I. Unquoted Investments								
	Investments in Equity Instruments of Subsidiaries								
	i) WENDT GRINDING TECHNOLOGIES LTD, THAILAND								
	[10,299,993 (March 31, 2021: 10,299,993) equity shares of face value Baht 10/- each, partly paid up @ 2.5 Baht per share]	-	-	10,299,993.00	277.39	-	-	10,299,993.00	277.39
	ii) WENDT MIDDLE EAST FZE, SHARJAH (refer note below)								
	(NIL (March 31, 2021 : 8) equity shares of face value of AED 150,000 each fully paid up)	-	-	-	-	-	-	8.00	153.16
	Unquoted Investments in equity instruments of Subsidiaries								
	Designated as Fair Value Through Profit and Loss								
B	Investments in Mutual Funds								
	I. Quoted Investments								
	Nippon India Quarterly Interval Fund-Growth Plan	169,206.21	49.28	-	-	-	-	-	-
	Quoted Investments in Mutual Funds (i)								
	II. Unquoted Investments								
	ICICI Prudential Money Market Fund - Direct Plan - Growth	1,893,954.32	448.03	-	-	18,222.03	53.81	-	-
	ICICI Prudential Corporate Bond Fund - Growth	333.11	-	-	-	1,893,954.32	429.70	-	-
	ICICI Prudential Money Market Fund-Growth	35,078.60	104.01	-	-	13,846.23	40.58	-	-
	Aditya Birla Sun Life Short Term Fund - Growth -Regular Plan	67,208.74	360.20	-	-	-	-	-	-
	Aditya Birla Sun Life Banking & PSU Debt Fund - Growth Regular Plan	61,499.91	270.80	-	-	67,208.74	346.65	-	-
	Aditya Birla Sun Life Low Duration Fund -Growth Regular Plan	98,117.04	275.46	-	-	14,412.04	60.92	-	-
	Aditya Birla Sun Life Savings Fund - Growth -Regular Plan	1,442,436.61	243.12	-	-	60,632.15	161.17	-	-
	Nippon India Floating Rate Fund - Growth Regular Plan	2,286,257.53	828.31	-	-	1,285,184.12	445.42	-	-
	Nippon India Banking & PSU Debt Fund - Growth Plan	295,555.41	116.05	-	-	782.36	25.00	-	-
	Nippon India Money Market Fund - Growth Plan-Growth Option	186,618.32	78.93	-	-	295,555.41	112.01	-	-
	TATA Short Term Bond Fund Regular Plan A - Growth	2,627,074.00	625.14	-	-	186,618.32	75.48	-	-
	TATA Short Term Bond Direct Plan - Plan A Growth	971,567.83	101.57	-	-	915,932.34	209.36	-	-
	Baroda Banking and PSU Bond Fund - Regular Plan - Growth	6,109.25	173.94	-	-	6,109.25	168.03	-	-
	SBI Magnum Ultra Duration Fund-Regular Growth	8,113.60	249.31	-	-	30.01	30.01	-	-
	Invesco India Treasury Advantage Fund -Growth	2,103,110.00	258.21	-	-	8,113.60	240.60	-	-
	HDFC Low Duration Fund -Regular Plan Growth	492,881.07	230.74	-	-	433.82	221.85	-	-
	L&T Ultra Short Term Fund Direct Plan - Growth	678,602.28	135.83	-	-	492,881.07	53.46	-	-
	IDFC Banking & PSU Debt Fund -Regular Plan - Growth	967,781.52	152.28	-	-	678,602.28	130.53	-	-
	IDFC Corporate Bond Fund -Regular Plan - Growth	4,484.86	168.79	-	-	152.28	43.82	-	-
	Tata Money Market Fund Regular Plan-Growth	2,250.63	75.01	-	-	4,484.86	113.60	-	-
	TIMONG Tata Liquid Fund Regular Plan-Growth	22,034.58	75.01	-	-	2,250.63	75.01	-	-
	Aditya Birla Sun Life Liquid Fund-Growth Reg Plan	11,611.59	130.06	-	-	22,034.58	75.01	-	-
	Baroda BNP Paribas MoneyMk Fund-Regir Plan Growth	351,426.87	150.41	-	-	11,611.59	130.06	-	-
	DSP Savings Fund-Regular Plan - Growth	347,135.00	313.08	-	-	351,426.87	150.41	-	-
	Aditya Birla SunLife Corp Bond Fund-Growth-RegPlan	-	-	-	-	347,135.00	313.08	-	-
	UNQUOTED INVESTMENTS IN MUTUAL FUND (ii)								
	TOTAL INVESTMENTS CARRIED AT FVTPL (B) (H+ii)		5,898.40		277.39		3,238.40		430.55
	TOTAL INVESTMENTS CARRYING VALUE (A) + (B)		5,947.68		277.39		3,238.40		430.55
	Other disclosures								
	Aggregate cost of quoted investments		49.00		-		-		-
	Aggregate market value of quoted investments		49.28		-		-		-
	Aggregate cost of unquoted investments		5,536.23		277.39		3,016.92		430.55
	Aggregate amount of impairment in value of investments		-		-		-		-

Note: The Board of Directors of the Company had approved a proposal for voluntary de-registration of M/s. Wendt Middle East FZE ("WME"), a wholly owned subsidiary of the Company located at Hamriyah Free Zone, Sharjah, UAE during January 2021 and the de-registration process was initiated during the previous year. During the year, WME has substantially completed liquidation related procedures and also repaid back the share capital to the Company. Further, the final clearance from the Hamriyah Free Zone Authority (HFZA) is awaited, after which WME will be de-registered. The gain on repayment of share capital by WME to the Company has been recognised as an exceptional item in Note 29.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 7 - Other non-current and current assets

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non- Current	Current	Non- Current
Unsecured, considered good				
(a) Advances to suppliers	59.49	-	92.17	-
(b) Balances with government authorities (other than income taxes)				
(i) Cenvat and custom duty refundable	0.25	-	2.71	-
(ii) GST credit receivable	22.45	-	4.89	-
(c) Prepayments	144.87	-	152.04	-
(d) Capital advances	-	201.84	-	343.72
(e) Export incentive receivable	12.63	-	74.56	-
(f) Contract assets [refer note (i) and (ii) below]	-	-	221.36	-
(g) Other loans and advances	3.67	-	19.76	-
Unsecured, considered doubtful				
(a) Other loans and advances	47.25	-	48.20	-
Less: Provisions for doubtful loans and advances	(47.25)	-	(48.20)	-
Total	243.36	201.84	567.49	343.72

Notes:-

(i): Contract assets include Rs. NIL (March 31, 2021 : Rs. 59.33 lakhs) due from related parties. (refer Note 35).

(ii): Movement of Contract assets:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	221.36	102.33
Obligation fulfilled during the year	(221.36)	(89.13)
Obligation to be fulfilled	-	208.16
Balance at end of the year	-	221.36

Note 8 - Income tax assets and liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax assets - non current		
Advance Income tax paid (net)	258.43	353.10
Total	258.43	353.10
Income tax liabilities - current		
Provision for income tax (net)	53.86	1.36
Total	53.86	1.36

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 9 - Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Raw materials	1,245.91	1,099.26
(b) Work-in-progress	522.51	637.59
(c) Finished goods	461.25	215.40
(d) Stock-in-trade	143.27	78.49
(e) Stores and spares	195.00	216.25
Total	2,567.94	2,246.99
Included above, goods-in-transit:		
(i) Raw materials	61.02	77.10
Total goods-in-transit	61.02	77.10

Notes:

The method of valuation of inventories are stated in Note: 2.17.

Note 10 - Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables from		
(a) Related parties (refer Note 35)	204.16	183.61
(b) Others	3,108.22	3,137.64
	3,312.38	3,321.25
Less: Expected credit loss allowance	34.48	33.09
Total	3,277.90	3,288.16

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

Trade receivables - continued As at March 31, 2022	Unsecured receivables	Outstanding for the following periods from due date of payment					Total	
		Not Due	Less than 6 months		1 - 2 years	2 - 3 years		More than 3 years
			6 months	6 months - 1 year	21.25	20.65		-
	(i) Undisputed Trade receivables - Considered good	2,216.33	1,027.77	26.38	21.25	20.65	3,312.38	
	(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
	(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-	
	(iv) Disputed Trade receivables - Considered good	-	-	-	-	-	-	
	(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
	(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	
	Total	2,216.33	1,027.77	26.38	21.25	20.65	3,312.38	

As at March 31, 2021	Unsecured receivables	Outstanding for the following periods from due date of payment					Total	
		Not Due	Less than 6 months		1 - 2 years	2 - 3 years		More than 3 years
			6 months	6 months - 1 year	59.15	16.00		-
	(i) Undisputed Trade receivables - Considered good	2,390.76	712.95	142.39	59.15	16.00	3,321.25	
	(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
	(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-	
	(iv) Disputed Trade receivables - Considered good	-	-	-	-	-	-	
	(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
	(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	
	Total	2,390.76	712.95	142.39	59.15	16.00	3,321.25	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Note 11A - Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Balances with banks in current accounts	217.27	179.17
(b) Cheques on hand	-	0.39
(c) Cash in hand	0.47	0.45
Total	217.74	180.01

Note 11B - Bank balances other than above

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Earmarked balances in dividend accounts	24.89	27.04
Total	24.89	27.04

Note 12 - Other financial assets

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non- Current	Current	Non- Current
(a) Security deposits	1.93	44.22	8.22	55.52
(b) Employee advances (refer note below)	20.15	-	30.38	-
(c) Non- trade receivables from related parties (Refer Note 35)	42.20	-	85.87	-
(d) Rent receivable from related party (Refer Note 35)	5.43	-	5.43	-
Total	69.71	44.22	129.90	55.52
Note: Employee advances include loans to employees amounting to	0.40	-	0.38	-

Note 13 - Equity Share Capital

(Rs. in lakhs, except for number of shares)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised: 3,000,000 (March 31, 2021: 3,000,000) Equity shares of Rs. 10/- each with voting rights	300.00	300.00
Issued, subscribed and fully Paid: 2,000,000 (March 31, 2021: 2,000,000) Equity shares of Rs. 10/- each with voting rights	200.00	200.00
Total	200.00	200.00

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount (Rs. in lakhs)	No. of Shares	Amount (Rs. in lakhs)
Shares outstanding at the beginning of the period	2,000,000	200.00	2,000,000	200.00
Add: Movements during the year	-	-	-	-
Shares outstanding at the end of the period	2,000,000	200.00	2,000,000	200.00

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

(b) Details of shares held by each shareholder holding more than 5% shares in the Company:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	%	No. of Shares	%
Equity Shares :				
Wendt GmbH, Germany	750,000	37.50	750,000	37.50
Carborundum Universal Limited, India	750,000	37.50	750,000	37.50

(c) Details of shares held by Promoters at the end of the year:

Particulars	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	%	% Change during the year	No. of Shares	%	% Change during the year
Equity Shares :						
Wendt GmbH, Germany	750,000	37.50	NIL	750,000	37.50	(2.37)
Carborundum Universal Limited, India	750,000	37.50	NIL	750,000	37.50	(2.37)

(d) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares with voting rights (one vote per share). The dividends proposed by the Board of directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is approved by the Board of Directors. In the event of liquidation of the Company, the equity shareholders are entitled to receive only the residual assets of the Company. The distribution of dividend is in the proportion to the number of equity shares held by the shareholders.

(e) There are no instances of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of 5 years immediately preceding the Balance Sheet date. Further, there are no contracts or commitments for the sale of shares or disinvestment.

Note 14 - Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
General reserve	6,476.13	6,205.13
Retained earnings	7,738.23	6,153.27
Total	14,214.36	12,358.40

14.1 General Reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	6,205.13	6,076.13
Transfer from retained earnings	271.00	129.00
Balance as at the year end	6,476.13	6,205.13

The general reserve is a free reserve, retained from the Company's profits and can be utilised upon fulfilling certain conditions in accordance with Companies Act, if any.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

14.2 Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	6,153.27	5,690.25
Profit for the year	2,709.81	1,291.12
Other comprehensive income arising from remeasurement of defined benefit obligation, net of tax	(53.85)	0.90
Payment of final dividend for the preceding financial year	(400.00)	(500.00)
Payment of interim dividend for the current year	(400.00)	(200.00)
Transfer to general reserve	(271.00)	(129.00)
Balance as at the year end	7,738.23	6,153.27

Retained earnings comprise of the company's undistributed earnings after taxes.

14.3 Distributions made and proposed

The amount of per share dividend distributed to equity shareholders during the year ended March 31, 2022 and March 31, 2021 was Rs. 40 and Rs. 35 respectively.

The Board of Directors at its meeting held on April 23, 2021 had recommended a final dividend of 200% (Rs. 20/- per equity share of face value Rs. 10/- each). The proposal was approved by shareholders at the Annual General Meeting held on July 23, 2021, this has resulted in a cash outflow of Rs. 400 lakhs. Also, the Board of Directors at its meeting held on January 21, 2022 had declared an interim dividend of 200% (Rs. 20/- per equity share of face value of Rs. 10/- each). Further, the Board of Directors at its meeting held on April 22, 2022 have recommended a final dividend of 450% (Rs.45/- per equity share of face value of Rs. 10/- each) which is subject to approval of shareholders in the ensuing annual general meeting.

Note 15 - Deferred tax liabilities

Particulars	March 31, 2022			
	Opening Balance	Recognised in profit and Loss	Recognised in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment and other intangible assets	240.88	(30.54)	-	210.34
Net gain on fair valuation of mutual funds	55.74	35.48	-	91.22
	296.62	4.94	-	301.56
Tax effect of items constituting deferred tax assets				
Provision for employee benefits	(115.83)	(13.00)	0.65	(128.18)
Loss allowance on trade receivables	(8.33)	(0.35)	-	(8.68)
Others	(11.89)	(7.34)	-	(19.23)
	(136.05)	(20.69)	0.65	(156.09)
Deferred tax liabilities (net)	160.57	(15.75)	0.65	145.47

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Particulars	March 31, 2021			Closing Balance
	Opening Balance	Recognised in profit and Loss	Recognised in other comprehensive income	
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment and other intangible assets	298.47	(57.59)	-	240.88
Net gain on fair valuation of mutual funds	17.10	38.64	-	55.74
	315.57	(18.95)	-	296.62
Tax effect of items constituting deferred tax assets				
Provision for employee benefits	(120.43)	5.10	(0.50)	(115.83)
Loss allowance on trade receivables	(12.35)	4.02	-	(8.33)
Others	(8.80)	(3.09)	-	(11.89)
	(141.58)	6.03	(0.50)	(136.05)
Deferred tax liabilities (net)	173.99	(12.92)	(0.50)	160.57

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Trade payables to		
- Micro and small enterprises (refer note 38)	138.29	125.97
- Others:		
Related parties (refer note 35)	193.61	346.22
Other than related parties	1,820.20	1,721.47
	2,013.81	2,067.69
Total	2,152.10	2,193.66

As at March 31, 2022

Particulars	Not due	Outstanding for the following period from the due date of payment			Total
		Less than 1 year	1 - 2 years	2-3 years	
(i) Undisputed Dues - MSME	138.29	-	-	-	138.29
(ii) Undisputed Dues - Others	1022.68	715.29	21.01	6.55	2013.81
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	1160.97	715.29	21.01	6.55	2152.10

As at March 31, 2021

Particulars	Not due	Outstanding for the following period from the due date of payment			Total
		Less than 1 year	1 - 2 years	2-3 years	
(i) Undisputed Dues - MSME	125.97	-	-	-	125.97
(ii) Undisputed Dues - Others	1,057.34	813.92	14.39	4.57	2,067.69
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	1,183.31	813.92	14.39	4.57	2,193.66

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 17A - Short term Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured from bank (refer note below)	99.92	99.74
Total	99.92	99.74

Note:

- (i) Secured Short term loan from bank represents Export packing credit availed against export orders by hypothecation of finished goods and trade receivables. This credit carries an interest rate of 2.20% per annum and is repayable against receipt of related trade receivable.
- (ii) First charge on all Property, plant and equipment of the Company except land and building.
- (iii) Details of quarterly statements of current assets filed by the Company with the bank and reconciliation with the books of account for the year ended March 31, 2022:

a. Inventories

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account (gross)	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for discrepancies
Jun 21	State Bank of India	Inventories	2,446.00	2,488.94	(42.94)	Refer Note below
Sep 21	State Bank of India	Inventories	2,338.00	2,326.21	11.79	
Dec 21	State Bank of India	Inventories	2,496.00	2,519.11	(23.11)	
Mar 22	State Bank of India	Inventories	2,567.94	2,567.94	-	

Note: Difference is on account of adjustment related to provision for inventories recorded in the books of account after submission of the quarterly statement to the bank.

b. Trade receivables

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account (gross)	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for discrepancies
Jun 21	State Bank of India	Receivables	3,318.11	3,371.79	(53.68)	Refer Note below
Sep 21	State Bank of India	Receivables	3,284.42	3,303.51	(19.09)	
Dec 21	State Bank of India	Receivables	3,026.16	3,102.41	(76.25)	
Mar 22	State Bank of India	Receivables	3,312.38	3,286.90	25.48	

Note: Difference is on account of adjustments related to loss allowance, adjustment of customer advance and customer discounts recorded in the books of account after submission of the quarterly statement to the bank.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

(iv) Net Cash and Cash equivalents / (debt) reconciliation:

Particulars	March 31, 2022	March 31, 2021
Cash and cash equivalents	217.74	180.01
Short-term borrowings	(99.92)	(99.74)
Net Cash and Cash equivalents / (debt)	117.82	80.27

Particulars	Cash and cash equivalents	Short-term borrowings	Net debt
Net Cash and cash equivalents as at April 1, 2020	148.92	-	148.92
Cash flows	31.09	-	31.09
New borrowings availed	-	99.74	(99.74)
Repayments	-	-	-
Interest expense	-	1.07	(1.07)
Interest paid	-	(1.07)	1.07
Net Cash and cash equivalents as at March 31, 2021	180.01	99.74	80.27
Cash flows	37.73	-	37.73
New borrowings availed	-	99.92	(99.92)
Repayments	-	(99.74)	99.74
Interest expense	-	1.60	(1.60)
Interest paid	-	(1.60)	1.60
Net Cash and cash equivalents as at March 31, 2022	217.74	99.92	117.82

Note 17B - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Unclaimed and Unpaid dividends [refer note below]	24.89	27.04
(b) Deposit from related party (refer Note 35)	10.00	10.00
(c) Creditors for capital supplies and services	38.98	35.86
(d) Retention money	8.64	20.93
(e) Due to employees	320.50	260.43
(f) Others	9.04	10.79
Total	412.05	365.05

Note: There are no amounts which has remained unpaid or unclaimed as at Balance sheet date requiring transfer to Investor Education and Protection Fund.

Note 18 - Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Provision for employee benefits		
- Compensated absences (refer note 34)	386.71	335.09
- Gratuity (refer note 34)	122.57	125.14
(b) Provision for Warranty (refer notes below)	12.50	-
Total	521.78	460.23

Note: (i) Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claims and any recent trends that may suggest future claims could differ from historical amounts.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

(ii) Movement in provision for warranty:

Particulars	Year ended	
	March 31, 2022	March 31, 2021
As at beginning of the year	-	-
Provision recognised during the year	12.50	-
Amounts used during the year	-	-
As at end of the year	12.50	-

Note 19 - Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Advances received from customers (refer notes below)	357.77	346.17
(b) Statutory dues payable (other than income taxes)	232.63	157.14
(c) Others	16.17	15.90
Total	606.57	519.21

Notes:

(i): Advances received from customers includes Rs. 126.21 lakhs (March 31, 2021 : Rs. NIL) received from related parties. (refer Note 35).

(ii): Movement of Advances received from customers:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	346.17	403.97
Amounts received during the year	307.22	339.64
Amounts recognized as revenue / refunded during the year	(295.62)	(397.44)
Balance at end of the year	357.77	346.17

Note 20 - Revenue from operations

Particulars	Year ended	
	March 31, 2022	March 31, 2021
(i) Revenue from contract with customers		
(a) Sale of products [refer notes (i) and (iii) below]	14,343.90	11,026.90
(b) Sale of services [refer notes (ii) and (iii) below]	1,468.30	918.31
	15,812.20	11,945.21
(ii) Other operating income [refer note (iv) below]	190.31	127.61
Total	16,002.51	12,072.82

Notes:

(i) - Details of sale of products

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Manufactured products	13,687.59	10,726.77
Traded products	656.31	300.13
Total - Sale of products	14,343.90	11,026.90

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

(ii) - Details of sale of services

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Machining charges	1,293.04	785.74
Others	175.26	132.57
Total - sale of services	1,468.30	918.31

(iii) - Other disclosures required under Ind AS 115

(a) All the revenue contracts are for periods of one year or less. Hence as permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

(b) Refer note 32 for disclosure of desegregated revenue.

(c) Reconciliation of revenue recognised with contract price

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Contract price	15,812.20	11,945.21
Adjustment towards variable consideration	-	-
Revenue from sale of products and services	15,812.20	11,945.21

(iv) - Details of other operating income

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Sale of scrap	75.26	31.71
Commission	33.71	13.51
Management fee and other income	33.64	32.13
Export incentives	47.70	50.26
Total - other operating income	190.31	127.61

Note 21 - Other Income

Particulars	Year ended	
	March 31, 2022	March 31, 2021
(a) Interest income:		
- On income tax refund	35.97	-
- Others	0.04	7.20
(b) Dividend income		
- Dividend income on long-term investments (from subsidiaries)	171.05	243.16
(c) Rental income	55.20	55.20
(d) Net gain on sale of current investments	32.51	45.82
(e) Net gain arising on financial assets designated as at fair value through profit or loss	140.97	153.53
(f) Net foreign exchange differences	82.27	39.75
(g) Loss allowance for trade receivables no longer required, written back	16.31	17.68
(h) Liabilities no longer required, written back	8.29	35.05
(i) Miscellaneous income	11.47	36.96
Total	554.08	634.35

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Note 22 - Cost of materials consumed

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Opening stock	1,099.26	1,048.14
Add: Purchases (refer note below)	4,823.81	3,544.19
	5,923.07	4,592.33
Less: Closing stock [refer note 9(a)]	1,245.91	1,099.26
Cost of materials consumed	4,677.16	3,493.07

Notes: Purchases includes adjustments on account of physical inventory verification, shortages, etc.

Note 23 - Purchases of stock-in-trade

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Purchases of stock in trade	551.08	249.10
Total	551.08	249.10

Note 24 - Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Opening stock		
Work-in-progress	637.59	1,030.80
Finished goods	215.40	269.09
Stock-in-trade	78.49	45.13
	931.48	1,345.02
Closing stock		
Work-in-progress	522.51	637.59
Finished goods	461.25	215.40
Stock-in-trade	143.27	78.49
	1,127.03	931.48
Net (increase) / decrease	(195.55)	413.54

Note 25 - Employee benefits expense

Particulars	Year ended	
	March 31, 2022	March 31, 2021
(a) Salaries, wages and bonus	2,591.85	2,457.38
(b) Contribution to provident and other funds (refer Note 34C)	208.66	207.67
(c) Staff welfare expenses	309.61	263.31
Total	3,110.12	2,928.36

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Note 26 - Finance cost

Particulars	Year ended	
	March 31, 2022	March 31, 2021
(a) Interest expense on current borrowings	1.60	1.07
(b) Interest - others	0.49	1.59
Total	2.09	2.66

Note 27 - Depreciation and amortisation expense

Particulars	Year ended	
	March 31, 2022	March 31, 2021
(a) Depreciation of property, plant and equipment (refer note 3A)	782.31	786.81
(b) Amortisation of intangible assets (refer note 5)	31.78	59.19
Total	814.09	846.00

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 28 - Other Expenses

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Stores and spares consumed	838.24	548.00
Contract labour	100.63	39.29
Repairs and maintenance		
- Buildings	82.13	65.52
- Machinery	142.81	93.88
- Others	19.81	15.26
Power and fuel charges	313.11	278.95
Freight outward and packing charges (net)	267.79	194.30
Rental charges	0.40	11.61
Processing charges	854.22	559.09
Sitting fees paid to non-executive directors	11.80	8.90
Commission to non-executive directors	17.00	15.25
Rates and taxes	66.04	48.81
Expenditure on Corporate Social Responsibility (refer note 44)	32.13	32.02
Insurance	38.15	37.37
Selling commission	61.44	135.12
Bad trade receivables written off	14.34	16.96
Less: Transferred from provision	14.10	16.84
Loss allowance for trade receivables (refer note 31.3.2)	31.80	18.55
Auditors remuneration		
As auditors		
Statutory audit	9.50	9.50
Tax audit and certificates	1.00	1.00
Reimbursement of expenses	2.04	1.00
Bank charges	53.71	59.44
Service fee	207.90	162.20
Professional expenses	204.76	158.61
Electronic Data Processing (EDP) Charges	97.48	139.61
Advertisement and sales promotion expenses	240.33	185.98
Warranty expenses	12.50	-
Travelling and conveyance expenses	138.78	58.21
Communication expenses	17.43	20.59
Loss on sale / discarding of property, plant and equipment (net)	15.94	31.78
Miscellaneous expenses	177.24	191.55
Total	4,056.35	3,121.51

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 29 - Exceptional item

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Gain on repayment of share capital from a subsidiary (refer note 6)	74.22	-
Total	74.22	-

Note 30 - Income tax recognised in profit or loss

(a) Income Tax Expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
In respect of the current year	892.47	374.73
In respect of the prior years	28.94	-
	921.41	374.73
Deferred tax		
In respect of the current year	(15.75)	(12.92)
	(15.75)	(12.92)
Total	905.66	361.81

(b) Numerical Reconciliation between average effective tax rate and applicable tax rate :

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit Before tax	3,615.47	1652.93
Income Tax using the Company's domestic Tax rate of 25.17% (March 31, 2021 - 25.17%)	909.94	416.01
Effect of expenses that are not deductible in determining taxable profit	8.09	8.19
Effect of dividend income from foreign subsidiaries	(43.05)	(61.20)
Others	1.74	(1.19)
	876.72	361.81
Adjustment recognised in the current year in relation to current tax of previous years	28.94	-
Income Tax recognised in statement of profit and loss	905.66	361.81

Notes:

1) The tax impact for deferred tax purposes has been arrived by applying a tax rate of 25.17% (March 31, 2021 : 25.17%) being the prevailing tax rate applicable for the company for the financial year ending March 31, 2022 under the Income tax Act, 1961.

(c) Unused tax losses for which no deferred tax asset has been recognised

	10.87	10.87
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Unused tax losses relate to long term capital losses on which no deferred tax asset has been recognised due to uncertainty. These losses can be carried forward for a period of 8 assessment years from the year in which the loss was incurred.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Note 31 - Financial Instruments

31.1 Capital Management

The capital includes issued equity share capital and all other equity reserves attributable to the equity holders. The Company's objectives when managing capital is to safeguard their ability to continue as a going concern while maximizing the return to shareholders through the optimization of cash and cash equivalents along with investment which is predominantly investment in liquid and short term mutual funds.

31.2 Categories of financial instruments

The carrying value and fair value of financial instruments by categories as of March 31, 2022 and March 31, 2021 were as follows:

Particulars	Carrying Amount		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Financial Assets				
Measured at fair- value through profit and loss (FVTPL)				
Investments	5,947.68	3,238.40	5,947.68	3,238.40
Measured at amortized cost				
- Trade receivables	3,277.90	3,288.16	3,277.90	3,288.16
- Cash and cash equivalents	217.74	180.01	217.74	180.01
- Other bank balances	24.89	27.04	24.89	27.04
- Other financial assets	113.93	185.42	113.93	185.42
Total financial assets	9,582.14	6,919.03	9,582.14	6,919.03
Financial Liabilities				
Measured at amortized cost				
- Trade payables	2,152.10	2,193.66	2,152.10	2,193.66
- Other financial liabilities	412.05	365.05	412.05	365.05
- Borrowings	99.92	99.74	99.92	99.74
Total financial liabilities	2,664.07	2,658.45	2,664.07	2,658.45

The management assessed that fair value of cash and short- term deposits, trade receivables, trade payables, borrowings and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- (i) The fair value of the quoted mutual funds is based on price quotations at reporting date and unquoted mutual funds is based on the net asset value published by the asset management company at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debtor similar terms, credit risk and remaining maturities.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. Derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Investment in Subsidiaries is measured at cost and hence not considered for categorisation.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

The following table presents the fair value measurement hierarchy of financial assets measured at fair value on recurring basis as at March 31, 2022 and March 31, 2021.

Particulars	Note	Total	Fair value measurement using		
			Prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets designated at FVTPL:					
As at March 31, 2022					
- Investment in mutual funds	6B	5,947.68	5,947.68	-	-
As at March 31, 2021					
- Investment in mutual funds	6B	3,238.40	3,238.40	-	-

The following table presents the assets and liabilities which are measured at amortized cost for which fair values are disclosed as at March 31, 2022 and March 31, 2021.

Particulars	Note	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2022					
Financial assets measured at amortized cost:					
- Trade receivables	10	3,277.90	-	-	3,277.90
- Cash and cash equivalents	11A	217.74	-	-	217.74
- Other bank balances	11B	24.89	-	-	24.89
- Other financial assets	12	113.93	-	-	113.93
Financial liabilities measured at amortized cost:					
- Trade payables	16	2,152.10	-	-	2,152.10
- Other financial liabilities	17B	412.05	-	-	412.05
- Borrowings	17A	99.92	-	-	99.92
As at March 31, 2021					
Financial assets measured at amortized cost:					
- Trade receivables	10	3,288.16	-	-	3,288.16
- Cash and cash equivalents	11A	180.01	-	-	180.01
- Other bank balances	11B	27.04	-	-	27.04
- Other financial assets	12	185.42	-	-	185.42
Financial liabilities measured at amortized cost:					
- Trade payables	16	2,193.66	-	-	2,193.66
- Other financial liabilities	17B	365.05	-	-	365.05
- Borrowings	17A	99.74	-	-	99.74

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Note 31.3 Financial Risk management objectives and policies

The Company treasury function provides service to the business, co-ordinates access to domestic and international financial markets monitors and manages the financial risks relating to the operations of the company through internal risk report which analyze exposures by degree and magnitude of risk. These risk include market risk, currency risk, interest risk, price risk, credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks by using policies approved by the board of directors, which provide written principles on interest risk, credit risk and investment of excess liquidity. The Company does not enter into trade financial instruments for speculative purpose.

The Company treasury function reports quarterly to the senior management team that monitors risk and policies implemented to mitigate risk exposures.

31.3.1 Market risk

The company is exposed primarily to the financial risk of change in foreign currency exchange rate. The Company transacts in various foreign currencies. Foreign currencies are recognised at the rate of exchange prevailing at the date of transaction. Company being a net exporter, follows the policy of natural hedging of foreign exchange transactions. There is net foreign exchange gain in the current and previous year.

31.3.1 (a) Foreign currency risk management

The company undertakes transactions denominated in foreign currencies, consequently, the company is exposed to exchange rate fluctuations. The company, being a net exporter, follows the policy of natural hedging of foreign exchange earnings and outflow and hence it does not take any forward covers.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

The carrying amounts of the Company's foreign currency (unhedged) denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	March 31, 2022		March 31, 2021	
	Foreign Currency (in lakhs)	INR (in lakhs)	Foreign Currency (in lakhs)	INR (in lakhs)
Creditors against Import of goods, capital items and services				
- USD	5.03	385.35	8.18	608.16
- EUR	1.42	122.66	1.42	124.27
- GBP	0.12	12.40	0.14	14.35
- CHF	0.04	3.13	-	-
- JPY	-	-	14.30	9.66
- KRW	-	-	14.81	0.99
		523.54		757.43
Trade and other receivables				
- USD	5.57	416.92	13.10	951.65
- EUR	3.67	304.64	2.46	208.20
- AED	0.29	5.85	-	-
- GBP	0.36	35.61	0.37	36.93
		763.02		1,196.78

The sensitivity of impact on profit or loss of the company to changes in the exchange rates, individual currency wise, is summarized below:-

Currency Sensitivity	Impact on profit before tax (in %)	
	March 31, 2022	March 31, 2021
USD Sensitivity		
INR/USD - Increase by 1%	0.01%	0.20%
INR/USD - Decrease by 1%	(0.01%)	(0.20%)
EUR Sensitivity		
INR/EUR - Increase by 1%	0.05%	0.05%
INR/EUR - Decrease by 1%	(0.05%)	(0.05%)

31.3.2 Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The customers are broadly classified into high risk and medium risk, accordingly credit limit exposure is fixed. The company carries out payment performance review of all customers and based on this analysis, risk category of customers are evaluated annually. Further, the utilization of credit limit is regularly monitored through inbuilt locks in the ERP system.

Details of loss allowance

Particulars	As at March 31, 2022		As at March 31, 2021	
	Gross carrying amount (Rs. in lakhs)	Expected Credit Loss (%)	Gross carrying amount (Rs. in lakhs)	Expected Credit Loss (%)
Within the credit period	2,216.33	0.1	2,390.76	0.1
1-180 days past due	1,027.77	1	712.95	1
181-365 days past due	26.38	5	142.39	5
365-720 days past due	21.25	25	59.15	20
> 721 days past due	20.65	100	16.00	50

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Reconciliation of loss allowance

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	33.09	49.05
Amounts recognised in the year (Refer note 28)	31.80	18.55
Amounts written off during the year (Refer note 28)	(14.10)	(16.83)
Amounts recovered during the year (Refer note 21)	(16.31)	(17.68)
Balance at end of the year	34.48	33.09

31.3.3 Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's business and reputation.

The Company regularly reviews its receivables, inventory and other working capital elements to mitigate any liquidity concerns. Any surplus from the business funds needs is parked in debt mutual funds (liquid / liquid plus) of reputed Asset Management Companies to provide day to day working capital.

Also, the company has unutilized credit limits with bank.

The following table presents the maturity period of all financial liabilities as at March 31, 2022 and March 31, 2021.

Particulars	Note	Contractual cash flows			
		Carrying amount	Less than 1 year	1 - 2 years	More than 2 years
As at March 31, 2022					
Financial liabilities measured at amortized cost:					
- Trade payables	16	2,152.10	2,152.10	-	-
- Other financial liabilities	17B	412.05	412.05	-	-
- Borrowings	17A	99.92	99.92	-	-
As at March 31, 2021					
Financial liabilities measured at amortized cost:					
- Trade payables	16	2,193.66	2,193.66	-	-
- Other financial liabilities	17B	365.05	365.05	-	-
- Borrowings	17A	99.74	99.74	-	-

Note 32 - Segment Disclosure

32.1 Products and services from which reportable segments derive their revenue

The Chief Executive Officer (CEO) of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

- The Company is organised into two main business segments, namely :
 - Super Abrasives and
 - Machines, Accessories and Components.

The above segments have been identified taking into account the organisation structure as well as the differing risks and returns of these segments. The Company has identified business segments as its primary segments. The reportable business segments are in line with the segment wise information which is being presented to the CODM.

- Segment Revenue and expenses have been identified to segments on the basis of their relationships to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "Other un-allocable Expenditure".

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

32.2 Segment Revenues and Results

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1. Segment Revenue		
a) Super Abrasives	11,051.09	8,055.93
b) Machines, Accessories and Components	4,761.11	3,889.28
Total	15,812.20	11,945.21
Less:- Inter Segment Revenue	-	-
Revenues from contract with customers	15,812.20	11,945.21
2. Segment Results		
a) Super Abrasives	2,541.77	1,301.18
b) Machines, Accessories and Components	1,191.20	606.09
Total	3,732.97	1,907.27
Less: (i) Finance costs	2.09	2.66
(ii) Other un-allocable Expenditure net of un-allocable income	189.63	251.68
(iii) Exceptional item	74.22	-
Profit before tax	3,615.47	1,652.93

32.3 Revenue by geographical market

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
India	11,858.18	8,637.64
Outside India	3,954.02	3,307.57
Total	15,812.20	11,945.21

32.4 Segment assets

Segment assets and Segment liabilities of the Company's business other than inventory and receivables have not been identified to any reportable segment, as these are used interchangeably between segments.

Particulars	March 31, 2022	March 31, 2021
a) Super Abrasives	3,824.21	3,743.54
b) Machines, Accessories and Components	2,021.62	1,791.61
Total segment assets	5,845.83	5,535.15
Unallocated assets	12,560.28	10,823.07
Total assets as per Balance sheet	18,406.11	16,358.22

32.5 Non current assets by geographical market other than financial assets and income tax assets

Particulars	March 31, 2022	March 31, 2021
India	5,521.07	5,896.58
Outside India	-	-
Total	5,521.07	5,896.58

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

32.6 Information about major customers

One single customer represents 10% or more of the Company's total revenue for the year ended March 31, 2022 (March 31, 2021 : NIL).

Note 33 - Leases

As a Lessee

The Company has entered into operating lease arrangements for leased accommodation which is for a period of 12 months. The lease is cancellable at the option of the lessee.

This lease is a short term lease and does not include any variable payment terms.

Amounts recognised in the Statement of Profit and Loss:

The statement of profit or loss shows the following amount related to leases:

Particulars	March 31, 2022	March 31, 2021
Lease rentals recognised in the Statement of Profit and Loss (Refer Note 28)	0.40	11.61

As a Lessor

The Company has entered into operating lease arrangements and leased out a portion of its factory building to a related party, which is for a period of less than 12 months.

This lease is a short term lease and does not include any variable payment terms.

Amounts recognised in the Statement of Profit and Loss:

The statement of profit or loss shows the following amount related to leases:

Particulars	March 31, 2022	March 31, 2021
Lease rental income recognised in the Statement of Profit and Loss (Refer Note 21)	55.20	55.20

Details of the Factory Building (leased out portion) are as given below:

Particulars	March 31, 2022	March 31, 2021
Gross carrying amount	294.22	294.22
Less: Accumulated depreciation	6.54	1.63
Net carrying amount	287.68	292.59

The depreciation recognized in respect of the leased out portion of the factory building for the year is Rs.4.91 lakhs (March 31, 2021 : Rs. 1.84 lakhs).

There are no contingent rents receivable and there are no direct operating expenses related to the above building.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 34 - Employee Benefits

Defined Contribution Plans

The Company operates defined contribution benefit plans for all qualifying employees of the company.

Superannuation fund, Provident fund and pension fund are defined contribution plans towards which the company makes contribution at predetermined rates to the Superannuation Trust funded with Life Insurance Corporation Of India and the Regional Provident Fund Commissioner respectively. The same is debited to the Statement of Profit and Loss accounts based on the amount of contribution required to be made as and when services are rendered by the employees. The Company also makes contributions to state plans namely Employee's State Insurance Fund and Employee's Pension Scheme 1995. The Company has no further payment obligation once the contributions have been paid.

Defined Benefit Plans

The Company is having defined benefit plan namely gratuity for all qualifying employees of the company.

The liability for gratuity to employees as at the Balance sheet date is determined on the basis of actuarial valuation using Projected Unit Credit method. The amount is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India.

Remeasurement, comprising actuarial gain and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to profit or loss.

The plans typically expose the company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using the discount rate which is determined by reference to market yield at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period. If the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

A. Gratuity

The following tables set out the funded status of the gratuity plans and the amounts recognised in the Company's financial statements as at March 31, 2022 and March 31, 2021:

(a) Change in defined benefit obligation

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation at beginning of period	665.60	748.39
Service cost		
a) Current service cost	48.81	47.97
b) Past service cost	-	-
Interest expenses	39.79	40.40
Benefits Paid	(73.80)	(158.98)
Remeasurements:		
a) Effect of changes in demographic assumptions	-	-
b) Effect of change in financial assumptions	43.15	(15.43)
c) Effect of experience adjustments	38.31	3.25
Transfer in	25.00	-
Defined benefit obligation at end of period	786.86	665.60

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

(b) Change in fair value of plan assets

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at beginning of period	540.46	625.22
Interest Income	38.13	35.21
Contributions	125.00	50.00
Benefits Paid	(73.80)	(158.98)
Remeasurements:		
a) Return on plan assets (excluding interest income)	9.50	(10.99)
Transfer in	25.00	-
Fair value of plan assets at end of period	664.29	540.46

(c) Amounts recognized in the Balance Sheet

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation	786.86	665.60
Fair value of plan assets	(664.29)	(540.46)
Effect of asset ceiling	-	-
Net defined benefit liability* / (asset)	122.57	125.14

*Included under provision for employee benefits in Note 18 - "Provisions"

(d) Amounts recognized in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Service Cost	48.81	47.97
Net interest cost	1.66	5.19
Net Gratuity Cost in the Statement of Profit and Loss*	50.47	53.16

* Included under contribution to provident and other funds in Note 25 - "Employee benefits expense"

(e) Amounts recognized in the Other Comprehensive Income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurement of the net defined benefit liability / (asset)		
Actuarial (gains) / losses	81.46	(12.19)
(Return) / Loss on plan assets excluding amounts included in the net interest on the defined benefit liability / (asset)	(9.50)	10.99
Net Cost in Other Comprehensive Income	71.96	(1.20)

(f) Composition of plan assets

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fund with an Insurance Company	664.29	540.46

(g) Significant actuarial assumptions

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate	6.96%	6.33%
Salary escalation rate	11.50%	10.00%
Attrition Rate	7.00%	7.00%
Retirement Age	58 years	58 years
Pre-retirement mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

(h) Sensitivity analysis - DBO end of Period

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate +100 basis points	726.99	615.69
Discount rate -100 basis points	855.68	722.87
Salary Increase Rate +1%	847.64	717.04
Salary Increase Rate -1%	732.49	619.66
Attrition Rate +1%	769.72	653.13
Attrition Rate -1%	806.42	679.74

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual changes in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(i) Expected cash flows for following year

Particulars	As at March 31, 2022	As at March 31, 2021
Expected employer contributions	76.23	47.72
Expected total benefit payments		
Year 1	52.71	93.24
Year 2	76.12	45.28
Year 3	43.78	49.70
Year 4	50.63	36.89
Year 5	51.05	44.74
Next 5 years	287.95	227.50

The weighted average duration of the defined benefit obligation is 9 years (March 31, 2021: 9 years)

B. Compensated Absences

(a) Charge to Statement of Profit and Loss and Liability

Particulars	As at March 31, 2022	As at March 31, 2021
Charge / (credit) in the Statement of Profit and Loss	82.03	62.28
Liability as at the year end	386.71	335.09

The entire amount of provision is presented as current since the Company does not have an unconditional right to defer settlement of any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months. The leave obligation not expected to be settled within the next 12 months amounts to Rs. 241.13 lakhs (March 31, 2021 : Rs. 202.09 lakhs).

(b) Actuarial Assumptions

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate	6.96% p.a.	6.33% p.a.
Salary Escalation Rate	11.50% p.a.	10.00% p.a.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

C. Defined Contribution Plans

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employers' Contribution to Provident Fund *	72.38	67.56
Employers' Contribution to Superannuation Fund *	25.22	24.84
Employers' Contribution to Employee's Pension Scheme 1995 *	60.59	62.11
Employers' Contribution to Employee's State Insurance #	8.55	9.32

* Included in Contribution to provident and other funds

Included in staff welfare expenses

Note 35 - Related Party Transactions

1) List of Related parties:

i) Party where control exists -Subsidiaries

- (a) Wendt Grinding Technologies Ltd, Thailand
- (b) Wendt Middle East FZE , United Arab Emirates

ii) Investors with significant influence (SI) and their subsidiaries, with whom transactions have taken place during the year

- (a) Carborundum Universal Limited (CUMI)
 - (1) Cumi America Inc, USA
 - (2) Cumi (Australia) Pty Limited, Australia
 - (3) Cumi Abrasives & Ceramics Company Limited, China
 - (4) Net Access India Limited, India
 - (5) Sterling Abrasives Limited, India
 - (6) Cumi Middle East FZE, UAE
- (b) Wendt GmbH, Germany
 - (1) Winterthur Technologie France
 - (2) Winterthur Technology Iberica SL, Spain
 - (3) 3M Wixom USA
 - (4) 3M UK Winterthur Technology
 - (5) 3M Montrose-3MUS-CO
 - (6) 3M Australia Pty Limited, Australia
 - (7) 3M Svenska AB, Sweden
 - (8) 3M Royersford - 3MUS-PA

iii) Company in which Key Managerial Personnel (KMP) / Director is a director and with whom transactions have taken place during the year

- (a) Pragati Transmission Private Limited
- (b) Tespa Tools Private Limited (till January 22, 2021)
- (c) Tespa Calibration Services (till January 22, 2021)
- (d) Micromatic Machine Tools Private Limited
- (e) Ace Designers Limited

iv) KMP with whom transactions have taken place during the year

- Mr. Rajesh Khanna, Executive Director & CEO (till October 31, 2020); Non-Executive Director (from November 1, 2020)
- Mr. Srikanth C, CEO (from April 01, 2021) (CEO-Designate from November 01, 2020 till March 31, 2021)
- Mr. Shrinivas G Shirgurkar, Non-Executive Director
- Mr. K S Shetty, Non-Executive Director (till January 22, 2021)
- Mr. M Lakshminarayan, Non-Executive Director
- Ms. Hima Srinivas, Non-Executive Director
- Mr. Bhagya Chandra Rao, Non-Executive Director (from January 22, 2021)

v) Relatives of KMP with whom transactions have taken place during the year

- Mrs. Preethi Khanna - Wife of Mr. Rajesh Khanna

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

2) Transaction with related parties during the year ended March 31, 2022 and March 31, 2021 are as follows:

Particulars	Nature of relationship	March 31, 2022	March 31, 2021
Purchase of Capital Goods			
Carborundum Universal Limited (CUMI)	Investor with SI	0.17	5.21
Wendt Grinding Technologies Ltd Thailand	Subsidiary	-	-
		0.17	5.21
Other Purchases & Services			
Wendt Gmbh, Germany	Investor with SI	200.94	128.86
Carborundum Universal Limited (CUMI)	Investor with SI	98.04	70.44
Wendt Grinding Technologies Ltd Thailand	Subsidiary	35.45	44.41
Wendt Middle East FZE	Subsidiary	4.45	-
Micromatic Machine Tools Private Limited	Company in which KMP/Director is a director	1.12	0.25
Ace Designers Limited		2.95	-
Tespa Tools Private Ltd		-	0.29
Tespa Calibration Service		-	0.04
Sterling Abrasives Limited	Subsidiary of Investor with SI	26.92	18.86
Net Access India Limited	Subsidiary of Investor with SI	17.31	22.97
		387.18	286.12

Particulars	Nature of relationship	March 31, 2022	March 31, 2021
Sale of Goods and Services			
Wendt GmbH Germany	Investor with SI	336.49	181.55
Carborundum Universal Limited (CUMI)	Investor with SI	248.57	280.20
Wendt Grinding Technologies Ltd Thailand	Subsidiary	351.70	308.28
Wendt Middle East FZE	Subsidiary	-	146.79
Cumi America Inc	Subsidiary of Investor with SI	283.77	237.24
CUMI (Australia) Pty Ltd	Subsidiary of Investor with SI	2.87	0.56
Cumi Abrasives & Ceramics Company Ltd	Subsidiary of Investor with SI	60.05	98.66
Cumi Middle East FZE	Subsidiary of Investor with SI	5.61	-
Winterthur Technologie France	Subsidiary of Investor with SI	13.14	14.49
Winterthur Technology Iberica	Subsidiary of Investor with SI	70.71	54.34
3M Wixom USA	Subsidiary of Investor with SI	-	32.96
3M UK Winterthur Technology	Subsidiary of Investor with SI	61.07	90.79
3M Svenska AB	Subsidiary of Investor with SI	1.72	-
3M Australia	Subsidiary of Investor with SI	0.11	2.82
3M Montrose-3MUS-CO	Subsidiary of Investor with SI	29.76	-
3M Royersford - 3MUS-PA	Subsidiary of Investor with SI	0.28	-
Sterling Abrasives Limited	Subsidiary of Investor with SI	8.09	5.91
Pragati Transmission Private Ltd	Company in which KMP/Director is a director	2.29	1.73
		1,476.23	1,456.32

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Particulars	Nature of relationship	March 31, 2022	March 31, 2021
Payment of Rent			
Mr. Rajesh Khanna	KMP	-	5.51
Ms. Preethi Khanna	Relative of KMP	-	5.51
		-	11.02
Payment of Managerial Remuneration			
Mr. Rajesh Khanna	KMP	-	112.10
Mr. Srikanth C	KMP	77.45	-
		77.45	112.10
Payment of Managerial Remuneration-Retirals			
Mr. Rajesh Khanna - Gratuity Payment	KMP	-	92.49
Mr. Rajesh Khanna - Compensated absences	KMP	-	36.21
		-	128.70
Receipt of Dividend			
Wendt Grinding Technologies Ltd Thailand	Subsidiary	171.05	243.16
Repatriation of Share Capital			
Wendt Middle East FZE	Subsidiary	227.38	-
Payment of Service Fee			
Carborundum Universal Limited (CUMI)	Investor with SI	207.90	162.20
Payment of Dividend			
Carborundum Universal Limited (CUMI)	Investor with SI	300.00	274.34
Wendt GmbH Germany	Investor with SI	300.00	274.34
		600.00	548.68
Receipt of Management fee, Service charges, Commission, Rent and Accounting charges			
Wendt GmbH Germany	Investor with SI	33.71	13.51
Carborundum Universal Limited (CUMI)	Investor with SI	55.20	55.20
Wendt Grinding Technologies Ltd Thailand	Subsidiary	32.34	25.32
Wendt Middle East FZE	Subsidiary	1.30	6.81
		122.55	100.84
Reimbursement of Expenses - Paid			
Carborundum Universal Limited (CUMI)	Investor with SI	43.32	78.29
Reimbursement of Expenses - Received			
Wendt GmbH Germany	Investor with SI	-	27.59
Carborundum Universal Limited (CUMI)	Investor with SI	36.64	46.52
Wendt Grinding Technologies Ltd Thailand	Subsidiary	0.21	0.21
Wendt Middle East FZE	Subsidiary	22.56	10.28
		59.41	84.60

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Particulars	Nature of relationship	March 31, 2022	March 31, 2021
Sitting fees paid			
Mr. Shrinivas G Shirgurkar	KMP	2.70	2.60
Mr. K S Shetty	KMP	-	0.50
Mr. M Lakshminarayan	KMP	2.30	2.50
Ms. Hima Srinivas	KMP	2.30	2.10
Mr. Bhagya Chandra Rao	KMP	3.10	0.70
Mr. Rajesh Khanna	KMP	1.40	0.50
		11.80	8.90
Commission paid			
Mr. Shrinivas G Shirgurkar	KMP	3.00	3.00
Mr. K S Shetty	KMP	-	2.44
Mr. M Lakshminarayan	KMP	3.00	3.00
Ms. Hima Srinivas	KMP	5.00	5.00
Mr. Bhagya Chandra Rao	KMP	3.00	0.57
Mr. Rajesh Khanna	KMP	3.00	1.24
		17.00	15.25

3) The details of amounts due to or due from related parties as at March 31, 2022 and March 31, 2021 are as follows:

Trade receivables and other financial assets			
Wendt GmbH Germany	Investor with SI	39.56	68.28
Carborundum Universal Limited (CUMI)	Investor with SI	42.23	81.51
Wendt Grinding Technologies Ltd Thailand	Subsidiary	56.85	50.72
Wendt Middle East FZE	Subsidiary	5.85	16.53
Cumi America Inc	Subsidiary of Investor with SI	73.83	39.45
Cumi Abrasives & Ceramics Company Ltd	Subsidiary of Investor with SI	15.20	39.26
Cumi Middle East Fze	Subsidiary of Investor with SI	0.45	-
Cumi (Australia) Pty Ltd	Subsidiary of Investor with SI	0.06	-
Winterthur Technologie France	Subsidiary of Investor with SI	-	0.27
Winterthur Technology Iberica	Subsidiary of Investor with SI	14.66	16.17
3M UK Winterthur Technology	Subsidiary of Investor with SI	-	19.93
3M Montrose-3MUS-CO	Subsidiary of Investor with SI	2.08	-
Sterling Abrasives Limited	Company in which KMP/Director is a director	1.02	2.12
		251.79	334.24
Trade payables and other financial liabilities			
Wendt GmbH Germany	Investor with SI	29.25	69.29
Carborundum Universal Limited (CUMI)	Investor with SI	200.92	264.78
Wendt Grinding Technologies Ltd Thailand	Subsidiary	5.55	6.87
Micromatic Machine Tools Private Limited	Company in which KMP/Director is a director	0.73	0.03
Cumi America Inc	Subsidiary of Investor with SI	81.91	-
Sterling Abrasives Limited	Subsidiary of Investor with SI	2.00	7.62
Net Access India Limited	Subsidiary of Investor with SI	6.76	7.63
Ace Designers Limited	Company in which KMP/Director is a director	2.70	-
		329.82	356.22

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Particulars	Nature of relationship	March 31, 2022	March 31, 2021
Commission payable			
Mr. Shrinivas G Shirgurkar	KMP	3.00	3.00
Mr. K S Shetty	KMP	-	2.44
Mr. M Lakshminarayan	KMP	3.00	3.00
Ms. Hima Srinivas	KMP	5.00	5.00
Mr. Bhagya Chandra Rao	KMP	3.00	0.57
Mr. Rajesh Khanna	KMP	3.00	1.24
		17.00	15.25

4) The details of compensation to KMP are as follows:

Particulars	March 31, 2022	March 31, 2021
Short term benefits	64.59	83.37
Post-Employment Benefits	12.57	9.41
Other benefits	0.29	19.32
Retirals	-	128.70
Sitting fees and commission	28.80	24.15

The related party relationships are as identified by the Company, on the basis of information available with the Company. Transactions with related parties in the nature of sale of goods, rendering of services, purchase of goods, procurement of services and others are at arm's length price.

Note 36 - Earning per share (EPS)

(Rs. in lakhs, except number of shares)

Particulars	March 31, 2022	March 31, 2021
(a) Profit for the year	2,709.81	1,291.12
(b) Weighted average number of equity shares	2,000,000	2,000,000
(c) Nominal value of shares (in rupees)	10	10
Earnings per share (in rupees) -		
Basic and diluted	135.49	64.56

Note : There is no dilution to the Basic Earnings per Share as there are no dilutive potential equity shares.

Note 37 - Contingent Liability and Commitments

37.1 Commitments

Particulars	March 31, 2022	March 31, 2021
(a) Estimated amount of contracts remaining to be executed on capital account (in respect of tangible assets) and not provided for (net of advances Rs. 201.84 lakhs, March 31, 2021: Rs. 343.72 lakhs)	555.94	688.01
(b) Other Commitments	-	-

37.2 The Company has a working capital limit with State Bank of India (secured by hypothecation of stock and book debts and collateral charge on all Property, plant and equipment (other than land and building) and with ICICI Bank.

37.3 The Company does not have any pending litigations that would impact its financial position as at March 31, 2022.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Note 38 - Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	March 31, 2022	March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of each accounting year	138.29	125.97
(ii) Interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

Note 39 - Value of imports on CIF basis:

Particulars	March 31, 2022	March 31, 2021
Raw Materials	1,984.50	1,727.29
Traded goods	450.42	183.60
Stores and spare parts	180.25	92.78
Capital goods	621.45	466.34
Total	3,236.62	2,470.01

Note 40 - Expenditure in Foreign Currency

Particulars	March 31, 2022	March 31, 2021
Technical consultancy fee	22.06	2.65
Travel	10.65	0.02
Others	17.29	151.99
Total	50.00	154.66

Note 41 - Details of consumption of imported and indigenous items

Particulars	March 31, 2022	March 31, 2021
Imported		
Raw Material	2,120.47	1,771.77
Stores and spare parts	125.40	78.73
	2,245.87	1,850.50
Indigenous		
Raw Material	2,556.69	1,721.30
Stores and spare parts	712.84	469.27
	3,269.53	2,190.57
Total	5,515.40	4,041.07

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Note 42 - Earnings in Foreign exchange :

Particulars	March 31, 2022	March 31, 2021
FOB value of goods exported	3906.22	3255.98
Others	264.23	317.68
Total	4170.45	3573.66

Note 43 - Research and Development Expenditure

Research and Development expenditure incurred during the year aggregates to Rs. 144.51 lakhs (March 31, 2021: Rs. 160.65 lakhs) as detailed below:

Particulars	March 31, 2022	March 31, 2021
Revenue expenditure (refer Note below)	142.38	160.65
Capital expenditure	2.13	-
Total	144.51	160.65

Note:- Revenue expenditure shown above, inter alia, includes depreciation of Rs. 51.25 lakhs (March 31, 2021 : Rs.51.17 lakhs), consultancy services of Rs. 0.38 lakhs (March 31, 2021 : Rs. 8.10 lakhs) and travel expenditure of Rs. 0.80 lakhs (March 31, 2021 : Rs. 0.04 lakhs).

Note 44 - Corporate Social Responsibility (CSR)

Particulars	2021-2022	2020-2021
CUMI Centre for Skills Development - Skill Development Centre	24.63	23.52
Hosur Industrial Association- Skill development centre	7.50	7.50
Seva Bharathi Trust	-	1.00
Total	32.13	32.02

(a) Gross amount required to be spent by the company during the year :- Rs. 32.13 lakhs (March 31, 2021 : Rs. 32.02 lakhs)
(b) Amount spent by the company during the year:

Particulars	In Cash*	Yet to be paid in cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purposes other than (i) above			
- in 2021-22	32.13	-	32.13
- in 2020-21	8.50	23.52	32.02
		(note below)	

Note: Cash paid during the year ended March 31, 2022.

Details of ongoing CSR Projects under Section 135(6) of the Act

Balance as at April 01, 2021		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2022	
With the Company	In Separate CSR Unspent account		From the Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent account
-	-	-	-	-	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at April 01, 2021	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2022
-	-	32.13	32.13	-

Note 45 - Interest in Subsidiaries

Name of the Company	Place of business	% of holding and voting power 2022		% of holding and voting power 2021	
Wendt Grinding Technologies Ltd	Thailand	100%		100%	
Wendt Middle East FZE	Sharjah, UAE	100%		100%	

Note 46 - COVID -19

The Company has assessed the possible impact of COVID-19 pandemic on its financial results based on the information available upto the date of approval of these financial statements and concluded that there is no material impact on the standalone financial statements. The Company continues to monitor the future economic effects of the pandemic while taking steps to improve its execution efficiencies and the financial outcome.

Note 47 - Additional regulatory information required by Schedule III

- (i) Details of benami property held: No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) Wilful defaulter: The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (iii) Relationship with struck off companies: The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- (iv) Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (v) Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vi) (a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (vi) (b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (vii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (viii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (ix) The Company has not revalued its Property, plant and equipment or intangible assets during the current or previous year.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

- (x) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3A to the financial statements, are held in the name of the Company.
- (xi) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (xii) The borrowings obtained by the Company from bank have been applied for the purposes for which such loans were taken.
- (xiii) The Company was not required to recognise any provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any derivative contracts as at March 31, 2022.
- (xiv) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

Note 48 - Financial Ratios

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Reason for Variance
Current Ratio (times)	Current Assets	Current Liabilities	1.66	1.77	-6%	Note 1
Debt-Equity Ratio (times)	Debt - Long term	Equity	NIL	NIL	NIL	Note 2
Debt Service Coverage Ratio (times)	Net Operating income	Debt Service	NIL	NIL	NIL	Note 2
Return on Equity Ratio (%)	Profit After tax	Average Equity	20%	11%	91%	Note 3
Inventory Turnover Ratio (times)	Sales	Average Inventory	6.57	4.92	34%	Note 4
Trade Receivables Turnover Ratio (times)	Sales	Average receivables	4.82	4.26	13%	Note 1
Trade Payable Turnover Ratio (times)	Purchase of Goods & Other expenses	Average Trade payables	4.34	3.28	32%	Note 5
Net Capital Turnover Ratio (times)	Sales	Working Capital	6.19	4.27	45%	Note 4
Net Profit Ratio (%)	Profit after tax	Sales	17%	11%	59%	Note 3
Return on Capital Employed (%)	Profit before interest and tax (Excluding exceptional item)	Tangible net worth + Deferred tax liabilities-intangible assets	24%	13%	86%	Note 3
Return on Investment (%)						
- Subsidiaries	Income Generated from investment	Time weighted average investments	40%	56%	-30%	Note 6
- Mutual fund	Income Generated from investment	Time weighted average investments	5%	7%	-35%	Note 7

Notes:

1. Not given as the variance is less than 25%
2. Short term borrowings is included under current liabilities.
3. Increase in revenue/volume of operations during the year ended March 31, 2022 and better absorption of fixed costs.
4. Increase in sales of products during the year resulting in faster turnover of inventory and reduction in working capital.
5. Better settlement cycle for trade payables during the year.
6. Decrease in dividend from Subsidiary.
7. Decrease in net gain on sale of investment and net gain on fair value through profit or loss.
8. Current assets shown above excludes investments.

Note 49: Previous year's figures have been regrouped / reclassified to conform to the current year's presentation for the purpose of comparability.

Note 50 - Approval of Standalone financial statements

The Standalone financial statements were approved for issue by the Board of Directors on April 22, 2022.

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants
Firm Registration Number : 012754N/N500016
AMIT KUMAR AGRAWAL
Partner
Membership Number : 064311
Place: Hosur
Date: April 22, 2022

For and on behalf of the Board of Directors

SHRINIVAS G SHIRGURKAR
Chairman, DIN:00173944
N ANANTHASESHAN
Director, DIN:02402921
C SRIKANTH
Chief Executive Officer
MUKESH KUMAR HAMIRWASIA
Chief Financial Officer
P ARJUN RAJ
Company Secretary
Membership Number: A30324

Statement of Holding Company's Interest in Subsidiary Company

1 Name of the Company	Wendt Grinding Technologies Ltd	Wendt Middle East FZE (refer note below)
2 The Financial year of the Subsidiary ended on	31st March 2022	31st March 2022
3		
a i) Number of ordinary shares held by Wendt India Ltd in the Subsidiary Company on the above date	1,02,99,993	8
	<u>Face Value</u> <u>Paid up value</u>	<u>Face Value</u> <u>Paid up value</u>
ii) Face value and paid up value per share	Thai Baht 10 - Thai Baht 2.50	AED 150,000 AED 150,000
iii) Interest of Wendt India Ltd	100%	100%
b i) Number of Preference shares held by Wendt India Ltd in the Subsidiary Company on the above date	---	---
ii) Face value and paid up value per share	----	----
iii) Interest of Wendt India Ltd	----	----
	Rs in lakhs	Rs in lakhs
4 The Net aggregate profit/(loss) of subsidiary Company so far as it concerns the holding Company		
i) Not dealt with in the accounts of Wendt India Ltd		
a) For the Subsidiary 's Financial year ended 31st March 2022*	319.10	(29.15)
b) For the previous financial years of the Subsidiary since it became a subsidiary of Wendt India Ltd	3123.56	265.17
ii) Dealt with in the accounts of Wendt India Ltd, by way of Dividends on the shares held in the subsidiary		
a) For the Subsidiary 's Financial year ended 31 st March, 2022	171.05	-
b) For the previous financial years of the Subsidiary since it became a subsidiary of Wendt India Ltd	2070.60	202.71

* Computed based on the exchange rates as on 31st March 2022 (Thai Baht Rs. 2.2875 and AED Rs. 20.6110)

Note: Under De-registration process.

For and on behalf of the Board of Directors

SHRINIVAS G SHIRGURKAR
Chairman
DIN:00173944

N ANANTHASESHAN
Director
DIN:02402921

C SRIKANTH
Chief Executive Officer

Place: Hosur
Date: April 22, 2022

MUKESH KUMAR HAMIRWASIA
Chief Financial Officer

P ARJUN RAJ
Company Secretary
Membership Number: A 30324

Consolidated Financial Statements

Independent Auditor's Report

To the Members of Wendt (India) Limited.

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Wendt (India) Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), (refer notes 1 and 2.3 to the consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2022, 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 then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. 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 ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to the following emphasis of matter paragraph included in the audit report on the financial statements of Wendt Middle East FZE, a wholly owned subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated April 21, 2022, reproduced by us as under:

Without qualifying the report, we wish to highlight the content of the basis of preparation and presentation of the financial statements with regards to going concern status of the Establishment. The management has shown its intention to liquidate the entity after the end of the financial year. Accordingly, this financial statement for the year ended 31 March 2022 is not prepared on going concern basis. To the best of our information, knowledge, and belief and as per the explanation and assurance provided to us by the management, we do not foresee any major loss or liability arising due to voluntary de-registration process of Messrs Wendt Middle East FZE-Sharjah, UAE.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Appropriateness of revenue recognition on sale of goods and services of the Holding Company</p> <p>Refer Note 2.6 (Revenue recognition) and Note 20(a) and (b) (Revenue from contract with customers) of the consolidated financial statements.</p> <p>Revenue from sale of goods and services is recognised in accordance with Ind AS 115 "Revenue from Contracts with Customers" at a point-in-time when control of goods and/ or services has been transferred to customers. For the majority of the Holding Company's customer arrangements, the control transfers to customers at a point-in-time when goods have been dispatched or delivered to customers as that is generally when legal title, physical possession and risks and rewards of goods transfers to the customers. Revenue from rendering of services is recognized at a point-in-time on rendering of services.</p> <p>We determined this to be a key audit matter due to the significant risk of fraud in revenue recognition and the substantial time and effort involved in assessing the appropriateness of revenue recognition.</p>	<p>Our audit procedures relating to revenue recognition included the following:</p> <ol style="list-style-type: none"> a. Understood and performed procedures to assess the design and test the operating effectiveness of the Holding Company's relevant controls related to recording of revenue; b. Assessed whether the accounting policy of recognising revenue was in line with Ind AS 115; c. Tested the reconciliation of the amounts as per the sales register to the general ledger; d. Performed tests, on a sample basis, by verifying the amounts recorded with the underlying documents which inter-alia included invoices, dispatch documents, customer orders/ contracts, receipt of consideration from customers, where applicable, and estimation of variable consideration, where applicable; e. Performed tests, on a sample basis, on revenue recognised from services and verified that the revenue was recognised at a point-in-time, as per the terms of agreement with customers; and f. Performed cut-off testing, on a sample basis and corroborated that the revenue from sale of goods is recognised in the appropriate period. <p>Based on the above procedures performed, we did not identify any material exceptions in revenue recognition of sale of goods and services.</p>

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Directors including Management Discussion and Analysis Report, Corporate Governance Report, and Shareholder information but does not include the consolidated financial statements and our auditor's 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 15 below), 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income) and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the

- Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.
 9. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - (a) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
 - (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - (d) Conclude on the appropriateness of 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 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.
 - (e) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - (f) 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 the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. We communicate with those charged with governance of the Holding Company and such other entities included

in the consolidated financial statements of which we are the independent auditors 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.

13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. The financial statements of two subsidiaries located outside India, included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 2,361 lakhs and net assets of Rs. 2,084 lakhs as at March 31, 2022, total revenues of Rs. 2,307 lakhs, total net profit after tax of Rs. 276 lakhs, and total comprehensive income of Rs. 276 lakhs for the year ended March 31, 2022 and cash outflows (net) of Rs. 124 lakhs for the year ended March 31, 2022, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based on the reports of the other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.
16. We draw your attention to the following Other matter paragraph included in the audit report on the financial statements of Wendt Middle East FZE, a wholly owned subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated April 21, 2022 reproduced by us as under:

In continuation of the liquidation process of the entity, the Board has passed a resolution approving the reduction of share capital from AED 1,200,000/- to AED 107,000/- and submitted the duly attested resolution with Hamriyah Free Zone Authority for modifying the share capital. As the entity has repaid the surplus share capital back to the parent Company on 08th March, 2022, the entity has reduced the capital in the books, while awaiting approval from HFZA. This financial statement reports the reduced share capital of AED 107,000/-.
17. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

18. This report does not contain a statement on the matter specified in paragraph 3(xxi) of 'the Companies (Auditor's Report) Order, 2020' ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act as, in our opinion, and according to the information and explanations given to us, the Order is not applicable to any of the subsidiaries included in these Consolidated Financial Statements, which are companies incorporated outside India.
19. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records

- maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- There were no pending litigations which would impact the consolidated financial position of the Group.
 - The Group was not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Group did not have any derivative contracts as at March 31, 2022.
 - There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company.
- iv. (a) The Management of the Holding Company whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company 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 by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer Note 39(vi)(a) to the consolidated financial statements.
- (b) The Management of the Holding Company whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer Note 39(vi)(b) to the consolidated financial statements.
- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act.
20. The Holding Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

**Amit Kumar Agrawal
Partner
Membership Number: 064311
UDIN: 22064311AHOUGN3452**

Place: Hosur
Date: April 22, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 19(f) of the Independent Auditor's Report of even date to the members of Wendt (India) Limited on the consolidated financial statements as of and for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Section 143(3)(I) of the Act

- In conjunction with our audit of the consolidated financial statements of the Wendt (India) Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company as of that date. Reporting under Section 143(3)(I) of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to the two subsidiaries namely, Wendt Grinding Technologies Limited and Wendt Middle East, FZE, which are companies incorporated outside India.

Management's Responsibility for Internal Financial Controls

- The Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

- Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
- Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company has in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

**Amit Kumar Agrawal
Partner
Membership Number: 064311
UDIN: 22064311AHOUGN3452**

Place: Hosur
Date: April 22, 2022

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CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3A	5,376.18	5,542.24
(b) Capital work-in-progress	3B	53.50	108.92
(c) Goodwill	4	10.27	10.27
(d) Other intangible assets	5	28.78	61.03
(e) Financial Assets			
(i) Other financial assets	12	49.68	61.11
(f) Other non-current assets	6	201.84	343.72
(g) Income tax assets (net)	7	258.43	353.10
Total non - current assets (1)		5,978.68	6,480.39
2 Current assets			
(a) Inventories	8	2,818.75	2,494.02
(b) Financial assets			
(i) Investments	9	6,448.32	3,746.83
(ii) Trade receivables	10	3,437.16	3,641.78
(iii) Cash and cash equivalents	11A	1,341.70	1,427.71
(iv) Bank balances other than (iii) above	11B	24.89	27.04
(v) Other financial assets	12	38.43	110.49
(c) Other current assets	6	298.41	569.77
Total current assets (2)		14,407.66	12,017.64
Total assets (1+2)		20,386.34	18,498.03
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	13	200.00	200.00
(b) Other equity - reserves and surplus	14	15,995.71	14,138.24
Total equity (1)		16,195.71	14,338.24
Liabilities			
2 Non-current liabilities			
(a) Deferred tax liabilities (net)	15	138.49	155.15
Total non - current liabilities (2)		138.49	155.15
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17A	99.92	99.74
(ii) Trade payables			
- total outstanding dues of micro and small enterprises	16	138.29	125.97
- total outstanding dues of creditors other than micro and small enterprises	16	2,176.90	2,370.11
(iii) Other financial liabilities	17B	412.05	365.05
(b) Provisions	18	521.78	463.26
(c) Income tax liabilities (net)	7	85.08	37.66
(d) Other current liabilities	19	618.12	542.85
Total current liabilities (3)		4,052.14	4,004.64
Total liabilities (2+3)		4,190.63	4,159.79
Total equity and liabilities (1+2+3)		20,386.34	18,498.03

The above consolidated balance sheet should be read in conjunction with the accompanying notes. This is the consolidated balance sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number : 012754N/N500016
AMIT KUMAR AGRAWAL
Partner
Membership Number : 064311
Place: Hosur
Date: April 22, 2022

For and on behalf of the Board of Directors
SHRINIVAS G SHIRGURKAR
Chairman, DIN:00173944
C SRIKANTH
Chief Executive Officer
Place: Hosur
Date: April 22, 2022
N ANANTHASESHAN
Director, DIN:02402921
MUKESH KUMAR HAMIRWASIA
Chief Financial Officer
P ARJUN RAJ
Company Secretary
Membership Number: A30324

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Particulars	Note No.	Year ended March 31, 20202	Year ended March 31, 2021
INCOME			
(a) Revenue from operations	20	17,881.15	13,662.10
(b) Other income	21	386.73	396.49
Total income (1)		18,267.88	14,058.59
2 EXPENSES			
(a) Cost of materials consumed	22	4,677.16	3,493.07
(b) Purchases of stock-in-trade		1,770.22	1,175.13
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(195.43)	351.85
(d) Employee benefits expense	24	3,324.48	3,145.02
(e) Finance costs	25	2.09	2.66
(f) Depreciation and amortisation expense	26	860.89	893.10
(g) Other expenses	27	4,137.73	3,297.36
Total Expenses (2)		14,577.14	12,358.19
3 Profit before tax (1 - 2)		3,690.74	1,700.40
4 Tax Expense			
(a) Current tax	28	1,001.37	437.70
(b) Deferred tax	28	(17.31)	(13.86)
Total tax expense		984.06	423.84
5 Profit for the period (3 - 4)		2,706.68	1,276.56
6 Other comprehensive income			
A Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit obligation		(71.96)	1.20
(ii) Income tax relating to the above		18.11	(0.30)
B Items that may be reclassified to profit or loss			
(i) Exchange differences in translating the financial statements of foreign operations		4.64	(6.87)
Total other comprehensive income		(49.21)	(5.97)
7 Total comprehensive income for the period (5 + 6)		2,657.47	1,270.59
8 Earnings per equity share (Rs.) :	34		
(1) Basic		135.34	63.83
(2) Diluted		135.34	63.83

The above consolidated statement of Profit and Loss should be read in conjunction with the accompanying notes. This is the consolidated statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number : 012754N/N500016
AMIT KUMAR AGRAWAL
Partner
Membership Number : 064311
Place: Hosur
Date: April 22, 2022

For and on behalf of the Board of Directors
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Chief Executive Officer
Place: Hosur
Date: April 22, 2022
N ANANTHASESHAN
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MUKESH KUMAR HAMIRWASIA
Chief Financial Officer
P ARJUN RAJ
Company Secretary
Membership Number: A30324

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

(A) Equity Share Capital

Balance as at April 1, 2020	200.00
Add: Changes in equity share capital during the current year	-
Balance as at March 31, 2021	200.00
Add: Changes in equity share capital during the current year	-
Balance as at March 31, 2022	200.00

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(B) Other Equity
(Rs. in Lakhs)

Particulars	Reserves and surplus		Items of other comprehensive income	Total
	General Reserve	Statutory Reserve		
Balance as at April 1, 2020	6,484.06	45.73	6,623.66	414.20
Profit for the year	-	-	1,276.56	-
Other comprehensive income for the year, net of income tax	-	-	0.90	(6.87)
Total comprehensive income for the year	-	-	1,277.46	(6.87)
Payment of final dividend for the preceding financial year	-	-	(500.00)	-
Payment of interim dividend for the current year	-	-	(200.00)	-
Transfer to General Reserve	129.00	-	(129.00)	-
Transfer to Statutory Reserve	-	1.05	(1.05)	-
Balance as at March 31, 2021	6,613.06	46.78	7,071.07	407.33
Profit for the year	-	-	2,706.68	-
Other comprehensive income for the year, net of income tax	-	-	(53.85)	4.64
Total comprehensive income for the year	-	-	2,652.83	4.64
Payment of final dividend for the preceding financial year	-	-	(400.00)	-
Payment of interim dividend for the current year	-	-	(400.00)	-
Transfer to General Reserve	271.00	-	(271.00)	-
Transfer from Foreign Currency Translation Reserve to Retained earnings	-	-	47.33	(47.33)
Balance as at March 31, 2022	6,884.06	46.78	8,700.23	364.64

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.
This is the consolidated statement of changes in equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number : 012754N/N500016
AMIT KUMAR AGRAWAL
Partner
Membership Number : 064311
Place: Hosur
Date: April 22, 2022

For and on behalf of the Board of Directors
SHRINIVAS G SHIRGURKAR
Chairman, DIN:00173944
C SRIKANTH
Chief Executive Officer
Place: Hosur
Date: April 22, 2022
N ANANTHASESHAN
Director, DIN:02402921
MUKESH KUMAR HAMIRWASIA
Chief Financial Officer
P ARJUN RAJ
Company Secretary
Membership Number: A30324

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from operating activities		
Profit before tax	3,690.74	1,700.40
Adjustments for :		
Depreciation and amortisation expense	860.89	893.10
Loss allowance for trade receivables (net of reversal)	6.47	8.05
Bad Debts written off	1.36	0.12
Finance costs	2.09	2.66
Interest income	(39.99)	(13.53)
Loss / (Profit) on sale / discarding of property, plant and equipment (net)	15.37	31.78
Liabilities no longer required, written back	(8.29)	(35.05)
Net Gain on sale / fair valuation of current investments (net)	(174.78)	(200.68)
Unrealised exchange Loss / (Gain)	4.61	3.45
Operating profit before working capital changes	4,358.47	2,390.30
Changes in working capital :		
(Increase)/Decrease in inventories	(324.73)	292.27
(Increase)/Decrease in trade receivables	196.27	(1,064.42)
(Increase)/Decrease in other financial assets	72.06	(11.95)
(Increase)/Decrease in other non-current financial assets	11.43	(1.54)
(Increase)/Decrease in other current assets	271.36	18.94
Increase/(Decrease) in trade payables	(176.73)	345.16
Increase/(Decrease) in other current financial liabilities	56.17	(713.89)
Increase/(Decrease) in current provisions	(13.44)	(15.76)
Increase/(Decrease) in other current liabilities	75.27	51.72
Cash flow generated from operating activities	4,526.13	1,290.83
Income Taxes Paid (net of refunds)	(840.52)	(468.78)
Net Cash generated from operating activities (A)	3,685.61	822.05
Cash flow from investing activities		
Capital expenditure on property, plant and equipment	(490.29)	(1,024.03)
Capital expenditure on intangible assets	(0.10)	(9.66)
Proceeds from sale of property, plant and equipment	0.57	21.90
Sale / (Purchase) of current investments (net)	(2,526.68)	51.73
Interest income	39.99	17.52
Bank balances not considered as cash and cash equivalents		
- Placed	(800.00)	(700.00)
- Matured / encashed	802.15	1,494.13
Net Cash flows from / (used in) investing activities (B)	(2,974.35)	(148.41)
Cash flow from financing activities		
Proceeds from Short term borrowing	99.92	99.74
Repayment of Short term borrowing	(99.74)	-
Finance costs paid	(2.09)	(2.66)
Dividend paid	(800.00)	(700.00)
Net Cash flows (used in) financing activities (C)	(801.91)	(602.92)
Translation adjustment	(D) 4.64	(6.87)
Net Increase/(decrease) in cash and cash equivalents (A+B+C+D)	(86.01)	63.85
Cash and cash equivalents at the beginning of the year (E)	1,427.71	1,363.86
Cash and cash equivalents at the end of the year (refer Note 11A) (A+B+C+D+E)	1,341.70	1,427.71

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.
This is the consolidated statement of cash flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants
Firm Registration Number : 012754N/N500016
AMIT KUMAR AGRAWAL
Partner
Membership Number : 064311
Place: Hosur
Date: April 22, 2022

For and on behalf of the Board of Directors

SHRINIVAS G SHIRGURKAR
Chairman, DIN:00173944
C SRIKANTH
Chief Executive Officer
Place: Hosur
Date: April 22, 2022
N ANANTHASESHAN
Director, DIN:02402921
MUKESH KUMAR HAMIRWASIA
Chief Financial Officer
P ARJUN RAJ
Company Secretary
Membership Number: A30324

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

Statement showing the applicable Key Accounting Standards (Ind AS) with related Policy and Notes references as per Consolidated financial statements

Ind AS No.	Description	Accounting policy Reference	Note Reference
2	Inventories	2.18	8
7	Statement of Cash flows	2.19	11A & 11B
8	Accounting Policies, Changes in Accounting Estimates and Errors	2.1 & 2.2	
12	Income taxes	2.12	7 & 28
16	Property, plant and equipment	2.15	3A, 3B & 26
19	Employee benefits	2.11	24 & 32
24	Related party disclosures		33
33	Earnings per share	2.13	34
36	Impairment of assets	2.17	3A, 3B & 5
37	Provisions, Contingent liabilities and Contingent assets	2.20	18 & 35
38	Intangible assets	2.16	5 & 26
107	Financial instruments - Disclosures	2.21 & 2.22	10, 12, 16, 17, 21 & 29
108	Operating segments	2.23	30
113	Fair value measurement		29
115	Revenue from contracts with Customers	2.6	19, 20 & 30
116	Leases	2.7	31

NOTE NO.

1 GROUP OVERVIEW

Wendt (India) Limited (hereinafter referred to as "the Company") was incorporated on August 21, 1980 under the provisions of the erstwhile Companies Act, 1956, and is a joint venture between Wendt GmbH Germany and Carborundum Universal Limited, India. The Company is into manufacturing, selling and servicing of Super Abrasives, High precision Grinding, Honing, Special Purpose Machines and Precision components. The

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

Company's registered office is in Bangalore and factory is situated in Hosur, Tamilnadu. The Company has 2 subsidiaries viz. Wendt Grinding Technologies Limited, Thailand and Wendt Middle East FZE, UAE. The Company, together with subsidiaries are hereinafter referred to as "the Group". The CIN of the Company is L85110KA1980PLC003913.

The Board of Directors of the Company had approved a proposal for voluntary de-registration of M/s. Wendt Middle East FZE ("WME"), a wholly owned subsidiary of the Company located at Hamriyah Free Zone, Sharjah, UAE during January 2021 and the de-registration process was initiated during the previous year. During the year, WME has substantially completed liquidation related procedures and also repaid back the share capital to the Company. Further, the final clearance from the Hamriyah Free Zone Authority (HFZA) is awaited, after which WME will be de-registered.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation and Presentation

(i) Compliance with Ind AS

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Indian Accounting Standards Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

These Consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price 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.

(iii) Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(iv) New and amended standards adopted by the Group

The Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2021:

- (a) Extension of COVID-19 related concessions – amendments to Ind AS 116
- (b) Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases

The amendments listed above did not have any impact on the amounts recognised in current and prior periods and are not expected to significantly affect the future periods.

(v) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021. Consequent to above, the Group has changed the classification/presentation of security deposits, in the current year. The Group has also reclassified comparative amounts to conform with current year presentation as per requirements of Ind AS 1 - Presentation of financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

2.2 Critical estimates and judgements

The preparation of these Consolidated financial statements requires the use of accounting estimates which, by definition, seldom equals the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved 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. Detailed information about each of these estimates and judgements is included in the relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgements are:

- (i) Estimation of defined benefit obligation - refer note 32

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- has power over the investee
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Following subsidiary companies have been included in Consolidation:-

- (i) Wendt Grinding Technologies Limited, Thailand - 100% Ownership Proportion (as on March 31, 2022 & as on March 31, 2021)
(incorporated on 19th July 2005)
- (ii) Wendt Middle East FZE, Sharjah (UAE) - 100% Ownership Proportion (as on March 31, 2022 & as on March 31, 2021)
(incorporated on 24th September 2008)

2.3.1. Changes in the Group's ownership interest in existing subsidiaries

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary. All amounts previously recognised in other comprehensive income in relation to that subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

2.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group and fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets and liabilities are measured initially at their fair values at the acquisition date. Acquisition related costs are expensed as incurred.

2.5 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquired business and the acquisition date fair value of any previous equity interest in the acquired entity (if any), over the fair value of the net identifiable assets acquired.

If the initial accounting for a business combination is incomplete by end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill arising on acquisition of a business is carried at costs as established at the date of acquisition of the business less accumulated impairment losses, if any.

Goodwill is tested for impairment annually. For the purpose of impairment testing, goodwill is allocated to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated to reduce the carrying amount of the goodwill. Any impairment loss recognised for goodwill is not reversed in subsequent periods.

2.6 Revenue recognition

2.6.1 Sale of goods

Revenue is recognised when control of products has transferred to customers and there are no unfulfilled obligations that could affect the customer's acceptance of the products. Control of products is considered to be transferred at a point-in-time when goods have been despatched or delivered, as per the terms agreed with the customer as that is when the legal title, physical possession and risks and rewards of goods transfers to the customers.

Revenue is recognised at the transaction price which the Group expects to be entitled.

The Group does not adjust any of the transaction prices for the time value of money as the contract with customers does not contain a significant financing component.

Receivable is recognised when the right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

A contract asset is recognised when the Group gets the right to consideration in exchange for goods or services that it has transferred to the customers and the right is conditional upon acts other than passage of time.

When the payment exceeds the value of goods supplied or services rendered, a contract liability (advance from customers) is recognised.

2.6.2 Sale of services

Revenue from rendering of services is recognized at a point in time on rendering of services as per the terms of contracts with customers.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

2.6.3 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised and accrued using effective interest rate method.

2.6.4 Rental income

The Group's policy for recognition of revenue from operating lease is described in note 2.7.1.

2.7 Leasing - Operating

2.7.1 The Group as lessor

Lease income from operating leases where the Group is a lessor is recognized in income on a straight line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The respective lease assets are included in the balance sheet based on their nature.

2.7.2 The group as lessee

The Group has a leasing arrangement which meets the definition of short term lease in accordance with Ind AS 116. The Group has elected to apply the practical expedient to not recognise a lease liability and right-of-use asset for short-term leases with a lease term of 12 months or less. Payments associated with short term leases are recognised on a straight line basis in the Statement of Profit and Loss.

2.8 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the consolidated profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Government grants relating to the purchase of property, plant and equipment are netted off with the cost of related asset.

The export incentives from the Government are recognized based on eligibility at their fair value where there is a reasonable assurance that the incentive will be received and the Group will comply with all attached conditions.

2.9 Foreign currency transactions

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (i.e. the "functional currency"). The Consolidated financial statements are presented in Indian Rupee (INR), the national currency for India, which is functional and presentation currency of the Group.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currency) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence are joint controlled), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

2.10 Borrowing costs

Borrowing costs, other than that are directly attributable to the acquisition, construction or production of a qualifying asset are expensed in the period in which they are incurred.

2.11 Employee benefits

2.11.1 Long Term Employee Benefits

Defined Contribution Plans

Superannuation fund, Provident fund and Pension fund are defined contribution plans towards which the Company makes contribution at predetermined rates to the Superannuation Trust, and the Regional Provident Fund Commissioner respectively. The same is debited to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees.

The Company also makes contributions to state plans namely Employee's State Insurance Fund and Employee's Pension Scheme 1995. The Company has no further payment obligation once the contributions have been paid.

Defined Benefit Plan

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The amount is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India.

Remeasurement, comprising actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in consolidated other comprehensive income. They are included in retained earnings in the consolidated statement of changes in equity and in the consolidated Balance Sheet. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income;
- remeasurement

Other long term Employee Benefits - Compensated Absences

The Company also has liabilities for earned leave that are not expected to be settled wholly within 12 months

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Termination benefits are recognized as an expense as and when incurred.

2.11.2 : Short-term employee benefits

Short term employee benefits including performance incentives which are expected to be settled within 12 months after the end of the period in which the employee renders related service, are determined as per the Group's policy and recognized as expense based on expected obligation on undiscounted basis.

2.12 Taxation

Income tax expense represents the sum of the current tax payable and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

2.12.1 Current tax

Current tax is measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

2.12.2 Deferred tax

Deferred tax is recognized using the Balance Sheet approach. Deferred Tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in consolidated financial statements. However, the deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill or from initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or losses at the time of the transaction.

Deferred tax asset are recognized 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 utilized.

Deferred tax liabilities are recognized for all taxable temporary differences other than investment in subsidiaries, where the Parent is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31,2022

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

2.13 Earnings per share

The basic earnings/ (loss) per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.14 Research and development costs

Revenue expenditure pertaining to research are charged to the respective heads in Consolidated Statement of Profit and Loss. Development costs of products are also charged to the Consolidated Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, plant and equipment.

2.15 Property, Plant and equipment

Freehold Land is carried at historical cost.

All other items of Property, Plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. The cost of Property, Plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use. Machinery spares which can be used exclusively in connection with an item of Property, Plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent costs are included in the asset's carrying amount are recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Capital work-in-progress:

Items of assets which are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest, if any.

Depreciation

Depreciation is recognised so as to write off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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Estimated useful lives of the tangible assets are as follows:-

Buildings - Freehold	
(i) Factory Building	30 years
(ii) Building (Other than factory building)	60 years
(iii) Others	20 years
Plant and Equipment	
(i) Single Shift	15 years
(ii) Double Shift	10 years
(iii) Triple Shift	7.5 years
Office Equipment	
(i) Computers and Data Processing equipments	3 years
(ii) Servers and Networks	6 years
(iii) Others	5 years
Furniture and Fixtures	10 years
Vehicles	8 years

Depreciation on property, plant and equipment has been provided on the straight-line method as above except in respect of the used / second hand machinery and process bath equipment, in whose case the life of the assets has been assessed to be shorter based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation on assets added / disposed off during the year is provided on pro-rata basis from the month of addition or up to the month prior to the month of disposal, as applicable.

Individual assets costing less than Rs.5,000 each are depreciated in full in the year of acquisition.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in consolidated statement of profit or loss.

2.16 Intangible assets

2.16.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.16.2 Intangible assets acquired in a business combination

Intangible assets acquired in a business combination other than goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

2.16.3 Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

Technical Knowhow	5 years
Computer Software	5 years
Brands and Trademarks	5 years
Patents	5 years

2.17 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is higher of fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in consolidated profit or loss.

2.18 Inventories

Inventories are valued at lower of cost and net realizable value. Cost of raw materials, stores and spares and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour, and an appropriate proportion of overheads. Cost of inventories also include all other costs incurred in bringing the inventories to the present location and condition. Cost is computed on weighted average basis.

Net realisable value represents the estimated selling price for inventories less the estimated costs of completion and estimated costs necessary to make the sale.

Provisions are made for potential obsolescence based on management assessment of aged inventory items.

2.19 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with maturity of 3 months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in values, and bank overdrafts. Bank overdrafts and Book overdrafts are disclosed under "Financial liabilities".

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

2.20 Provisions and Contingencies

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle present obligation at the end of reporting period, taking into account the risk and uncertainties surrounding the

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or where there is an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the consolidated financial statements.

2.21 Financial Instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provision of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in consolidated profit or loss.

2.22 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

2.22.1. Classification of financial assets

Financial Assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as fair value through profit or loss on initial recognition) :

- the asset is held within business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal and interest on the principal amount outstanding.

Financial assets are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss.

Amortised cost are represented by security deposits, cash and cash equivalents and eligible current and non-current assets. Cash and cash equivalent comprise cash on hand and in banks and demand deposit with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the impairment policy on financial assets measured at amortised cost, refer Note 2.22.4

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as fair value through profit or loss on initial recognition) :

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

principal and interest on the principal and interest on the principal amount outstanding.

2.22.2 Investment in equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)

On initial recognition, the group can make an irrevocable election (on an instrument- by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investment in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value. Subsequently, they are measured at fair value with gain and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instrument through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

2.22.3. Financial assets at fair value through profit or loss (FVTPL)

Financial asset at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporate any dividend or interest earned on the financial asset and is included under 'Other income'. Dividend on financial asset at FVTPL is recognised when the group's right to receive the dividends is established. It is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount can be measured reliably.

FVTPL is a residual category for financial assets. Any financial categorisation which is not at amortised cost or as FVTOCI, is classified at FVTPL. In addition, the group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, at FVTPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

2.22.4. Impairment of financial assets

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the group measures the loss allowance for that financial instruments at an amount equal to 12 month expected credit losses. 12 month expected credit losses are portion of the lifetime expected credit losses and represents the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the 12 months.

For trade receivables or any contractual rights to receive cash or another financial assets that result from transactions that are within the scope of Ind AS 115, the group always measures the loss allowance at an amount equal to life time expected credit losses.

Further, for the purposes of measuring lifetime expected credit loss allowance for trade receivables, the group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.23 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Refer Note 30 for segment information presented.

2.24 Rounding Off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs, as per the requirement of Schedule III, unless otherwise stated.

2.25 New standards and interpretations not yet adopted

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified the Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

Description of assets	(Rs. in Lakhs)							
	Land-Freehold	Buildings-Freehold	Buildings-Leasehold	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Block								
Balance as at April 1, 2020	127.52	2,072.22	3.58	9,583.47	998.76	310.55	236.27	13,332.37
Additions	-	548.59	-	599.64	15.78	3.93	-	1,167.94
Disposals	-	-	-	(112.03)	(11.97)	-	(47.34)	(171.34)
Effect of foreign currency translation from functional currency to reporting currency	0.57	8.08	-	0.80	10.33	-	5.85	25.63
Balance as at March 31, 2021	128.09	2,628.89	3.58	10,071.88	1,012.90	314.48	194.78	14,354.60
Balance as at April 1, 2021	128.09	2,628.89	3.58	10,071.88	1,012.90	314.48	194.78	14,354.60
Additions	-	5.56	-	634.32	9.40	3.41	17.71	670.40
Disposals	-	-	(3.58)	(51.61)	(6.11)	(17.67)	-	(78.97)
Effect of foreign currency translation from functional currency to reporting currency	(2.23)	(6.82)	-	(3.13)	(1.19)	-	(1.81)	(15.18)
Balance as at March 31, 2022	125.86	2,627.63	-	10,651.46	1,015.00	300.22	210.68	14,930.85
II. Accumulated depreciation								
Balance as at April 1, 2020	-	807.76	3.58	6,012.44	870.51	210.82	140.87	8,045.98
Depreciation expense for the year (refer note 26)	-	80.02	-	628.17	70.52	22.34	32.41	833.46
Eliminated on disposal of assets	-	-	-	(93.19)	(10.58)	-	(13.89)	(117.66)
Effect of foreign currency translation from functional currency to reporting currency	-	44.93	-	11.75	11.32	-	(17.42)	50.58
Balance as at March 31, 2021	-	932.71	3.58	6,559.17	941.77	233.16	141.97	8,812.36
Balance as at April 1, 2021	-	932.71	3.58	6,559.17	941.77	233.16	141.97	8,812.36
Depreciation expense for the year (refer note 26)	-	90.47	(3.58)	636.97	49.95	21.35	29.80	828.54
Eliminated on disposal of assets	-	-	-	(35.67)	(6.11)	(17.67)	-	(63.03)
Effect of foreign currency translation from functional currency to reporting currency	-	(3.73)	-	(3.42)	(5.82)	-	(10.23)	(23.20)
Balance as at March 31, 2022	-	1,019.45	-	7,157.05	979.79	236.84	161.54	9,554.67
Net carrying value as at March 31, 2021	128.09	1,696.18	-	3,512.71	71.13	81.32	52.81	5,542.24
Net carrying value as at March 31, 2022	125.86	1,608.18	-	3,494.41	35.21	63.38	49.14	5,376.18

Note 3A - Property, plant and equipment

Notes :

- a) Refer to Note 35.1 (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
b) Refer to Note 35.2 and Note 17A for information on property, plant and equipment pledged as security by the Group.

Note 3B: Capital work in progress (CWIP)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	108.92	417.09
Addition during the year to CWIP	50.10	105.69
Capitalised during the year from CWIP	(105.52)	(413.86)
Balance at end of the year	53.50	108.92

Note : Capital work in progress represents expenditure incurred towards plant and equipment.

As at March 31, 2022

CWIP	Amount in CWIP for the period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in progress	49.70	3.24	-	0.56	53.50
Projects temporarily Suspended	-	-	-	-	-

As at March 31, 2021

CWIP	Amount in CWIP for the period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in progress	107.85	-	-	1.07	108.92
Projects temporarily Suspended	-	-	-	-	-

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at end of the year or previous year.

Note 4- Goodwill

A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period

Description of assets	As at March 31, 2022	As at March 31, 2021
Cost		
Balance at beginning of year	10.27	10.27
Additions	-	-
Disposals	-	-
Balance at end of year	10.27	10.27
Accumulated impairment		
Balance at beginning of year	-	-
Impairment losses recognised during the year	-	-
Balance at end of year	-	-
Net Carrying Value	10.27	10.27

Note 5 - Other intangible assets

(Rs. in Lakhs)

Description of assets	Technical Knowhow	Computer Software	Brands and Trademarks	Patents	Total
I. Gross Block					
Balance as at April 1, 2020	202.26	359.79	81.00	50.00	693.05
Additions	-	9.74	-	-	9.74
Disposals	-	-	-	-	-
Effect of foreign currency translation from functional currency to reporting currency	-	(0.05)	-	-	(0.05)
Balance as at March 31, 2021	202.26	369.48	81.00	50.00	702.74
Balance as at April 1, 2021	202.26	369.48	81.00	50.00	702.74
Additions	-	0.15	-	-	0.15
Disposals	-	(0.63)	-	-	(0.63)
Effect of foreign currency translation from functional currency to reporting currency	-	(0.06)	-	-	(0.06)
Balance as at March 31, 2022	202.26	368.94	81.00	50.00	702.20
II. Accumulated amortisation					
Balance as at April 1, 2020	199.73	284.06	60.75	37.50	582.04
Amortisation expense for the year (refer note 26)	2.51	30.93	16.20	10.00	59.64
Eliminated on disposal of assets	-	-	-	-	-
Effect of foreign currency translation from functional currency to reporting currency	-	0.03	-	-	0.03
Balance as at March 31, 2021	202.24	315.02	76.95	47.50	641.71
Balance as at April 1, 2021	202.24	315.02	76.95	47.50	641.71
Amortisation expense for the year (refer note 26)	-	25.80	4.05	2.50	32.35
Eliminated on disposal of assets	-	(0.63)	-	-	(0.63)
Effect of foreign currency translation from functional currency to reporting currency	-	(0.01)	-	-	(0.01)
Balance as at March 31, 2022	202.24	340.18	81.00	50.00	673.42
Net carrying value as at March 31, 2021	0.02	54.46	4.05	2.50	61.03
Net carrying value as at March 31, 2022	0.02	28.76	-	-	28.78

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 6 - Other non-current and current assets

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
(a) Advances to suppliers	105.31	-	131.46	-
(b) Balances with government authorities (other than income taxes)				
(i) Cenvat and custom duty refundable	0.25	-	2.71	-
(ii) GST credit receivable	22.45	-	4.89	-
(iii) VAT credit receivable	6.84	-	0.76	-
(c) Prepayments	147.26	-	155.01	-
(d) Capital advances	-	201.84	-	343.72
(e) Export incentive receivable	12.63	-	74.56	-
(f) Contract assets [refer note (i) and (ii) below]	-	-	179.94	-
(g) Other loans and advances	3.67	-	20.44	-
Unsecured, considered doubtful				
(a) Other loans and advances	47.25	-	48.20	-
Less: Provisions for doubtful loans and advances	(47.25)	-	(48.20)	-
TOTAL	298.41	201.84	569.77	343.72

Notes:- (i) : Contract assets include Rs NIL (March 31, 2021 : Rs. 17.92 lakhs) due from related parties. (refer Note 33).
(ii) : Movement of Contract assets:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	179.94	102.33
Obligation fulfilled during the year	(179.94)	(89.13)
Obligation to be fulfilled	-	166.74
Balance at end of the year	-	179.94

Note 7 - Income tax assets and liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax assets -non current		
Advance income tax paid (net)	258.43	353.10
Total	258.43	353.10
Income tax liabilities - current		
Provision for income tax (net)	85.08	37.66
Total	85.08	37.66

Note 8 - Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Raw materials	1,245.91	1,099.26
(b) Work-in-progress	522.51	637.59
(c) Finished goods	461.25	215.40
(d) Stock-in-trade	364.51	299.85
(e) Stores and spares	224.57	241.92
Total	2,818.75	2,494.02
Included above, goods-in-transit:		
(i) Raw materials	61.02	77.10
(ii) Stock-in-trade	61.31	93.50
Total goods-in-transit	122.33	170.60

Note: The method of valuation of inventories are stated in Note: 2.18.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

SI No	Particulars	As at March 31, 2022		As at March 31, 2021	
		Units (Nos)	Amount	Units (Nos)	Amount
A	Designated as Fair Value Through Profit and Loss Investments in Mutual Funds				
	I. Quoted Investments				
	Nippon India Quarterly Interval Fund-Growth Plan	169,206	49.28	-	-
	Quoted Investments in Mutual Funds (i)		49.28		
	II. Unquoted Investments				
	ICICI Prudential Money Market Fund - Direct Plan - Growth	1,893,954	448.03	18,222	53.81
	ICICI Prudential Corporate Bond Fund- Growth	870,071	333.11	1,893,954	429.70
	ICICI Prudential Money Market Fund-Growth	35,079	104.01	13,848	40.58
	Aditya Birla Sun Life Short Term Fund - Growth -Regular Plan	67,209	360.20	67,209	346.65
	Aditya Birla Sun Life Banking & PSU Debt Fund - Growth Regular Plan	61,500	270.80	14,412	60.92
	Aditya Birla Sun Life Low Duration Fund -Growth Regular Plan	99,117	275.46	60,632	161.17
	Aditya Birla Sun Life Floating Rate Fund - Growth Regular Plan	1,442,437	243.12	-	-
	Nippon India Banking & PSU Debt Fund - Growth Plan	2,286,258	828.31	1,285,184	445.42
	Nippon India Floating Rate Fund - Growth Option	295,555	116.05	782	25.00
	Nippon India Money Market Fund - Growth Plan- Growth Option	186,618	78.93	295,555	112.01
	TATA Short Term Bond Fund Regular Plan A - Growth	2,627,074	625.14	186,618	75.48
	TATA Short Term Bond Fund Direct Plan - Growth	971,568	101.57	915,932	209.36
	TATA Short Term Bond Fund - Plan A Growth	6,109	173.94	-	-
	Baroda Short Term Bond Fund - Regular Plan - Growth	8,114	249.31	6,109	168.03
	Baroda Banking and PSU Bond Fund - Regular Plan - Growth	2,103,110	258.21	30,01	30.01
	SBI Magnum Low Duration Fund-Regular Growth	492,881	230.74	8,114	240.60
	SBI Magnum Ultra Short Duration Fund - Regular Growth	678,602	135.83	3,662,113	433.82
	Inveso India Treasury Advantage Fund -Growth	967,782	152.28	492,881	221.85
	HDFC Ultra Short Term Fund - Regular Growth	4,485	169.79	152,334	53.46
	HDFC Low Duration Fund -Regular Plan Growth	2,251	75.01	678,602	130.53
	L&T Ultra Short Term Fund Direct Plan - Growth	22,035	75.01	-	-
	IDFC Banking & PSU Debt Fund -Regular Plan - Growth	11,612	130.06	-	-
	IDFC Corporate Bond Fund -Regular Plan - Growth	351,427	150.41	-	-
	Tata Money Market Fund Regular Plan-Growth	347,135	313.08	-	-
	TMONG Tata Liquid Fund Regular Plan-Growth	1,690,855	500.64	1,690,855	508.43
	Aditya Birla Sun Life Liquid Fund-Growth Reg Plan				
	Baroda BNP Paribas MoneyMk Fund-Regir Plan Growth				
	DSP Savings Fund-Regular Plan - Growth				
	Aditya Birla SunLife Corp Bond Fund-Growth-RegPlan				
	UOB Asset Management - Sure Daily				
	UNQUOTED INVESTMENTS IN MUTUAL FUND [ii]		6,399.04		3,746.83
	TOTAL INVESTMENTS CARRIED AT FVTPL		6,448.32		3,746.83
	Other disclosures				
	Aggregate cost of quoted investments		49.00		-
	Aggregate market value of quoted investments		49.28		-
	Aggregate Cost of unquoted investments		6,044.66		3,521.43
	Aggregate amount of impairment in value of investments		-		-

Note 9 - Investments

Note 10 - Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables from		
(a) Related parties (refer Note 33)	174.80	192.10
(b) Others	3,296.84	3,491.79
	3,471.64	3,683.89
Less: Expected credit loss allowance	34.48	42.11
Total	3,437.16	3,641.78

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Trade receivables - continued
As at March 31, 2022

Unsecured receivables	Outstanding for the following periods from due date of payment				Total		
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years 2 - 3 years		More than 3 years	
(i) Undisputed Trade receivables - Considered good	2186.26	1,218.06	34.49	11.86	20.65	0.32	3471.64
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	2186.26	1218.06	34.49	11.86	20.65	0.32	3471.64

As at March 31, 2021

Unsecured receivables	Outstanding for the following periods from due date of payment				Total		
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years 2 - 3 years		More than 3 years	
(i) Undisputed Trade receivables - Considered good	2553.38	822.97	232.39	59.15	16.00	-	3683.89
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	2553.38	822.97	232.39	59.15	16.00	-	3683.89

Note 11A - Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Balances with banks in current accounts	1,340.47	1,426.13
(b) Cheques on hand	-	0.39
(c) Cash in hand	1.23	1.19
Total	1,341.70	1,427.71

Note 11B - Bank balances other than above

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Earmarked balances in dividend accounts	24.89	27.04
Total	24.89	27.04

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 12 - Other financial assets

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non- Current	Current	Non- Current
(a) Security deposits	1.93	49.68	8.22	61.11
(b) Employee advances (refer note below)	22.21	-	32.71	-
(c) Non- trade receivables from related parties (refer Note 33)	8.86	-	64.13	-
(d) Rent receivable from related party (refer Note 33)	5.43	-	5.43	-
Total	38.43	49.68	110.49	61.11
Note: Employee advances include loans to employees amounting to	0.40	-	0.38	-

Note - 13: Equity share capital

(Rs. in Lakhs, except for number of shares)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised: 3,000,000 (March 31, 2021: 3,000,000) Equity shares of Rs. 10/- each with voting rights	300.00	300.00
Issued, subscribed and fully paid: 2,000,000 (March 31, 2021: 2,000,000) Equity shares of Rs. 10/- each with voting rights	200.00	200.00
Total	200.00	200.00

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount (Rs. in lakhs)	No. of Shares	Amount (Rs. in lakhs)
Shares outstanding at the beginning of the period	2,000,000	200.00	2,000,000	200.00
Add: Movements during the year	-	-	-	-
Shares outstanding at the end of the period	2,000,000	200.00	2,000,000	200.00

(b) Details of shares held by each shareholder holding more than 5% shares in the Company:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	%	No. of Shares	%
Equity shares :				
Wendt GmbH, Germany	750,000	37.50	750,000	37.50
Carborundum Universal Limited, India	750,000	37.50	750,000	37.50

(c) Details of shares held by Promoters at the end of the year:

Particulars	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	%	% Change during the year	No. of Shares	%	% Change during
Equity shares :						
Wendt GmbH, Germany	750,000	37.50	NIL	750,000	37.50	(2.37)
Carborundum Universal Limited, India	750,000	37.50	NIL	750,000	37.50	(2.37)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

(d) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares with voting rights (one vote per share). The dividends proposed by the Board of directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is approved by the Board of Directors. In the event of liquidation of the Company, the equity shareholders are entitled to receive only the residual assets of the Company. The distribution of dividend is in the proportion to the number of equity shares held by the shareholders.

(e) There are no instances of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of 5 years immediately preceding the Balance Sheet date. Further, there are no contracts or commitments for the sale of shares or disinvestment.

Note 14 - Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
A. Reserves and Surplus		
General reserve	6,884.06	6,613.06
Statutory reserve	46.78	46.78
Retained earnings	8,700.23	7,071.07
B. Items of Other Comprehensive Income		
Foreign Currency Translation Reserve	364.64	407.33
Total	15,995.71	14,138.24

14.1 General Reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	6,613.06	6,484.06
Transfer from retained earnings	271.00	129.00
Balance as at the year end	6,884.06	6,613.06

The general reserve is a free reserve, retained from the Company's profits and can be utilised upon fulfilling certain conditions in accordance with Companies Act, if any.

14.2 Statutory Reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	46.78	45.73
Transfer from retained earnings	-	1.05
Balance as at the year end	46.78	46.78

In accordance with the Group's decision, 10% of the net profit has been set aside as reserve of capital nature for Wendt Middle East FZE, which shall remain indivisible until dissolution and liquidation of the subsidiary.

14.3 Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	7,071.07	6,623.66
Profit for the year	2,706.68	1,276.56
Other comprehensive income arising from remeasurement of defined benefit obligation, net of tax	(53.85)	0.90
Payment of final dividend for the preceding financial year	(400.00)	(500.00)
Payment of interim dividend for the current year	(400.00)	(200.00)
Transfer to general reserve	(271.00)	(129.00)
Transfer to statutory reserve	-	(1.05)
Transfer from Foreign Currency Translation Reserve (refer note 1 - Group Overview & below note)	47.33	-
Balance as at the year end	8,700.23	7,071.07

Retained earnings comprise of the Group's undistributed earnings after taxes.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

14.4 Foreign Currency Translation Reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	407.33	414.20
Movement during the year	4.64	(6.87)
Transfer to retained earnings (refer note 1 - Group Overview and below note)	(47.33)	-
Balance as at the year end	364.64	407.33

Exchange differences relating to the translation of the results and net assets of the Group's foreign subsidiaries from their functional currencies to the Group's presentation currency (i.e. Indian Rupees) are recognised directly in Other Comprehensive Income and accumulated in the foreign currency translation reserve. Exchange differences accumulated in the foreign currency translation reserve are reclassified to Profit or Loss at the time of disposal of respective foreign operation.

Note: Transfer from Foreign Currency Translation Reserve to Retained earnings relates to Wendt Middle East FZE.

14.5 Distributions made and proposed

The amount of per share dividend distributed to equity shareholders during the year ended March 31, 2022 and March 31, 2021 was Rs. 40 and Rs. 35 respectively.

The Board of Directors at its meeting held on April 23, 2021 had recommended a final dividend of 200% (Rs. 20/- per equity share of face value Rs. 10/- each). The proposal was approved by shareholders at the Annual General Meeting held on July 23, 2021, this has resulted in a cash outflow of Rs. 400 lakhs. Also, the Board of Directors at its meeting held on January 21, 2022 had declared an interim dividend of 200% (Rs. 20/- per equity share of face value of Rs. 10/- each). Further, the Board of Directors at its meeting held on April 22, 2022 have recommended a final dividend of 450% (Rs. 45/- per equity share of face value of Rs. 10/- each) which is subject to approval of shareholders in the ensuing annual general meeting.

Note 15 - Deferred tax liabilities

Particulars	March 31, 2022			
	Opening Balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing balance
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment and other intangible assets	240.88	(30.54)	-	210.34
Net gain on fair valuation of mutual funds	55.74	35.48	-	91.22
	296.62	4.94	-	301.56
Tax effect of items constituting deferred tax assets				
Provision for employee benefits	(115.83)	(13.00)	0.65	(128.18)
Loss allowance on trade receivables	(8.33)	(0.35)	-	(8.68)
Tax on unrealised profit on stock	(5.42)	(1.56)	-	(6.98)
Others	(11.89)	(7.34)	-	(19.23)
	(141.47)	(22.25)	0.65	(163.07)
Deferred tax liabilities (net)	155.15	(17.31)	0.65	138.49

Particulars	March 31, 2021			
	Opening Balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing balance
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment and other intangible assets	298.47	(57.59)	-	240.88
Net gain on fair valuation of mutual funds	17.10	38.64	-	55.74
	315.57	(18.95)	-	296.62
Tax effect of items constituting deferred tax assets				
Provision for employee benefits	(120.43)	5.10	(0.50)	(115.83)
Loss allowance on trade receivables	(12.35)	4.02	-	(8.33)
Tax on unrealised profit on stock	(4.48)	(0.94)	-	(5.42)
Others	(8.80)	(3.09)	-	(11.89)
	(146.06)	5.09	(0.50)	(141.47)
Deferred tax liabilities (net)	169.51	(13.86)	(0.50)	155.15

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 16 - Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Trade payables to		
- Micro and small enterprises [refer note (i) below]	138.29	125.97
- Others:		
Related parties (refer note 33)	188.06	342.24
Other than related parties	1,988.84	2,027.87
	2,176.90	2,370.11
Total	2,315.19	2,496.08

Note:

(i) Dues to Micro and Small Enterprises have been determined to the extent such parties, as applicable, have been identified on the basis of information collected by the Management. There were no overdue amounts/interest payable to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 as at the Balance Sheet date or any time during the year.

As at March 31, 2022

Particulars	Unbilled trade payables	Not due	Outstanding for the following period from the due date of payment				Total
			Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
(i) Undisputed Dues - MSME	-	138.29	-	-	-	-	138.29
(ii) Undisputed Dues - Others	277.04	976.05	870.51	21.01	6.55	25.74	2176.90
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
Total	277.04	1114.34	870.51	21.01	6.55	25.74	2315.19

As at March 31, 2021

Particulars	Unbilled trade payables	Not due	Outstanding for the following period from the due date of payment				Total
			Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
(i) Undisputed Dues - MSME	-	125.97	-	-	-	-	125.97
(ii) Undisputed Dues - Others	282.01	1,239.74	813.92	14.39	4.57	15.48	2,370.11
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
Total	282.01	1,365.71	813.92	14.39	4.57	15.48	2,496.08

Note 17A - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
from bank (refer note below)	99.92	99.74
Total	99.92	99.74

Note:

- (i) Secured Short term loan from bank represents Export packing credit availed against export orders by hypothecation of finished goods and trade receivables. This credit carries an interest rate of 2.20% per annum and is repayable against receipt of related trade receivable.
- (ii) First charge on all Property, plant and equipment of the Company except land and building.
- (iii) Details of quarterly statements of current assets filed by the Company with the bank and reconciliation with the books of account for the year ended March 31, 2022:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

a. Inventories

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account (gross)	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for discrepancies
Jun 21	State Bank of India	Inventories	2,446.00	2,488.94	(42.94)	Refer Note below
Sep 21	State Bank of India	Inventories	2,338.00	2,326.21	11.79	
Dec 21	State Bank of India	Inventories	2,496.00	2,519.11	(23.11)	
Mar 22	State Bank of India	Inventories	2,567.94	2,567.94	-	

Note: Difference is on account of adjustment related to provision for inventories recorded in the books of account after submission of the quarterly statement to the bank.

b. Trade receivables

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account (gross)	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for discrepancies
Jun 21	State Bank of India	Receivables	3,318.11	3,371.79	(53.68)	Refer Note below
Sep 21	State Bank of India	Receivables	3,284.42	3,303.51	(19.09)	
Dec 21	State Bank of India	Receivables	3,026.16	3,102.41	(76.25)	
Mar 22	State Bank of India	Receivables	3,312.38	3,286.90	25.48	

Note: Difference is on account of adjustments related to loss allowance, adjustment of customer advance and customer discounts recorded in the books of account after submission of the quarterly statement to the bank.

(iv) Net Cash and Cash equivalent / (debt) reconciliation:

Particulars	March 31, 2022	March 31, 2021
Cash and cash equivalents	1,341.70	1,427.71
Short-term borrowings	(99.92)	(99.74)
Net Cash and Cash equivalent / (debt)	1,241.78	1,327.97

Particulars	Cash and cash equivalents	Short-term borrowings	Net debt
Net Cash and cash equivalent as at April 1, 2020	1,363.86	-	1,363.86
Cash flows	63.85	-	63.85
New borrowings availed	-	99.74	(99.74)
Repayments	-	-	-
Interest expense	-	1.07	(1.07)
Interest paid	-	(1.07)	1.07
Net Cash and cash equivalent as at March 31, 2021	1,427.71	99.74	1,327.97
Cash flows	(86.01)	-	(86.01)
New borrowings availed	-	99.92	(99.92)
Repayments	-	(99.74)	99.74
Interest expense	-	1.60	(1.60)
Interest paid	-	(1.60)	1.60
Net Cash and cash equivalent as at March 31, 2022	1,341.70	99.92	1,241.78

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 17B - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Unclaimed and Unpaid dividends [refer note below]	24.89	27.04
(b) Deposit from related party (refer Note 33)	10.00	10.00
(c) Creditors for capital supplies and services	38.98	35.86
(d) Retention money	8.64	20.93
(e) Due to employees	320.50	260.43
(f) Others	9.04	10.79
Total	412.05	365.05

Note: There are no amounts which has remained unpaid or unclaimed as at Balance sheet date requiring transfer to Investor Education and Protection Fund.

Note 18 - Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Provision for employee benefits		
- Compensated absences (refer note 32)	386.71	335.09
- Gratuity (refer note 32)	122.57	125.14
- Other employee obligations	-	3.03
(b) Provision for Warranty (refer notes below)	12.50	-
Total	521.78	463.26

Notes:

- (i) Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claims and any recent trends that may suggest future claims could differ from historical amounts.
- (ii) Movement in provision for warranty:

Particulars	As at March 31, 2022	As at March 31, 2021
As at beginning of the year	-	-
Provision recognised during the year	12.50	-
Amounts used during the year	-	-
As at end of the year	12.50	-

Note 19 - Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Advances received from customers (refer notes below)	362.25	351.59
(b) Statutory dues payable (other than income taxes)	239.70	175.36
(c) Others	16.17	15.90
Total	618.12	542.85

Notes:

- (i): Advances received from customers includes Rs. 126.21 lakhs (March 31, 2021 : Rs. NIL) received from related parties. (refer Note 33).
- (ii): Movement of Advances received from customers:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	351.59	397.96
Amounts received during the year	307.22	339.64
Amounts recognized as revenue / refunded during the year	(296.56)	(386.01)
Balance at end of the year	362.25	351.59

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 20 - Revenue from operations

Particulars	Year ended	
	March 31, 2022	March 31, 2021
(i) Revenue from contract with customers		
(a) Sale of products [refer notes (i) and (iii) below]	16,105.15	12,466.66
(b) Sale of services [refer notes (ii) and (iii) below]	1,619.33	1,099.89
	17,724.48	13,566.55
(ii) Other operating income [refer note (iv) below]	156.67	95.55
Total	17,881.15	13,662.10

Notes:

(i) - Details of sale of products

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Manufactured products	13,341.16	10,276.80
Traded products	2,763.99	2,189.86
Total - sale of products	16,105.15	12,466.66

(ii) - Details of sale of services

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Machining charges	1,444.07	952.17
Others	175.26	147.72
Total - sale of services	1,619.33	1,099.89

(iii) - Other disclosures required under Ind AS 115

- (a) All the revenue contracts are for periods of one year or less. Hence as permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.
- (b) Refer note 30 for disclosure of disaggregated revenue.
- (c) Reconciliation of revenue recognised with contract price

Particulars	March 31, 2022	March 31, 2021
Contract price	17,724.48	13,566.55
Adjustment towards variable consideration	-	-
Revenue from sale of products and services	17,724.48	13,566.55

(iv) - Details of other operating income

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Sale of scrap	75.26	31.78
Commission	33.71	13.51
Export incentives	47.70	50.26
Total - other operating income	156.67	95.55

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 21 - Other income

Particulars	Year ended	
	March 31, 2022	March 31, 2021
(a) Interest income		
- On income tax refund	39.95	-
- Others	0.04	13.53
(b) Rental income	55.20	55.20
(c) Net gain on sale of current investments	32.51	45.82
(d) Net gain arising on financial assets designated as at fair value through profit or loss	142.27	154.86
(e) Net foreign exchange differences	79.32	35.50
(f) Loss allowance for trade receivables no longer required, written back	16.31	19.49
(g) Liabilities no longer required, written back	8.29	35.05
(h) Miscellaneous income	12.84	37.04
Total	386.73	396.49

Note 22 - Cost of materials consumed

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Opening stock	1,099.26	1,048.14
Add: Purchases (refer note below)	4,823.81	3,544.19
	5,923.07	4,592.33
Less: Closing stock [refer note 8 (a)]	1,245.91	1,099.26
Cost of materials consumed	4,677.16	3,493.07

Note: Purchases includes adjustments on account of physical inventory verification, shortages, etc.

Note 23 - Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Opening stock		
Work - in - progress	637.59	1,030.80
Finished goods	215.40	269.09
Stock-in- trade	299.85	204.80
	1,152.84	1,504.69
Closing stock		
Work - in - progress	522.51	637.59
Finished goods	461.25	215.40
Stock-in- trade	364.51	299.85
	1,348.27	1,152.84
Net (increase) / decrease	(195.43)	351.85

Note 24 Employee benefits expense

Particulars	Year ended	
	March 31, 2022	March 31, 2021
(a) Salaries, wages and bonus	2,795.60	2,661.73
(b) Contribution to provident and other funds (refer note 32C)	208.66	207.67
(c) Staff welfare expenses	320.22	275.62
Total	3,324.48	3,145.02

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Note 25 Finance costs

Particulars	Year ended	
	March 31, 2022	March 31, 2021
(a) Interest expense on current borrowing	1.60	1.07
(b) Interest - others	0.49	1.59
Total	2.09	2.66

Note 26 Depreciation and amortisation expense

Particulars	Year ended	
	March 31, 2022	March 31, 2021
(a) Depreciation of property, plant and equipment (refer note 3A)	828.54	833.46
(b) Amortisation of intangible assets (refer note 5)	32.35	59.64
Total	860.89	893.10

Note 27 - Other Expenses

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Stores and spares consumed	827.29	533.94
Contract labour	100.63	39.29
Repairs and maintenance		
- Buildings	84.25	68.33
- Machinery	143.11	93.97
- Others	21.77	18.56
Power and fuel charges	315.62	281.52
Freight outward and packing charges (net)	278.68	202.47
Rental charges	7.51	22.01
Processing charges	854.22	559.09
Sitting fees paid to non-executive directors	11.80	8.90
Commission to non-executive directors	17.00	15.25
Rates and taxes	72.01	52.53
Expenditure on Corporate Social Responsibility (refer Note 36)	32.13	32.02
Insurance	41.05	40.62
Selling commission	61.92	205.21
Bad trade receivables written off	24.70	16.96
Less:- Transferred from provision	23.34	16.84
Loss Allowance for trade receivables (refer note 29.3.2)	31.80	27.79
Auditors remuneration		
As auditors		
Statutory audit	15.58	15.87
Tax audit and certificates	1.00	1.00
Reimbursement of expenses	2.04	1.00
Bank charges	61.14	64.78
Service fee	207.90	162.20
Professional expenses	206.74	171.79
Electronic Data Processing (EDP) Charges	97.48	139.61
Advertisement and sales promotion expenses	243.39	191.01
Warranty expenses	12.50	-
Travelling and conveyance expenses	152.01	82.77
Communication expenses	23.89	27.56
Loss on sale / discarding of property, plant and equipment (net)	15.37	31.78
Miscellaneous expenses	196.54	206.37
Total	4,137.73	3,297.36

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Note 28 - Income tax recognised in profit or loss

(a) Income tax expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
In respect of the current year	972.43	437.70
In respect of the prior years	28.94	-
	1,001.37	437.70
Deferred tax		
In respect of the current year	(17.31)	(13.86)
	(17.31)	(13.86)
Total	984.06	423.84

(b) Numerical Reconciliation between average effective tax rate and applicable tax rate :

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	3,690.74	1,700.40
Income Tax using the Company's domestic Tax rate of 25.17% (March 31, 2021 - 25.17%)	928.89	427.96
Effect of expenses that are not deductible in determining taxable profit	8.08	8.19
Effect of different overseas tax rates	(8.95)	(16.38)
Others	27.10	4.07
	955.12	423.84
Adjustment recognised in the current year in relation to current tax of previous years	28.94	-
Income tax recognised in statement of profit and Loss	984.06	423.84

Note:

1) The tax impact for deferred tax purposes has been arrived by applying a tax rate of 25.17% (March 31, 2021 : 25.17%) being the prevailing tax rate applicable for the Company for the financial year ending March 31, 2022 under the Income tax Act, 1961.

(c) Unused tax losses for which no deferred tax asset has been recognised	10.87	10.87
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Unused tax losses relate to long term capital losses on which no deferred tax asset has been recognised due to uncertainty. These losses can be carried forward for a period of 8 assessment years from the year in which the loss was incurred.

Note 29 - Financial Instruments

29.1 Capital Management

The capital includes issued equity share capital and all other equity reserves attributable to the equity holders. The Group's objectives when managing capital is to safeguard their ability to continue as a going concern while maximizing the return to shareholders through the optimisation of cash and cash equivalents along with investment which is predominantly investment in liquid and short term mutual funds.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

29.2 Categories of financial instruments

The carrying value and fair value of financial instruments by categories as of March 31, 2022 and March 31, 2021 were as follows:

Particulars	Carrying Amount		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Financial Assets				
Measured at fair- value through profit and loss (FVTPL)				
Investments	6,448.32	3,746.83	6,448.32	3,746.83
Measured at amortised cost				
- Trade receivables	3,437.16	3,641.78	3,437.16	3,641.78
- Cash and cash equivalents	1,341.70	1,427.71	1,341.70	1,427.71
- Other bank balances	24.89	27.04	24.89	27.04
- Other financial assets	88.11	171.60	88.11	171.60
Total financial assets	11,340.18	9,014.96	11,340.18	9,014.96
Financial Liabilities				
Measured at amortised cost				
- Trade payables	2,315.19	2,496.08	2,315.19	2,496.08
- Other financial liabilities	412.05	365.05	412.05	365.05
- Borrowings	99.92	99.74	99.92	99.74
Total financial liabilities	2,827.16	2,960.87	2,827.16	2,960.87

The management assessed that fair value of cash and short- term deposits, trade receivables, trade payables, borrowings and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- i) The fair value of the quoted mutual funds is based on price quotations at reporting date and unquoted mutual funds is based on the net asset value published by the asset management company at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debtor similar terms, credit risk and remaining maturities.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e.as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets measured at fair value on recurring basis as at March 31, 2022 and March 31, 2021.

Particulars	Note	Total	Fair value measurement using		
			Prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets designated at FVTPL:					
As at March 31, 2022					
- Investment in mutual funds	9	6,448.32	6,448.32	-	-
As at March 31, 2021					
- Investment in mutual funds	9	3,746.83	3,746.83	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

The following table presents the assets and liabilities which are measured at amortized cost for which fair values are disclosed as at March 31, 2022 and March 31, 2021.

Particulars	Note	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2022					
Financial assets measured at amortized cost:					
- Trade receivables	10	3,437.16	-	-	3,437.16
- Cash and cash equivalents	11A	1,341.70	-	-	1,341.70
- Other bank balances	11B	24.89	-	-	24.89
- Other financial assets	12	88.11	-	-	88.11
Financial liabilities measured at amortized cost:					
- Trade payables	16	2,315.19	-	-	2,315.19
- Other financial liabilities	17B	412.05	-	-	412.05
- Borrowings	17A	99.92	-	-	99.92
As at March 31, 2021					
Financial assets measured at amortized cost:					
- Trade receivables	10	3,641.78	-	-	3,641.78
- Cash and cash equivalents	11A	1,427.71	-	-	1,427.71
- Other bank balances	11B	27.04	-	-	27.04
- Other financial assets	12	171.60	-	-	171.60
Financial liabilities measured at amortized cost:					
- Trade payables	16	2,496.08	-	-	2,496.08
- Other financial liabilities	17B	365.05	-	-	365.05
- Borrowings	17A	99.74	-	-	99.74

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

29.3 Financial Risk management objectives and policies

The Group treasury function provides service to the business, co-ordinates access to domestic and international financial markets monitors and manages the financial risks relating to the operations of the group through internal risk report which analyze exposures by degree and magnitude of risk. These risk include market risk, currency risk, interest risk, price risk, credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using policies approved by the board of directors, which provide written principles on interest risk, credit risk and investment of excess liquidity. The group does not enter into trade financial instruments for speculative purpose.

The Group treasury function reports quarterly to the senior management team that monitors risk and policies implemented to mitigate risk exposures.

29.3.1 Market risk

The Group is exposed primarily to the financial risk of change in foreign currency exchange rate. The group transacts in various foreign currencies. Foreign currencies are recognised at the rate of exchange prevailing at the date of transaction. The group being a net exporter, follows the policy of natural hedging of foreign exchange transactions. There is a net foreign exchange gain in the current and previous year.

29.3.1 (a) Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies, consequently, the group is exposed to exchange rate fluctuations. The Group, being a net exporter, follows the policy of natural hedging of foreign exchange earnings and outflow and hence it does not take any forward covers.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

The carrying amounts of the group's foreign currency (unhedged) denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	March 31, 2022				March 31, 2021			
	AED (in lakhs)	Thai Baht (in lakhs)	Foreign Currency (in lakhs)	INR (in lakhs)	AED (in lakhs)	Thai Baht (in lakhs)	Foreign Currency (in lakhs)	INR (in lakhs)
Creditors against Import of goods, capital items and Services								
USD	-	-	4.96	379.80	-	-	8.09	601.29
USD	-	36.54	-	83.59	-	71.59	-	166.73
USD	-	-	-	-	3.89	-	-	76.74
EUR	-	-	1.42	122.66	-	-	1.42	124.27
GBP	-	-	0.12	12.40	-	-	0.14	14.35
CHF	-	-	0.04	3.13	-	-	-	-
JPY	-	-	-	-	-	-	14.30	9.66
KRW	-	-	-	-	-	-	14.81	0.99
				601.58				994.03
Trade and other receivables								
USD	-	-	4.81	360.07	-	-	12.56	912.77
EUR	-	-	3.67	304.64	-	-	2.46	208.20
GBP	-	-	0.36	35.61	-	-	0.37	36.93
				700.32				1,157.90

The sensitivity of impact on profit or loss of the Group to changes in the exchange rates, individual currency wise, is summarized below:-

Currency Sensitivity	Impact on profit before tax (in %)	
	March 31, 2022	March 31, 2021
USD Sensitivity		
INR/USD - Increase by 1%	0.01%	0.20%
INR/USD - Decrease by 1%	(0.01%)	(0.20%)
EUR Sensitivity		
INR/EUR - Increase by 1%	0.05%	0.05%
INR/EUR - Decrease by 1%	(0.05%)	(0.05%)

29.3.2 Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The customers are broadly classified into high risk and medium risk, accordingly credit limit exposure is fixed. The group carries out payment performance review of all customers and based on this analysis, risk category of customers are evaluated annually. Further, the utilization of credit limit is regularly monitored through inbuilt locks in the ERP system.

Details of loss allowance

Particulars	As at March 31, 2022		As at March 31, 2021	
	Gross carrying amount	Expected Credit Loss (%)	Gross carrying amount	Expected Credit Loss (%)
Within the credit period	2,186.26	0.1	2,553.38	0.1
1-180 days past due	1,218.06	0.60	822.97	1
181-365 days past due	34.49	5	232.39	5
365-720 days past due	11.86	25	59.15	20
> 721 days past due	20.97	100	16.00	50

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022 (Rs. in Lakhs)

Reconciliation of loss allowance

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	42.11	50.90
Amounts recognised in the year (refer note 27)	31.80	27.79
Amounts written off during the year (refer note 27)	(23.34)	(16.84)
Reversal during the year (refer note 21)	(16.31)	(19.49)
Exchange differences	0.22	(0.25)
Balance at end of the year	34.48	42.11

29.3.3 Liquidity Risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's business and reputation.

The group regularly reviews its receivables, inventory and other working capital elements to mitigate any liquidity concerns. Any surplus from the business funds needs is parked in debt mutual funds (liquid / liquid plus) from reputed Asset Management Companies to provide day to day working capital.

Also, the group has unutilized credit limits with bank.

The following table presents the maturity period of all financial liabilities as at March 31, 2022 and March 31, 2021.

Particulars	Note	Contractual cash flows			
		Carrying amount	Less than 1 year	1 - 2 years	More than 2 years
As at March 31, 2022					
Financial liabilities measured at amortized cost:					
- Trade payables	16	2,315.19	2,315.19	-	-
- Other Financial Liabilities	17B	412.05	412.05	-	-
- Borrowings	17A	99.92	99.92	-	-
As at March 31, 2021					
Financial liabilities measured at amortized cost:					
- Trade payables	16	2,496.08	2,496.08	-	-
- Other Financial Liabilities	17B	365.05	365.05	-	-
- Borrowings	17A	99.74	99.74	-	-

Note 30 - Segment Disclosures

30.1 Products and services from which reportable segments derive their revenue

The Chief Executive Officer (CEO) of the holding Company has been identified as the Chief Operating Decision Maker (CODM) of the Group as defined by Ind AS 108, Operating Segments. Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

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

a) Super Abrasives b) Machines, Accessories and Components and c) Others

The "Others" segment includes other trading products.

The above segments have been identified taking into account the organisation structure as well as the differing risks and returns of these segments. The Group has identified business segments as its primary segments. The reportable business segments are in line with the segment wise information which is being presented to the CODM.

2) Segment revenue and expenses have been identified to segments on the basis of their relationships to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "Other un-allocable Expenditure".

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

30.2 Segment Revenues and Results

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1. Segment Revenue		
a) Super Abrasives	11,254.52	8,382.28
b) Machines, Accessories and Components	4,761.11	3,889.28
c) Others	1,708.86	1,294.99
Total	17,724.49	13,566.55
Less:- Inter Segment Revenue	-	-
Revenues from contract with customers	17,724.49	13,566.55
2. Segment Results		
a) Super Abrasives	2,578.69	1,377.56
b) Machines , Accessories and Components	1,191.20	606.09
c) Others	312.24	240.97
Total	4,082.13	2,224.62
Less: (i) Finance costs	2.09	2.66
(ii) Other Un-allocable expenditure net of un-allocable income	389.30	521.56
Profit before tax	3,690.74	1,700.40

30.3 Revenue by Geographical market

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
India	11,858.18	8,637.64
Outside India	5,866.31	4,928.91
Total Revenues	17,724.49	13,566.55

30.4 Segment assets

Segment assets and Segment liabilities of the group's business other than inventory and receivables have not been identified to any reportable segment, as these are used interchangeably between segments.

Particulars	March 31, 2022	March 31, 2021
a) Super Abrasives	3,904.72	4,016.51
b) Machines, Accessories and Components	2,021.62	1,791.61
c) Others	329.57	327.69
Total segment assets	6,255.91	6,135.81
Unallocated assets	14,130.43	12,362.22
Total assets as per Balance sheet	20,386.34	18,498.03

30.5 Non current assets by geographical market other than financial assets and income tax assets

Particulars	March 31, 2022	March 31, 2021
India	5,471.38	5,835.59
Outside India	199.19	230.70
Total non current assets	5,670.57	6,066.29

30.6 Information about major customers

No single customer represents 10% or more of the Group's total revenue for the year ended March 31, 2022 and March 31, 2021.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Note 31 - Leases

As a Lessee

The Group has entered into operating lease arrangements for leased accommodation which is for a period of 12 months. The leases are cancellable at the option of the lessee.

This leases are short term leases and does not include any variable payment terms.

Amounts recognised in the Statement of Profit and Loss:

The statement of profit or loss shows the following amount related to leases:

Disclosures under Ind AS 17 for the previous year

Particulars	March 31, 2022	March 31, 2021
Lease rentals recognised in the Statement of Profit and Loss (Refer Note 27)	7.51	22.01

As a Lessor

The Company has entered into operating lease arrangements and leased out a portion of its factory building to a related party, which is for a period of less than 12 months.

This lease is a short term lease and does not include any variable payment terms.

Amounts recognised in the Statement of Profit and Loss:

The statement of profit or loss shows the following amount related to leases:

Particulars	March 31, 2022	March 31, 2021
Lease rental income recognised in the Statement of Profit and Loss (Refer Note 21)	55.20	55.20

Details of the Factory Building (leased out portion) are as given below:

Particulars	March 31, 2022	March 31, 2021
Gross carrying amount	294.22	294.22
Less: Accumulated depreciation	6.54	1.63
Net carrying amount	287.68	292.58

The depreciation recognized in respect of the leased out portion of the factory building for the year is Rs.4.91 lakhs (March 31, 2021 Rs.1.84 lakhs).

There are no contingent rents receivable and there are no direct operating expenses related to the above building.

Note 32 - Employee Benefits

Defined Contribution Plans

The Group operates defined contribution benefit plans for all qualifying employees.

Superannuation fund, Provident fund, Social Security Fund and pension fund are defined contribution plans towards which the group makes contribution at predetermined rates to the Superannuation Trust funded with Life Insurance Corporation Of India and the Regional Provident Fund Commissioner respectively. The same is debited to the consolidated statement of profit and loss based on the amount of contribution required to be made as and when services are rendered by the employees. The Company has no further payment obligation once the contributions have been paid.

Defined Benefit Plans

The Company is having defined benefit plan namely gratuity for all qualifying employees of the company.

The liability for gratuity to employees as at the balance sheet date is determined on the basis of actuarial valuation using projected Unit Credit method. The amount is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India.

Remeasurement, comprising actuarial gain and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to profit or loss.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

The plans typically expose the company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using the discount rate which is determined by reference to market yield at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period. If the return on plan asset is below this rate, it will create a plan deficit.
Interest rate risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

A. Gratuity

The following tables set out the funded status of the gratuity plans and the amounts recognised in the Company's financial statements as at March 31, 2022 and March 31, 2021:

(a) Change in defined benefit obligation

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation at beginning of period	665.60	748.39
Service cost		
a) Current service cost	48.81	47.97
b) Past service cost	-	-
c) (Gain) / loss on settlements	-	-
Interest expenses	39.79	40.40
Benefits Paid	(73.80)	(158.98)
Remeasurements	-	-
a) Effect of changes in demographic assumptions	-	-
b) Effect of change in financial assumptions	43.15	(15.43)
c) Effect of experience adjustments	38.31	3.25
Transfer in	25.00	-
Defined benefit obligation at end of period	786.86	665.60

(b) Change in fair value of plan assets

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at beginning of period	540.46	625.22
Interest Income	38.13	35.21
Contributions	125.00	50.00
Benefits Paid	(73.80)	(158.98)
Remeasurements		
a) Return on plan assets (excluding interest income)	9.50	(10.99)
Transfer in	25.00	-
Fair value of plan assets at end of period	664.29	540.46

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

(c) Amounts recognized in the Balance Sheet

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation	786.86	665.60
Fair value of plan assets	(664.29)	(540.46)
Effect of asset ceiling	-	-
Net defined benefit liability / (asset)*	122.57	125.14

* Included under provision for employee benefits in Note 18 - "Provisions"

(d) Amounts recognized in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Service Cost	48.81	47.97
Net interest cost	1.66	5.19
Net Gratuity Cost in the consolidated statement of profit and loss *	50.47	53.16

* Included under contribution to provident and other funds in Note 24 - "Employee benefits expense"

(e) Amounts recognized in the Other Comprehensive Income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurement of the net defined benefit liability / (asset)		
Actuarial (gains) / losses	81.46	(12.19)
(Return) / Loss on plan assets excluding amounts included in the net interest on the defined benefit liability / (asset)	(9.50)	10.99
Net Cost in Other Comprehensive Income	71.96	(1.20)

(f) Composition of plan assets

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fund with an Insurance Company	664.29	540.46

(g) Significant actuarial assumptions

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate	6.96%	6.33%
Salary escalation rate	11.50%	10.00%
Attrition Rate	7.00%	7.00%
Retirement Age	58 years	58 years
Pre-retirement mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

(h) Sensitivity analysis - DBO end of Period

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate +100 basis points	726.99	615.69
Discount rate -100 basis points	855.68	722.87
Salary Increase Rate +1%	847.64	717.04
Salary Increase Rate -1%	732.49	619.66
Attrition Rate +1%	769.72	653.13
Attrition Rate -1%	806.42	679.74

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual changes in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(i) Expected cash flows for following year

Particulars	As at March 31, 2022	As at March 31, 2021
Expected employer contributions	76.23	47.72
Expected total benefit payments		
Year 1	52.71	93.24
Year 2	76.12	45.28
Year 3	43.78	49.70
Year 4	50.63	36.89
Year 5	51.05	44.74
Next 5 years	287.95	227.50

The weighted average duration of the defined benefit obligation is 9 years (March 31, 2021: 9 years)

B. Compensated Absences

(a) Charge to Statement of Profit and Loss and Liability

Particulars	As at March 31, 2022	As at March 31, 2021
Charge / (credit) in the Statement of Profit and Loss	82.03	62.28
Liability as at the year end	386.71	335.09

The entire amount of provision is presented as current since the Company does not have an unconditional right to defer settlement of any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months. The leave obligation not expected to be settled within the next 12 months amounts to Rs. 241.13 lakhs (March 31, 2021 : Rs. 202.09 lakhs).

(b) Actuarial Assumptions

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate	6.96% p.a.	6.33% p.a.
Salary Escalation Rate	11.50% p.a.	10.00% p.a.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

C. Defined Contribution Plans

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employers' Contribution to Provident Fund *	72.38	67.56
Employers' Contribution to Superannuation Fund *	25.22	24.84
Employers' Contribution to Employee's Pension Scheme 1995 *	60.59	62.11
Employers' Contribution to Employee's State Insurance #	8.55	9.32
Employers' Contribution to Social security Fund #	1.83	1.76

* Included in contribution to provident and other funds

Included in staff welfare expenses

Note 33 - Related Party Disclosures

1) List of Related parties

i) Investors with significant influence (SI) and their subsidiaries, with whom transactions have taken place during the year

- (a) Carborundum Universal Limited
 - (1) Cumi America Inc, USA
 - (2) Cumi (Australia) Pty Ltd, Australia
 - (3) Cumi Abrasives & Ceramics Company Ltd, China
 - (4) NetAccess India Ltd, India
 - (5) Sterling Abrasives Limited, India
 - (6) Cumi Middle East FZE, UAE

- (b) Wendt GmbH Germany
 - (1) Winterthur Technologie France
 - (2) Winterthur Technology Iberica
 - (3) 3M Wixom USA
 - (4) 3M UK Winterthur Technology
 - (5) 3M Montrose-3MUS-CO
 - (6) 3M Australia Pty Limited, Australia
 - (7) 3M Svenska AB, Sweden
 - (8) 3M Royersford - 3MUS-PA

ii) Company in which Key Managerial Personnel (KMP) / Director is a director and with whom transactions have taken place during the year

- (a) Pragati Transmission Private Limited
- (b) Tespa Tools Private Limited (till January 22, 2021)
- (c) Tespa Calibration Services (till January 22, 2021)
- (d) Micromatic Machine Tools Private Limited
- (e) Ace Designers Limited

iii) KMP with whom transactions have taken place during the year

- Mr. Rajesh Khanna, Executive Director & CEO (till October 31, 2020); Non-Executive Director (from November 1, 2020)
- Mr. Srikanth C, CEO (from April 01, 2021) (CEO-Designate from November 01, 2020 till March 31, 2021)
- Mr. Shrinivas G Shirgurkar, Non-Executive Director
- Mr. K S Shetty, Non-Executive Director (till January 22, 2021)
- Mr. M Lakshminarayan, Non-Executive Director
- Mrs. Hima Srinivas, Non-Executive Director
- Mr. Bhagya Chandra Rao, Non-Executive Director (from January 22, 2021)

iv) Relatives of KMP with whom transactions have taken place during the year

- Mrs. Preethi Khanna - Wife of Mr. Rajesh Khanna

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

2) Transaction with related parties during the year ended March 31, 2022 and March 31, 2021 are as follows:

Particulars	Nature of relationship	March 31, 2022	March 31, 2021
Purchase of Capital Goods			
Carborundum Universal Limited	Investor with SI	0.17	5.21
Other Purchases			
Wendt Gmbh	Investor with SI	200.94	128.86
Carborundum Universal Limited	Investor with SI	735.23	499.61
Cumi Abrasives & Ceramics Company Ltd	Subsidiary of Investor with SI	24.48	-
Sterling Abrasives Limited	Subsidiary of Investor with SI	26.92	18.86
Net Access India Limited	Subsidiary of Investor with SI	17.31	22.97
Micromatic Machine Tools Private Limited	Company in which KMP/Director is a director	1.12	0.25
Ace Designers		2.95	-
Tespa Tools Pvt Ltd		-	0.29
Tespa Calibration Services		-	0.04
		1,008.94	670.88
Sale of Goods and Services			
Wendt Gmbh	Investor with SI	336.49	181.55
Carborundum Universal Limited	Investor with SI	328.90	304.33
Cumi America Inc	Subsidiary of Investor with SI	283.77	237.24
CUMI (Australia) Pty Ltd	Subsidiary of Investor with SI	2.87	0.56
Cumi Abrasives & Ceramics Company Ltd	Subsidiary of Investor with SI	60.05	98.66
Cumi Middle East	Subsidiary of Investor with SI	5.61	-
Winterthur Technologie France	Subsidiary of Investor with SI	13.14	14.49
Winterthur Technology Iberica	Subsidiary of Investor with SI	70.71	54.34
3M Wixom USA	Subsidiary of Investor with SI	-	32.96
3M UK Winterthur Technology	Subsidiary of Investor with SI	61.07	90.79
3M Royersford - 3MUS-PA	Subsidiary of Investor with SI	0.28	-
3M Montrose-3MUS-CO	Subsidiary of Investor with SI	29.76	-
3M Svenska AB	Subsidiary of Investor with SI	1.72	-
3M Australia	Subsidiary of Investor with SI	0.11	2.82
Sterling Abrasives Limited	Subsidiary of Investor with SI	8.09	5.91
Pragati Transmission Private Limited	Company in which KMP/Director is a director	2.29	1.73
		1,204.86	1,025.38

Transaction with related parties during the year (continued)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022
(Rs. in Lakhs)

Transaction with related parties during the year (continued)

Particulars	Nature of relationship	March 31, 2022	March 31, 2021
Payment of Rent			
Mr. Rajesh Khanna	KMP	-	5.51
Ms. Preethi Khanna	Relative of KMP	-	5.51
		-	11.02
Payment of Managerial Remuneration			
Mr. Rajesh Khanna	KMP	-	112.10
Mr. Srikanth C	KMP	77.45	-
		77.45	112.10
Payment of Managerial Remuneration-Retirals			
Mr. Rajesh Khanna - Gratuity Payment	KMP	-	92.49
Mr. Rajesh Khanna - Compensated absences	KMP	-	36.21
		-	128.70
Payment of Service Fee			
Carborundum Universal Limited	Investor with SI	207.90	162.20
Payment of Dividend			
Carborundum Universal Limited	Investor with SI	300.00	274.34
Wendt GmbH Germany	Investor with SI	300.00	274.34
		600.00	548.68
Service Charges, Commission & Rent receipts			
Wendt GmbH Germany	Investor with SI	33.71	13.51
Carborundum Universal Limited	Investor with SI	55.20	55.20
		88.91	68.71
Reimbursement of Expenses - Paid			
Carborundum Universal Limited	Investor with SI	43.32	78.29
Reimbursement of Expenses - Received			
Wendt GmbH Germany	Investor with SI	-	27.59
Carborundum Universal Limited	Investor with SI	36.64	46.52
		36.64	74.11
Sitting fees paid			
Mr. Shrinivas G Shirgurkar	KMP	2.70	2.60
Mr. K S Shetty	KMP	-	0.50
Mr. M Lakshminarayan	KMP	2.30	2.50
Ms. Hima Srinivas	KMP	2.30	2.10
Mr. Bhagya Chandra Rao	KMP	3.10	0.70
Mr. Rajesh Khanna	KMP	1.40	0.50
		11.80	8.90
Commission paid			
Mr. Shrinivas G Shirgurkar	KMP	3.00	3.00
Mr. K S Shetty	KMP	-	2.44
Mr. M Lakshminarayan	KMP	3.00	3.00
Ms. Hima Srinivas	KMP	5.00	5.00
Mr. Bhagya Chandra Rao	KMP	3.00	0.57
Mr. Rajesh Khanna	KMP	3.00	1.24
		17.00	15.25

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

3) The details of amounts due to or due from related parties as at March 31, 2022 and March 31, 2021 are as follows:

Particulars	Nature of relationship	March 31, 2022	March 31, 2021
Trade receivables and other financial assets			
Wendt Gmbh	Investor with SI	39.56	68.28
Carborundum Universal Limited	Investor with SI	42.23	94.10
Cumi America Inc	Subsidiary of Investor with SI	73.83	39.45
Cumi Abrasives & Ceramics Company Ltd	Subsidiary of Investor with SI	15.20	39.26
Cumi Middle East Fze	Subsidiary of Investor with SI	0.45	-
Cumi (Australia) Pty Ltd	Subsidiary of Investor with SI	0.06	-
Winterthur Technologie France	Subsidiary of Investor with SI	-	0.27
Winterthur Technology Iberica	Subsidiary of Investor with SI	14.66	16.17
3M UK Winterthur Technology	Subsidiary of Investor with SI	-	19.93
3M Montrose-3MUS-CO	Subsidiary of Investor with SI	2.08	-
Sterling Abrasives Limited	Subsidiary of Investor with SI	1.02	2.12
		189.09	279.58
Trade payables and other financial liabilities			
Wendt Gmbh	Investor with SI	29.25	69.29
Carborundum Universal Limited	Investor with SI	200.92	267.67
Cumi America Inc	Subsidiary of Investor with SI	81.91	-
Net Access India Limited	Subsidiary of Investor with SI	6.76	7.63
Micromatic Machine Tools Private Limited	Company in which KMP/ Director is a director	0.73	0.03
Sterling Abrasives Limited		2.00	7.62
Ace Designers		2.70	-
		324.27	352.24

Particulars	Nature of relationship	March 31, 2022	March 31, 2021
Commission payable			
Mr. Shrinivas G Shirgurkar	KMP	3.00	3.00
Mr. K S Shetty	KMP	-	2.44
Mr. M Lakshminarayan	KMP	3.00	3.00
Ms. Hima Srinivas	KMP	5.00	5.00
Mr. Bhagya Chandra Rao	KMP	3.00	0.57
Mr. Rajesh Khanna	KMP	3.00	1.24
		17.00	15.25

4) The details of compensation to key management personnel are as follows:

Particulars	March 31, 2022	March 31, 2021
Short term benefits	64.59	83.37
Post-Employment Benefits	12.57	9.41
Other benefits	0.29	19.32
Retirals	-	128.70
Sitting fees and commission	28.80	24.15

The related party relationships are as identified by the Company, on the basis of information available with the Company. Transactions with related parties in the nature of sale of goods, rendering of services, purchase of goods, procurement of services and others are at arm's length price.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Note 34 - Earning per share (EPS) (Rs. in lakhs except number of shares)

Particulars	March 31, 2022	March 31, 2021
(a) Profit for the year	2,706.68	1,276.56
b) Weighted average number of equity shares	2,000,000	2,000,000
c) Nominal value of shares (in rupees)	10	10
Earnings per share (in rupees) - Basic and diluted	135.34	63.83

Note : There is no dilution to the Basic Earnings per Share as there are no dilutive potential equity shares.

Note 35 - Contingent liability and Commitments

35.1 Commitments

Particulars	March 31, 2022	March 31, 2021
(a) Estimated amount of contracts remaining to be executed on capital account (in respect of tangible assets) and not provided for (net of advances Rs. 201.84 lakhs, March 31, 2021: Rs. 343.72 lakhs)	555.94	688.01
b) Other Commitments	-	-

35.2 The Company has a working capital limit with State Bank of India (secured by hypothecation of stock and book debts and collateral charge on all Property, plant and equipment (other than land and building) and with ICICI Bank.

35.3 The Group does not have any pending litigations that would impact its financial position as at March 31, 2022.

Note 36 - Corporate Social Responsibility (CSR)

Particulars	2021-2022	2020-2022
CUMI Centre for Skills Development - Skill Development Centre	24.63	23.52
Hosur Industrial Association- Skill development centre	7.50	7.50
Seva Bharathi Trust	-	1.00
Total	32.13	32.02

(a) Gross amount required to be spent by the company during the year :- Rs. 32.13 lakhs (March 31, 2021 : Rs. 32.02 lakhs)

(b) Amount spent by the company during the year:

Particulars	In Cash*	Yet to be paid in cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	32.13	-	32.13
- in 2021-22	8.50	23.52	32.02
- in 2020-21		(note below)	

Note: Cash paid during the year ended March 31, 2022.

Details of ongoing CSR Projects under Section 135(6) of the Act

Balance as at April 01, 2021		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2022	
With the Company	In Separate CSR Unspent account		From the Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent account
-	-	-	-	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at April 01, 2021	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2021
-	-	32.13	32.13	-

Note 37 - Note on COVID -19

The Group has assessed the possible impact of COVID-19 pandemic on its financial results based on the information available upto the date of approval of these financial statements and concluded that there is no material impact on the consolidated financial statements. The Group continues to monitor the future economic effects of the pandemic while taking steps to improve its execution efficiencies and the financial outcome.

Note 38 - Additional regulatory information required by Schedule III

- Details of benami property held: No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- Wilful defaulter: The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- Relationship with struck off companies: The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (a) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (b) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.
- The Group has not revalued its Property, plant and equipment or intangible assets during the current or previous year.
- The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3A to the financial statements, are held in the name of the Group.
- There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- The borrowings obtained by the Company from bank have been applied for the purposes for which such loans were taken.
- The Group was not required to recognise any provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Group did not have any derivative contracts as at March 31, 2022.
- The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Note 39

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity	March 31, 2022							
	Net assets i.e. total asset minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount (Rs. in lakhs)	As % of Consolidated Profit	Amount (Rs. in lakhs)	As % of Consolidated Profit	Amount (Rs. in lakhs)	As % of Consolidated Profit	Amount (Rs. in lakhs)
I. Parent								
Wendt (India) Limited	89.00%	14,414.36	100.12%	2709.81	109.43%	(53.85)	99.94%	2,655.96
II. Subsidiaries								
a) Foreign								
1. Wendt Grinding Technologies Ltd	12.87%	2,084.34	11.15%	301.91	-	-	11.36%	301.91
2. Wendt Middle East FZE	0.00%	-	(1.06%)	(28.59)	-	-	(1.08%)	(28.59)
Inter-Company Elimination and Consolidation Adjustments	(1.87%)	(302.99)	(10.21%)	(276.45)	(9.43%)	4.64	(10.22%)	(271.81)
Total	100.00%	16,195.71	100.00%	2,706.68	100.00%	(49.21)	100.00%	2,657.47

Name of the entity	March 31, 2021							
	Net assets i.e. total asset minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount (Rs. in lakhs)	As % of Consolidated Profit	Amount (Rs. in lakhs)	As % of Consolidated Profit	Amount (Rs. in lakhs)	As % of Consolidated Profit	Amount (Rs. in lakhs)
I. Parent								
Wendt (India) Limited	87.59%	12,558.40	101.14%	1,291.12	(15.08%)	0.90	101.69%	1,292.02
II. Subsidiaries								
a) Foreign								
1. Wendt Grinding Technologies Ltd	13.86%	1,986.81	18.93%	241.62	-	-	19.02%	241.62
2. Wendt Middle East FZE	1.70%	243.89	0.84%	10.71	-	-	0.84%	10.71
Inter-Company Elimination and Consolidation Adjustments	(3.15%)	(450.86)	(20.91%)	(266.89)	115.08%	(6.87)	(21.55%)	(273.76)
Total	100.00%	14,338.24	100.00%	1,276.56	100.00%	(5.97)	100.00%	1,270.59

Note 40: Previous year's figures have been regrouped / reclassified to conform to the current year's presentation for the purpose of comparability.

Note 41 - Approval of Consolidated financial statements

The Consolidated financial statements were approved for issue by the Board of Directors on April 22, 2022.

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants
Firm Registration Number : 012754N/N500016

AMIT KUMAR AGRAWAL
Partner
Membership Number : 064311

Place: Hosur
Date: April 22, 2022

For and on behalf of the Board of Directors

SHRINIVAS G SHIRGURKAR
Chairman, DIN:00173944

C SRIKANTH
Chief Executive Officer

Place: Hosur
Date: April 22, 2022

N ANANTHASESHAN
Director, DIN:02402921

MUKESH KUMAR HAMIRWASIA
Chief Financial Officer

P ARJUN RAJ
Company Secretary
Membership Number: A30324

(Rs. in Lakhs)

FORM AOC-I

Statement containing salient features of the financial statement of subsidiaries

Pursuant to first proviso to sub-section (3) of section 129 read with Companies (Accounts) Rules, 2014

	Wendt Grinding Technologies Ltd (WGTL)		Wendt Middle East FZE (WME)	
	Incorporated on July 19, 2005		Incorporated on September 24, 2008	
	31-3-2022	31-3-2021	31-3-2022	31-3-2021
Share capital (refer Note c)	589.04	599.78	22.05	236.90
Reserves and surplus	1,495.30	1,393.12	(22.05)	6.80
Total liabilities *	2,354.75	2,340.84	6.03	342.81
Total assets**	1,854.11	1,832.41	6.03	342.81
Details of current and non-current investments (except investment in subsidiary)	500.64	508.43	-	-
Turnover	2,298.19	1,830.25	4.38	270.32
Profit before taxation	381.87	304.60	(28.59)	10.71
Provision for taxation	79.96	62.98	-	-
Profit after taxation	301.91	241.62	(28.59)	10.71
Proposed dividend	-	-	-	-
% of Shareholding	100	100	100	100

* Total Liabilities include : Share capital of subsidiary + Non current liabilities + current liabilities

** Total Assets include: Non Current Assets and Current Assets. (excluding current and non-current investments)

The exchange rates used are as below:

Currency	Balance Sheet (Closing Rate)		Statement of Profit and Loss (Average Rate)	
	31-3-2022	31-3-2021	31-3-2022	31-3-2021
THB (WGTL)	2.288	2.329	2.275	2.387
AED (WME)	20.611	19.742	20.218	20.157

Notes:

- The Consolidated Ind AS financial statements has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013.
- The above information has been furnished in accordance with Section 129(3) of the Companies Act, 2013. The above statement is based on the financial statements of the respective subsidiary company which have been prepared in accordance with regulatory requirements as applicable in the country of incorporation.
- The Board of Directors of the Company had approved a proposal for voluntary de-registration of M/s. Wendt Middle East FZE ("WME"), a wholly owned subsidiary of the Company located at Hamriyah Free Zone, Sharjah, UAE during January 2021 and the de-registration process was initiated during the previous year. During the year, WME has substantially completed liquidation related procedures and also repaid back the share capital to the Company. Further, the final clearance from the Hamriyah Free Zone Authority (HFZA) is awaited, after which WME will be de-registered.

For and on behalf of the Board of Directors

SHRINIVAS G SHIRGURKAR
Chairman
DIN:00173944

N ANANTHASESHAN
Director
DIN:02402921

C SRIKANTH
Chief Executive Officer

Place: Hosur
Date: April 22, 2022

MUKESH KUMAR HAMIRWASIA
Chief Financial Officer

P ARJUN RAJ
Company Secretary
Membership Number: A 30324

Awards & Accolades

QCFCI - CCQC 2021 Competition



10 teams participated in CCQC Competition during November 2021. 9 teams won Gold Award and 1 team bagged Silver Award



Best Customer Award
From State Bank of India

Cufest 2021 Awards



Cufest 2021 Awards

Employees participated in Group-level Quality competitions 'Virtual CUFEST 2021' (Quality festival of CUMI), and won awards for Sustainability Quiz, Suggestions, SCM Excellence and Sales Excellence.



Events



Inauguration of Security Building



Pooja of New Security office



Long Service Awards



Quarterly Excellence Awards

Events



Mock Drill



Oxygen Concentrator Machine(Jeevan) -Launch



Oxygen Concentrator Handing Over

Events



Fond Farewell to Superannuated Employees



Strategy Work Shop

Events



Master Health Checkup



Vendor Meeting



Dealers Meet

Events



Hidri Tools Visitors



Marketing New Cabin Inauguration



Quarterly Communication Meeting



Safety Day Celebration



Quality Month Valedictory Function



Social Events



Ayudha Pooja



Annual Pooja Celebration



New Year 2022 Celebration



Women's Day Celebration



Pongal Celebration



Republic Day Celebration



Independence Day Celebration



Christmas Celebration