

Thinking beyond Today...



... laying foundation for tomorrow

Today's VUCA (volatile, uncertain, complex, and ambiguous) world, emerging mega trends & rapid change in technologies are causing disruption in industries. While on one hand these are posing many challenges, on the other hand they are unfolding many new opportunities.

There is a need for thinking beyond today and laying foundation for tomorrow by embracing digitization, technologies like additive manufacturing, 3D Printing, robotics, artificial Intelligence (AI), automation, IoT (Internet of Things) ... setting Industry 4.0 into action.

We are committed to leverage all these into a new way of doing business ... a key, to gain a competitive edge.



WENDT (INDIA) LTD

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Thinking beyond Today...



... laying foundation for tomorrow

36th ANNUAL REPORT 2017-18

WENDT (INDIA) LTD

New Product Developments & Launches - Machine Tools



CNC Profile Dressing Machine - PDM 400



Cylindrical Grinding Machine - Precigrind SWH



Twin Spindle Vertical Honing Machine - E3500TS

New Product Developments & Launches - Super Abrasive Tools



Glimpses of 35th Annual General Meeting



BOARD OF DIRECTORS

Chairman	M M MURUGAPPAN
Director	EDMAR ALLITSCH
Director	K SRINIVASAN
Independent Director	SHRINIVAS G SHIRGURKAR
Independent Director	K S SHETTY
Independent Director	HIMA SRINIVAS
Independent Director	M LAKSHMINARAYAN
Alternate Director to (Edmar Allitsch)	PETER VERHOLEN

SENIOR MANAGEMENT

Chief Executive	RAJESH KHANNA
Unit Head	M S VENKATESH
Business Head - Superabrasives	D K HOTTA
Business Head – Non - Superabrasives	S SUNDARIYA
Chief Financial Officer	MUKESH KUMAR HAMIRWASIA
Head – Technology and R & D	Dr. PRABHU RAMANUJAM

COMPANY SECRETARY

AKANKSHA BIJAWAT

BANKERS

STATE BANK OF INDIA

AUDITORS

PRICE WATERHOUSE
CHARTERED ACCOUNTANTS LLP,
Bangalore

INTERNAL AUDITORS

ERNST & YOUNG LLP, Chennai.

REGISTERED OFFICE

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REGISTRAR & SHARE TRANSFER AGENTS

Karvy Computershare (P) Ltd.

CONTENTS

Pages

Financial Track Record including Graphs	6 - 9
Report of Directors including Management Discussion & Analysis Report	10 - 47
Secretarial Audit Report	48 - 50
Corporate Governance Report	51 - 70
General Shareholder Information	71 - 79
Auditors' Report on Standalone Financial Statements	80 - 85
Standalone Financial Statements	87 - 131
Consolidated Financial Statements including Auditors' Report	133 - 180

Engineering Flair with Environmental Care...



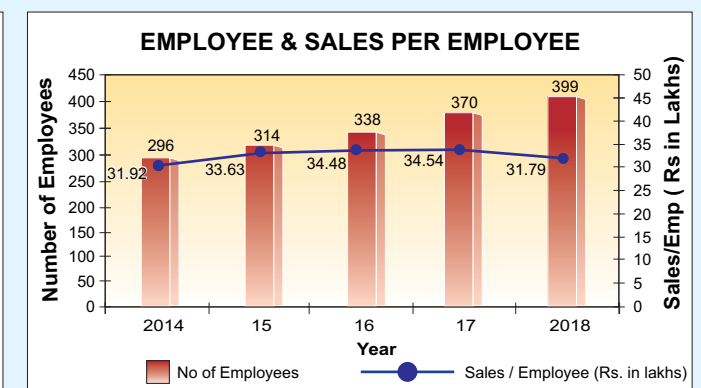
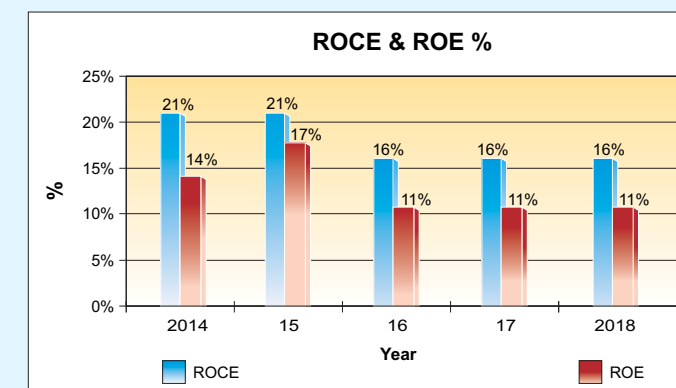
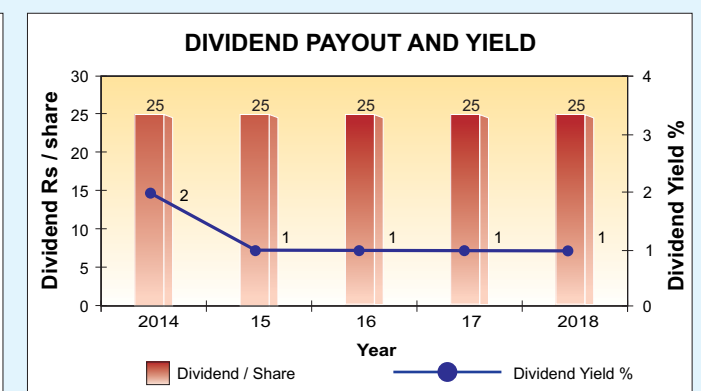
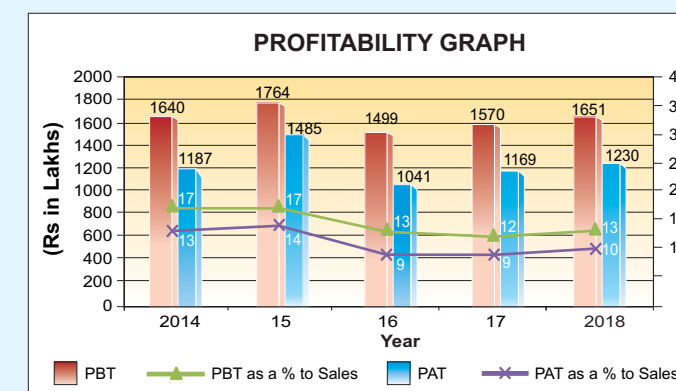
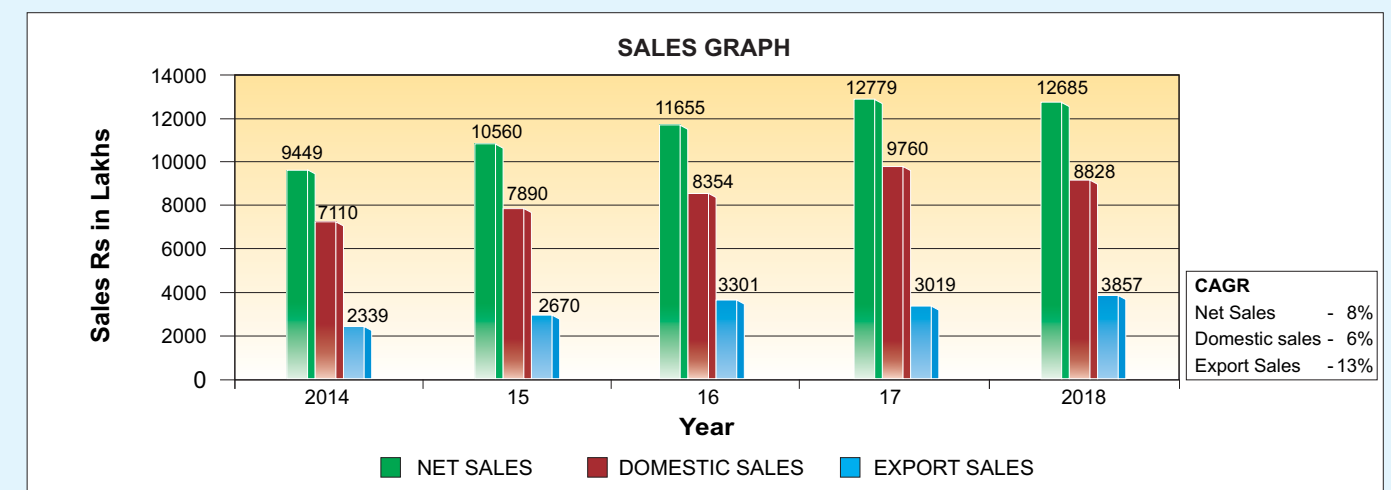
FINANCIAL TRACK RECORD

Rs. in Lakhs

Year ending 31st March	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUE										
Net sales	5136	5609	8173	10001	8895	9449	10560	11655	12779	12685
Domestic sales	3389	4368	6727	8055	7176	7110	7890	8354	9760	8828
Export sales	1747	1241	1446	1946	1719	2339	2670	3301	3019	3857
Other Income	309	222	299	278	225	611	800	648	543	685
PROFITABILITY										
Profit before depreciation	1517	1714	2654	2888	1930	2098	2556	2335	2534	2668
Profit before tax	1297	1455	2356	2552	1528	1640	1764	1499	1570	1651
Profit after tax	884	983	1595	1729	1012	1187	1485	1041	1169	1230
Dividend %	200	250	250	250	150	250	250	250	250	250
EPS (Rs.)	44.21	49.12	79.76	86.45	50.59	59.34	74.24	52.06	58.47	61.49
ASSETS EMPLOYED										
Fixed assets	2610	2950	3264	4363	5027	5510	5608	6060	6078	5595
Investments	1200	1672	2257	1370	1496	1703	1866	1360	1502	2229
Net current assets	858	413	531	1532	1485	1505*	2047*	1505*	3077*	3233*
Non- current assets	-	-	-	-	-	-	-	470	339	338
Total assets	4668	5035	6052	7265	8008	8718	9521	9395	10996	11395
CAPITAL STRUCTURE										
Paid up share capital	200	200	200	200	200	200	200	200	200	200
Reserves	4203	4602	5614	6762	7425	8031	8790	9544	10043	10707
Loan funds	36	-	-	-	-	-	-	-	-	-
Non- current liability	-	-	-	-	-	-	-	127	187	91
Deferred tax liability	229	233	238	303	383	487	531	553	566	397
Total funds	4668	5035	6052	7265	8008	8718	9521	10424	10996	11395

* 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 and 2018 figures are as per IND AS

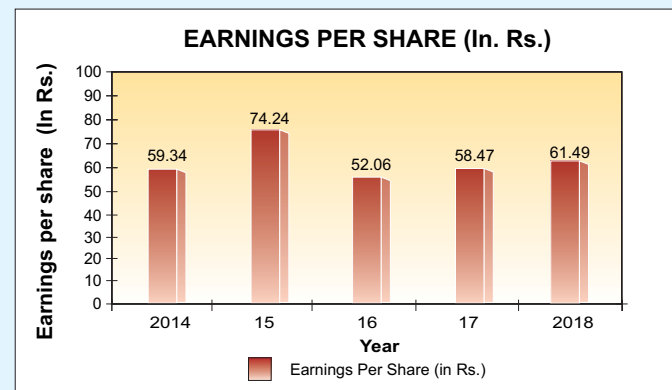
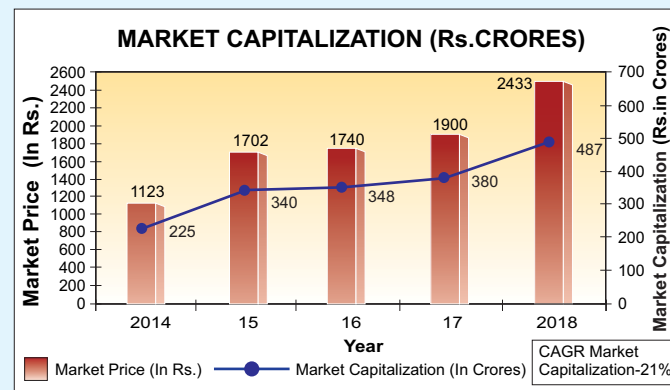
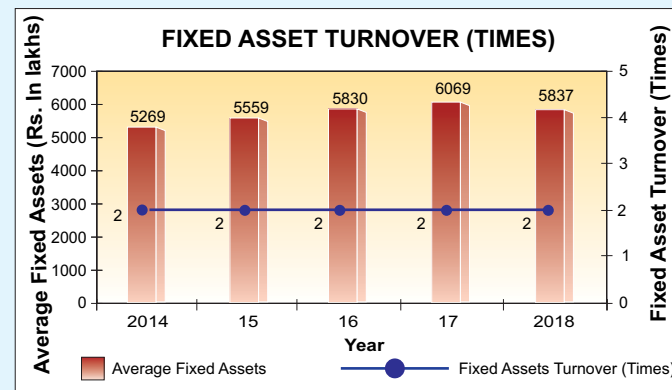
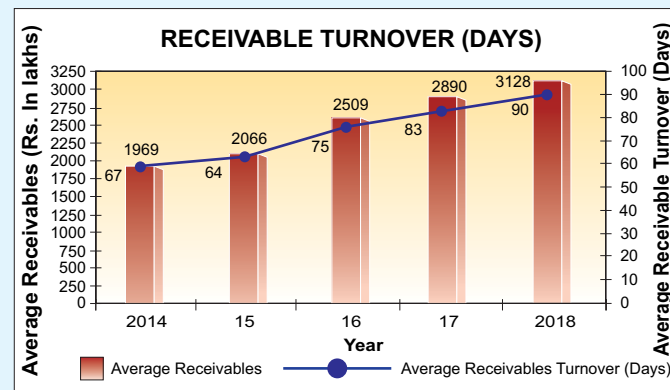
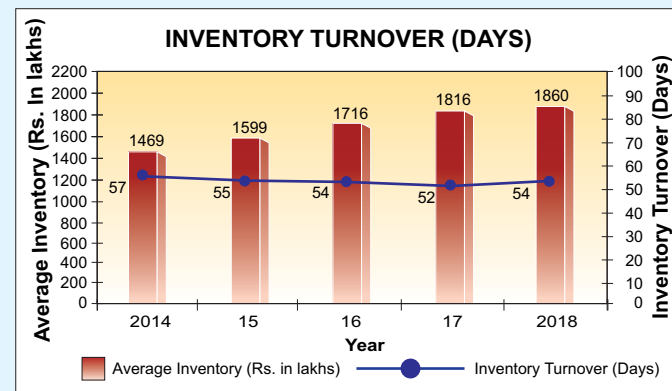


Engineering Flair with Environmental Care...

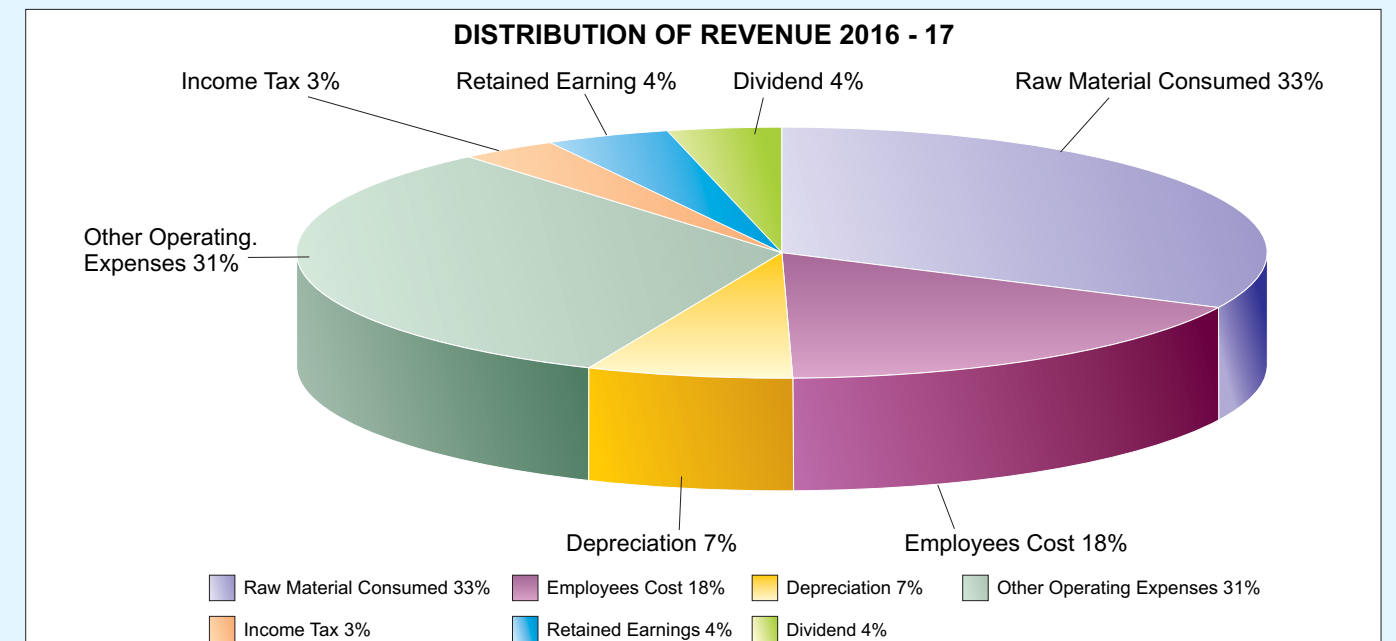
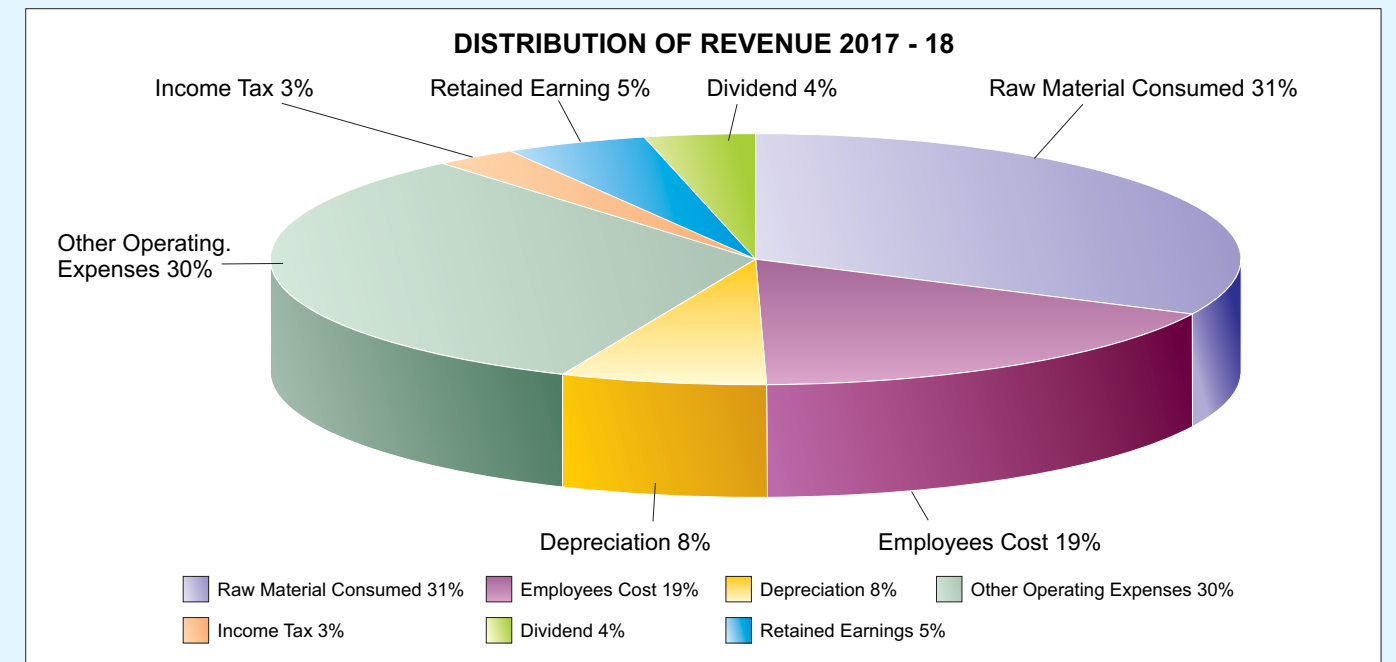


...Total Grinding and Honing Solutions





Engineering Flair with Environmental Care...



...Total Grinding and Honing Solutions



REPORT OF THE DIRECTORS

(Including Management Discussion and Analysis)

TO THE MEMBERS OF WENDT INDIA LTD

The Board of Directors have pleasure in presenting the 36th Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March 2018. The *Management Discussion & Analysis Report* which is required to be furnished as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 has been included in the Directors Report to avoid duplication and repetition.



Middle East; aggressive output cuts by Saudi Arabia (and Russia) which could force oil prices even higher; China's unprecedented credit surge in the form of capital controls, and trade tension.

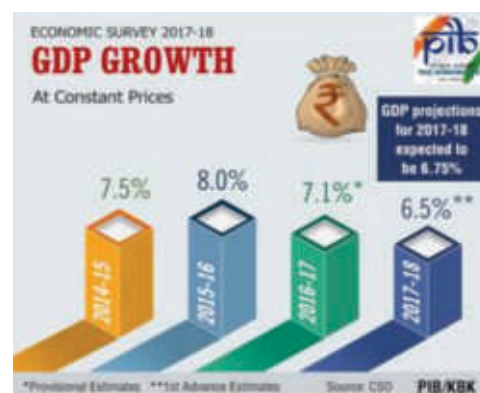
India can be rated as among the best performing economies in the world as the average growth during the last three years being around 4 percentage points higher than global growth and nearly 3 percentage points higher than that of Emerging Market and Developing Economies.

The Indian Government underlines that due to the launch of transformational Goods and Services Tax (GST) reform on July 1, 2017, resolution of the long-festering Twin Balance Sheet (TBS) problem by sending the major



ECONOMIC OVERVIEW

According to the International Monetary Fund (IMF), the global economy is experiencing a near synchronous recovery. Roughly three-quarters of the countries experienced improvements in their growth rates. The recovery is driven by improvement in world trade in goods and services, upswing in commodity prices, accommodative monetary policies in advanced regions, buoyant demand conditions, etc. However, there are geopolitical and geo-economics risks due to war in the Korean peninsula; political upheaval in the



stressed companies for resolution under the new Indian Bankruptcy Code, implementing a major recapitalization package to strengthen the public sector banks, further liberalization of FDI and the export uplift from the global recovery, the economy began to accelerate in the second half of the year. The Central Statistics Office (CSO) has estimated the GDP growth to be 6.5% in 2017-18. Also, India improved its ranking by 30 spots on the World Bank's Ease of Doing Business rankings.

COMPANY PERFORMANCE OVERVIEW

(Rs in Lakhs)

	FY 2017- 2018	FY 2016- 2017
Sales	12,685	12,779
Other Income	685	543
Profit Before Tax	1,651	1,570
Profit After Tax	1,230	1,169
Earnings per Share - Rs	61.49	58.47

RESULTS OF OPERATIONS

Your company achieved a Top line of Rs.12685 Lakhs, compared to Rs.12779 Lakhs (net) during the previous year. While On the export front, we have achieved an appreciable growth of 28%, with increase in demand from major countries like China, UK, Russia, Thailand, Korea, Indonesia, Singapore, etc. However, the domestic business has seen a de-growth because of shrinkage in demand in some of the markets. The major contributory industry segments in the domestic business which had their adverse impact on your company's sales are Defense, Steel, Cutting Tools, Engineering Sector.



Your Company continued its efforts on pursuing business in its major verticals namely Super abrasives and Machines and Components. The current slowdown being considered temporary and in keeping with your Company's long-term growth, would continue to commit the required investments and resources in identified growth areas.

The Super Abrasives business vertical consisting of Diamond/CBN grinding Wheels in various bonding systems,



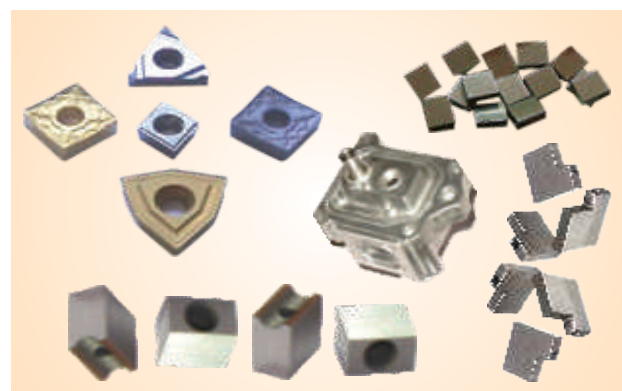
Rotary Dressers, Stationary Dressers, Hones and Segmented products witnessed a growth of 4% over the last year mirroring the growth of the key industrial segments. This has been possible due to continued focus by your Company on the development of new products and new applications. Your company successfully launched new products such as Glass grinding wheel for Structural, Solar and Automotive Glass, Resin Bond Spiral CBN Wheels for Razor Blade grinding, Double Disc Fine grinding Wheels for certain Ceramic, Automotive and Engineering applications. During the year company launched Standard products under **Star Brand**.

The Machines and Components business performance was lower than previous year mainly due to softening of demand on

Components from certain Auto Component manufacturers. While Machine sales in the export market achieved an impressive growth of 63%. The domestic sector faced brunt of Capex postponement/ Capex freeze resulting in lower machine sales during the year. However, your company continued to develop & launch new models / variants like Twin Spindle Honing Machine (E3500), Straight Wheel Head Cylindrical Grinding Machine (Precigrind) and CNC Profile Dressing Machine (PDM 400). These Machines have been received well by the customers, and the company expects to get good business in coming years.



On the Precision Components front, your Company has successfully



completed and added new components for both existing and new customers. These components have received the final approval for the bulk supplies during the fourth quarter. Your company also focused on de-risking & enhancing the product basket by adding components for Non-Auto Industry, and Non – Ferrous components. These initiatives have started yielding results and is expected to contribute exponentially to the overall precision component business in coming years.

FOCUS ON PROCESS EFFICIENCY

Your company continues to drive Lean Practices in both Manufacturing and Support functions for improving operational efficiency. This initiative has benefitted in addressing some of the key areas like Productivity & Process improvement, Effective planning & Scheduling, improving Reliability of Delivery, maintaining outsourcing cost, controlling cost on Consumables, WIP and Raw material inventory.

One of the key focus of your company has also been on **Sweating of the assets** and thereby ensuring effective utilization, reducing dependency on sub-contracting for core processes and working round the clock or 3 Shifts basis for major product group. Your company has taken special initiative to reduce overall cost in value chain by re-allocating common machines and facilities of all product cells and doing all precision machining internally, while outsourcing only Non-Precision machining. This also helped in having a control on capex spend.



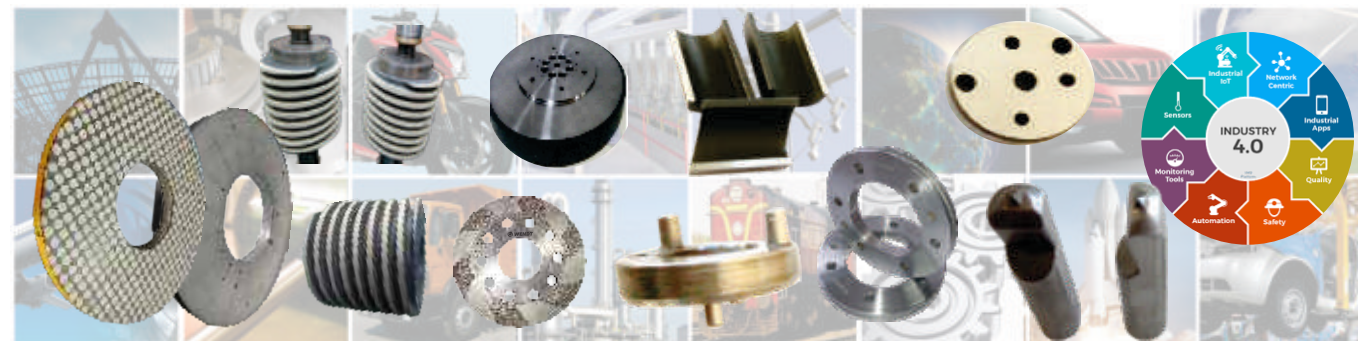
FUTURE PROSPECTS

Super Abrasive Tooling Industry and Grinding & Honing Machine Industry performance is driven by GDP growth, with major demand primarily coming from Auto, Engineering sector, Steel, Glass and Cutting Tools industry. Besides this with the emergence of Aerospace, Defence and Infrastructure sector, Tooling & Machine Tool Industry is expected to benefit this industry immensely.

Further, The **Make in India** initiative, too is expected to propel requisite growth in coming years.

Your company continues its focus on product and process innovation for delivering superior performances and sustainable growth. Adoption and deployment of appropriate technologies for indigenous Bond development, streamlining processes, introducing automation in critical areas and working on industry 4.0 would also be the key focus areas for the year to address the growth for your Company.

The Company would continue to seize new business opportunities in new growing industrial segments by



addressing New Products for existing & new Markets and geographies.

Future growth of your company lies in constantly watching and monitoring changes in the external environment and customer needs that are emerging. Accordingly, your company has been tracking the **Mega trends** and underlying new opportunities that unfolds. The company accordingly, would continue focusing on new products for industry segments such as Construction, Aerospace, Defense, Infrastructure and allied industries. Your company would fully complement these efforts and maximize the benefits by participation in major national and international exhibitions, trade shows, including digital initiatives and collaborations.

The acquisition of Winterthur Technology Group (WTG) by the US multinational 3M Corporation and resultant indirect acquisition of 40% equity shareholding in your Company continues to be a matter of contention while not being an issue. The matter has been moved to The National Company Law Tribunal (NCLT), Bangalore and matter remains *sub-judice*.



SUBSIDIARY COMPANIES

Wendt Grinding Technologies Limited, Thailand

Your company's 100% owned Thailand subsidiary, Wendt Grinding Technologies Limited, has yet again delivered sustained results in line with the plan both in terms of sales and profitability, despite continued industry slowdown, falling export and political issues and all odds. It is a demonstration of its strong resolve and business acumen challenging the unfavorable conditions.

During the year, your subsidiary achieved sales of Thai Baht 946 Lakhs (Rs.1844 Lakhs), 12% growth over last year. Profit After Tax of Thai Baht 141 Lakhs (Rs.283 Lakhs), a creditable

growth of 32% over last year.

Your subsidiary maintained its dominant position in re-profiling business in Thailand for glass industry with its 70% share of business, where it operates. The subsidiary, during the year, focused on exploring new opportunities in Indonesia market. The focus on enhancing the product basket, new customer additions, etc. have yielded good results.

Your subsidiary continues to participate in the important Industrial and Trade Exhibitions & prospecting for new businesses, while strengthening networking with industry leaders for business promotion and development.

Wendt Middle East FZE, Sharjah

Wendt Middle East FZE, Sharjah, the other wholly owned subsidiary of your company, has clocked an annual sale of AED 23 Lakhs (Rs.412 Lakhs) which is 8% lower than the previous year. The lower topline is attributable to the continuing oil crisis, political disturbance and a slowdown in new projects in the region. Also, due to the worsening credit situation in the Middle East, the subsidiary has been cautious in growing the topline. Accordingly, the Profits have also been lower at AED 0.4 Lakhs (Rs.7 Lakhs).



During the year, your subsidiary has embarked on strategic initiatives to consolidate and grow its business with focus on industrial ceramic products and non-standard abrasive and super abrasive products. The subsidiary's increased focus on these strategic initiatives with robust receivables management is expected to deliver results in the coming year.

APPROPRIATIONS

Available for appropriation	(Rs in Lakhs)
Profit After Tax	1230
Add: Other Comprehensive Income	36
Add: Balance brought forward from previous year	4326
Total	5592
Recommended appropriations	
Transfer to General Reserve	130
Dividend	
-Interim Rs 10/-per share	200
-Final (Dividend paid for 2016-17 Rs 15/- per share of face value of Rs 10/- each)	300
Dividend Tax	
-Interim	41
-Final (for 2016-17)	61
Balance carried forward	4860
Total	5592

CORPORATE SOCIAL RESPONSIBILITY

Inclusive growth and Sustainable Community development are strong pillars of your Company's responsible corporate citizenship. Your Company being a part of the Murugappa Group has been upholding this tradition by allocating a part of its income for carrying out its social responsibilities.

Your company's Skill Development Program has been a major initiative towards addressing the social responsibility. The main objective being to provide high quality vocational and technical training towards uplifting the lives of young children from underprivileged community and weaker sections of the society. This training program is designed based on the coaching methodology defined by Government of India, Ministry of Skill Development and Entrepreneurship. This program also includes stipend payment along with free meals and providing boarding facilities to the enrolled students, 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 help them in seeking gainful employment upon successful completion of the course.



The company continues to make contributions to the society extending to communities in its vicinity like to local schools, orphanages, homes for destitute, etc. This is based on your company's firm belief that an organization's true value lies beyond its business and is reflected by the services it extends to the society. Your company also gives importance to green environment and tree plantation in the nearby communities by holding seminars, educating and distributing and planting free saplings every year.

The company employees are encouraged to participate in activities

like blood donation camps, taking classes on computer education in municipality schools, bring awareness on road safety, nominating employees with RTO as traffic warden, 5S campaigns towards the cleaner environment, imparting special education to the school children to name a few.

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

Your company, during the year 2017-18 has spent of Rs 32.36 Lakhs towards the CSR activities in line with the provisions of the Companies Act, 2013.

The Annual Report on CSR activities in the prescribed format is annexed herewith as ANNEXURE C.

DIVIDEND

The Company has voluntarily adopted the Dividend Distribution Policy as approved by the Board in line with the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the same is available on Company's website viz. www.wendtindia.com.

In line with the policy, the Board of Directors has recommended a Final Dividend of Rs 15/- per equity share of face value Rs 10/- each (150%) for the year ended 31st March 2018. This is in addition to the Interim Dividend of Rs 10/- per equity share of face value of Rs 10/- each which was paid on 19th February 2018.



The Final Dividend, is subject to approval of members at the 36th Annual General Meeting & will be paid to those shareholders whose names appear on the register of members of the company as on 1st August 2018. If approved, the total Dividend for the financial year, including the interim dividend, amounts to Rs 25/- per equity share and will absorb Rs 602 lakhs including dividend distribution tax of Rs 102 Lakhs.

TRANSFER TO RESERVES

Your Company proposes to transfer Rs. 130 lakhs to the General Reserve. An amount of Rs. 4941 Lakhs is proposed to be retained in the Statement of Profit & Loss.

FIXED DEPOSITS

During the year, 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.

INVESTMENTS

Details of investments covered under section 186 of the Companies Act 2013 are given in the note no. 6 to the financial statements.

TRANSFER TO THE INVESTOR EDUCATION & PROTECTION FUND

In terms of Section 124 (5) of the Companies Act, 2013, an amount of Rs. 3.78 lakhs being unclaimed dividend during the year, pertaining to the financial year 2009-10 was transferred to IEPF after sending due reminders to the shareholders.





CONSOLIDATED FINANCIAL RESULTS

The Consolidated Financial Statements of the company (incorporating the operations of the Company and its two wholly owned overseas subsidiaries), for the financial year 2017-18 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 (SEBI) (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, the Consolidated Financial Statements, along with the relevant documents and the Auditors' Report thereon form part of this Annual Report. A statement of summarized financials of all subsidiaries of your company including capital, reserves, total assets, total liabilities, details of investment, turnover etc. pursuant to General Circular issued by MCA forms part of this report. The audited annual accounts and related information of the subsidiaries is available in our website- www.wendtindia.com.

The key financial data for the consolidated operations are as follows: -



KEY CONSOLIDATED FINANCIAL SUMMARY

	(Rs in Lakhs)	
	FY 2017-2018	FY 2016-2017
Sales	14,432	14,466
Other Income	492	313
Profit Before Tax	1,804	1,657
Profit After Tax	1,312	1,205
Earnings per share-Rs.	65.62	60.26

QUALITY

Your Company manufactures products that embed a high level of precision and accuracy as demanded by the customers of various industry segments. While the Super Abrasives Product range consists of Diamond & CBN Grinding Wheels and Special Tools; the Machines includes customized range of high precision machines such as CNC Grinding, Notch Milling, TC Ring Grinding, Honing and Accessories fulfilling the requirements of international standards and including CE certifications. Precision Components are manufactured with significant degree of precision and very precise, close tolerances necessitating them to passing through the stringent quality standards and measurements through the stringent production process and control.

To ensure that your company meet this requirement, Quality Management standards are put in place such as ISO 9001 and TS 16949. TS 16949 pertains to manufacturing of precision components. Further, in order to comply with the safety norms and requirements of overseas customers, your company has also successfully implemented EN 13236 Standards. Quality being the uncompromised differentiator for your Company, the company attempts hard to ensure that final product quality is built by deployment and embracing effective quality control management, process robustness, quality assurance and discipline at every stage of material flow.

The Company continues to place higher emphasis on training in latest trends besides investment in high-end equipment, machineries & application software and modern tools.

SAFETY, HEALTH AND ENVIRONMENT (SHE)

Your company accords high importance towards safety and health of employees and ensures that the work environment is conducive for smooth operations. Towards this, the top management stays ever committed for maintaining high standards for safety, health and environment management by being fully compliant to applicable statutory requirements as per OHSAS 18001 and ISO 14001 EMS standards and guideline.

During this year, the company has upgraded to new standard on Social accountability SA 8000:2014 and adopted a new Standard on product safety EN-13236:2010+A1:2015 for meeting Safety requirements of the European standard of Super Abrasive products. Every year, Wendt observes a **Safety Week** with sprawling events spread over the week to emphasize on importance of safety to the employees. This year it was held on 5th March 2018 which included competitions on slogans, posters, skits, and mock drills.

Recognizing that the employees are the most valuable assets of your company and that the Safety and Health of each employee is of utmost importance. The company continues to undertake initiatives and pursue programs, including Annual health check-up for employees and their family, special medical attention for employees working in special process & sensitive areas. The company conducted special awareness program on use of personal protection equipment (PPEs), zero discharge of ETP/STP and hazardous waste handling, so that the employees and their family maintain good health and overall wellness.



Your company continues to periodically conduct safety mock drill and various training programs to educate and prepare towards chemical, electrical and medical urgencies.

RECOGNITIONS AND AWARDS

The employees are encouraged to participate in customer audits, group competitions, various national and international events & competitions. Your Company continues to get accolades and awards from its customers and other prestigious domestic/international forums. Some of the awards and recognitions your Company received during the year under review:

• "Regional Award for Export Excellence"

Conferred with **"Star Performer – Large Enterprises"** for outstanding export performance during year 2015-16 by Engineering Export and Promotion Council



• Lean Management Practices

Conferred with **Silver Award** for Lean Management Practices from ABK AOTS

• Quality Circle Awards

Your Company's employees continued to exhibit their skills in various Quality Circle competitions as below

International Level: Organized by QCFC, Philippines

- "Gold" Award in ICQCC for Kaizen- 1 team
- National Level:** Organized by QCFC, Hosur
- "Gold" Award for Kaizen in CCQC - 4 teams
- "Gold Award" for SGA (Small group Activity) in CCQC: 2 teams.



● MGTC Volley Ball Tournament

Your company's employees participated in the Group Level Volley Ball tournament and won the "Winners" Trophy during the year.

● MGTC Women Sports Tournament

Your company's women employees participated in the Group level sports competition and won awards in **Carom, Chess and Relay** competitions.

● Cufest 2017 Awards

Your Company's employees participated in Group-level Quality competition "Cufest 2017" (Quality Festival of CUMI), and won

awards for 5S, Poster, Innovation, Idea King, SGA and Theme Video

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In the sections that follow, the information required to be given in the **Management Discussion and Analysis Report** have been provided

GENERAL PERFORMANCE REVIEW

The year 2017-18 just ended with positive sentiments resulting in a modest growth among various industry segments. Your company started the year with many bright prospects & many hopes, but as we progressed over the year, it had many ups and downs resulting in a rather moderate growth for most industrial sectors, except a few.

Further on the Domestic front, the demonetization effect & the roll out of GST by the Government during the first half of the year resulted in the unpredictability in the demand & a resultant reduction in order inflow.



During the year, your company continued to focus on the new initiatives, be it building new machine models, pursuing projects in precision components, Lean Management, new product developments, research & development and strengthening our export business. In addition to this, your company worked closely with customers for new opportunities including import substitutions to maintain its leading position in the domestic market.



ECONOMIC OUTLOOK

If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the world economy remains buoyant, growth could start recovering towards its medium term economic potential of at least 8 percent.

Improvement in Economy will be supported by an increase in global growth in 2018 which will further boost India's exports. Remittances are expected to increase, owing to the rising trend in oil prices. Stable policy rates along with the favorable interest rate regime in the global markets could provide

greater certainty to the investment climate. The reform measures undertaken in 2017-18 are expected to strengthen further in 2018-19 and will reinforce growth momentum.

However, downside risk to higher growth emanate from higher crude oil prices, protectionist tendencies in some of the countries, and possibility of tightening of monetary conditions in the developed countries which could lead to lower capital inflows and financial stress.

INDUSTRY STRUCTURE & DEVELOPMENTS

The increasing usage of CNC machines and better performance of super abrasives tools are the main factors that are expected to drive the super abrasives market. The main drivers for the super abrasives market is the growing trend on the usage of tough to grind & exotic materials super alloys, closer tolerances on component, which necessitates the use of super abrasives in the automobile sector, where the demand has increased at higher rate with more usage in grinding wheels, cutting tools, files, dressing tools, gears, bearing and so on. These super abrasive materials (diamond, CBN) are used for better finishing and addressing higher exacting component requirements, as they surface in automotive sector with the increase in demand for Electrical and fuel-efficient vehicles.



As a major supplier of the most comprehensive range of Super abrasive products and **Total Grinding Solution Provider**, your company enjoys single- source supplier status with many customers for a wide spectrum of industry. A major contribution to your company's top line in the coming year is expected to come from sector such as Automobile, Engineering, Cutting Tools, Refractory, Aerospace, Defense, Steel, Ceramics and Construction. Therefore, your company's performance will also be in congruence with the performance levels of these industry in coming years.

In order to minimize dependency on certain industry segment, your company will strive to focus on exploring new opportunities and has added some new products to enhance the products basket especially in the precision grinding area. The effect of this endeavor is evident from the fact that your company has developed many new products for the precision application for industries like Automobile, Aerospace, Defense, Glass, Bearing, Paint, Razor Blade, Ceramics and Precision components.

PERFORMANCE OVERVIEW

Key Financial Summary

(Rs. in Lakhs)

Particulars	2017-18	2016-17	% change
Domestic Sales	8,828	9,760	(10)
Export Sales	3,857	3,019	28
Total Sales	12,685	12,779	(1)
Operating Profit before Finance cost	1,243	1,209	3
Capital Employed	10,908	10,243	6