

WENDT GRINDING TECHNOLOGIES LIMITED

DIRECTORS REPORT

The Directors are pleased to present the Fifth Annual Report and Audited Accounts for the year ended March 31st 2010.

Key Financial Summary -:

(THB in Lacs)

	31/03/2010	31/03/2009
Sales	45.45	43.26
Other Income	0.04	0.15
Profit before tax	11.7	9.25
Provision for current tax	3.5	2.78
Profit after tax	8.2	6.47
Earnings per share-Bhat	0.8	0.63

BUSINESS OPERATIONS:-

Your company achieved the budgeted growth of 6% growth, despite that the Thailand economy contracted by 3% reflecting 40-50% drop in existing targeted business. However this was well compensated by our focused effort on widening our customer base & our product basket

Your company, during the year also initiated various business process improvements while clearly focusing on high contribution products to achieve a growth of 25% Both in PAT and EPS.

Your company also participated in 2 exhibitions, developed local advertising materials, conducted technical seminars and organized sales meets to build brand image and product awareness. The new industry specific distributors were also appointed as our partners in progress to give clear focus to the business.

Further your company is striving hard & focusing on the businesses with industries like Glass, Automobile, Steel, Auto parts, Wood, Furniture and construction industry where it sees an opportunity for growth

As a first step, your company during the year has identified & developed various distributors/channel partners to address above industries. Now your company is embarking on building and nurturing, business partners and customers to build this business with a long term prospective.

Your company continues to explore opportunities to extend re-profiling business to Malaysia, China & Vietnam & working towards becoming a preferred supplier, attaining the market leadership position in field of grinding.

During the year, your company was privileged & chosen among the other Indian companies in Thailand to share its success story & experience with all Indian companies who plan to set up base in Thailand. The opportunity came through ACMA & Indian Thai chamber of commerce.

During the year, company has also upgraded "ISO9001-2008" certification with strong recommendation from "TUV NORD"

DIVIDEND-:

Your company could achieve another important milestone and have declared and paid first dividend of 20% during this financial year.

HUMAN RESOURCE -:

You company focused on its Employee motivation & Total involvement, through series of training programs and collective brainstorming sessions. This was done to build a cohesive, lean and effective team. Multi skilling of employees was promoted and encouraged to enhance individual as well as organization value. Company continues to recruit personnel with relevant talents & positive attitude and focus on developing required skills with proper job orientation, on job training program.

During the year company have maintained modest strength of 11 employees and plans to increase strength marginally to meet next year business plan & future growth.

DIRECTORS -:

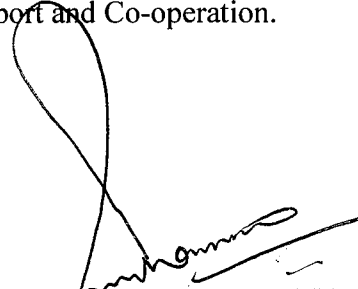
As per law and Company's Articles of Association one third of the Directors will retire by rotation at its Annual General Meeting. During the fifth Annual General meeting Mr. Rajesh Khanna, retires by rotation and being eligible for appointment offer himself for re-appointment.

AUDITORS -:

Mr. Varanon Trathong was appointed as our Auditor of the Company and shall retire at the conclusion of the forthcoming Annual General Meeting. Since he is being eligible for appointment, he offers himself for re-appointment.

ACKNOWLEDGEMENT :-

The Board of Directors record their appreciation for the excellent work done by the WGTL team and for the support, co-operation and guidance extended by Wendt India Ltd, its parent Company and its Associates and Group Companies. The Board of Directors also thank the Government Departments, IEAT, United Overseas Bank (formerly Bank of Asia), M/s Deloitte Touche Tohmatsu, Jaiyos Co. Ltd, Customers, Suppliers and Employees for the Continued Support and Co-operation.



**RAJESH KHANNA
AUTHORISED DIRECTOR**

**Bangkok
10th April 2010**

REPORT OF INDEPENDENT AUDITOR

To Shareholders of Wendt Grinding Technologies Limited

I have audited the accompanying balance sheets of Wendt Grinding Technologies Limited as at March 31, 2010 and 2009, and the related statements of income, changes in shareholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those Standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wendt Grinding Technologies Limited as at March 31, 2010 and 2009, and the results of its operations, changes in shareholders equity and its cash flows for the years then ended in accordance with generally accepted accounting principles.



Varanon Trathong
Certified Public Accountant (Thailand)
Registration No. 6886

Number Seven Associated
Samutprakarn Thailand
April 7, 2010

WENDT GRINDING TECHNOLOGIES LIMITED
BALANCE SHEETS
AS AT MARCH 31, 2010 AND 2009

	<i>Note & Detail</i>	<i>31.03.2010</i> <i>Baht</i>	<i>31.03.2009</i> <i>Baht</i>	<i>31.03.2010</i> <i>Rs.</i>	<i>31.03.2009</i> <i>Rs.</i>
ASSETS					
Current assets					
Cash and cash equivalent	A	9,691,226.67	6,355,075.28	13,449,484.37	8,819,573.47
Current investment	4	6,182,655.89	6,137,058.43	8,580,289.84	8,517,009.69
Trade accounts and notes receivable		6,612,418.00	5,348,814.39	9,176,713.70	7,423,084.61
Inventory - net	3 & B	5,621,796.70	3,414,291.73	7,801,929.46	4,738,354.06
Other current assets	C	207,732.72	221,953.01	288,291.47	308,026.39
Total current assets		<u>28,315,829.98</u>	<u>21,477,192.84</u>	<u>39,296,708.85</u>	<u>29,806,048.22</u>
Non - current assets					
Property plant and equipment - net	5	22,011,430.64	22,995,977.07	30,547,463.44	31,913,816.98
Other asset	D	100,000.00	100,000.00	138,780.00	138,780.00
Total non - current assets		<u>22,111,430.64</u>	<u>23,095,977.07</u>	<u>30,686,243.44</u>	<u>32,052,596.98</u>
Total assets		<u>50,427,260.62</u>	<u>44,573,169.91</u>	<u>69,982,952.29</u>	<u>61,858,645.20</u>

The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878

(Notes to financial statements are part of these financial statements)

WENDT GRINDING TECHNOLOGIES LIMITED**BALANCE SHEETS****AS AT MARCH 31, 2010 AND 2009**

	<i>Note & Detail</i>	<i>31.03.2010</i>	<i>31.03.2009</i>	<i>31.03.2010</i>	<i>31.03.2009</i>
		<i>Baht</i>	<i>Baht</i>	<i>Rs.</i>	<i>Rs.</i>
LIABILITIES AND SHAREHOLDERS' EQUITY					
LIABILITIES					
Current liabilities					
Trade accounts payable - related companies	E	6,257,718.27	4,394,349.69	8,684,461.42	6,098,478.50
Trade accounts payable - other		906,078.38	500,525.17	1,257,455.58	694,628.83
Accrued expenses	F	532,566.58	369,032.73	739,095.90	512,143.62
Current portion of long - term debt	6	30,437.20	121,750.00	42,240.75	168,964.65
Other current liabilities	G	276,616.63	543,523.81	383,888.56	754,302.34
Income tax payable	I & J	1,890,359.10	1,135,969.97	2,623,440.36	1,576,499.12
Total current liabilities		<u>9,893,776.16</u>	<u>7,065,151.37</u>	<u>13,730,582.55</u>	<u>9,805,017.07</u>
Non - current liabilities					
Financial lease contract payable - net	6	-	30,437.28	-	42,240.86
Total non - current liabilities		<u>-</u>	<u>30,437.28</u>	<u>-</u>	<u>42,240.86</u>
Total liabilities		<u>9,893,776.16</u>	<u>7,095,588.65</u>	<u>13,730,582.55</u>	<u>9,847,257.93</u>
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
10,300,000 ordinary shares of Baht 10 each		<u>103,000,000.00</u>	<u>103,000,000.00</u>	<u>142,943,400.00</u>	<u>142,943,400.00</u>
Issued and 25% paid - up					
10,300,000 ordinary shares of Baht 10 each		<u>25,750,000.00</u>	<u>25,750,000.00</u>	<u>35,735,850.00</u>	<u>35,735,850.00</u>
Retained earnings					
Appropriated					
Legal reserve	9	586,379.06	-	813,776.86	-
Unappropriated		<u>14,197,105.40</u>	<u>11,727,581.26</u>	<u>19,702,742.87</u>	<u>16,275,537.27</u>
Total shareholders' equity		<u>40,533,484.46</u>	<u>37,477,581.26</u>	<u>56,252,369.73</u>	<u>52,011,387.27</u>
Total liabilities and shareholders' equity		<u>50,427,260.62</u>	<u>44,573,169.91</u>	<u>69,982,952.29</u>	<u>61,858,645.20</u>

The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878

(Notes to financial statements are part of these financial statements)

WENDT GRINDING TECHNOLOGIES LIMITED
STATEMENT OF INCOME
FOR THE YEARS ENDED MARCH 31, 2010 AND 2009

	<i>Note & Detail</i>	<i>31.03.2010</i>	<i>31.03.2009</i>	<i>31.03.2010</i>	<i>31.03.2009</i>
		<i>Baht</i>	<i>Baht</i>	<i>Rs.</i>	<i>Rs.</i>
REVENUES					
Sales		25,704,106.35	27,252,577.54	35,672,158.79	37,821,127.11
Services income		19,388,112.45	16,004,938.05	26,906,822.46	22,211,653.03
Other income	L	406,578.34	149,322.50	564,249.42	207,229.77
Total revenues		45,498,797.14	43,406,838.09	63,143,230.67	60,240,009.90
EXPENSES					
Raw materials cost		19,040,931.34	19,855,958.91	26,425,004.51	27,556,099.78
Cost of services		2,536,621.82	2,294,111.61	3,520,323.76	3,183,768.09
Other cost	K	1,364,963.91	1,297,725.47	1,894,296.91	1,800,983.41
Selling and administrative expenses	M	10,715,488.23	10,597,848.95	14,870,954.57	14,707,694.77
Total expenses	7	33,658,005.30	34,045,644.94	46,710,579.76	47,248,546.05
Profit before finance costs and income tax		11,840,791.84	9,361,193.15	16,432,650.92	12,991,463.85
Finance costs		102,659.95	109,837.80	142,471.48	152,432.90
Profit before income tax		11,738,131.89	9,251,355.35	16,290,179.44	12,839,030.95
Income tax	I & J	3,532,228.69	2,776,991.26	4,902,026.98	3,853,908.47
Net profit		8,205,903.20	6,474,364.09	11,388,152.46	8,985,122.48
Basic earnings per share	3	0.80	0.63	1.11	0.87

The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878

(Notes to financial statements are part of these financial statements)

WENDT GRINDING TECHNOLOGIES LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	<i>Issued and 25%paid up</i>			<i>Retained earnings</i>			<i>Total</i>	
	<i>Share Capital</i>	<i>Legal reserve</i>	<i>Unappropriated</i>	<i>Share Capital</i>	<i>Legal reserve</i>	<i>Unappropriated</i>		
	<i>Baht</i>	<i>Baht</i>	<i>Baht</i>	<i>Baht</i>	<i>Rs.</i>	<i>Rs</i>	<i>Rs</i>	<i>Rs.</i>
Opening balance April 1, 2008	25,750,000.00	-	5,253,217.17	31,003,217.17	35,735,850.00	-	7,290,414.79	43,026,264.79
Net profit	-	-	6,474,364.09	6,474,364.09	-	-	8,985,122.48	8,985,122.48
Closing balance as of March 31, 2009	25,750,000.00	-	11,727,581.26	37,477,581.26	35,735,850.00	-	16,275,537.27	52,011,387.27
Dividend paid (Note 8)	-	-	(5,150,000.00)	(5,150,000.00)	-	-	(7,147,170.00)	(7,147,170.00)
Legal reserve (Note 9)	-	586,379.06	(586,379.06)	-	-	813,776.86	(813,776.86)	-
Net profit	-	-	8,205,903.20	8,205,903.20	-	-	11,388,152.46	11,388,152.46
Closing balance as of March 31, 2010	25,750,000.00	586,379.06	14,197,105.40	40,533,484.46	35,735,850.00	813,776.86	19,702,742.87	56,252,369.73

The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878

WENDT GRINDING TECHNOLOGIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2010 AND 2009

	31.03.2010 Baht	31.03.2009 Baht	31.03.2010 Rs	31.03.2009 Rs
Cash flows from operating activities				
Net profit	8,205,903.20	6,474,364.09	11,388,152.46	8,985,122.48
Adjustment to reconcile net profit to net cash provided by (used in) operating activities				
Depreciation	2,737,178.27	2,309,865.39	3,798,656.00	3,205,631.19
Unrealized (gain) loss on exchange rate	(76,948.30)	7,077.48	(106788.85)	9,822.13
Net profit from operating before changes of operating assets and liabilities	10,866,133.17	8,791,306.96	15,080,019.61	12,200,575.80
Operating assets (increase) decrease				
Trade accounts and notes receivable	(1,260,070.80)	(1,072,219.31)	(1748726.26)	(1488025.96)
Inventory	(2,207,504.97)	(1,033,927.35)	(3063575.40)	(1434884.38)
Other current assets	14,220.29	102,206.50	19,734.92	141,842.18
Operating liabilities increase (decrease)				
Trade accounts payable - related companies	1,931,821.51	(153,317.22)	2,680,981.89	(212773.64)
Trade accounts payable - other	410,515.77	(4,572.28)	569,713.79	(6345.41)
Accrued expense	163,533.85	(11,563.77)	226,952.28	(16048.20)
Other current liabilities	(266,907.18)	263,422.04	(370413.78)	365,577.11
Income tax payable	754,389.13	392,821.39	1,046,941.23	545,157.53
Net cash provided by operating activities	10,406,130.77	7,274,156.96	14,441,628.28	10,095,075.03
Cash flows from investing activities				
Invest in current investment	(45,597.46)	(3,137,058.43)	(63280.15)	(4353609.69)
Increase in property, plant and equipment	(1,778,756.84)	(2,754,113.14)	(2468558.74)	(3822158.22)
Decrease in property, plant and equipment	26,125.00	-	36,256.28	-
Net cash used in investing activities	(1,798,229.30)	(5,891,171.57)	(2495582.62)	(8175767.90)
Cash flows from financing activities				
Dividend paid (Note 8)	(5,150,000.00)	-	(7147170.00)	0.00
Financial lease payment	(121,750.08)	(161,411.79)	(168964.76)	(224007.28)
Net cash provided by financing activities	(5,271,750.08)	(161,411.79)	(7316134.76)	(224007.28)
Net increase (decrease) in cash and cash equivalent	3,336,151.39	1,221,573.60	4,629,910.90	1,695,299.84
Cash and cash equivalent at the beginning of the period	6,355,075.28	5,133,501.68	8,819,573.47	7,124,273.63
Cash and cash equivalent at the ended of the period	9,691,226.67	6,355,075.28	13,449,484.37	8,819,573.47
Cash paid during the period				
Interest expense	15,938.28	33,868.94	22,119.14	47,003.31
Income tax	2,777,839.56	2,384,169.87	3,855,085.74	3,308,750.95

The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878

(Notes to financial statements are part of these financial statements)

WENDT GRINDING TECHNOLOGIES LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2010 AND 2009

NOTE 1 GENERAL INFORMATION

WENDT GRINDING TECHNOLOGIES LTD. was established and registered with the Ministry of Commerce on July 19, 2005 with registration number 0105548094407. Its registered office is at 109/21 Moo4 Eastern Seaboard Industrial Estate Tambol Pluakdaeng Ampur Pluakdaeng Rayong Thailand. The principle business of the Company is to provide services and merchandise in manufacturing business.

NOTE 2 BASIS OF FINANCIAL STATEMENT PREPARATION

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards (TAS) issued under the Accounting Profession Act B.E. 2547 including interpretation and accounting treatment guidance announced by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King except for accounting standards in accordance with the announcement of Federation of Accounting Professions No.21/2550 dated July 20, 2007

“ Accounting Standards with Exemption of Enforcement on Non-Public Companies” Those are :

TAS 14 Segment report (formerly TAS 24)

TAS 24 Related Party Disclosure (revised 2007) (formerly TAS 47)

TAS 27 Consolidated Financial Statements and Separate Financial Statements (revised 2007) (formerly TAS 44)

TAS 28 Interests in Join Ventures (revised 2007) (formerly TAS 45)

TAS 31 Accounting for Investment in associates (revised 2007) (formerly TAS 46)

TAS 32 Financial Instrument: Disclosure and Presentation (revised 2007) (formerly TAS 48)

TAS 36 Impairment of assets (revised 2007) (formerly TAS 36)

(The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878)

WENDT GRINDING TECHNOLOGIES LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2010 AND 2009

The Financial statements have been prepared in accordance with the announcement by the Department of Business Development relating to the requirement of minimum line items in the financial statements B.E. 2552 date January 30, 2009 pursuant to the third paragraph of section 11 of the Accounting Act B.E. 2543. This announcement is effective for the accounting period beginning on or after January 1, 2009.

For convenience of the readers, an English translation of financial statements have been prepared from the Thai language statutory financial statements which is issued for domestic financial reporting purposes.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Recognition of revenues and expenses

Revenues and expenses are recognized on accrual basis.

2. Cash and cash equivalent

Cash and cash equivalent include cash deposits in type of saving, current and not exceeding three - month fixed deposit with no guarantee obligation.

3. Current investment

Current investments are investment in time deposit, fund or other investment which due starting from 3 months and not exceeding 12 months with no guarantee obligation.

(The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878)

WENDT GRINDING TECHNOLOGIES LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2010 AND 2009

4. Inventories

Inventories are stated at the lower of cost or net realizable value. Cost computed on weighted average basis includes freight, fees and duties

5. Depreciation

Depreciation is computed by straight - line method to write off the cost of each asset to value over its estimated useful life as follows:

Building	20 years
Machine, Equipment and Tools	5 years
Furniture and fixture	5 years
Vehicle	5 years

6. Foreign currencies

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into Thai Baht at the exchange rate at balance sheet date. Gain and loss resulting from settlement are recognized in the statement of income when incurred.

7. Use of estimate

The preparation of the financial statements in conformity with Thai generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the amounts of revenues and expenses in the reported periods. Actual results may differ from those estimates.

(The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878)

WENDT GRINDING TECHNOLOGIES LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2010 AND 2009

8. Basic earning (loss) per share

Basic earning (loss) per share is computed by dividing net profit (loss) for the year by the number of shares outstanding at the end of year.

NOTE 4 CURRENT INVESTMENT comprise:

	<u>31.03.2010</u>	<u>31.03.2009</u>	<u>31.03.2010</u>	<u>31.03.2009</u>
	<i>Baht</i>	<i>Baht</i>	<i>Rs.</i>	<i>Rs.</i>
Investment	6,000,000.00	6,000,000.00	8,326,800.00	8,326,800.00
Interest earned	182,655.89	137,058.43	253,489.84	190,209.69
Total current investment	6,182,655.89	6,137,058.43	8,580,289.84	8,517,009.69

In January 8, 2008 the Company invests in “ UOB Protect 3M2 Fund” from UOB Asset Management in the amount of Baht 3 million (Rs.4.1634 million) due in 3 months the latest interest at 0.85 % per annum.

In September 4, 2008 the Company invests in “ UOB Sure Daily Open-ended Fund” from UOB Asset Management in the amount of Baht 3 million (Rs.4.1634 million) due in 3 months the latest interest at 0.87 % per annum.

(The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878)

WENDT GRINDING TECHNOLOGIES LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2010 AND 2009

NOTE 5 PROPERTY PLANT AND EQUIPMENT - NET comprise:

<i>At cost in 2010</i>	<i>As at 1/4/09</i>	<i>Increase</i>	<i>Disposal</i>	<i>As at 31/3/10</i>	<i>As at 1/4/09</i>	<i>Increase</i>	<i>Disposal</i>	<i>As at 31/3/10</i>
	Baht	Baht	Baht	Baht	Rs.	Rs.	Rs.	Rs.
Land	5,341,850.00	-	-	5,341,850.00	7413419.43	-	-	7413419.43
Building	14,946,700.00	-	-	14,946,700.00	20743030.26	-	-	20743030.26
Machine	6,045,294.46	1,508,382.46	-	7,553,676.92	8389659.65	2093333.18	-	10482992.83
Office equipment	1,108,282.36	270,374.38	26,125.00	1,352,531.74	1538074.26	375225.56	36256.28	1877043.55
Tools	241,169.92	-	-	241,169.92	334695.61	-	-	334695.61
Vehicle	2,024,253.08	-	-	2,024,253.08	2809258.42	-	-	2809258.42
Total	29,707,549.82	1,778,756.84	26,125.00	31,460,181.66	41228137.64	2468558.74	36256.28	43660440.11
<i>Accumulated depreciation in 2010</i>								
Land	-	-	-	-	-	-	-	-
Building	2,579,065.50	747,335.10	-	3,326,400.60	3579227.10	1037151.65	-	4616378.75
Machine	2,813,965.55	1,318,984.85	-	4,132,950.40	3905221.39	1830487.17	-	5735708.57
Office equipment	443,706.11	229,685.06	11,911.34	661,479.83	615775.34	318756.93	16530.56	918001.71
Tools	106,022.31	48,234.01	-	154,256.32	147137.76	66939.16	-	214076.92
Vehicle	768,813.28	404,850.59	-	1,173,663.87	1066959.07	561851.65	-	1628810.72
Total	6,711,572.75	2,749,089.61	11,911.34	69,448,751.02	9314320.66	3815186.56	16530.56	13112976.67

(The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878)

WENDT GRINDING TECHNOLOGIES LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2010 AND 2009

<i>Property plant and equipment - net</i>				22,011,430.64				30547463.44
Depreciation for the year				2,737,178.27				3798656.00

<u>At cost in 2009</u>	As at 1/4/08	Increase	Disposal	As at 31/3/09	As at 1/4/08	Increase	Disposal	As at 31/3/09
	Baht	Baht	Baht	Baht	Rs.	Rs.	Rs.	Rs.
Land	5,341,850.00	-	-	5,341,850.00	7413419.43	-	-	7413419.43
Building	14,946,700.00	-	-	14,946,700.00	20743030.26	-	-	20743030.26
Machine	4,579,324.45	1,465,970.01	-	6,045,294.46	6355186.47	2034473.18	-	8389659.65
Office equipment	792,780.23	315,502.13	-	1,108,282.36	1100220.40	437853.86	-	1538074.26
Tools	167,028.92	74,141.00	-	241,169.92	231802.74	102892.88	-	334695.61
Vehicle	1,125,753.08	898,500.00	-	2,024,253.08	1562320.12	1246938.30	-	2809258.42
Total	26,953,436.68	2,754,113.14	-	29,707,549.82	37405979.42	3822158.22	-	41228137.64

<u>Accumulated Depreciation in 2009</u>								
Land	-	-	-	-	-	-	-	-
Building	1,833,221.37	745,844.13	-	2,579,065.50	2544144.62	1035082.48	-	3579227.10
Machine	1,861,429.03	952,536.52	-	2,813,965.55	2583291.21	1321930.18	-	3905221.39
Office equipment	238,339.13	205,366.98	-	443,706.11	330767.04	285008.29	-	615775.34
Tools	70,043.87	35,978.44	-	106,022.31	97206.88	49930.88	-	147137.76
Vehicle	398,673.96	370,139.32	-	768,813.28	553279.72	513679.35	-	1066959.07
Total	4,401,707.36	2,309,865.39	-	6,711,572.75	6108689.47	3205631.19	-	9314320.66

(The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878)

WENDT GRINDING TECHNOLOGIES LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2010 AND 2009

Property plant and equipment - net				22,995,977.07	-	-	-	31913816.98
Depreciation for the year				2,309,865.39	-	-	-	3205631.19

NOTE 6 FINANCIAL LEASE CONTRACTS PAYABLE – NET comprise:

	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Baht	Baht	Rs	Rs
Financial lease contracts payable	34,701.00	173,505.00	48158.05	240790.24
Less: Future interest in the financial lease contracts	4,263.80	21,317.72	5917.30	29584.73
Total liabilities under financial lease contracts	30,437.20	152,187.28	42240.75	211205.51
Less: Current portion	30,437.20	121,750.00	42240.75	168964.65
Total	-	30,437.28	-	42240.86

NOTE 7 EXPENSES BY NATURE

	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Baht	Baht	Rs.	Rs.
Changes in inventory of finished goods	(1634778.69)	(963662.26)	(2268745.87)	(1337370.48)
Raw materials and consumable used	21,798,035.79	21,776,153.84	30251314.07	30220946.30
Employee benefit expenses	5,932,070.01	6,189,384.83	8232526.76	8589628.27
Depreciation	2,749,089.61	2,309,865.39	3815186.56	3205631.19
Repair and maintenance	234,384.25	215,225.40	325278.46	298689.81
Management fee	1,364,963.91	1,297,725.47	1894296.91	1800983.41

(The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878)

WENDT GRINDING TECHNOLOGIES LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2010 AND 2009

Advertising and promotion	740,058.22	262,506.73	1027052.80	364306.84
Loss on exchange rate	-	369,924.27	-	513380.90
Others	2,474,182.20	2,588,521.27	3433670.06	3592349.82
Total	33,658,005.30	34045644.94	46710579.76	47248546.05

NOTE 8 DIVIDEND

In accordance with the minutes of the Board of Director Meeting No.1/2009 held on December 15, 2009, the Board approved dividend payment on retained earnings for the year ended March 31, 2009 of Baht 0.50 per share totaling Baht 5,150,000 (Rs.7,147,170.00) and were paid to shareholders on December 23, 2009.

NOTE 9 LEGAL RESERVE

In accordance with the provisions of the Civil and Commercial Code of Thailand, the Company has to set aside as a legal reserve at least 5% of its net profit at each dividend declaration until the reserve reaches 10% of authorized capital. The reserve is not available for dividend distribution.

NOTE 10 RECLASSIFICATION

Certain items in the financial statements for the period ended March 31, 2009 have been reclassified for comparative purposes and to coincide with the classification presented in the financial statements for the year ended March 31, 2010.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issuing by the authorized director of the Company.

(The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878)

WENDT GRINDING TECHNOLOGIES LIMITED
DETAILS TO FINANCIAL STATEMENTS
AS AT MARCH 31, 2010 AND 2009

	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Baht	Baht	Rs.	Rs.
DETAIL A : CASH AND CASH EQUIVALENT				
Cash on hand	58,483.00	14,454.00	81,162.71	20,059.26
Cash at bank	9,632,743.67	6,340,621.28	13,368,321.67	8,799,514.21
Total	<u>9,691,226.67</u>	<u>6,355,075.28</u>	<u>13,449,484.37</u>	<u>8,819,573.47</u>
DETAIL B : INVENTORY - NET				
Trading product	3,570,678.01	1,935,899.32	4,955,386.94	2,686,641.08
Goods in transit	1,707,481.27	912,145.00	2,369,642.51	1,265,874.83
Supplies	343,637.42	566,247.41	476,900.01	785,838.16
Total	<u>5,621,796.70</u>	<u>3,414,291.73</u>	<u>7,801,929.46</u>	<u>4,738,354.06</u>
DETAIL C : OTHER CURRENT ASSETS				
Advanced payment	29,116.50	48,933.38	40,407.88	67,909.74
Deposits	40,000.00	109,200.00	55,512.00	151,547.76
Prepaid expenses	128,458.52	54,758.37	178,274.73	75,993.67
Unrealized input VAT	10,157.70	9,061.26	14,096.86	12,575.22
Total	<u>207,732.72</u>	<u>221,953.01</u>	<u>288,291.47</u>	<u>308,026.39</u>
DETAIL D : OTHER ASSET				
Deposit to Thai Government (for use of electricity)	100,000.00	100,000.00	138,780.00	138,780.00
Total	<u>100,000.00</u>	<u>100,000.00</u>	<u>138,780.00</u>	<u>138,780.00</u>
DETAIL E : TRADE ACCOUNT PAYABLE - RELATED COMPANIES				
Wendt India Limited	2,886,570.20	2,458,783.96	4,005,982.12	3,412,300.38
Carborundum Universal Ltd.	3,097,111.73	978,237.65	4,298,171.66	1,357,598.21
Carborundum Universal - Kerela	60,499.85	670,819.15	83,961.69	930,962.82
Wendt Boart SA.	211,314.50	286,508.93	293,262.26	397,617.09
Wendt GMBH	2,221.99	-	3,083.68	-
Total	<u>6,257,718.27</u>	<u>4,394,349.69</u>	<u>8,684,461.42</u>	<u>6,098,478.50</u>

The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878

WENDT GRINDING TECHNOLOGIES LIMITED
DETAILS TO FINANCIAL STATEMENTS
AS AT MARCH 31, 2010 AND 2009

	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Baht	Baht	Rs.	Rs.
<i>Remark : A/P in currencies</i>	-	-	-	-
Wendt India Limited (USD)	46,780.08	32,556.48	2,111,685.21	1,611,316.97
Carborundum Universal (USD)	95,217.23	27,430.12	4,298,171.66	1,357,598.21
Carborundum Universal - Karela (USD)	1,860.00	18,810.00	83,961.69	930,962.82
Wendt Boart SA.(EUR)	4,831.15	6,051.45	293,262.26	397,617.09
Wendt GMBH (EUR)	50.80	-	3,083.68	-
Management fee to Wendt India Limited (THB)	1,364,963.91	1,297,725.47	1,894,296.91	1,800,983.41

DETAIL F : ACCRUED EXPENSES

Bonus	300,000.00	250,000.00	416,340.00	346,950.00
Audit fee	85,000.00	75,000.00	117,963.00	104,085.00
Electricity	21,975.58	21,033.69	30,497.71	29,190.55
Social Security Fund	12,098.00	13,146.00	16,789.60	18,244.02
Telephone and internet	14,218.92	8,668.04	19,733.02	12,029.51
Other	99,274.08	1,185.00	137,772.57	1,644.54
Total	532,566.58	369,032.73	739,095.90	512,143.62

DETAIL G : OTHER CURRENT LIABILITIES

Deposit received	-	342,000.00	-	474,627.60
Out put VAT - suspense	148,636.95	98,446.60	206,278.36	136,624.19
VAT payable	59,694.64	29,831.38	82,844.22	41,399.99
Withholding taxes payable	68,285.04	71,268.03	94,765.98	98,905.77
Others	-	1,977.80	-	2,744.79
Total	276,616.63	543,523.81	383,888.56	754,302.34

DETAIL H : EXCHANGE RATE

Exchange rate by Bank of Thailand as at ended of March 31				
Average selling rate USD : THB	32.53	35.66	45.15	49.49
Average selling rate EUR : THB	43.74	47.35	60.70	65.71

The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878

WENDT GRINDING TECHNOLOGIES LIMITED
DETAILS TO FINANCIAL STATEMENTS
AS AT MARCH 31, 2010 AND 2009

	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Baht	Baht	Rs.	Rs.
DETAIL I : INCOME TAX CALCULATION				
Profit before tax	11,738,131.89	9,251,355.35	16,290,179.44	12,839,030.95
Add back - Unclaimed expenses	42,863.74	6,372.69	59,486.30	8,844.02
Add back - Bad debt	-	27,659.50	-	38,385.85
Less - Training	(6,900.00)	(28,750.00)	(9575.82)	(39899.25)
Profit for taxation	11,774,095.63	9,256,637.54	16,340,089.92	12,846,361.58
Income tax 30%	3,532,228.69	2,776,991.26	4,902,026.97	3,853,908.47
	0	0		
DETAIL J : INCOME TAX PAYABLE				
Income tax	3,532,228.69	2,776,991.26	4,902,026.97	3,853,908.47
Less : Half year income tax	(1,097,758.15)	(1,146,411.76)	(1523468.76)	(1590990.24)
Less : Prepaid income tax	(544,111.44)	(494,609.53)	(755117.86)	(686419.11)
Income tax payable	1,890,359.10	1,135,969.97	2,623,440.4	1,576,499.1
	0	0		
DETAIL K : OTHER COST				
Total other cost - Management fee	1,364,963.91	1,297,725.47	1,894,296.91	1,800,983.41
DETAIL L : OTHER INCOME				
Gain on exchange rate	317,164.54	-	440,160.95	-
Interest income	85,371.74	145,358.95	118,478.90	201,729.15
Sale scrap	4,042.06	3,963.55	5,609.57	5,500.61
	406,578.34	149,322.50	564,249.42	207,229.77

The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878

WENDT GRINDING TECHNOLOGIES LIMITED
DETAILS TO FINANCIAL STATEMENTS
AS AT MARCH 31, 2010 AND 2009

	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	<i>Baht</i>	<i>Baht</i>	<i>Rs</i>	<i>Rs</i>
DETAIL M : SELLING AND ADMINISTRATIVE EXPENSES				
Employee benefit expenses	4,963,192.82	5,227,457.23	6,887,919.00	7,254,665.14
Depreciation	2,749,089.61	2,309,865.39	3,815,186.56	3,205,631.19
Transportation and travel (domestic & international)	788,304.90	1,013,800.42	1,094,009.54	1,406,952.22
Loss on exchange rate	-	369,924.27	-	513,380.90
Security and guard fee	271,200.00	274,450.00	376,371.36	380,881.71
Advertising and promotion	740,058.22	262,506.73	1,027,052.80	364,306.84
Telephone and internet	187,239.77	225,338.12	259,851.35	312,724.24
Repair and maintenance	234,384.25	215,225.40	325,278.46	298,689.81
Audit fee	131,000.00	109,500.00	181,801.80	151,964.10
Entertainment	88,046.85	89,784.99	122,191.42	124,603.61
Insurance	85,677.79	86,775.00	118,903.64	120,426.35
Stationary	64,292.15	78,896.30	89,224.65	109,492.29
Other fee	84,641.65	71,060.00	117,465.68	98,617.07
Postage	93,354.94	58,438.23	129,557.99	81,100.58
Supplies	23,849.51	54,429.80	33,098.35	75,537.68
Bad debt	-	27,659.50	-	38,385.85
Cleaning service	23,412.00	27,412.00	32,491.17	38,042.37
Loss on fixed assets disposal	15,208.62	-	21,106.52	-
Water	18,495.37	8,588.56	25,667.87	11,919.20
Unclaimed expenses	42,863.74	7,629.75	59,486.30	10,588.57
Others	111,176.04	79,107.26	154,290.11	109,785.06
Total	<u>10,715,488.23</u>	<u>10,597,848.95</u>	<u>14,870,954.57</u>	<u>14,707,694.77</u>

The Indian Rupee equivalent to the figures given in foreign currency have been converted at 1 Baht = INR 1.3878