



บริษัท วาระดี ออดิท จำกัด 385/25 บ้านเนินทวีจิตร อ่อนนุช 39 แขวงสวนหลวง เขตสวนหลวง กรุงเทพฯ 10250  
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## INDEPENDENT AUDITOR'S REPORT

To Shareholders of WENDT GRINDING TECHNOLOGIES LIMITED

I have audited the accompanying financial statements of WENDT GRINDING TECHNOLOGIES LIMITED, which comprise the statement of financial position as at March 31, 2013, and the statement of income and statement of changes in shareholders' equity and cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities (NPAEs) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Opinion*

In my opinion, the financial statements present fairly, in all material respects, the financial position of WENDT GRINDING TECHNOLOGIES LIMITED as at March 31, 2013, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities (NPAEs).

(Varanon Trathong)

Certified Public Accountant (Thailand)

Registration No. 6886

April 15, 2013  
Bangkok

**WENDT GRINDING TECHNOLOGIES LIMITED**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2013 AND 2012**

	Note	2013 Baht	2012 Baht	2013 Rs.	2012 Rs,
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>					
<b>SHAREHOLDERS' EQUITY</b>					
Share capital	2	25,750,000.00	25,750,000.00	47,560,250.00	47,560,250.00
Reserve and surplus	3	51,948,955.08	38,784,505.64	95,949,720.03	71,634,981.92
Total shareholders' equity		<u>77,698,955.08</u>	<u>64,534,505.64</u>	<u>143,509,970.03</u>	<u>119,195,231.92</u>
<b>LIABILITIES</b>					
Current liabilities					
Trade payables	4	8,028,853.80	8,944,302.50	14,829,292.97	16,520,126.72
Other current liabilities	5	1,291,449.12	964,690.67	2,385,306.52	1,781,783.67
Short-term provisions	6	1,750,839.87	2,014,600.54	3,233,801.24	3,720,967.20
Total current liabilities		<u>11,071,142.79</u>	<u>11,923,593.71</u>	<u>20,448,400.73</u>	<u>22,022,877.58</u>
Total liabilities		<u>11,071,142.79</u>	<u>11,923,593.71</u>	<u>20,448,400.73</u>	<u>22,022,877.58</u>
Total liabilities and shareholders' equity		<u>88,770,097.87</u>	<u>76,458,099.35</u>	<u>163,958,370.77</u>	<u>141,218,109.50</u>
Significant accounting policies	1				
Additional information to financial statements	23				
See accompanying notes forming part of the financial statements					
Bangkok, Thailand					
April 15, 2013					
<b>ASSETS</b>					
Non - current assets					
Fixed assets					
Tangible assets	7	16,954,285.73	18,511,409.51	31,314,565.74	34,190,573.36
Intangible assets	8	9,691.70	26,202.69	17,900.57	48,396.37
Other non current asset	9	100,000.00	100,000.00	184,700.00	184,700.00
Total non - current assets		<u>17,063,977.43</u>	<u>18,637,612.20</u>	<u>31,517,166.31</u>	<u>34,423,669.73</u>
Current assets					
Current investments	10	21,903,617.42	11,523,011.75	40,455,981.37	21,283,002.70
Inventories	11	5,200,970.50	6,258,298.10	9,606,192.51	11,559,076.59
Trade receivables	12	5,981,387.60	4,416,734.58	11,047,622.90	8,157,708.77
Cash and cash equivalents	13	38,055,284.33	35,382,887.92	70,288,110.16	65,352,193.99
Short term loans and advances	14	549,141.35	230,538.40	1,014,264.07	425,804.42
Other current assets	15	15,719.24	9,016.40	29,033.44	16,653.29
Total current assets		<u>71,706,120.44</u>	<u>57,820,487.15</u>	<u>132,441,204.45</u>	<u>106,794,439.77</u>
Total assets		<u>88,770,097.87</u>	<u>76,458,099.35</u>	<u>163,958,370.77</u>	<u>141,218,109.50</u>
Significant accounting policies	1				
Additional information to financial statements	23				
See accompanying notes forming part of the financial statements					
Bangkok, Thailand					
April 15, 2013					

The India Rupee equivalent to the figures given in foreign currency have been converted at 1 Bhat = INR 1.847

**WENDT GRINDING TECHNOLOGIES LIMITED**  
**STATEMENT OF INCOME**  
**FOR THE YEARS ENDED MARCH 31, 2013 AND 2012**

	Note	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
<b>REVENUES</b>					
Revenue from operations	16	62,513,761.27	65,494,998.17	115,462,917.07	120,969,261.62
Other income	17	946,651.94	532,131.48	1,748,466.13	982,846.84
Total revenues		63,460,413.21	66,027,129.65	117,211,383.20	121,952,108.46
<b>EXPENSES</b>					
Purchase of stock in trade and supplies	18	30,317,130.21	34,884,493.42	55,995,739.50	64,431,659.35
Changes in stock in trade and supplies	19	1,282,319.93	(916,929.19)	2,368,444.91	1,693,568.21
Employee benefit expenses	20	7,077,066.67	6,749,930.09	13,071,342.14	12,467,120.88
Finance costs	21	110,260.20	114,664.15	203,650.59	211,784.69
Depreciation and amortization	7&8	1,938,047.86	1,834,535.18	3,579,574.40	3,388,386.48
Other expenses	22	5,451,908.82	6,193,433.86	10,069,675.59	11,439,272.34
Total expenses		46,176,733.69	48,860,127.51	85,288,427.13	90,244,655.51
Profit before income tax expense		17,283,679.52	17,167,002.14	31,922,956.07	31,707,452.95
Current income tax expense		4,119,230.08	5,142,263.33	7,608,217.96	9,497,760.37
Net profit for the year		13,164,449.44	12,024,738.81	24,314,738.12	22,209,692.58
Basic earnings per share (Face value Baht 10 each)		1.28	1.17	2.36	2.16
Significant accounting policies	1				
Additional information to financial statements	23				
See accompanying notes forming part of the financial statements					

Bangkok, Thailand  
April 15, 2013

The India Rupee equivalent to the figures given in foreign currency have been converted at 1 Bhat = INR 1.847

**WENDT GRINDING TECHNOLOGIES LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED MARCH 31, 2013 AND 2012**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
<b>Cash flows from operating activities</b>				
Net profit	13,164,449.44	12,024,738.81	24,314,738.12	22,209,692.58
Adjustment to reconcile net profit to net cash provided by (used in) operating activities				
Depreciation and amortization	1,938,047.86	1,834,535.18	3,579,574.40	3,388,386.48
Bad debt	36,023.17	60,789.91	66,534.79	112,278.96
Provision for diminution in value of inventory	623,638.35	-	1,151,860.03	-
(Gain) loss on sale of tangible assets	(12,542.72)	5,846.32	(23,166.40)	10,798.15
Unrealized exchange loss (gain)	(77,271.96)	(20,470.29)	(142,721.31)	(37,808.63)
Net profit from operating before changes of operating assets and liabilities	15,672,344.14	13,905,439.93	28,946,819.63	25,683,347.55
<b>Operating assets (increase) decrease</b>				
Inventories	433,689.25	(710,968.25)	801,024.04	(1,313,158.36)
Trade receivables	(1,616,034.43)	1,862,023.96	(2,984,815.59)	3,439,158.25
Short term loans and advances	(318,602.95)	(58,015.10)	(588,459.65)	(107,153.89)
Other current assets	(6,702.83)	4,591.92	(12,380.13)	8,481.28
<b>Operating liabilities increase (decrease)</b>				
Trade accounts payable	(822,818.51)	2,222,214.49	(1,519,745.79)	4,104,430.16
Other current liabilities	326,758.45	(5,400,693.99)	603,522.86	(9,975,081.80)
Short term provision	(263,760.67)	(1,476,275.09)	(487,165.96)	(2,726,680.09)
Net cash provided by operating activities	13,404,872.45	10,348,317.87	24,758,799.42	19,113,343.11
<b>Cash flows from investing activities</b>				
Invest in current investment	(10,380,605.67)	(5,267,865.07)	(19,172,978.67)	(9,729,746.78)
Purchase of tangible assets	(374,674.11)	(942,243.67)	(692,023.08)	(1,740,324.06)
Sales of tangible assets	22,803.74	934.58	42,118.51	1,726.17
Net cash used in investing activities	(10,732,476.04)	(6,209,174.16)	(19,822,883.25)	(11,468,344.67)
<b>Net increase (decrease) in cash and cash equivalent</b>	2,672,396.41	4,139,143.71	4,935,916.17	7,644,998.43
<b>Cash and cash equivalent at the beginning of the period</b>	35,382,887.92	31,243,744.21	65,352,193.99	57,707,195.56
<b>Cash and cash equivalent at the ended of the period</b>	38,055,284.33	35,382,887.92	70,288,110.16	65,352,193.99
<b>Cash paid during the period</b>				
Income tax	4,382,990.75	6,618,538.41	8,095,383.92	12,224,440.44

Significant accounting policies

Note 1

Additional information to financial statements

Note 23

See accompanying notes forming part of the financial statements

The India Rupee equivalent to the figures given in foreign currency have been converted at 1 Bhat = INR 1.847

**WENDT GRINDING TECHNOLOGIES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT MARCH 31, 2013 AND 2012**

**NOTE 2 SHARE CAPITAL**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Authorised :				
10,300,000 ordinary shares of Baht 10 each	103,000,000.00	103,000,000.00	190,241,000.00	190,241,000.00
Issued :				
25% of 10,300,000 ordinary shares of Baht 10 each	25,750,000.00	25,750,000.00	47,560,250.00	47,560,250.00
Paid up :				
25% of 10,300,000 ordinary shares of Baht 10 each	25,750,000.00	25,750,000.00	47,560,250.00	47,560,250.00
<b>Total</b>	<b>25,750,000.00</b>	<b>25,750,000.00</b>	<b>47,560,250.00</b>	<b>47,560,250.00</b>
	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Reconcile No. of share outstanding at the beginning and the ended of year				
No. of share outstanding at the beginning of the year	10,300,000.00	10,300,000.00	19,024,100.00	19,024,100.00
Add additional shares issued during the year	-	-	-	-
Less : Shares forfeited / bought back during the year	-	-	-	-
No. of share outstanding at the ended of the year	10,300,000.00	10,300,000.00	19,024,100.00	19,024,100.00

**NOTE 3 RESERVE AND SURPLUS**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Legal reserve				
As per last balance sheets	1,300,000.00	1,300,000.00	2,401,100.00	2,401,100.00
Add : transfer from profit & loss account	-	-	-	-
	1,300,000.00	1,300,000.00	2,401,100.00	2,401,100.00
Surplus				
As per last balance sheets	37,484,505.64	25,459,766.83	69,233,881.92	47,024,189.34
Add : transfer from profit & loss account	13,164,449.44	12,024,738.81	24,314,738.12	22,209,692.58
Less : appropriation				
Proposed dividend	-	-	-	-
Transfer to reserve	-	-	-	-
<b>Total</b>	<b>51,948,955.08</b>	<b>38,784,505.64</b>	<b>95,949,720.03</b>	<b>71,634,981.92</b>

The India Rupee equivalent to the figures given in foreign currency have been converted at 1 Bhat = INR 1.847

**WENDT GRINDING TECHNOLOGIES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT MARCH 31, 2013 AND 2012**

**NOTE 4 TRADE PAYABLES**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Trade payables - related companies	7,021,176.43	8,072,697.50	12,968,112.87	14,910,272.28
Trade payables - other companies	1,007,677.37	871,605.00	1,861,180.10	1,609,854.44
Total	8,028,853.80	8,944,302.50	14,829,292.97	16,520,126.72
Amount of unpaid (over credit term 30/45 days)	607,613.02	466,860.31	1,122,261.25	862,290.99

**NOTE 5 OTHER CURRENT LIABILITIES**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Other accrued expenses including bonus	948,224.00	710,536.73	1,751,369.73	1,312,361.34
Output VAT suspense	76,336.82	60,952.64	140,994.11	112,579.53
VAT payable	179,747.43	112,012.62	331,993.50	206,887.31
Withholding payable	87,140.87	81,188.68	160,949.19	149,955.49
Total	1,291,449.12	964,690.67	2,385,306.52	1,781,783.67

**NOTE 6 SHORT-TERM PROVISION**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Current income tax	1,750,839.87	2,014,600.54	3,233,801.24	3,720,967.20
Total	1,750,839.87	2,014,600.54	3,233,801.24	3,720,967.20

The India Rupee equivalent to the figures given in foreign currency have been converted at 1 Bhat = INR 1.847

**WENDT GRINDING TECHNOLOGIES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT MARCH 31, 2013 AND 2012**

in Baht

**NOTE 7 FIXED ASSETS - TANGIBLE**

	Cost				Depreciation / Amortization				Net	
	As at Mar 31, 2012	Addition during the year	Deductions during the year	As at Mar 31, 2013	As at Mar 31, 2012	Addition during the year	Deductions during the year	As at Mar 31, 2013	As at Mar 31, 2013	As at Mar 31, 2012
<b>TANGIBLE ASSETS</b>										
Land	5,341,850.00	-	-	5,341,850.00	-	-	-	-	5,341,850.00	5,341,850.00
Building and improvement	15,132,550.00	-	13,050.00	15,119,500.00	4,830,959.89	763,763.45	2,790.98	5,591,932.36	9,527,567.64	10,301,590.11
Machine	7,553,676.92	-	-	7,553,676.92	6,212,368.30	594,870.53	-	6,807,238.83	746,438.09	1,341,308.62
Office equipment	1,617,278.14	374,674.11	98,170.00	1,893,782.25	999,326.05	234,574.67	98,168.00	1,135,732.72	758,049.53	617,952.09
Tools	241,169.92	-	-	241,169.92	214,187.61	14,828.21	-	229,015.82	12,154.10	26,982.31
Vehicle	2,693,253.08	-	-	2,693,253.08	1,811,526.70	313,500.01	-	2,125,026.71	568,226.37	881,726.38
<b>Total</b>	<b>32,579,778.06</b>	<b>374,674.11</b>	<b>111,220.00</b>	<b>32,843,232.17</b>	<b>14,068,368.55</b>	<b>1,921,536.87</b>	<b>100,958.98</b>	<b>15,888,946.44</b>	<b>16,954,285.73</b>	<b>18,511,409.51</b>
Previous year	31,663,501.68	942,243.67	25,967.29	32,579,778.06	12,275,450.58	1,812,104.36	19,186.39	14,068,368.55	18,511,409.51	19,388,051.10

**NOTE 8 FIXED ASSETS - INTANGIBLE**

	Cost				Depreciation / Amortization				Net	
	As at Mar 31, 2012	Addition during the year	Deductions during the year	As at Mar 31, 2013	As at Mar 31, 2012	Addition during the year	Deductions during the year	As at Mar 31, 2013	As at Mar 31, 2013	As at Mar 31, 2012
<b>INTANGIBLE ASSETS</b>										
Computer software	159,655.00	-	-	159,655.00	133,452.31	16,510.99	-	149,963.30	9,691.70	26,202.69
<b>Total</b>	<b>159,655.00</b>	<b>-</b>	<b>-</b>	<b>159,655.00</b>	<b>133,452.31</b>	<b>16,510.99</b>	<b>-</b>	<b>149,963.30</b>	<b>9,691.70</b>	<b>26,202.69</b>
Previous year	159,655.00	-	-	159,655.00	111,021.49	22,430.82	-	133,452.31	26,202.69	48,633.51

**DEPRECIATION AND AMORTIZATION**

	2013	2012
On fixed assets (Tangible assets) refer to Note 7	1,921,536.87	1,812,104.36
On fixed assets (Intangible assets) refer to Note 8	16,510.99	22,430.82
<b>Total</b>	<b>1,938,047.86</b>	<b>1,834,535.18</b>

The India Rupee equivalent to the figures given in foreign currency have been converted at 1 Bhat = INR 1.847

**NOTES TO FINANCIAL STATEMENTS  
AS AT MARCH 31, 2013 AND 2012**

**in Rupees**

**NOTE 7 FIXED ASSETS - TANGIBLE**

	Cost				Depreciation / Amortization				Net	
	As at Mar 31, 2012	Addition during the year	Deductions during the year	As at Mar 31, 2013	As at Mar 31, 2012	Addition during the year	Deductions during the year	As at Mar 31, 2013	As at Mar 31, 2013	As at Mar 31, 2012
<b>TANGIBLE ASSETS</b>										
Land	9,866,396.95	-	-	9,866,396.95	-	-	-	-	9,866,396.95	9,866,396.95
Building and improvement	27,949,819.85	-	24,103.35	27,925,716.50	8,922,782.92	1,410,671.09	5,154.94	10,328,299.07	17,597,417.43	19,027,036.93
Machine	13,951,641.27	-	-	13,951,641.27	11,474,244.25	1,098,725.87	-	12,572,970.12	1,378,671.15	2,477,397.02
Office equipment	2,987,112.72	692,023.08	181,319.99	3,497,815.82	1,845,755.21	433,259.42	181,316.30	2,097,698.33	1,400,117.48	1,141,357.51
Tools	445,440.84	-	-	445,440.84	395,604.52	27,387.70	-	422,992.22	22,448.62	49,836.33
Vehicle	4,974,438.44	-	-	4,974,438.44	3,345,889.81	579,034.52	-	3,924,924.33	1,049,514.11	1,628,548.62
<b>Total</b>	<b>60,174,850.08</b>	<b>692,023.08</b>	<b>205,423.34</b>	<b>60,661,449.82</b>	<b>25,984,276.71</b>	<b>3,549,078.60</b>	<b>186,471.24</b>	<b>29,346,884.07</b>	<b>31,314,565.74</b>	<b>34,190,573.36</b>
Previous year	58,482,487.60	1,740,324.06	47,961.58	60,174,850.08	22,672,757.22	3,346,956.75	35,437.26	25,984,276.71	34,190,573.36	35,809,730.38

**NOTE 8 FIXED ASSETS - INTANGIBLE**

	Cost				Depreciation / Amortization				Net	
	As at Mar 31, 2012	Addition during the year	Deductions during the year	As at Mar 31, 2013	As at Mar 31, 2012	Addition during the year	Deductions during the year	As at Mar 31, 2013	As at Mar 31, 2013	As at Mar 31, 2012
<b>INTANGIBLE ASSETS</b>										
Computer software	294,882.79	-	-	294,882.79	246,486.42	30,495.80	-	276,982.22	17,900.57	48,396.37
<b>Total</b>	<b>294,882.79</b>	<b>-</b>	<b>-</b>	<b>294,882.79</b>	<b>246,486.42</b>	<b>30,495.80</b>	<b>-</b>	<b>276,982.22</b>	<b>17,900.57</b>	<b>48,396.37</b>
Previous year	294,882.79	-	-	294,882.79	205,056.69	41,429.72	-	246,486.42	48,396.37	89,826.09

**DEPRECIATION AND AMORTIZATION**

	2013	2012
On fixed assets (Tangible assets) refer to Note 7	3,549,078.60	3,346,956.75
On fixed assets (Intangible assets) refer to Note 8	30,495.80	41,429.72
<b>Total</b>	<b>3,579,574.40</b>	<b>3,388,386.48</b>

The India Rupee equivalent to the figures given in foreign currency have been converted at 1 Bhat = INR 1.847



**WENDT GRINDING TECHNOLOGIES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT MARCH 31, 2013 AND 2012**

**NOTE 9 OTHER NON CURRENT ASSETS**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Deposit with more than 12 months maturity	100,000.00	100,000.00	184,700.00	184,700.00
Total	100,000.00	100,000.00	184,700.00	184,700.00

**NOTE 10 CURRENT INVESTMENTS**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Investments in funds	21,903,617.42	11,523,011.75	40,455,981.37	21,283,002.70
Total	21,903,617.42	11,523,011.75	40,455,981.37	21,283,002.70

**NOTE 11 INVENTORIES**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
(At lower of cost and net realisable value)				
Stock in trade	2,498,943.08	3,823,777.75	4,615,547.87	7,062,517.50
Goods in transit for stock in trade	2,254,844.79	2,029,852.46	4,164,698.33	3,749,137.49
Supplies	447,182.63	404,667.89	825,946.32	747,421.59
Total	5,200,970.50	6,258,298.10	9,606,192.51	11,559,076.59

**NOTE 12 TRADE RECEIVABLES**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Trade receivables due for a period exceeding 6 months (from the date they were due for payment)				
Considered Good	13,133.18	51,663.67	24,256.98	95,422.80
Considered Doubtful	36,023.17	60,789.91	66,534.79	112,278.96
Other trade receivables				
Considered Good	5,968,254.42	4,365,070.91	11,023,365.91	8,062,285.97
Considered Doubtful	-	-	-	-
Less : Provision for doubtful trade receivable	(36,023.17)	(60,789.91)	(66,534.79)	(112,278.96)
Total	5,981,387.60	4,416,734.58	11,047,622.90	8,157,708.77

**NOTE 13 CASH AND CASH EQUIVALENTS**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Cash on hand	6,958.00	66,229.00	12,851.43	122,324.96
Deposits in transit	51,654.25	103,868.90	95,405.40	191,845.86
Cash with bank - margin money	37,996,672.08	35,212,790.02	70,179,853.33	65,038,023.17
Total	38,055,284.33	35,382,887.92	70,288,110.16	65,352,193.99

**NOTE 14 SHORT TERM LOANS AND ADVANCES**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Prepaid expenses	135,045.71	120,341.30	249,429.43	222,270.38
Advances to related person - considered good	232,596.00	90,307.50	429,604.81	166,797.95
Other advances - considered good	181,499.64	19,889.60	335,229.84	36,736.09
Total	549,141.35	230,538.40	1,014,264.07	425,804.42

**NOTE 15 OTHER CURRENT ASSETS**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Unrealized Input VAT	15,719.24	9,016.40	29,033.44	16,653.29
Total	15,719.24	9,016.40	29,033.44	16,653.29

The India Rupee equivalent to the figures given in foreign currency have been converted at 1 Bhat = INR 1.847

**WENDT GRINDING TECHNOLOGIES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 16 REVENUE FROM OPERATIONS**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Sale of products	46,544,619.27	48,283,134.17	85,967,911.79	89,178,948.81
Sale of services	15,969,142.00	17,211,864.00	29,495,005.27	31,790,312.81
Total	62,513,761.27	65,494,998.17	115,462,917.07	120,969,261.62

**NOTE 17 OTHER INCOME**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Interest on bank and other deposits	565,766.98	417,171.48	1,044,971.61	770,515.72
Net gain on foreign currency transaction and translations	359,836.63	-	664,618.26	-
Net gain on sale of tangible assets	12,542.72	-	23,166.40	-
Scrap sales	8,505.61	6,551.40	15,709.86	12,100.44
Miscellaneous income	-	108,408.60	-	200,230.68
Total	946,651.94	532,131.48	1,748,466.13	982,846.84

**NOTE 18 PURCHASE OF STOCK IN TRADE AND SUPPLIES**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Imported				
Stock in trade	29,007,653.23	34,000,798.18	53,577,135.52	62,799,474.24
Supplies	680,856.70	391,428.98	1,257,542.32	722,969.33
Indigenously obtained				
Stock in trade	-	-	-	-
Supplies	628,620.28	492,266.26	1,161,061.66	909,215.78
Total	30,317,130.21	34,884,493.42	55,995,739.50	64,431,659.35

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**WENDT GRINDING TECHNOLOGIES LIMITED**  
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**NOTE 19 CHANGES IN STOCK IN TRADE AND SUPPLIES**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Opening stock :				
Stock in trade	3,823,777.75	2,881,265.96	7,062,517.50	5,321,698.23
Supplies	404,667.89	430,250.49	747,421.59	794,672.66
	4,228,445.64	3,311,516.45	7,809,939.10	6,116,370.88
Closing stock :				
Stock in trade	2,498,943.08	3,823,777.75	4,615,547.87	7,062,517.50
Supplies	447,182.63	404,667.89	825,946.32	747,421.59
	2,946,125.71	4,228,445.64	5,441,494.19	7,809,939.10
Total	1,282,319.93	(916,929.19)	2,368,444.91	(1,693,568.21)

**NOTE 20 EMPLOYEE BENEFIT EXPENSES**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Salary and allowance	5,709,020.68	5,525,117.67	10,544,561.20	10,204,892.34
Bonus	731,208.40	673,723.44	1,350,541.91	1,244,367.19
Staff welfare expenses	573,899.59	476,586.98	1,059,992.54	880,256.15
Contribution to Social Security Fund	62,938.00	74,502.00	116,246.49	137,605.19
Total	7,077,066.67	6,749,930.09	13,071,342.14	12,467,120.88

**NOTE 21 FINANCE COSTS**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Interest expense	-	-	-	-
Bank charge	110,260.20	114,664.15	203,650.59	211,784.69
Total	110,260.20	114,664.15	203,650.59	211,784.69

**NOTE 22 OTHER EXPENSES**

	2013 Baht	2012 Baht	2013 Rs.	2012 Rs.
Repair and maintenance :				
Building	115,558.31	52,563.00	213,436.20	97,083.86
Vehicle	123,082.82	133,468.80	227,333.97	246,516.87
Office equipment	19,672.15	15,445.00	36,334.46	28,526.92
Machine	56,058.70	16,256.05	103,540.42	30,024.92
Tools	11,060.00	12,860.00	20,427.82	23,752.42
Electricity	219,415.57	194,577.49	405,260.56	359,384.62
Management fee	937,706.42	1,980,813.89	1,731,943.76	3,658,563.25
Travel and conveyance	641,295.19	686,191.86	1,184,472.22	1,267,396.37
Freight outward	372,561.52	423,847.21	688,121.13	782,845.80
Adverting promotion and commission	197,334.61	526,335.67	364,477.02	972,141.98
Auditor's remuneration	199,000.00	193,500.00	367,553.00	357,394.50
Security expenses	421,914.00	313,400.00	779,275.16	578,849.80
Communication expenses	191,846.32	228,480.58	354,340.15	422,003.63
Insurance	82,241.66	88,584.82	151,900.35	163,616.16
Provision for doubtful trade receivables	36,023.17	60,789.91	66,534.79	112,278.96
Provision for diminution in value of inventory	623,638.35	-	1,151,860.03	-
Loss on foreign currency transaction and translations	-	58,443.43	-	107,945.02
Miscellaneous expenses	1,203,500.03	1,207,876.15	2,222,864.56	2,230,947.25
Total	5,451,908.82	6,193,433.86	10,069,675.59	11,439,272.34

The India Rupee equivalent to the figures given in foreign currency have been converted at 1 Bhat = INR 1.847

**WENDT GRINDING TECHNOLOGIES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MARCH 31, 2013 AND 2012**

in Baht

**NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS**

**1) EARNINGS IN FOREIGN EXCHANGE**

		2013	2012
FOB value of exports		9,989,457.34	9,578,227.00
	Total	9,989,457.34	9,578,227.00

**2) EXPENDITURE IN FOREIGN CURRENCIES**

		2013	2012
Management fee		937,706.42	1,980,813.89
Commission expenses		93,929.74	236,123.89
	Total	1,031,636.16	2,216,937.78

**3) BASIC EARNINGS PER SHARE**

A) The amount used as the numerator in calculating basic earnings per share is the net profit after tax for the year disclosed in Income Statement		13,164,449.44	12,024,738.81
B) The number of share (shares)		10,300,000.00	10,300,000.00
C) Earnings per share		1.28	1.17

**4) TRANSACTION WITH RELATED PARTY**

A) Related party transactions :

Name of related party	Description Of relationship	Nature of Transaction	Amount of transaction (Baht)	Amt.outstanding at end of year 2013	
				Dr.	Cr.
Wendt India Limited	Parent company	Accrued exps	937,706.42	-	937,706.42
Wendt India Limited	Parent company	Sales	22,076.46	-	22,076.46
Wendt India Limited	Parent company	Purchase	5,974,445.77	5,974,445.77	-
Wendt India Limited	Parent company	Management fee	937,706.42	937,706.42	-
Carborundum Universal Limited	Related company	Purchase	21,313,603.77	21,313,603.77	-
Carborundum Universal - Kerala	Related company	Purchase	446,247.68	446,247.68	-
Wendt Boart SA	Related company	Purchase	450,945.99	450,945.99	-
Wendt GMBH	Related company	Purchase	6,027.89	6,027.89	-

Name of related party	Description Of relationship	Nature of Transaction	Amount of transaction (Baht)	Amt.outstanding at end of year 2012	
				Dr.	Cr.
Wendt India Limited	Parent company	Accrued exps	1,980,813.89	-	1,980,813.89
Wendt India Limited	Parent company	Sales	17,190.35	-	17,190.35
Wendt India Limited	Parent company	Purchase	6,376,226.83	6,376,226.83	-
Wendt India Limited	Parent company	Management fee	1,980,813.89	1,980,813.89	-
Carborundum Universal Limited	Related company	Purchase	19,865,270.86	19,865,270.86	-
Carborundum Universal - Kerala	Related company	Purchase	281,831.51	281,831.51	-
Carborundum Universal - Ceramic	Related company	Purchase	3,113,838.32	3,113,838.32	-
Wendt Boart SA	Related company	Purchase	1,785,283.83	1,785,283.83	-
Wendt GMBH	Related company	Purchase	45,530.56	45,530.56	-
Wendt GMBH	Related company	Purchase	45,530.56	45,530.56	-

**NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS**

**1) EARNINGS IN FOREIGN EXCHANGE**

		2013 Rs.	2012 Rs.
FOB value of exports		18,450,527.71	17,690,985.27
	Total	18,450,527.71	17,690,985.27

**2) EXPENDITURE IN FOREIGN CURRENCIES**

		2013 Rs.	2012 Rs.
Management fee		1,731,943.76	3,658,563.25
Commission expenses		173,488.23	436,120.82
	Total	1,905,431.99	4,094,684.08

**3) BASIC EARNINGS PER SHARE**

A) The amount used as the numerator in calculating basic earnings per share is the net profit after tax for the year disclosed in Income Statement		24,314,738.12	22,209,692.58
B) The number of share (shares)		10,300,000.00	10,300,000.00
C) Earnings per share		2.36	2.16

The India Rupee equivalent to the figures given in foreign currency have been converted at 1 Bhat = INR 1.847

**WENDT GRINDING TECHNOLOGIES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MARCH 31, 2013 AND 2012**

**4) TRANSACTION WITH RELATED PARTY**

A) Related party transactions :

Name of related party	Description Of relationship	Nature of Transaction	Amount of transaction (Rs.)	Amt.outstanding at end of year 2013	
				Dr.	Cr.
Wendt India Limited	Parent company	Accrued exps	1,731,943.76	-	1,731,943.76
Wendt India Limited	Parent company	Sales	40,775.22	-	40,775.22
Wendt India Limited	Parent company	Purchase	11,034,801.34	11,034,801.34	-
Wendt India Limited	Parent company	Management fee	1,731,943.76	1,731,943.76	-
Carborundum Universal Limited	Related company	Purchase	39,366,226.16	39,366,226.16	-
Carborundum Universal - Kerala	Related company	Purchase	824,219.46	824,219.46	-
Wendt Boart SA	Related company	Purchase	832,897.24	832,897.24	-
Wendt GMBH	Related company	Purchase	11,133.51	11,133.51	-

Name of related party	Description Of relationship	Nature of Transaction	Amount of transaction (Rs)	Amt.outstanding at end of year 2012	
				Dr.	Cr.
Wendt India Limited	Parent company	Accrued exps	3,658,563.25	-	3,658,563.25
Wendt India Limited	Parent company	Sales	31,750.58	-	31,750.58
Wendt India Limited	Parent company	Purchase	11,776,890.96	11,776,890.96	-
Wendt India Limited	Parent company	Management fee	3,658,563.25	3,658,563.25	-
Carborundum Universal Limited	Related company	Purchase	36,691,155.28	36,691,155.28	-
Carborundum Universal - Kerala	Related company	Purchase	520,542.80	520,542.80	-
Carborundum Universal - Ceramic	Related company	Purchase	5,751,259.38	5,751,259.38	-
Wendt Boart SA	Related company	Purchase	3,297,419.23	3,297,419.23	-
Wendt GMBH	Related company	Purchase	84,094.94	84,094.94	-
Wendt GMBH	Related company	Purchase	84,094.94	84,094.94	-

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