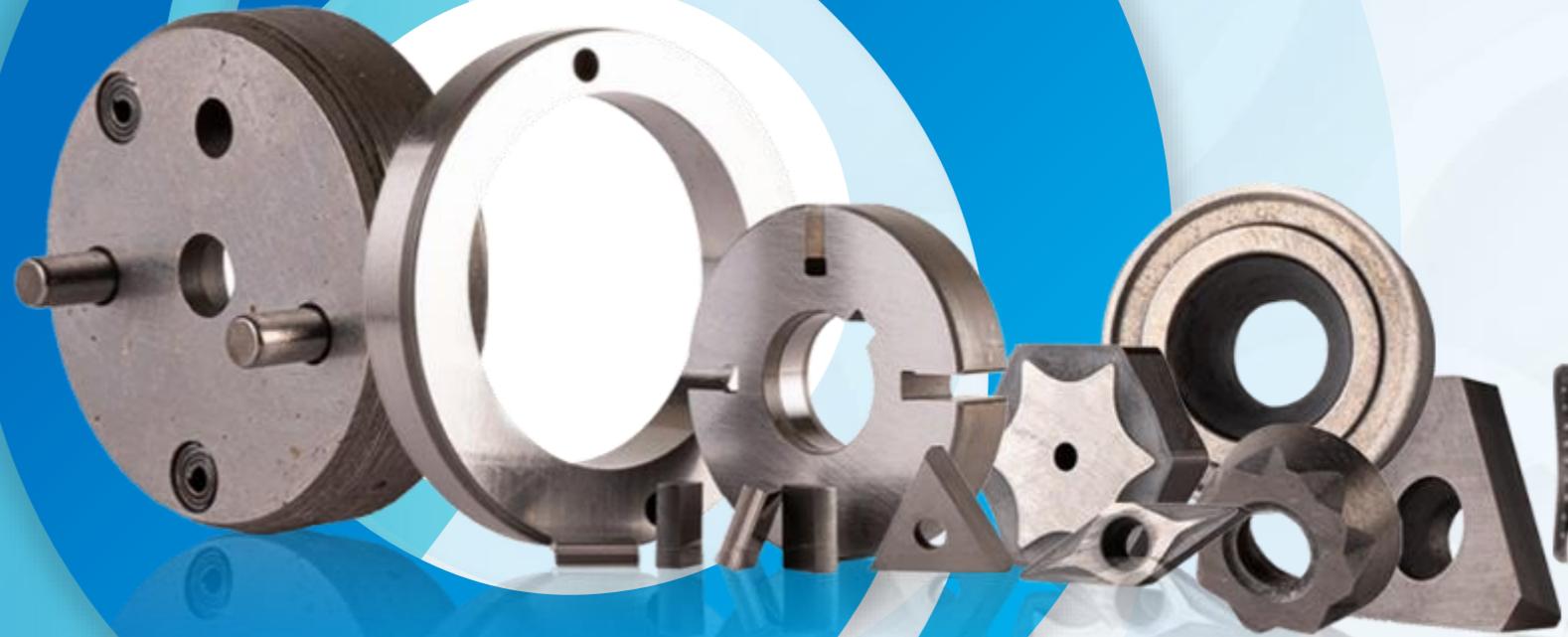


# Wendt (India) Limited

Investor Presentation

May 2025

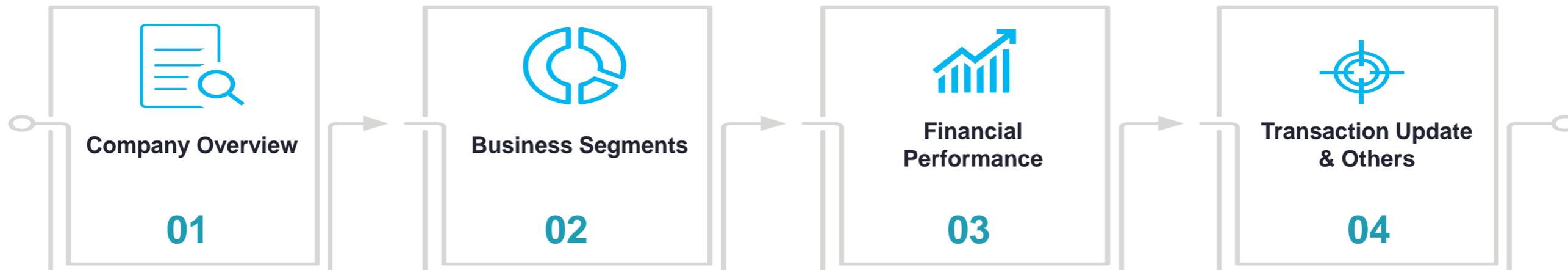


## Disclaimer

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

In Compliance with the Regulation 30 of the Listing Regulations, this presentation will be uploaded at the Company's website

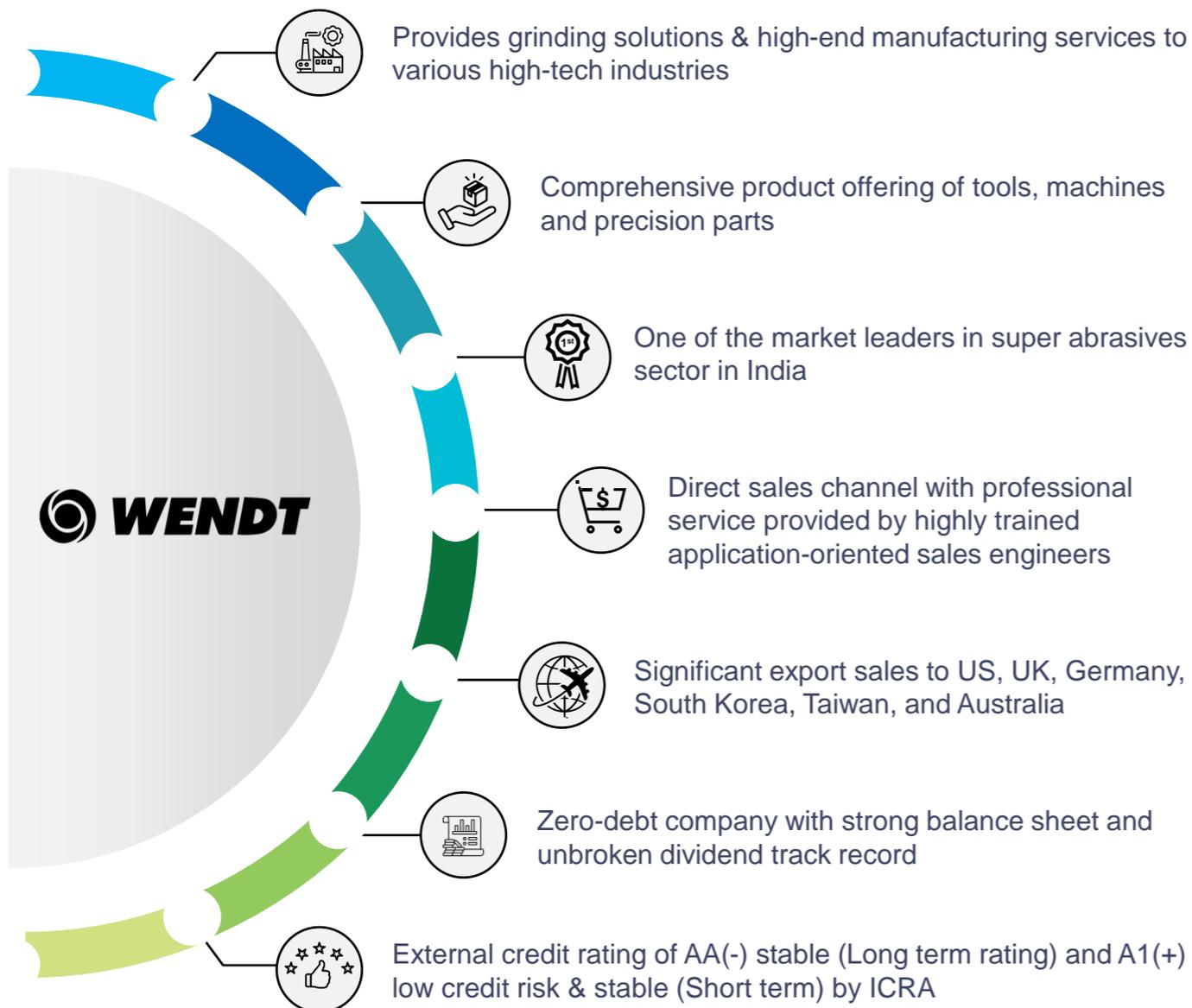
# Table of Contents





# 1. Company Overview

# Wendt (India) Limited (WIL) is a market leader in super abrasives and a reliable grinding solution provider with a track record of over four decades



|   |  |   |
|---|--|---|
| <b>1980</b><br>Year of Establishment  | <b>₹ 23,114 lakhs</b><br>FY25 Net Revenue  | <b>22.8%</b><br>FY25 EBITDA margin                                      |
| <b>17.1%</b><br>FY25 PAT margin   | <b>1</b> Mfg. facility in Hosur<br><b>1</b> Re-profiling Unit in Thailand<br><b>1</b> Insert Grinding unit in Pune | <b>118</b> customers (64% of sales)<br><b>78</b> dealers (16% of sales) |
| <b>21.9%</b><br>FY25 Export share <sup>1</sup>  | <b>17.3%</b><br>FY25 ROE <sup>2</sup>  | <b>24.4%</b><br>FY25 ROCE <sup>2</sup>                                  |
| <b>₹ 197.4 / 50.0</b><br>FY25 EPS / DPS   | <b>₹ 54.2 lakhs</b><br>FY25 Sales per employee   | <b>₹ 1,956 crs.</b><br>Market Capitalization <sup>3</sup>               |
| <b>Shareholders: Wendt GMBH (37.5%), Carborundum Universal Ltd. (37.5%), Free float (25.0%)</b> |  |   |

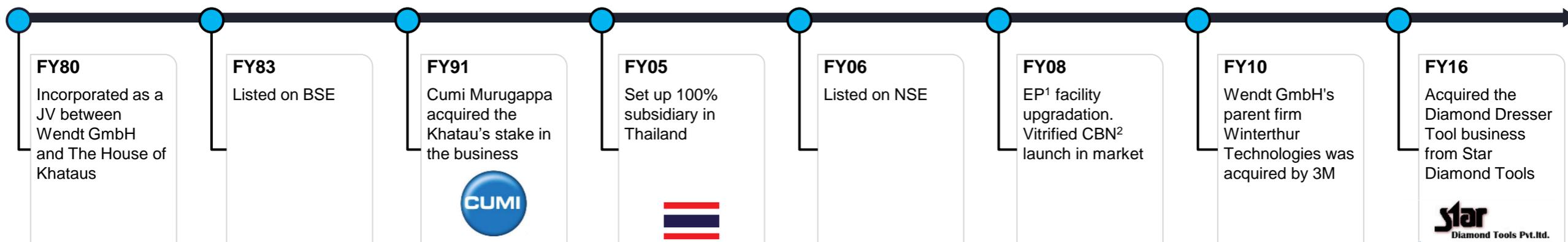
Note: All the financials are on consolidated basis unless specified

1) Based on standalone figures

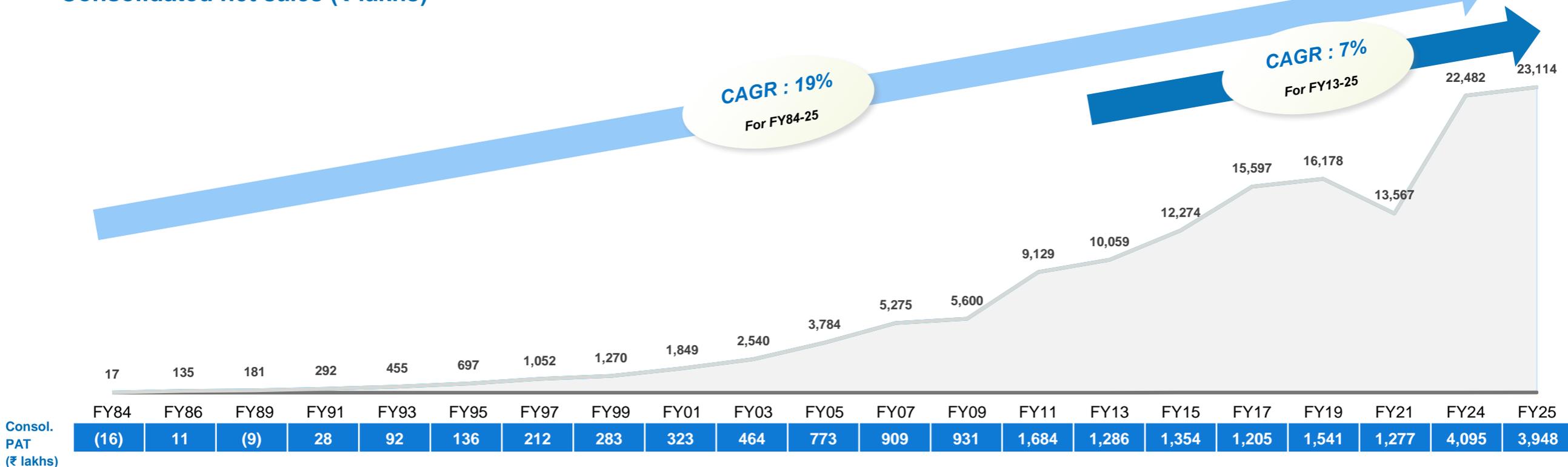
2) Return on Capital Employed = Profit before Interest & Tax (Excluding exceptional items) / Capital employed = Tangible net worth + Deferred tax liab - intangible assets; Return on Equity = PAT / Average Shareholder's Equity

3) As of 30th April 2025, from NSE website

## WIL - Long operating track record



### Consolidated net sales (₹ lakhs)



Note: All the financials are on consolidated basis unless specified

- 1) Electroplated
- 2) CBN: Cubic Boron Nitride

# WIL's fundamental strengths and solutions

- One of the market leaders well poised to leverage growth from industry tailwinds
- Comprehensive product range
- State-of-the-art manufacturing process
- High level of customization
- Sound financial position
- Well nurtured talent



# The India opportunity - Well poised for long term growth



## Strong economic outlook



**5<sup>th</sup> largest economy**, with a GDP of **USD3.7tn**



Among the **fastest growing economies**



**USD7.5tn** economy by **2030**



Global manufacturing hub by **2030** with **exports worth USD1tn+**



## Strong policy outlook



**Make in India** and **Atmanirbhar Bharat**



**Infrastructure investments** by Government of India of **USD11.8bn**



**Favorable tax rate** at **17%** for new manufacturing firms



**PLI<sup>1</sup>** of **~USD26bn** for manufacturing in 14 key sectors in India



## Other favorable trends



Growing **middle class** (**3x<sup>2</sup>** households with **>USD30k** annual income by 2030)



**Supply chain diversification**



**Low cost** and **engineering** capabilities



**Increasing scale of investments** by global manufacturing companies

Sources: Union Budget Documents, Ministry of Heavy Industries, India Brand Equity Foundation (IBEF), ICE 360 PRICE survey

Notes:

1. PLI: Production Linked Incentive Scheme

2. Over 2020-21 levels

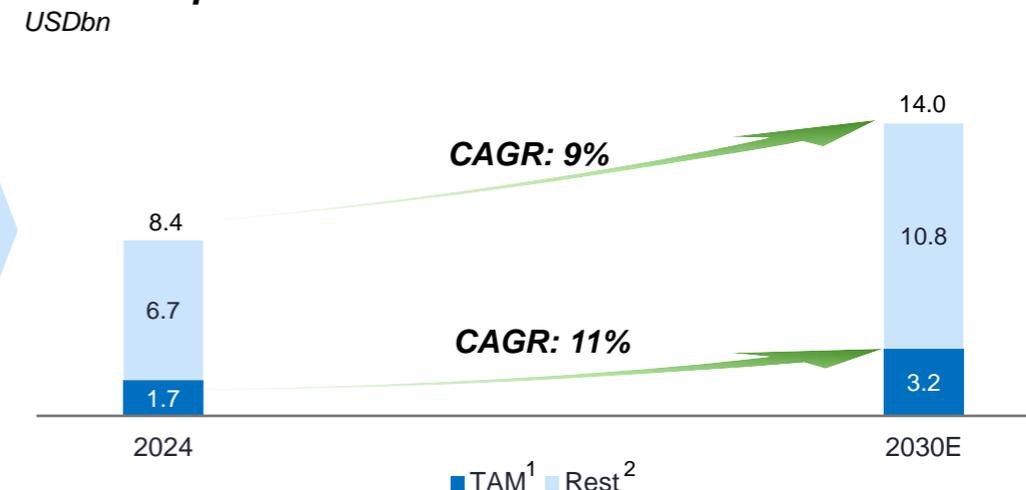
RESTRICTED

# Global super abrasive market expected to grow at ~9% CAGR and reach USD14bn

## Global super abrasives market

- ✓ Growing demand for high end technology and their benefits
- ✓ Conventional abrasives are being substituted by super abrasives for difficult to grind materials
- ✓ Super abrasives being preferred due to long life cycle, high scale hardness and superlative performance
- ✓ Increasing super abrasive use in automotive sector to cater for hardness of materials, close tolerances, high accuracy needs and boost productivity
- ✓ Growing usage of super abrasive products for various medical applications such as Surgical Instruments, Hypodermic Needles, Dental implants etc.

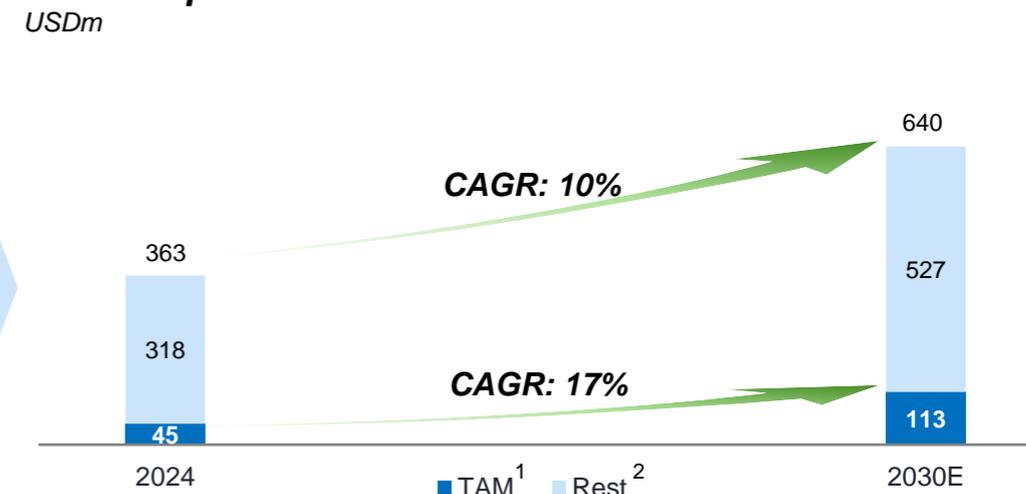
### Global super abrasives market outlook



## Indian abrasives market

- ✓ Indian electronics market to grow at 25-30% CAGR FY23-30E to become a USD480-625bn market driven by rising demand of consumer electronics
- ✓ High reserves supports increasing exploration activities which in turn boost demand for super abrasives
- ✓ Indian auto ancillary market to grow at 18-20% CAGR FY24-30E to become USD200m market driven by govt. policy initiatives, rising vehicle demand
- ✓ Increasing demand for grinding & polishing application in metal fabrication, auto construction and electronic machines
- ✓ Indian Aerospace and Defense market is projected to reach USD70bn by FY30, driven by burgeoning demand for advanced infrastructure, govt. thrust

### Indian super abrasives market outlook



Source: Company information, NITI Aayog, AIA (All India Association of Industries), McKinsey report (Sep-2024)

Note:

1. TAM includes businesses of Semiconductor and Medical by 2030. India Super Abrasives 2030E TAM includes USD15m Semiconductor Business

2. Rest includes businesses of Construction, Natural Stones, Marble, Ceramic Tiles and Others

RESTRICTED

# Well diversified product offering with market leadership in Super Abrasives segment

**1 Super Abrasives**  
(61% of total FY25 Net revenue<sup>1</sup>)

Wide range of Diamond & CBN<sup>2</sup> products for Precision Grinding of Hard materials from Steel, Ceramics, Carbide to Exotic materials

Comprehensive offering with high product quality and high level of customization



*Fine Grinding Wheels, Wear Parts, Diamond Segments & Pellets, Brazed products, Rotary Diamond Dresser, etc.*

|                             |                |
|-----------------------------|----------------|
| <b>FY25 Revenue:</b>        | ₹ 14,159 lakhs |
| <b>FY25 EBIT:</b>           | ₹ 3,122 lakhs  |
| <b>FY25 EBIT Margin %:</b>  | 22.0%          |
| <b>FY25 Segment assets:</b> | ₹ 12,726 lakhs |

**2 Machines and Accessories**  
(19% of total FY25 Net revenue<sup>1</sup>)

CNC<sup>3</sup> Grinders for the grinding of Carbide and Steel parts with built in gauging & probing facility

Strong product development momentum with application-based approach



*Surface Grinding, Cylindrical grinding, Tool & Cutter grinding machine, Dressing Machine, 3D Printing, etc.*

|                             |               |
|-----------------------------|---------------|
| <b>FY25 Revenue:</b>        | ₹ 4,364 lakhs |
| <b>FY25 EBIT:</b>           | ₹ 854 lakhs   |
| <b>FY25 EBIT Margin %:</b>  | 19.6%         |
| <b>FY25 Segment assets:</b> | ₹ 5,764 lakhs |

**3 Precision Products**  
(12% of total FY25 Net revenue<sup>1</sup>)

Precision Ground parts (Steel, Carbide)

Certified to produce parts for Aerospace & Auto industry



*Ferrous components, Non-ferrous components*

|                             |               |
|-----------------------------|---------------|
| <b>FY25 Revenue:</b>        | ₹ 2,779 lakhs |
| <b>FY25 EBIT:</b>           | ₹ 332 lakhs   |
| <b>FY25 EBIT Margin %:</b>  | 11.9%         |
| <b>FY25 Segment assets:</b> | ₹ 3,039 lakhs |

From tools to machines to components...

Note:

1) Based on consolidated basis, others contribute 8%

2) CBN: Cubic Boron Nitride

3) CNC: Computerized Numerical Control

# Supporting a diversified set of end-markets including high growth sectors

| End market industry | SA <sup>1</sup> |            |                |                |                |       |          |                   |                                     |             | MTD <sup>2</sup> | PP <sup>3</sup>    |
|---------------------|-----------------|------------|----------------|----------------|----------------|-------|----------|-------------------|-------------------------------------|-------------|------------------|--------------------|
|                     | Resin Bond      | Metal Bond | Electro-plated | Vitrified Bond | Dressing Rolls | Hones | Segments | D&ST <sup>4</sup> | PCD <sup>5</sup> /PCBN <sup>6</sup> | Brazed Bond | Machines         | Precision Products |
| Automotive          | Blue            |            | Blue           | Blue           | Blue           | Blue  |          | Blue              | Blue                                | Blue        | Teal             | Cyan               |
| Cutting tools       | Blue            |            |                |                |                |       |          |                   |                                     |             | Teal             | Cyan               |
| Engineering         | Blue            |            | Blue           | Blue           | Blue           | Blue  |          | Blue              | Blue                                | Blue        | Teal             | Cyan               |
| Refractory          |                 |            | Blue           |                |                |       | Blue     |                   | Blue                                |             | Teal             |                    |
| Ceramics            | Blue            | Blue       | Blue           |                |                |       |          |                   | Blue                                | Blue        | Teal             |                    |
| Glass               | Blue            | Blue       |                |                |                |       |          |                   |                                     |             |                  |                    |
| Steel               | Blue            | Blue       |                |                |                |       |          |                   | Blue                                |             | Teal             | Cyan               |
| Defense             | Blue            |            | Blue           | Blue           | Blue           | Blue  |          | Blue              | Blue                                | Blue        | Teal             | Cyan               |
| Power               | Blue            |            | Blue           | Blue           | Blue           | Blue  |          | Blue              | Blue                                | Blue        | Teal             | Cyan               |
| Aerospace           | Blue            |            | Blue           | Blue           | Blue           | Blue  |          | Blue              | Blue                                | Blue        | Teal             | Cyan               |
| Construction        |                 | Blue       | Blue           |                |                |       | Blue     |                   |                                     | Blue        |                  |                    |
| Gems, Jewelry       | Blue            |            | Blue           | Blue           |                |       |          |                   |                                     |             |                  |                    |

From tools to machines to components...

Note:

- 1) Super Abrasives
- 2) Machines and Accessories
- 3) Precision Products
- 4) Dressers & Shape tools
- 5) Polycrystalline Diamond
- 6) Polycrystalline Cubic Boron Nitride

# State-of-the-art manufacturing facilities and global distributor network

## Manufacturing facilities

Hosur, India




**16.38 acres**  
of area

**490+**  
team strength



*TQM Shrine*



*New block for purchase*



*New block for stores*

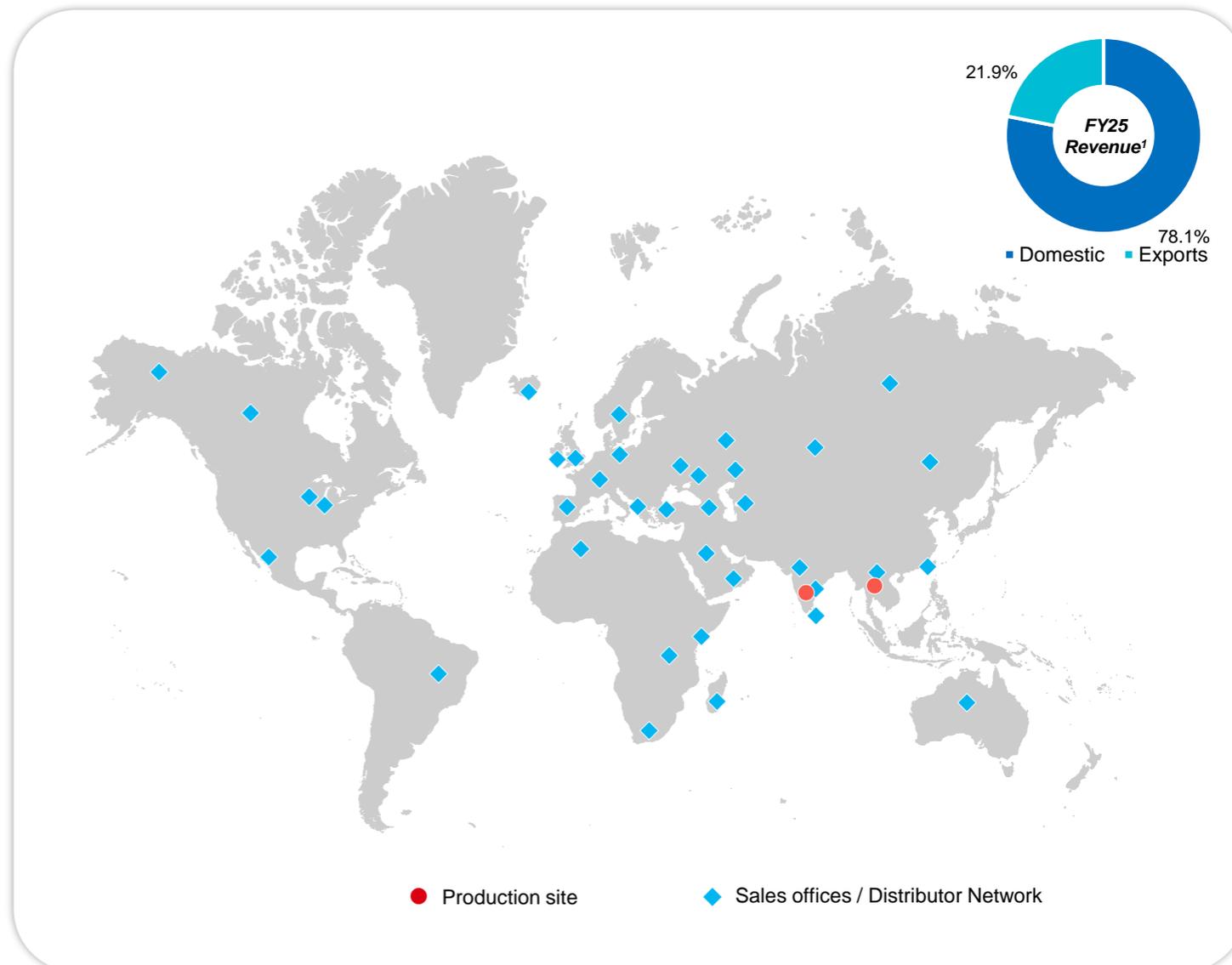
*Capacity utilization at Hosur plant for various products*

| Product       | Capacity Utilization |
|---------------|----------------------|
| Resin         | 70%                  |
| Metal         | 77%                  |
| Vitrification | 87%                  |
| Rotary        | 89%                  |
| EP            | 75%                  |

WGTL, Thailand



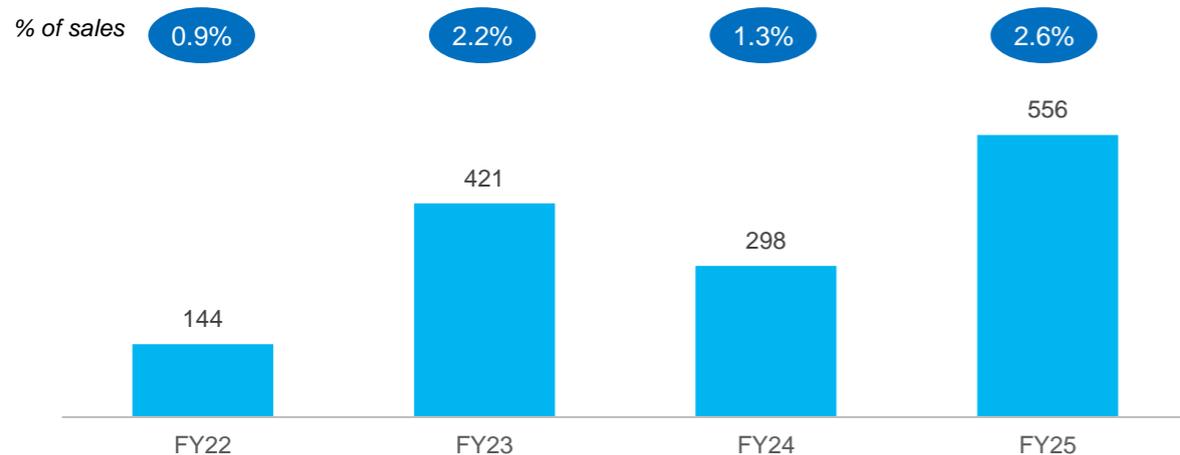

## Global footprint



Note:  
1) Standalone financials

# R&D competencies and latest initiatives to capture the future growth trend

## Total R&D investments (₹ lakhs)



### R&D competencies

- ✓ Technology absorption for manufacture, sales and service of insert grinding machines
- ✓ Strong process competence like sintering, vitrification, vacuum brazing, and electro-plating
- ✓ Testing and validation capabilities for high performance super abrasive materials
- ✓ Deep application knowledge for TC<sup>1</sup>, medical, and super alloy materials
- ✓ Received Department of Scientific and Industrial Research (DSIR) recognition (Govt. of India) for inhouse R&D Centre

Note:  
 1) Tungsten Carbide  
 2) CBN: Cubic Boron Nitride  
 3) Outside Diameter

## R&D projects in progress for Super Abrasives segment



### Automotive and others

- Wheels for fettling application
- Combi rolls
- Single pass honing tool for automotive industries
- Vitrified Diamond & CBN<sup>2</sup> wheels for Crank & Cam shaft applications
- Wheels for round tool industry grinding wheels
- Wheels for solar glass & automotive glass grinding



### Semiconductor and Medical

- Wheels for ingot grinding
  - OD<sup>3</sup> grinding & Reference plane grinding wheels
- Wheels for wafer grinding
  - Dicing wheel (Hub type & Hub less type)
  - Back grinding wheel
- Design and development of testing machines for back grinding wheel
- Development of elastic bonds for orthopedic implant grinding

# Select new product development on the back of strong R&D investments

## Super Abrasives



*Fiuting & Gashing*



*Razor Blade Grinding Wheel*



*WBM<sup>1</sup> Wheel*



*Resin Bond Wheel*



*Rotary Diamond Dresser*



*Electroplating*

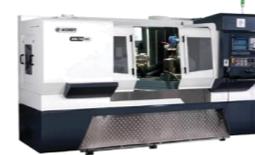


*Vitrified CBN Wheel*

## Machines



*Precision Creep Feed  
Grinder Procta-300*



*TC Ring Grinding Machine-  
Delta 350*



*Profiling & Dressing Machine-  
Opra 400*



*WAC 715 / 735 Quattro*



*WBM<sup>1</sup> 221*



*Rotary Surface Grinding Machine -  
WRS 600H*

## Precision products



*Middle Plate*



*Lower Bearing*



*Lower Chamber*



*Spool*



*Eccentric Shaft*



*Silicon Nitride Roller*

Note:  
1) Wafer Bevel Machine

# Strong governance is the key pillar

## Board of Directors



**Mr. Bhagya Chandra Rao**  
Chairman



**Mr. Ramkumar Lakshminarayanan**  
Independent Director



**Mr. Sridharan Rangarajan**  
Non-Executive Non-Independent Director



**Ms. Hima Srinivas**  
Independent Director



**Mr. Muthiah Venkatachalam**  
Non-Executive Non-Independent Director



**Mr. Ninad Gadgil**  
Executive Director Chief Executive Officer

## Senior Management



**Mr. Ninad Gadgil**  
Executive Director Chief Executive Officer



**Mr. Mukesh Kumar Hamirwasia**  
Chief Financial Officer



**Mr. Uday RB**  
Sales & Marketing - Head



**Rathinam P**  
SA Manufacturing & Product Management – Head



**Mr. Satheesh C**  
DGM – HR

# Environment, Social and Governance (ESG) principles are at the core of our business operations

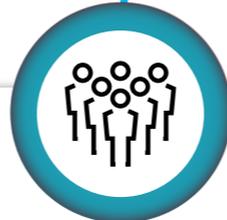


## Environment Initiatives

### Effluent Treatment Plant Zero Discharge



- ✓ Zero Liquid Discharge achieved through installation of Effluent Treatment Plant (ETPs) and Sewage Treatment Plants (STPs)
- ✓ Energy intensity per rupee of turnover declined from 0.0083 to 0.0075 Mega Joule /Rupee
- ✓ Environment and tree plantation in the nearby communities by distributing and planting free saplings every year
- ✓ Circularity- Reduce, Reuse & Recycle waste conversion of aluminium scrap to Ingots



## Social Initiatives

CSR donation to government school at Zuzuvadi for classroom construction



Skill development program set up in 2012 with Carborundum Universal



- ✓ Blood donation camps and Awareness on road safety
- ✓ 5S campaigns towards cleaner environment, imparting special education to the school children
- ✓ Awareness training to value chain partners- POSH, Safety, Gemba training of safety for contractors & canteen service vendors

| CSR Project                               | # of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|---|---|--|
| CUMI Centre for Skill Development         | 89  | 100%   |
| Classroom for Government school, Zuzuvadi | Students                                  | Under construction   |



## Governance Initiatives

### ICAI Awards for Excellence in Financial Reporting



- ✓ The Board comprises of six Directors out of which three are Independent Directors including a Woman Director
- ✓ Board Directors have collective experience in diverse fields of technology, engineering, finance, management and compliance
- ✓ The Company's Annual Report for the FY21-22 had won the prestigious ICAI award for excellence in financial reporting

# Awards and Certifications validating WIL's industry leading competency

## Management standard systems

ISO 9001 : 2015



ISO 14001 : 2015



ISO 45001 : 2018



EN13236 : 2019



EN9100 : 2018



IATF 16949 : 2016



## Awards



ICMAI Award for Excellence in Cost management for FY21-22



ICAI Silver Award for Excellence in BRSR (ESG) for FY22-23



CFO 100 Roll of Honor 2024 from CFO Collective (IMA India)

## 2. Business Segments



# Super Abrasive (1/2)

## Overview

- Offers customized diamond / CBN<sup>1</sup> grinding wheels in various bonding systems, rotary dressers, stationary dressers, hones and segmented products
- Recorded sales of ₹ 14,159 lakhs in FY25
- Industries like auto, auto ancillaries, steel, bearings, engineering, cutting tools etc. contributed to the growth / domestic sales
- Exploring new opportunities in medical, consumer electronics / semiconductors via technical collaborations and new product development
- Exports to US, UK, Germany, Indonesia, South Korea, etc.
- The company is focusing on identifying, targeting and onboarding new distributors, including industry specific distributors like glass, aerospace, steel in targeted countries

## Key focus areas

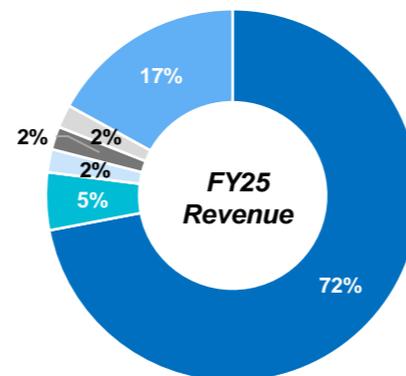


Develop new products for high growth markets like **solar glass, semiconductor** and **healthcare**



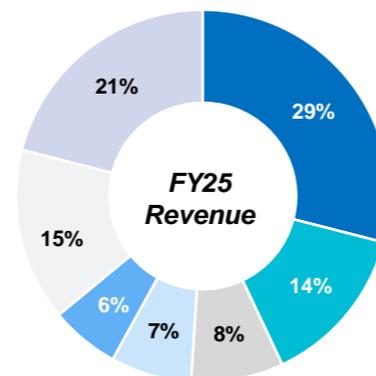
Accelerate **export sales** by focusing on **six high potential countries**

## Geographic split %



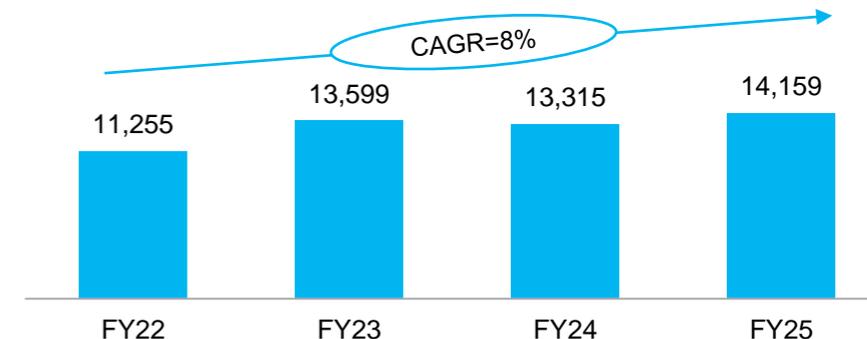
■ India ■ USA ■ Thailand ■ UK ■ Germany ■ Rest of world

## End-market split %

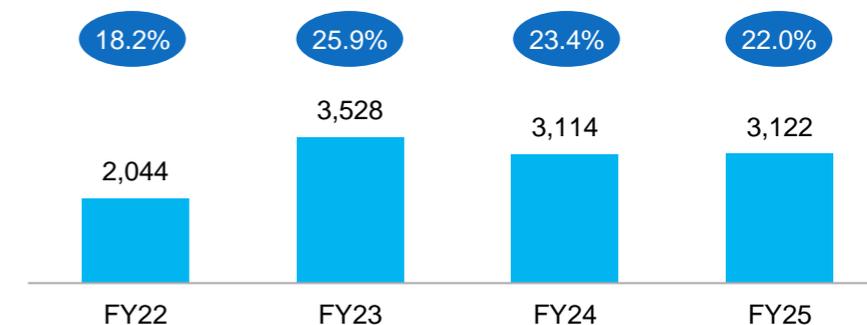


■ Auto ancillary ■ Engineering ■ Steel ■ Rest of Industries ■ Bearings ■ International

## Revenue (₹ in lakhs)

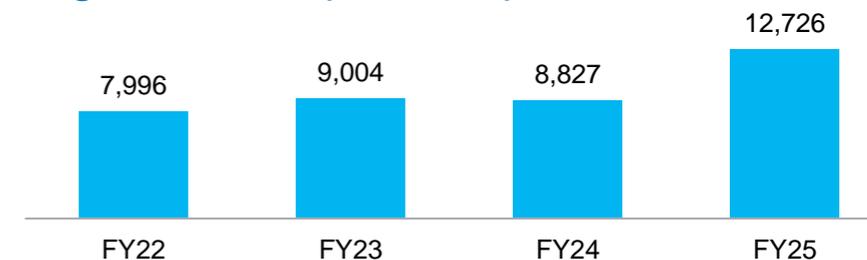


## EBIT (₹ in lakhs)



● Margin %

## Segment assets (₹ in lakhs)



Note:  
1) CBN: Cubic Boron Nitride

# Super Abrasive (2/2)

## Product range

Resin Bond



Metal Bond



Hybrid wheels



Vitrified & Galvanic Bond



Rotary Diamond Dresser



Fine Grinding wheels



Brazed products



Diamond segments & pellets



# Machines and Accessories (1/2)

## Overview

- Offers CNC<sup>1</sup> Horizontal & Vertical Honing Machines, Cylindrical Grinders, Creep Feed Grinding, Rotary Surface Grinding - Horizontal & Vertical
- Majority of the machines are sold to steel industry followed by cutting tools, engineering and auto industries
- Recorded sales of ₹ 4,364 lakhs (-7.8% YoY) in FY25
- Timely execution and delivery ensured by better planning, bulk ordering of parts, advanced schedule release for timely execution, and standardization of design parts
- Key end markets include Automotive, Defense & Aerospace, Cutting tools and Power
- The Company's strategy of dynamic contract review and micro level planning has won customer recognition
- Focus on improving operational efficiency through Total Employee Involvement (TEI), relay-out of shop to increase the number of assembly bays
- Machine sales in export markets have achieved good growth and wide customer acceptance

## Key focus areas

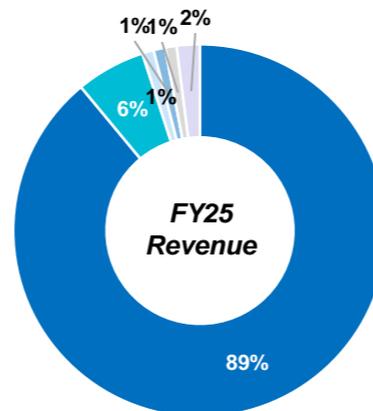


Regain premier **market share** in **carbide insert machine industry** through **insert periphery grinding machines**



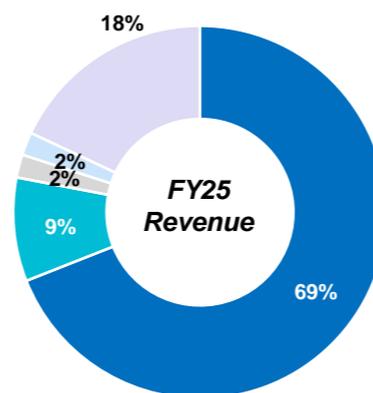
Focus on lucrative **'service revenue'** from WIL's **large installed base**

## Geographic split %



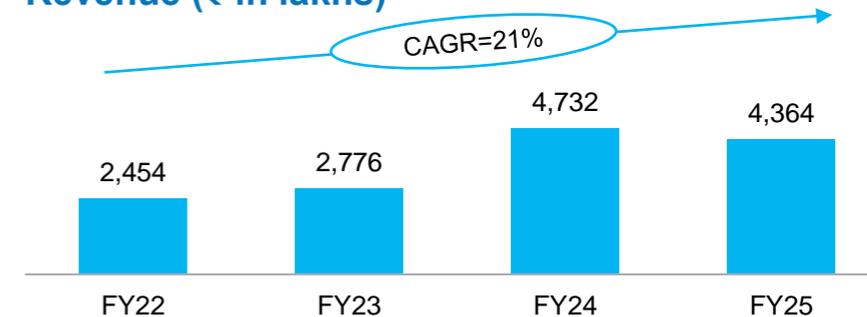
■ India ■ Africa ■ UAE ■ Indonesia ■ Malaysia ■ Rest of the world

## End-market split %

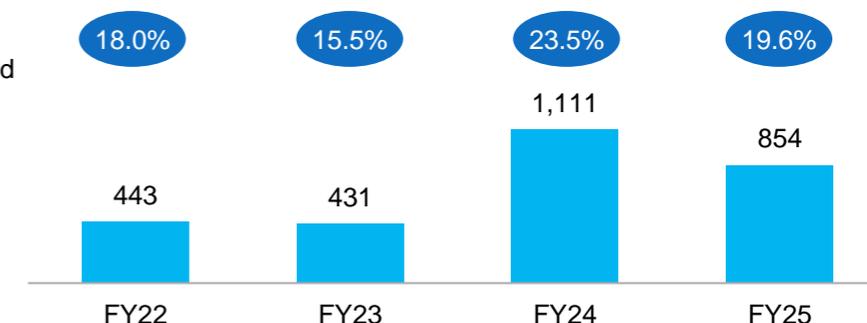


■ Steel ■ Auto Ancillary ■ Cutting Tool ■ Rest of the industry ■ Engineering

## Revenue (₹ in lakhs)

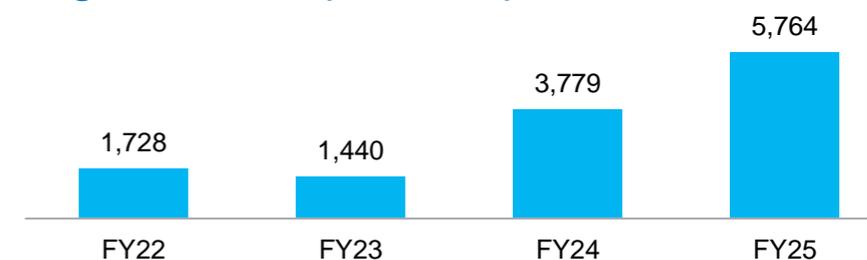


## EBIT (₹ in lakhs)



● Margin %

## Segment assets (₹ in lakhs)



Note:  
1) CNC: Computerized Numerical Control

# Machines (2/2)

## Product range

Surface grinding



Cylindrical grinding



Tool and cutter grinding machine



Wheel dressing & profiling machines



CNC profiling dressing machines



Double side fine grinding machine



TC Roll & Guide Roll Grinding machine



Note:  
1) CNC: Computerized Numerical Control  
2) TC: Tungsten Carbide

# Precision Products (1/2)

## Overview

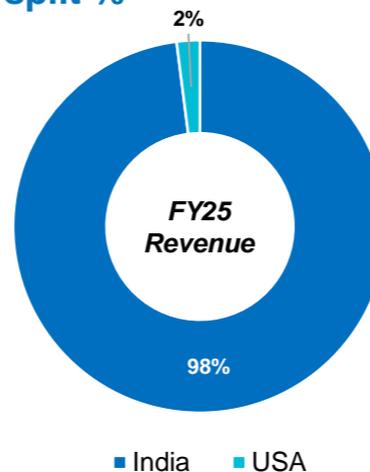
- Existing product offering includes vanes, distance piece, TP blade<sup>1</sup>, inserts
- Expanding into new products like silicon nitride roller, rotors and rings etc. and started regular billing
- Recorded sales of ₹ 2,779 lakhs in FY25 (2% YoY)
- However, the company continues to focus on developing new products for its components business as part of its de-risking strategy
- Established insert grinding facility in Pune to capture the strong trend in the fuel injector space & carbide insert grinding

## Key focus areas

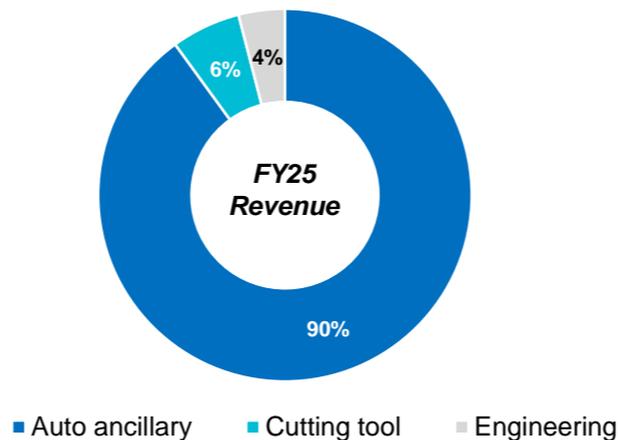


Develop **low-cost** vanes for **steering, hydraulics, compressor** for **refrigeration** and **air conditioning** industry

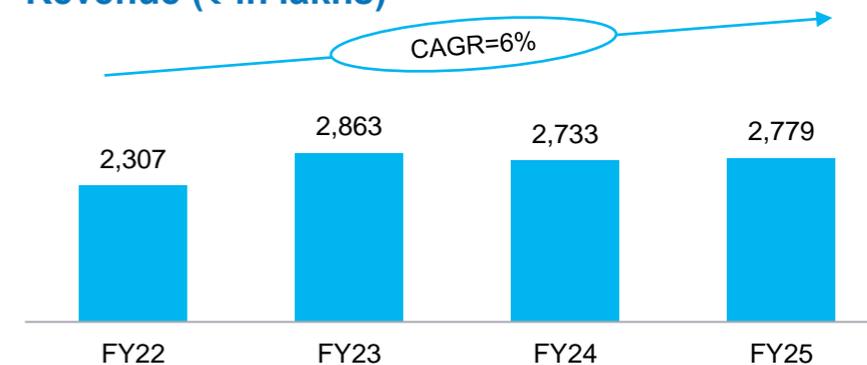
## Geographic split %



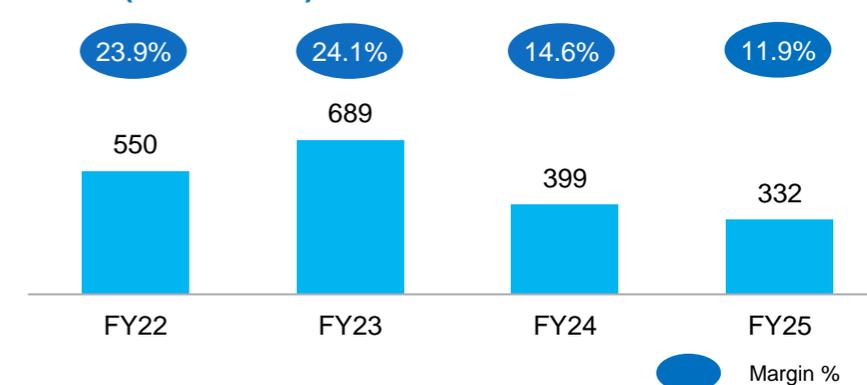
## End-market split %



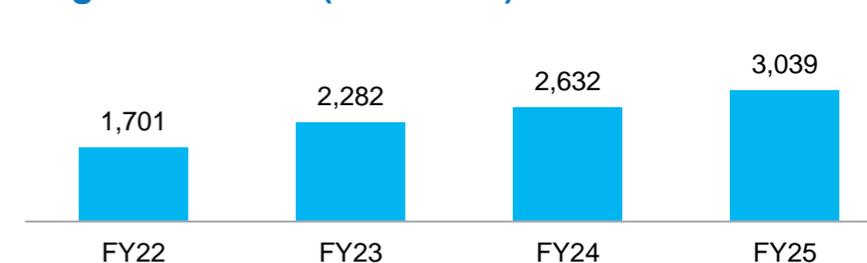
## Revenue (₹ in lakhs)



## EBIT (₹ in lakhs)



## Segment assets (₹ in lakhs)



Note:  
1) TP blade: Tuck point blade

## Precision products (2/2)

### Product range

Vanes



Distance piece



CB 18 sub assembly pump



Grinding of inserts and Ceramics



Transfer blades



Shoe cam roller

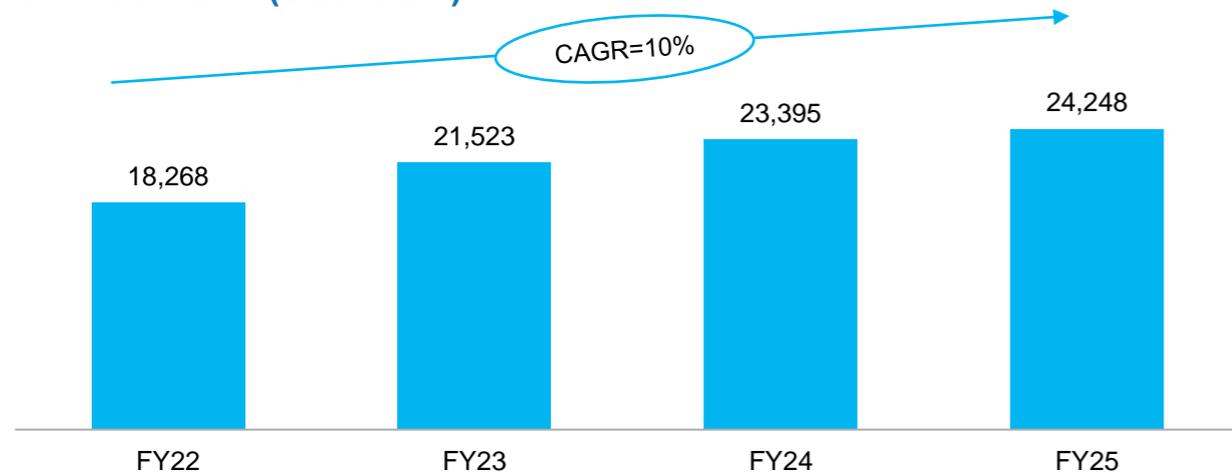


# 3. Financial Performance

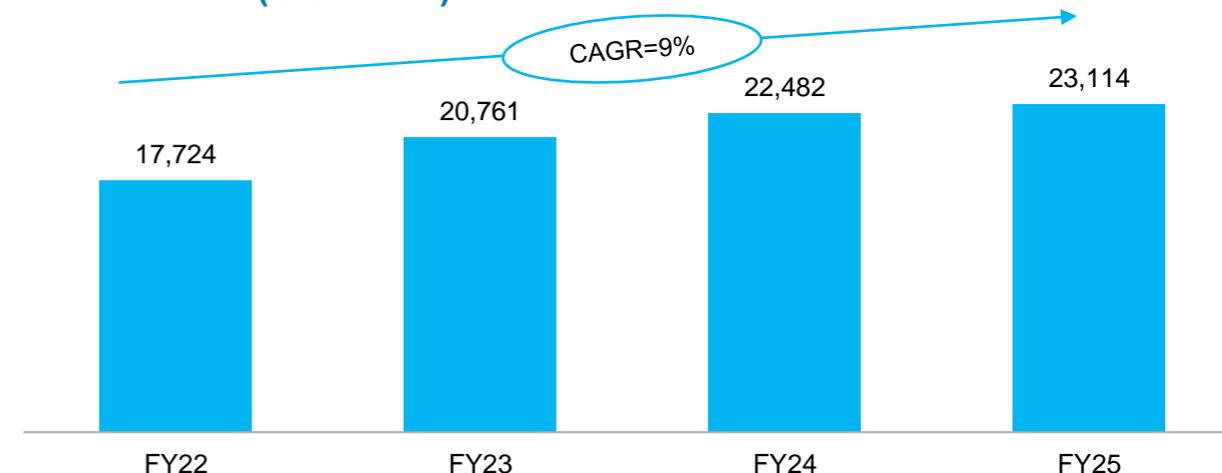
The image shows a complex industrial machine, likely a metalworking lathe or mill. It features a large, dark-colored cylindrical base at the bottom. Above this base, there are several horizontal rollers or guides. A hopper-like structure is positioned on the right side, with a funnel-shaped opening leading down to the base. On the left side, there's a large, light-colored panel with a circular opening. A blue coiled hose is attached to the top of the machine. A warning label is visible on the left panel, featuring a yellow triangle with a black exclamation mark and the text "WARNING Moving Belt Do Not Contact". The entire image is overlaid with a semi-transparent blue filter.

# Consolidated Financials Performance (1/2)

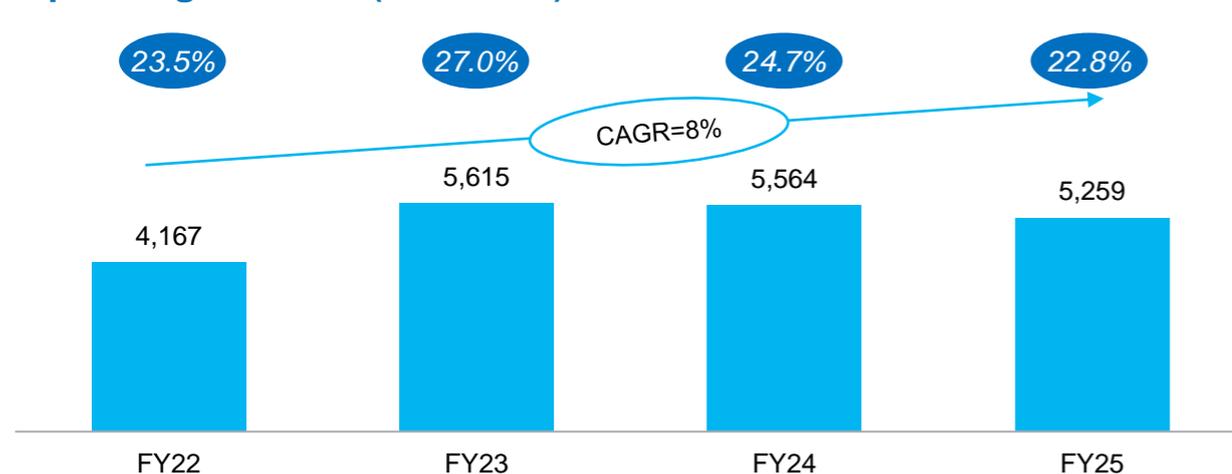
Total Income<sup>1</sup> (₹ in lakhs)



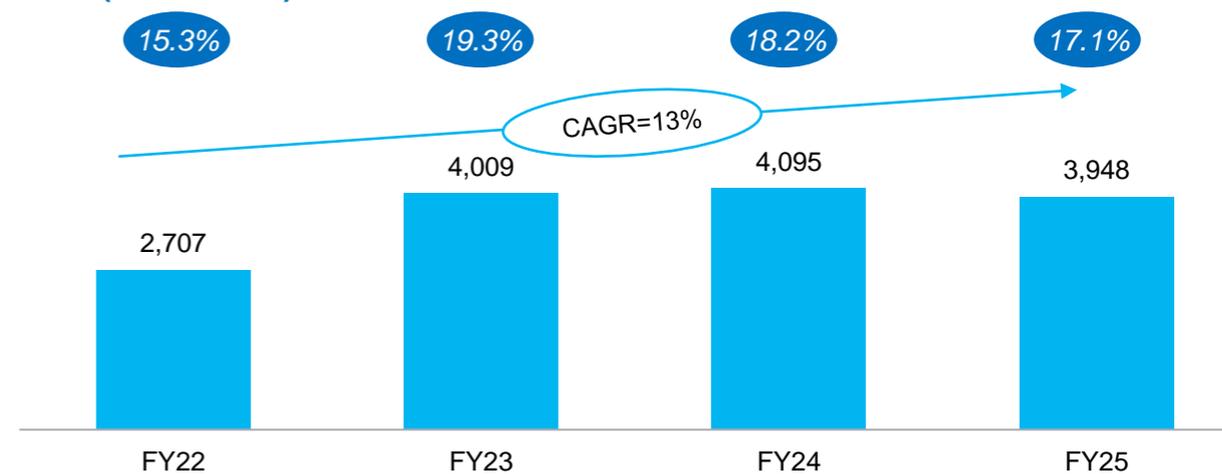
Net Revenue (₹ in lakhs)



Operating EBITDA<sup>2</sup> (₹ in lakhs)



PAT (₹ in lakhs)



● Margin %

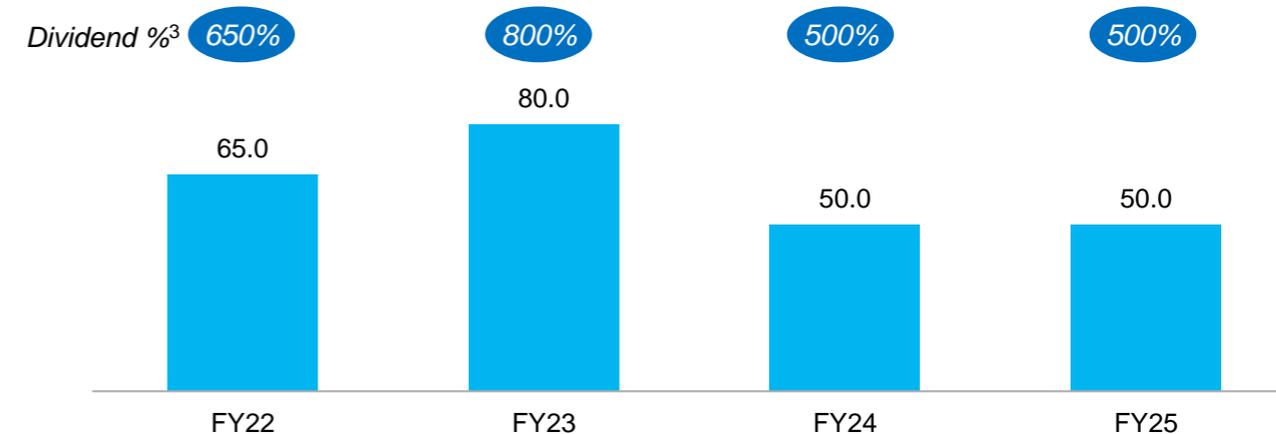
Note:  
 1) Includes other operating income and other income  
 2) Excludes exceptional items and other income

## Consolidated Financials Performance (2/2)

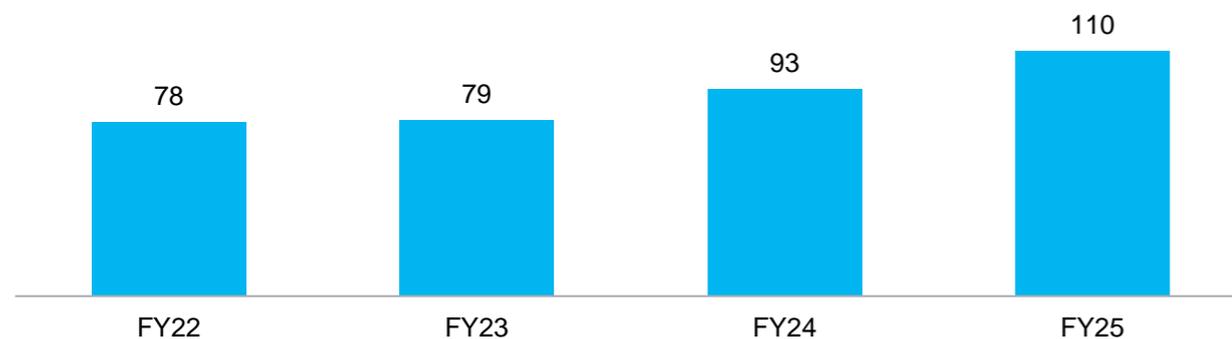
### Earnings Per Share (₹ share)



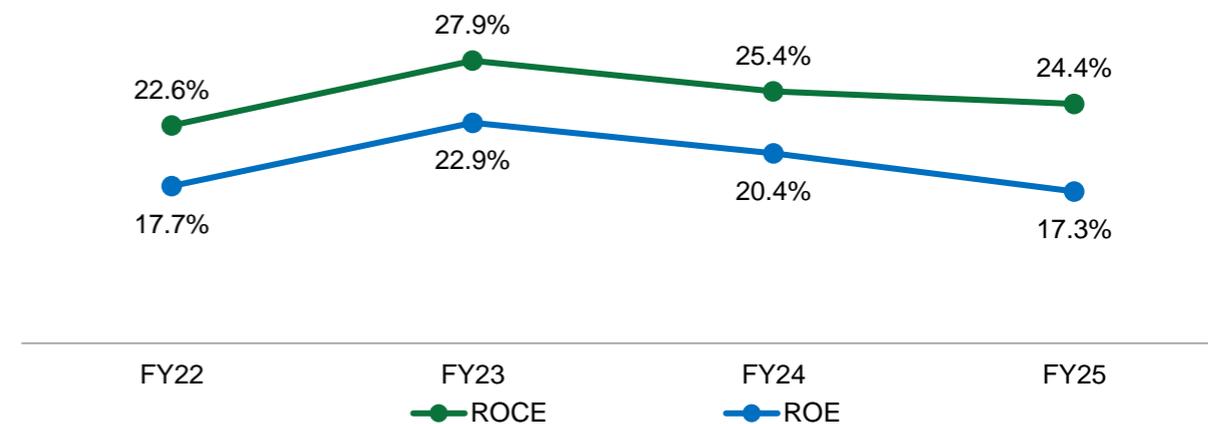
### Dividend per share (₹ share)



### Net Working Capital Days<sup>1</sup>



### ROCE<sup>2</sup> and ROE<sup>2</sup>



Note:

- 1) Net working capital = Receivables days + Inventory days – Payables days; Receivable days = 365 \* Average Receivables / Net Revenue; Payables days = 365 \* Average Payables / Net Revenue; Inventory days: 365 \* Average Inventory / Net Revenue
- 2) Profit before Interest & Tax (Excluding exceptional items) / Capital employed = Tangible net worth + Deferred tax liab - intangible assets; Return on Equity = PAT / Average Shareholder's Equity
- 3) Dividend % on face value of ₹ 10 per share

## 4. Transaction update & Others



# Transaction background and update



## Wendt India Limited has acquired the absolute ownership of the “Wendt” brand and trademarks

- Wendt had got the shareholders approval through postal ballot, towards the acquisition of absolute ownership of **‘Wendt’ Brand** from **Wendt GmbH** and paid the purchase consideration of **EUR3.8m (INR35.08crs)** as on **28<sup>th</sup> March’25**. The assignment of these **60 registrations in 40 countries** are under way and will be completed soon
- WIL to enter and/or continue **contract(s)**<sup>1</sup> with **Wendt GmbH** for FY25 and FY26 to help contribute to the business growth, competitiveness and efficiency of the company

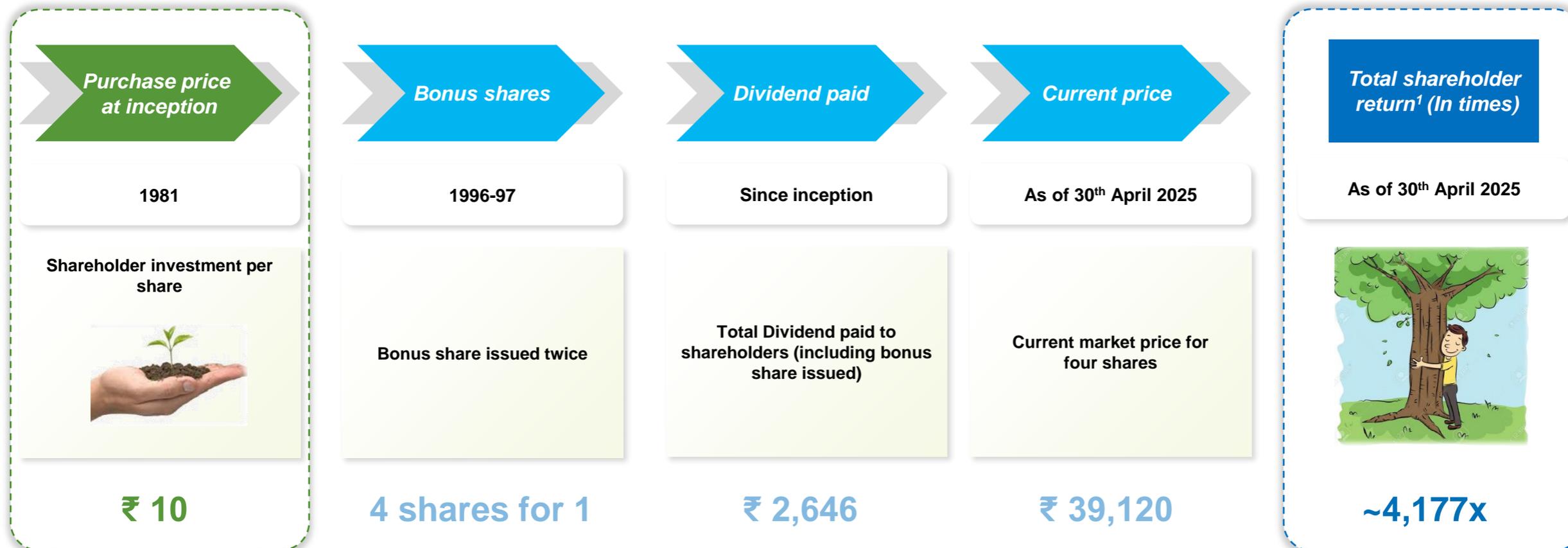
Source: NSE India, Company filings

Note:

1) Purchase/sale of goods and materials, availing / rendering of any services, commission income, consideration for trademark assignment, technology license fee, dividend and other transactions for the purpose of business

# Significant value creation since WIL's inception for its shareholders

## Total shareholder return



Source: NSE India, Company filings

Note:

1) Total shareholder return (In times) = ((4 \* Current market price per share) + Total Dividend paid to shareholders) / Shareholder investment per share



***WENDT***

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