

# Unaudited Consolidated Financial Results for the Quarter ended 30th June, 2016

(₹ in Lakhs)	Quarter ended			Year ended
	30-06-2016 (Unaudited)	31-03-2016 (Unaudited)	30-06-2015 (Unaudited)	31-03-2016 (Unaudited)
<b>1 Income from Operations</b>				
(a) Gross Sales and Service Income	33,309	33,284	30,744	122,754
(b) Other Operating Income	189	170	229	722
<b>Total Income from Operations</b>	<b>33,498</b>	<b>33,454</b>	<b>30,973</b>	<b>123,476</b>
<b>2 Expenses</b>				
(a) Cost of materials consumed	11,609	11,235	9,898	41,968
(b) Excise duty on sales	2,366	2,210	2,163	8,596
(c) Purchase of stock-in-trade	2,386	2,360	1,948	8,617
(d) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(42)	160	(25)	(1,388)
(e) Employee benefit expenses	3,910	3,923	3,523	14,822
(f) Depreciation expense	1,023	1,060	1,032	4,202
(g) Power & Fuel	1,484	1,418	2,047	6,911
(g) Other expenses	6,747	6,770	6,961	25,632
<b>Total Expenses</b>	<b>29,483</b>	<b>29,136</b>	<b>27,547</b>	<b>109,360</b>
<b>3 Profit / (Loss) from operations before other income and finance costs (1 - 2)</b>	<b>4,015</b>	<b>4,318</b>	<b>3,426</b>	<b>14,116</b>
4 Other Income	574	509	570	2,201
<b>5 Profit / (Loss) from ordinary activities before finance costs (3 + 4)</b>	<b>4,589</b>	<b>4,827</b>	<b>3,996</b>	<b>16,317</b>
6 Finance costs	52	53	71	242
<b>7 Profit / (Loss) before tax (5 - 6)</b>	<b>4,537</b>	<b>4,774</b>	<b>3,925</b>	<b>16,075</b>
8 Tax expense	1,587	1,672	1,376	5,519
<b>9 Net Profit / (Loss) for the period (7 - 8)</b>	<b>2,950</b>	<b>3,102</b>	<b>2,549</b>	<b>10,556</b>
10 Other comprehensive income, net of income tax				
a. Items that will not be reclassified to profit or loss	(44)	1,980	(65)	3,565
b. Items that will be reclassified to profit or loss	-	-	-	-
<b>Total other comprehensive income, net of income tax</b>	<b>(44)</b>	<b>1,980</b>	<b>(65)</b>	<b>3,565</b>
<b>11 Total comprehensive income for the period (9 +/- 10)</b>	<b>2,906</b>	<b>5,082</b>	<b>2,484</b>	<b>14,120</b>
<b>12 Net Profit/(Loss) attributable to:</b>				
- Owners	2,907	3,051	2,527	10,441
- Non-controlling interests	43	51	22	115
<b>13 Total comprehensive income attributable to:</b>				
- Owners	2,863	5,031	2,462	14,005
- Non-controlling interests	43	51	22	115
14 Paid-up equity share capital (Face value Rs.5/- each)	2,768	2,768	2,768	2,768
15 Reserve excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	73,635
<b>16 Earnings per share (of Rs 5/- each) (not annualised) (Refer Note 7):</b>				
(a) Basic	2.63	2.76	2.28	9.43
(b) Diluted	2.63	2.76	2.28	9.43

	31-03-2016 Unaudited	31-03-2015 Unaudited	31-03-2016 Unaudited
<b>Reconciliation of Net Profit as reported earlier:</b>			
<b>Net Profit for the period (as per IGAAP)</b>		<b>3,108</b>	<b>2,637</b>
Benefit/(Charge):			
(Increase)/decrease in cost due to fair value accounting of group share based payments		(17)	(16)
Actuarial loss on Defined Benefit plans reclassified to Other Comprehensive Income		126	125
Additional depreciation on account of change in estimate and unwinding of goodwill and trade mark amortisation		(3)	(2)
Fair value loss on financial instruments		(66)	(114)
Deferred tax impact of above adjustments		(46)	(81)
<b>Net Profit for the period (as per Ind AS)</b>		<b>3,102</b>	<b>2,549</b>

## Notes:

- Results for the Quarter ended 30th June, 2016 are in compliance with Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs. Consequently, results for the Quarter ended 31st March, 2016, 30th June, 2015 and previous Year ended 31st March, 2016 have been restated to comply with Ind-AS to make them comparable.
- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 28th July, 2016. A Limited Review by the Statutory Auditors for the Quarter ended 30th June, 2016, comparable previous Quarter and the Year ended 31st March, 2016 has been completed. The report does not have any impact on the above Results.
- The Ind AS compliant financial results for the Quarter ended 31st March, 2016, have not been subjected to limited review or audit. However, the Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
- The Financial Statements of the Subsidiary Company certified by the Management have been considered to prepare Consolidated Financial Results.
- Key numbers of Standalone Financial Results of the Company for the quarter ended 30th June, 2016 are as under:

(₹ in Lakhs)	Quarter ended			Year ended
	31-3-2016 Unaudited	31-12-2015 Unaudited	31-03-2015 Unaudited	31-3-2016 Unaudited
Total Income from Operations	32,676	32,729	30,359	121,050
Profit / (Loss) before Tax	4,345	4,502	3,824	15,486
Net Profit / (Loss) for the period	2,818	2,912	2,478	10,143

## Segment wise Revenue, Results and Capital Employed

(₹ in Lakhs)	Quarter ended			Year ended
	30-06-2016 Unaudited	31-03-2016 Unaudited	30-06-2015 Unaudited	31-03-2016 Unaudited
<b>1 Segment Revenue</b>				
(a) Abrasives	22,285	21,236	19,975	80,288
(b) Ceramics & Plastics	8,507	9,556	8,958	34,372
(c) Others	2,793	2,701	2,066	8,993
<b>Total</b>	<b>33,585</b>	<b>33,493</b>	<b>30,999</b>	<b>123,653</b>
Less: Inter-Segment Revenue	276	209	255	899
<b>Gross Sales &amp; Service Income</b>	<b>33,309</b>	<b>33,284</b>	<b>30,744</b>	<b>122,754</b>
<b>2 Segment Results</b>				
(a) Abrasives	2,950	2,744	2,530	10,053
(b) Ceramics & Plastics	1,024	1,231	1,101	4,102
(c) Others	508	472	194	1,250
<b>Total</b>	<b>4,482</b>	<b>4,447</b>	<b>3,825</b>	<b>15,405</b>
Less: (1) Interest	52	53	71	242
(2) Other unallocable (Income)/ Expenditure (net)	(107)	(380)	(171)	(912)
<b>Profit Before Tax</b>	<b>4,537</b>	<b>4,774</b>	<b>3,925</b>	<b>16,075</b>
<b>3a Segment Assets</b>				
(a) Abrasives	50,100	46,974	46,963	46,974
(b) Ceramics & Plastics	27,677	28,324	27,948	28,324
(c) Others	5,096	5,097	4,427	5,097
(d) Unallocated	28,387	27,984	24,130	27,984
<b>Total Segment Assets</b>	<b>111,260</b>	<b>108,379</b>	<b>103,468</b>	<b>108,379</b>
<b>3b Segment Liabilities</b>				
(a) Abrasives	17,688	17,063	15,351	17,063
(b) Ceramics & Plastics	6,548	6,555	6,072	6,555
(c) Others	1,315	2,072	1,478	2,072
(d) Unallocated	5,284	5,033	5,777	5,033
<b>Total Segment Liabilities</b>	<b>30,835</b>	<b>30,723</b>	<b>28,678</b>	<b>30,723</b>
<b>3c Capital Employed</b> (Segment Assets Less Segment Liabilities)				
(a) Abrasives	32,412	29,911	31,612	29,911
(b) Ceramics & Plastics	21,129	21,769	21,876	21,769
(c) Others	3,781	3,025	2,949	3,025
(d) Unallocated	23,103	22,951	18,353	22,951
<b>Total Capital Employed in Segments</b>	<b>80,425</b>	<b>77,656</b>	<b>74,790</b>	<b>77,656</b>

- The Company continues to classify its businesses into three categories viz., Abrasives, Ceramics & Plastics and residual segments for 'Others'. This reporting complies with the Ind AS segment reporting principles, which is made effective from 1st April, 2016. The comparative figures for the previous periods for segment reporting have been restated to conform to the Ind AS.
- Transition to Ind AS :**
  - Fair valuation of Financial Assets:** The Company has valued financial assets as per Ind AS 109 (other than investment in subsidiary which is accounted at cost), at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes thereafter are recognised in Profit and Loss Account or Other Comprehensive Income, as the case may be.
  - Employee benefit expenses:** As per Ind AS 19, actuarial gains and losses on Defined Benefit Plans are recognised in Other Comprehensive Income.
  - Fair value of forward exchange contracts:** The Company has done a mark to market valuation of the forward exchange contracts as per Ind AS 109 and the resultant gain/loss has been taken to the Statement of Profit and Loss.
  - Share-based payments:** The Company has accounted for the fair value of the Stock Options granted to its employees by the Ultimate Holding Company as a stock compensation charge under the head "Employee benefit expenses" with a corresponding credit to Other Comprehensive Income in accordance with the requirements of Ind AS 102.
  - Deferred Tax:** The impact of transition adjustments on computation of Deferred Tax has been charged to Reserves.
- The Company does not have any Exceptional item to report for the above periods.
- Pursuant to the approval of the Shareholders, through postal ballot and e-voting on 7th July, 2016, the Company, on 22nd July, 2016, issued and allotted 5,53,60,000 Ordinary Equity Shares of Rs. 5/- each, as fully paid-up Bonus Shares in the proportion of 1 (One) Bonus Share of Rs. 5/- each for each Ordinary Equity Share of Rs. 5/- each held as on the Record Date i.e. 15th July, 2016. Consequent to the above, the earnings per share (Basic and Diluted) have been adjusted for all the periods presented.
- The financial results are available on the Company's website www.grindwellnorton.com and on the stock exchanges websites www.bseindia.com and www.nseindia.com.
- Previous period's figures have been recast wherever necessary.

For GRINDWELL NORTON LIMITED

Mumbai  
28th July, 2016

**ANAND MAHAJAN**  
Managing Director  
Director Identification No. 00066320