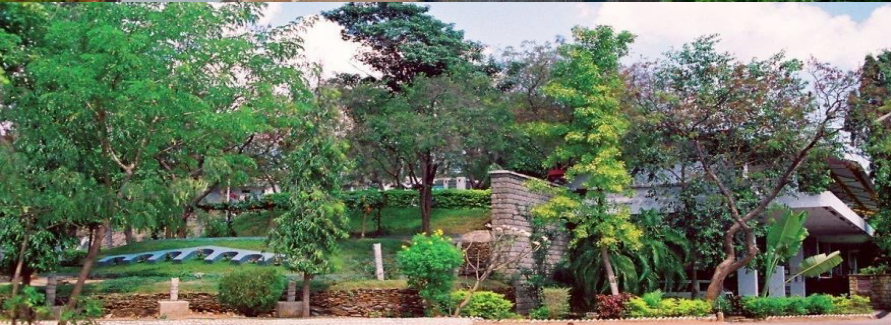




Grindwell Norton Ltd.
Investor Meet
22nd May 2020



KEY FINANCIAL INDICATORS

(Rs. Crores)

Key Financials(As Published)	FY 19-20	FY 18-19	Growth %
Revenue from Operations	1580	1598	-1.2%
Operating Profit (PBIT)	247	262	-5.7%
Profit Before Tax	243	260	-6.8%
Net Profit for the period	184	169	9.0%

Revenue from Operations	1580	1598	-1.2%
OP Margin (on Net Revenue from Operations)	15.6%	16.4%	
Asset Turnover Ratio	1.32	1.44	
Return on Capital Employed (ROCE)	20.6%	23.6%	
Business OP Margin	14.1%	15.3%	
Bussiness Assets Turnover Ratio	2.54	2.40	
Return on Business Assets (ROI on business OP)	35.9%	36.6%	
Net Cash Flow from Operations (CFO)	318	85	

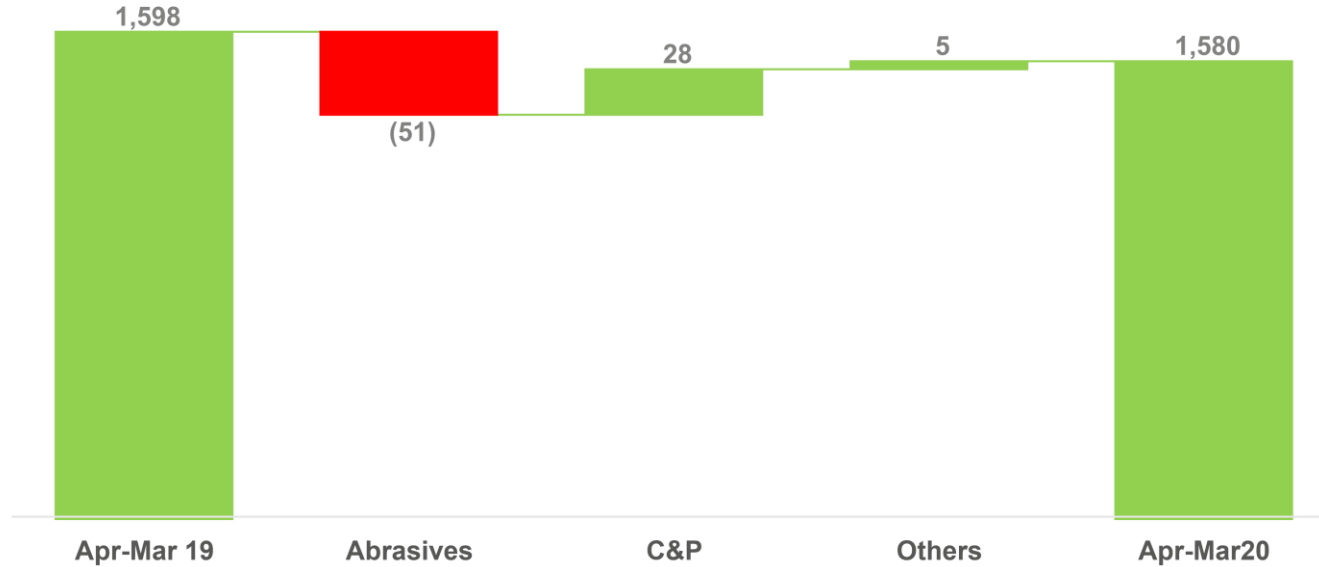
Revenue from Operations bridge

Apr-Mar 19
Rs. 1598

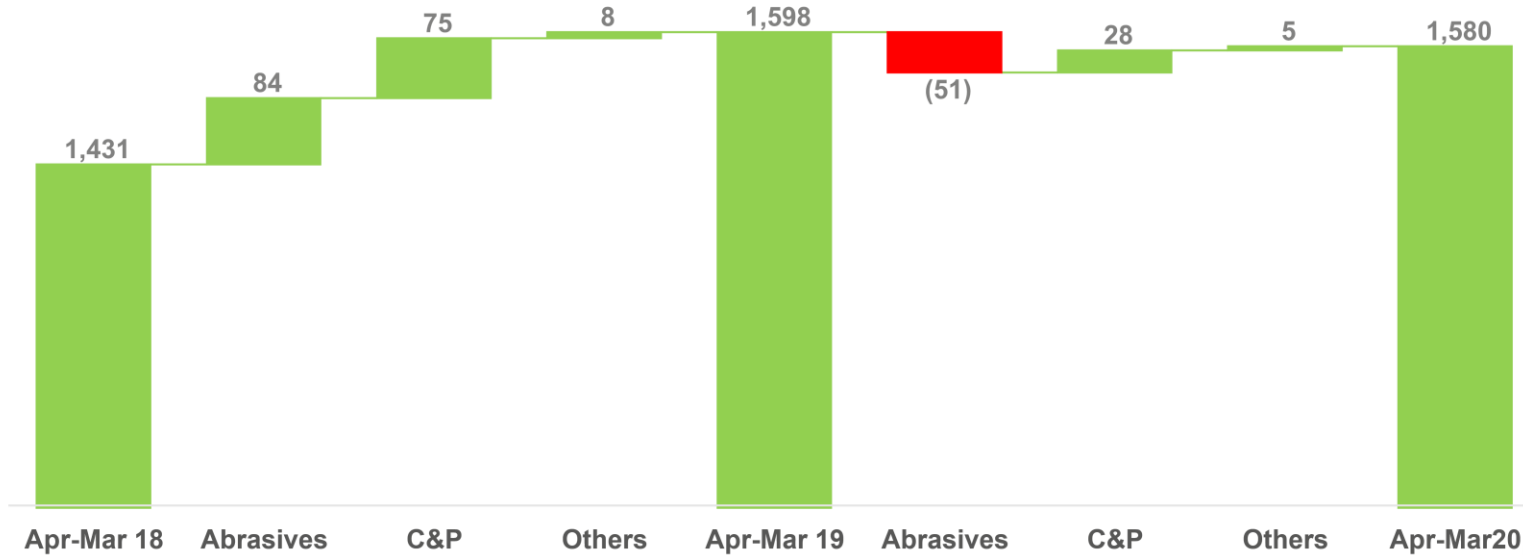
Decrease Rs.18 crores (-1.2%)

Apr-Mar 20
Rs. 1580

(Rs. Crores)



Revenue from Operations bridge



* FY 2017-18 numbers are net of Excise duty

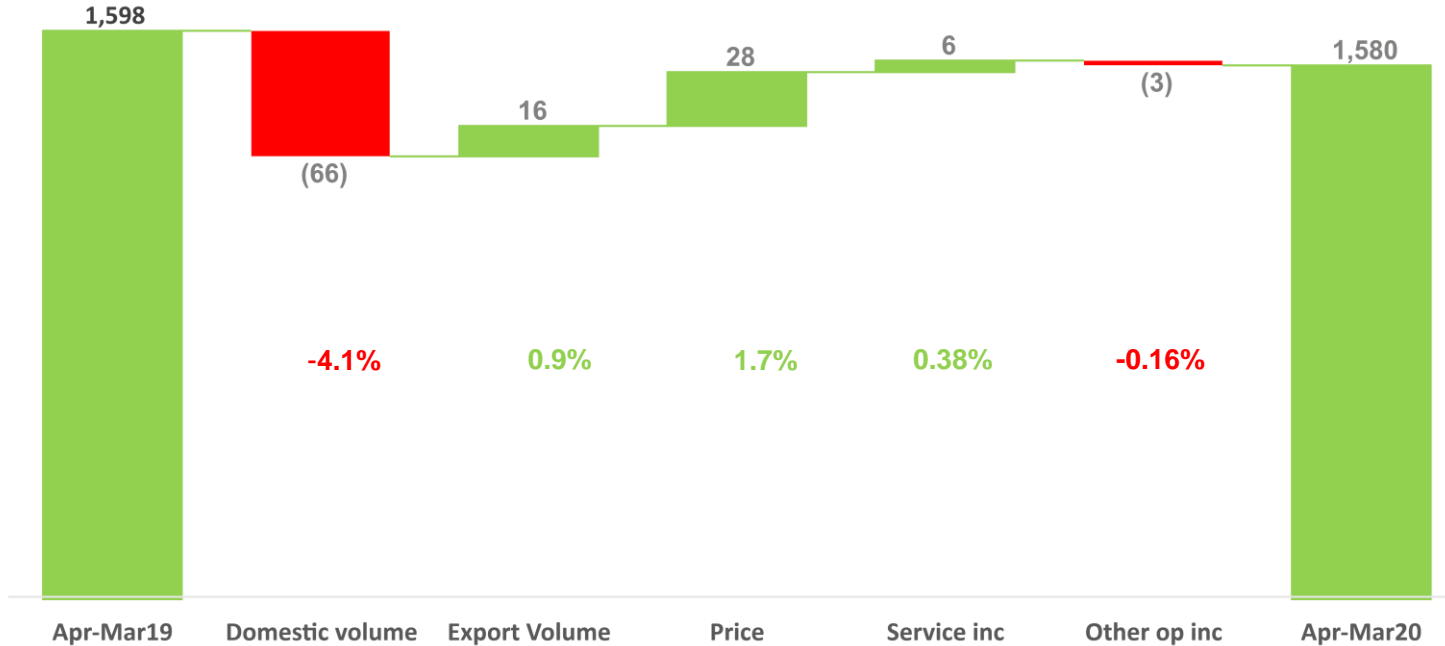
Revenue from Operations bridge

Apr- Mar 19
Rs. 1598

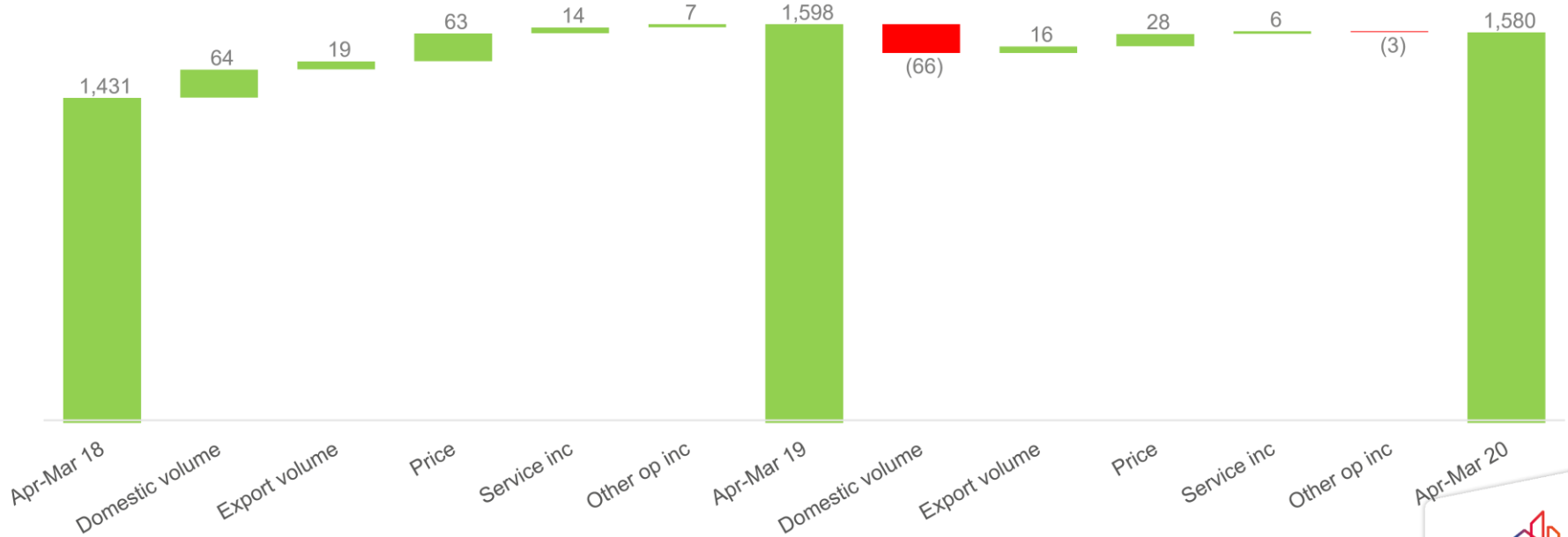
Decrease 18 crores (-1.2%)

Apr- Mar 20
Rs. 1580

(Rs. Crores)

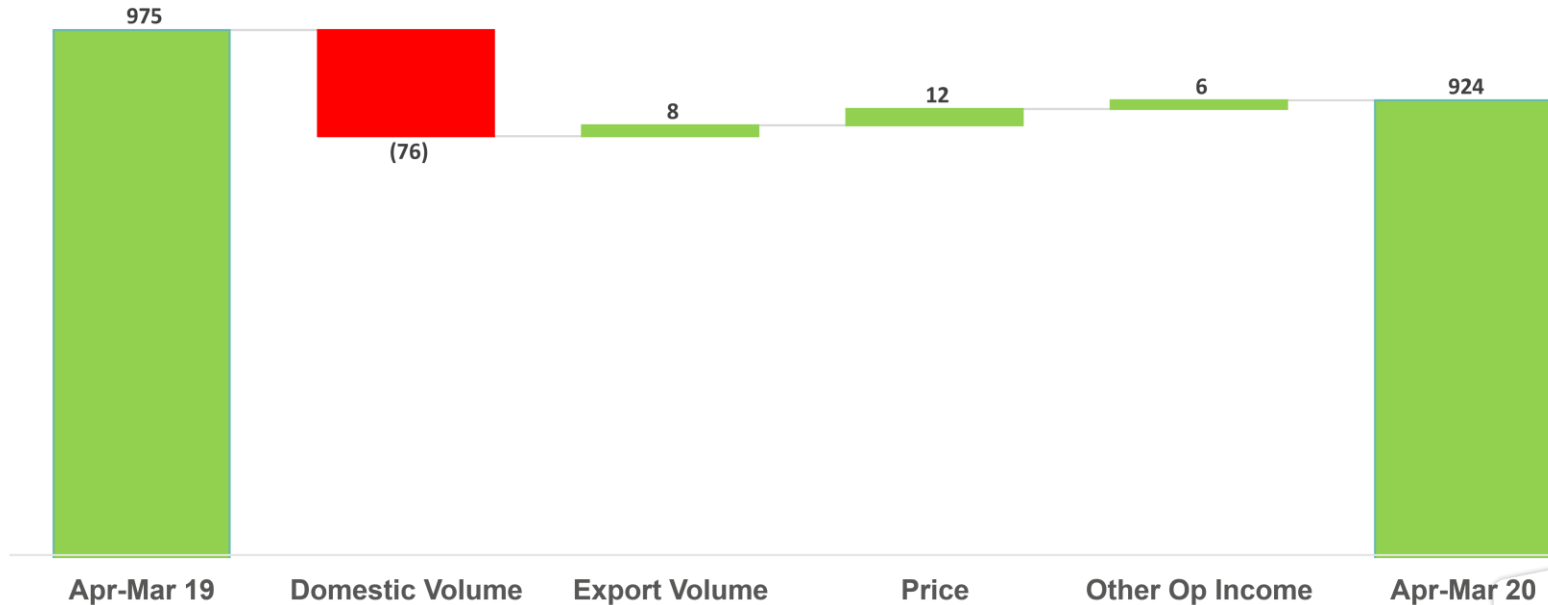


Revenue from Operations bridge



*FY 2017-18 numbers are net of Excise duty

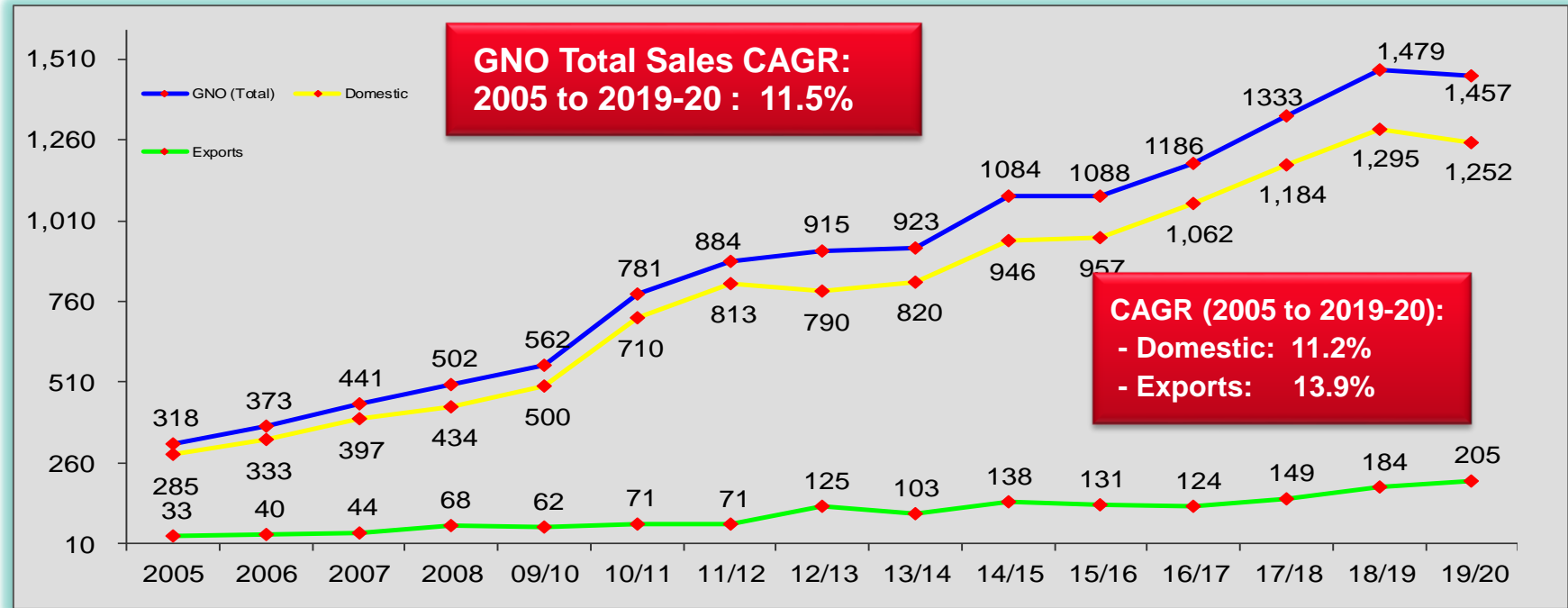
Abrasives - Revenue from Operations bridge



GNO: DOMESTIC & EXPORT SALES OF PRODUCTS

(NET OF EXCISE UPTO FY 2017-18)

(Rs. Crores)



Note - From 15-16, sales are as per IND AS. Up to 14-15 sales are as per IGAAP

2019-20: Sales Drop: -1.5%; Domestic drop: -3.3%
Export growth: 11.3%

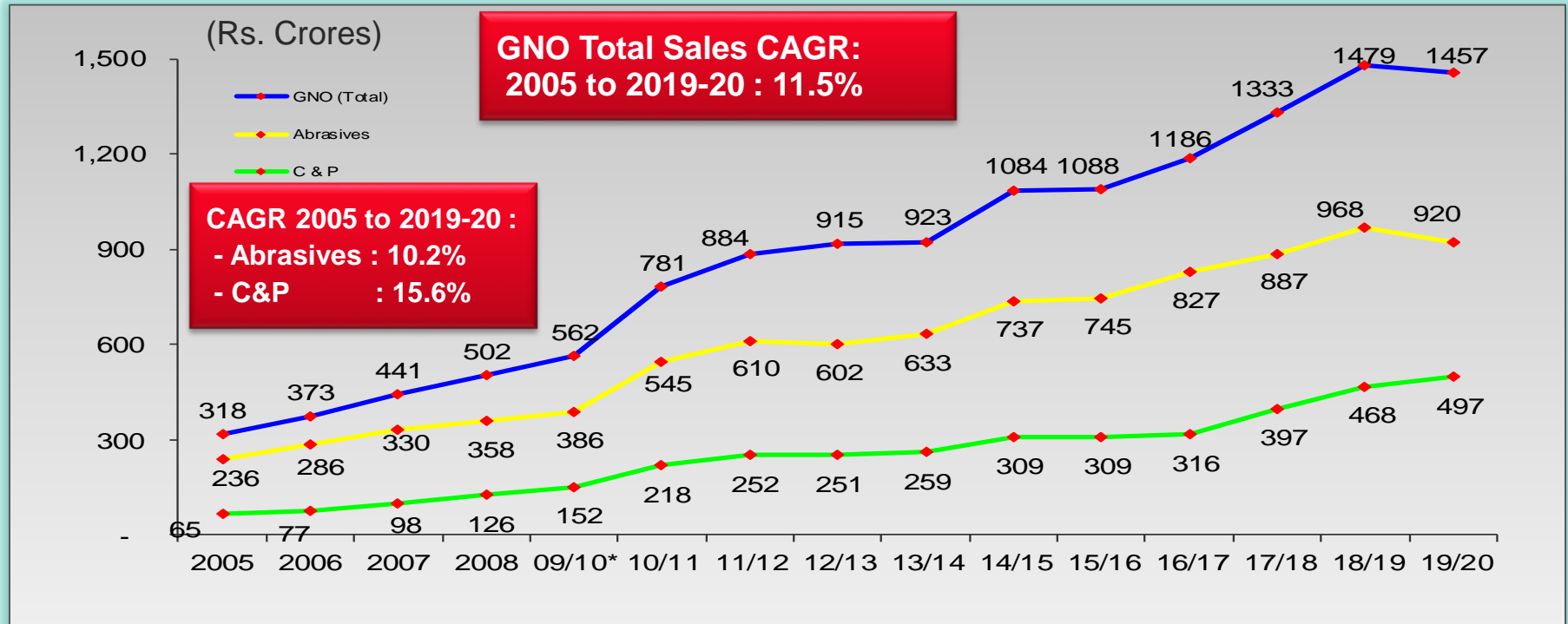
Source: Annual Reports



GNO, ABRASIVES, C&P SALES OF PRODUCTS

(NET OF EXCISE UPTO FY 2017-18)

(Rs. Crores)



2019-20: GNO Sales decreased by 1.5%; Abrasives decreased by 4.9%; C&P increased by 6.2%

Source: Annual Report –segment results

KEY FINANCIAL INDICATORS – OPERATING MARGIN

(Rs. Crores)

Key Financials(As Published)	FY 19-20	FY 18-19	Growth %
Revenue from Operations	1580	1598	-1.2%
Operating Profit (PBIT)	247	262	-5.7%
Profit Before Tax	243	260	-6.8%
Net Profit for the period	184	169	9.0%

Revenue from Operations	1580	1598	-1.2%
OP margin (on Net Revenue from Operations)	15.6%	16.4%	
Asset Turnover Ratio	1.32	1.44	
Return on Capital Employed (ROCE)	20.6%	23.6%	
Business OP Margin	14.1%	15.3%	
Bussiness Assets Turnover Ratio	2.54	2.40	
Return on Business Assets (ROI on business OP)	35.9%	36.6%	
Net Cash Flow from Operations (CFO)	318	85	

Operating Profit bridge

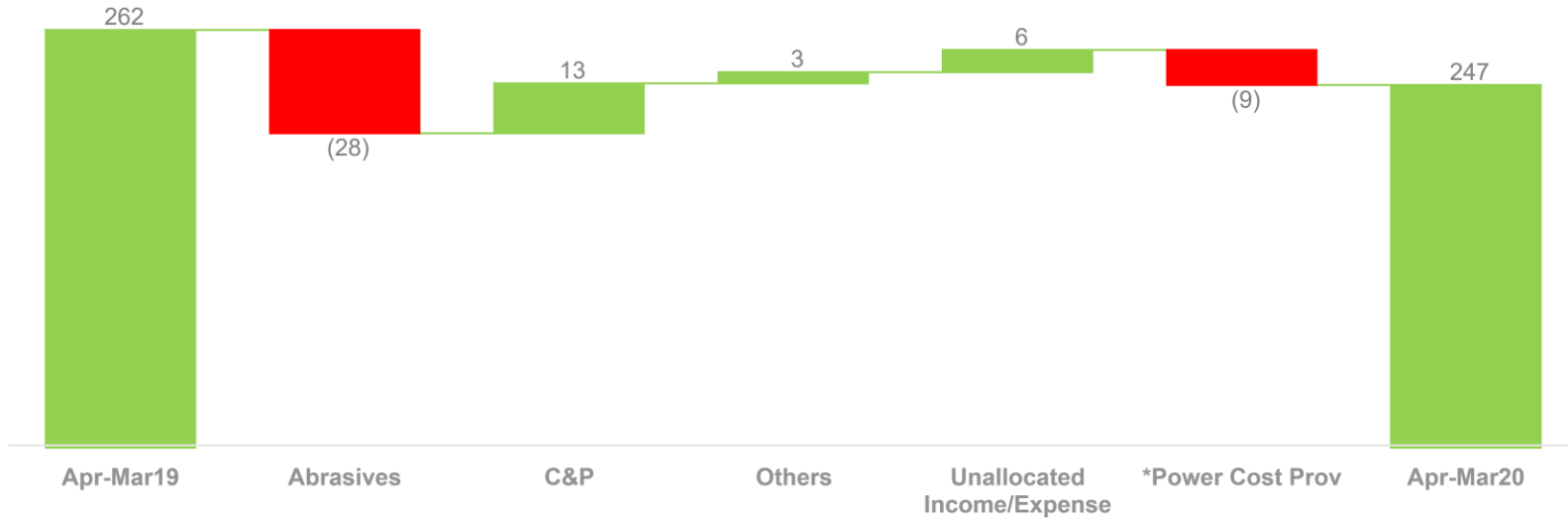
Apr-Mar 19
Rs. 262



Decrease Rs. 15 crores (-5.7%)

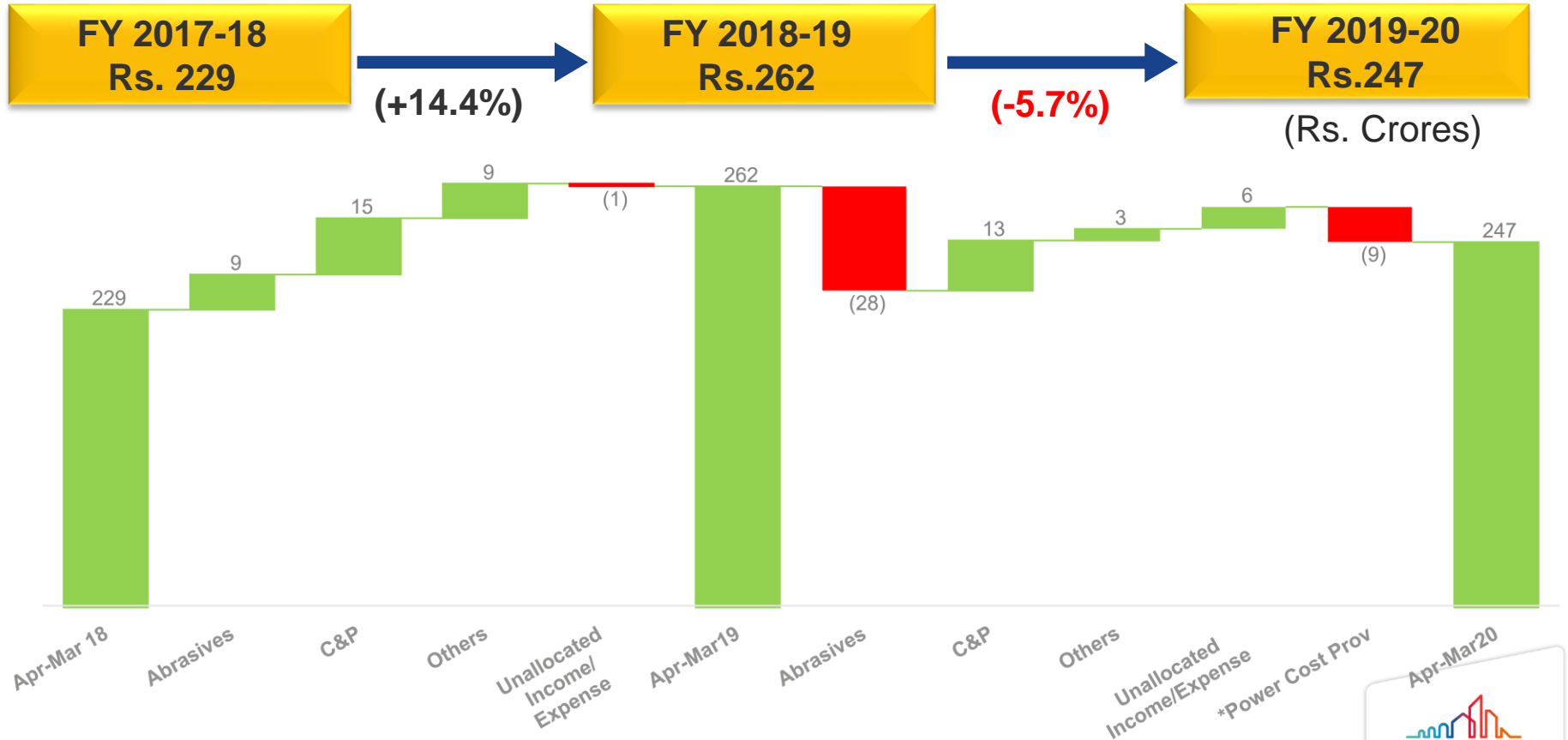
Apr-Mar 20
Rs. 247

(Rs. Crores)



*Pursuant to the judgement received in the month of December 2019 from Honorable Supreme Court of India, pertaining to the year 2002-03 and onwards, the Company has provided Rs.9.4 crs towards additional power cost during the year

Operating Profit bridge



*Pursuant to the judgement received in the month of December 2019 from Honorable Supreme Court of India, pertaining to the year 2002-03 and onwards, the Company has provided Rs.9.4 crs towards additional power cost during the year

Operating Profit bridge

Apr-Mar 19
Rs. 262



Decrease of 15 crores (-5.7%)

Apr-Mar 20
Rs. 247

(Rs. Crores)

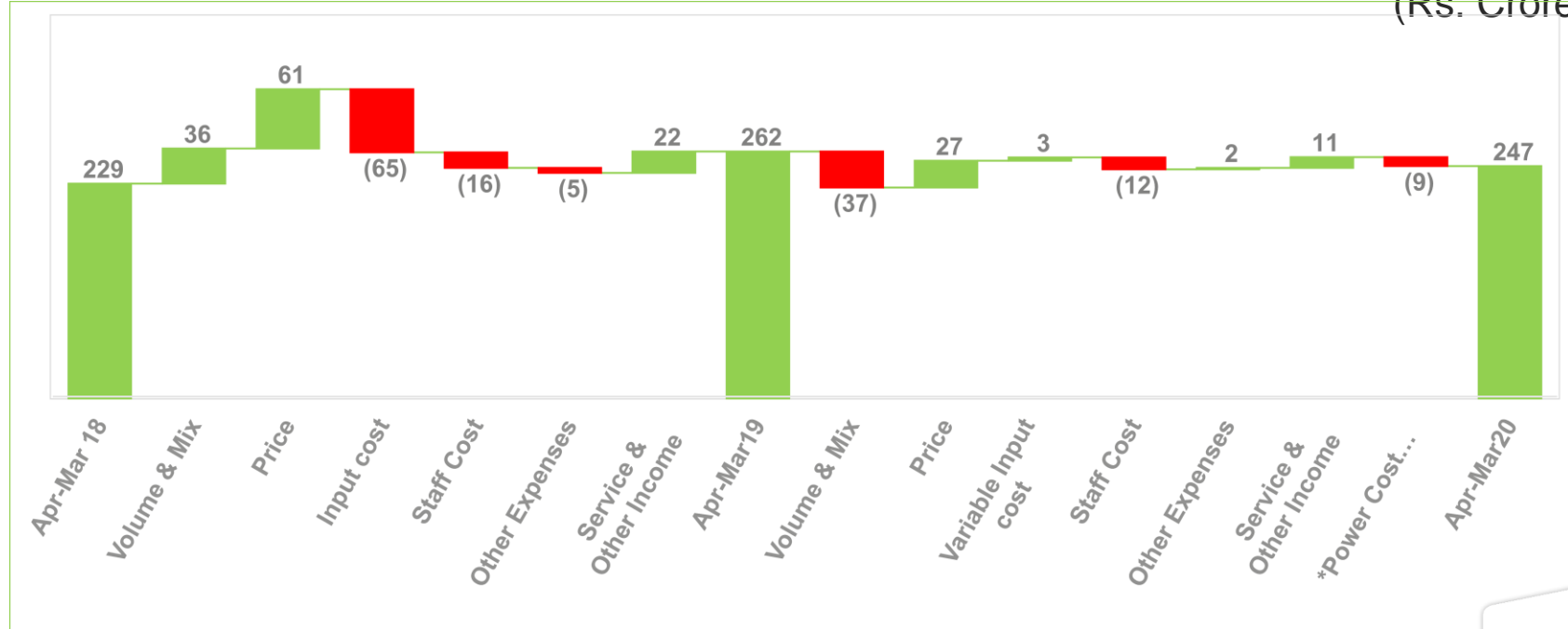


*Ind AS 116 impact - Increase in Depn 10 crs and reduction in Other exp (Rent 12 crs)

*Pursuant to the judgement received in the month of December 2019 from Honorable Supreme Court of India, pertaining to the year 2002-03 and onwards, the Company has provided Rs.9.4 crs towards additional power cost during the year



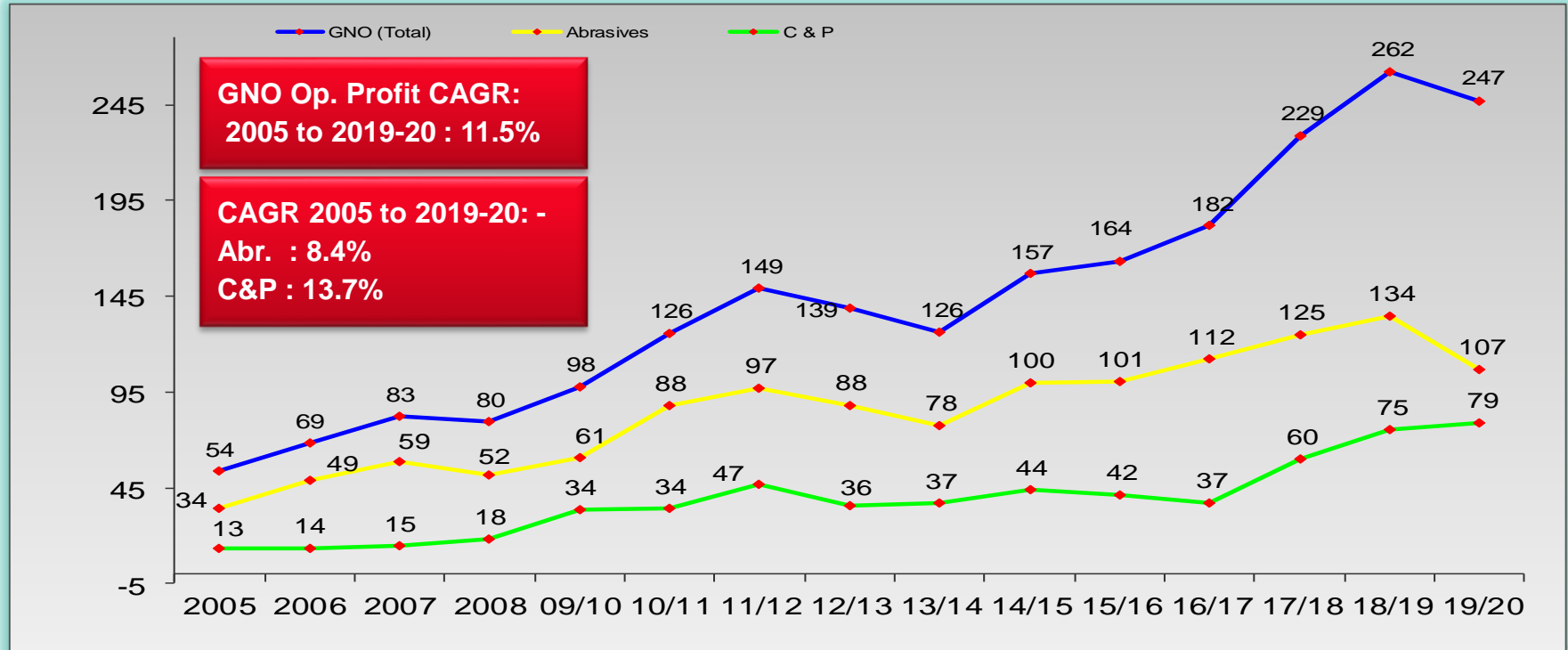
Operating Profit bridge



*Pursuant to the judgement received in the month of December 2019 from Honorable Supreme Court of India, pertaining to the year 2002-03 and onwards, the Company has provided Rs.9.4 crs towards additional power cost during the year

GNO, ABRASIVES, C&P – OPERATING PROFIT (PBIT)

(Rs. Crores)

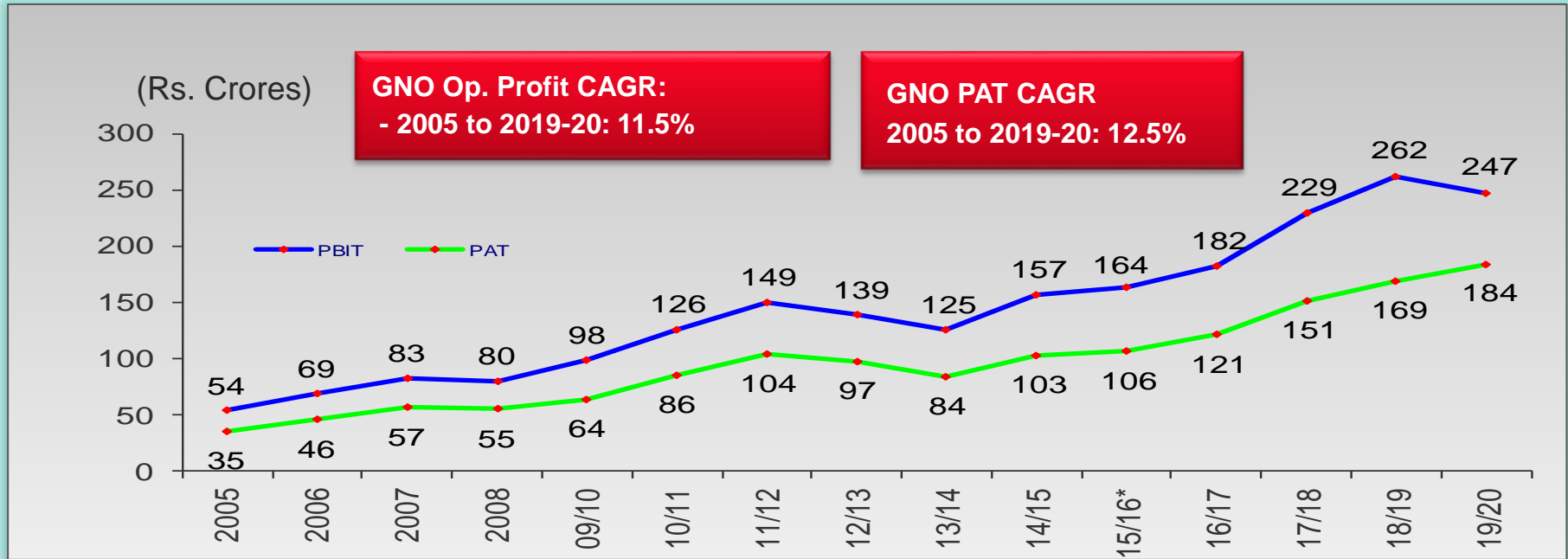


Note - From 15-16, OP is as per IND AS. Up to 14-15 OP was as per IGAAP

Source: Quarterly Page -Segment

In FY20, GNO PBIT decreased by 5.7%; Abrasives by 20.7%; C&P increased by 5.3%

GNO PROFITS – OPERATING PROFIT(PBIT) & PAT



(1) 2019-20 : PBIT Drop: 5.7% ; PAT growth: 8.8% (impact of change in effective tax rate in the current year)

(2) 2007 PBIT & PAT are excluding a one time extra-ordinary gain of Rs 77 crores arising out of sale of shareholding in Lincoln Helios (India) Ltd.

(3) 2009/10 PBIT and PAT excludes a one time reversal of provision made towards “wheeling charges” of Rs 7.7 crores (pro-rata for 12 months is Rs 6 crores.)

(4) 2019-20 - Based on the judgement received during the Dec 19 quarter from Honorable Supreme Court of India the company has estimated and provided Rs.940 Lakhs during the year for wheeling charges to AP transco.

*From 15-16, OP is as per IND AS. Up to 14-15 OP was as per IGAAP

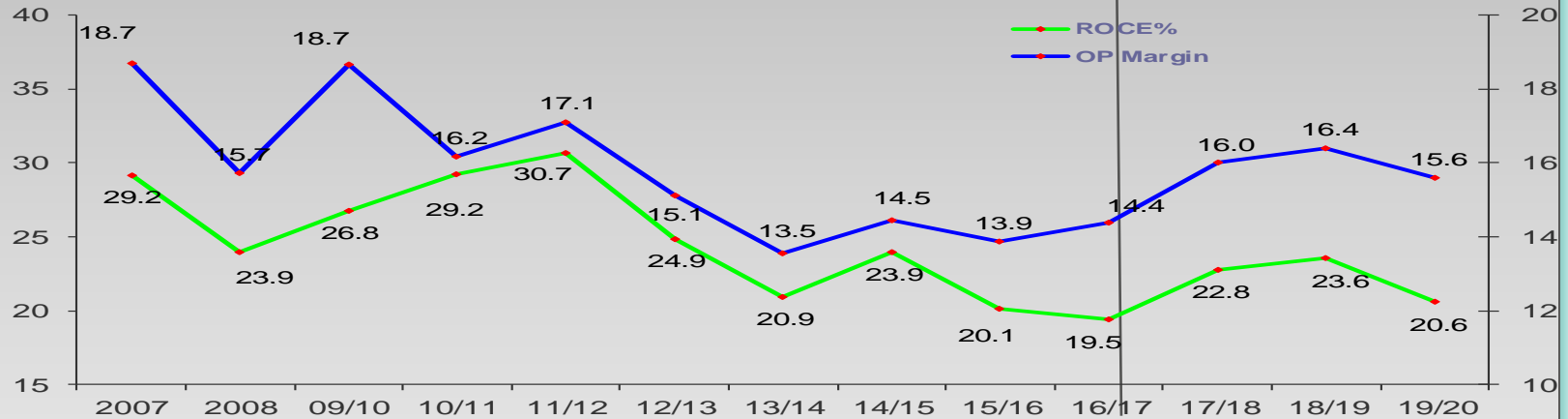
Source:
Annual
Reports



GNO PROFITABILITY – ROCE & OP MARGIN (%)

ROCE

Operating Margin



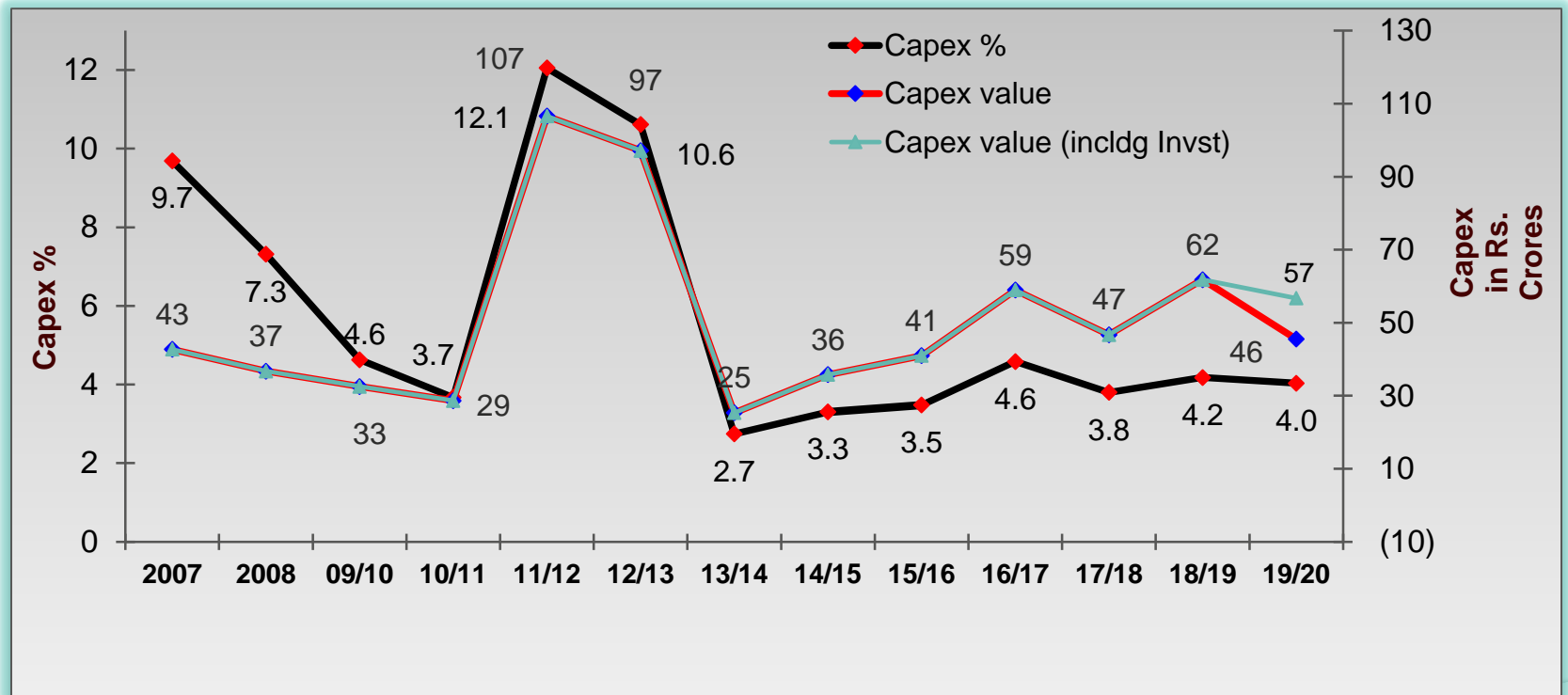
Year	2007	2008	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20
Capex (in crores)	43	37	33	29	107	97	25	36	41	59	47	62	46
Asset T/O	1.60	1.50	1.40	1.80	1.80	1.60	1.50	1.70	1.45	1.40	1.43	1.44	1.32

Source: Annual & Internal Reports

Note: Op. Profit is before considering extra-ordinary items.

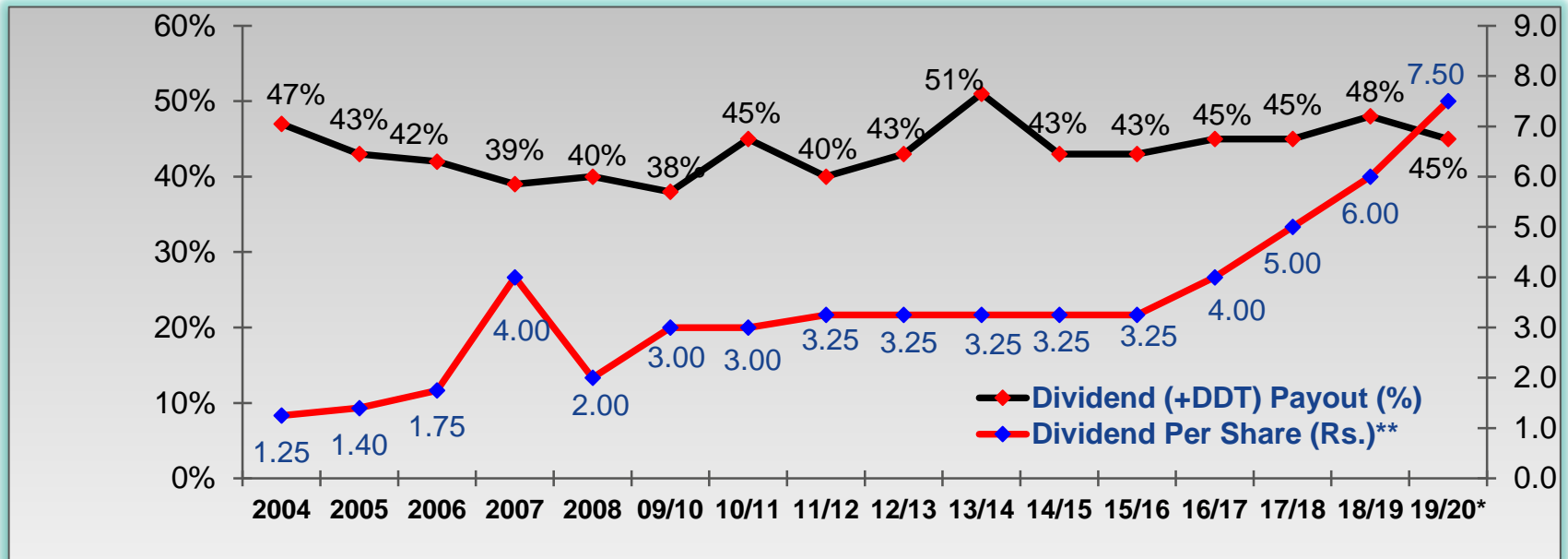
Note - From 15-16, OP & ROCE are as per IND AS. Up to 14-15 OP & ROCE were as per IGAAP

GNO: CAPEX IN RS. CRORES & AS % SALES



Source: Internal Report

GNO – DIVIDEND PER SHARE & DIVIDEND (+ DDT) PAYOUT (%)



Source: Annual Reports

**Note: Dividend per share adjusted for bonus/splits

In 2007, a special dividend of Rs.2 per share was declared on account of an extraordinary gain; the dividend payout % is calculated on net profit including the extraordinary gain

From 2016-17 onwards, Dividend Payout % based on consolidated profit after tax less minority interest

*From 1st April 2020, the Dividend distribution tax has been abolished and is now taxable in the hands of the recipients.



Thank You

