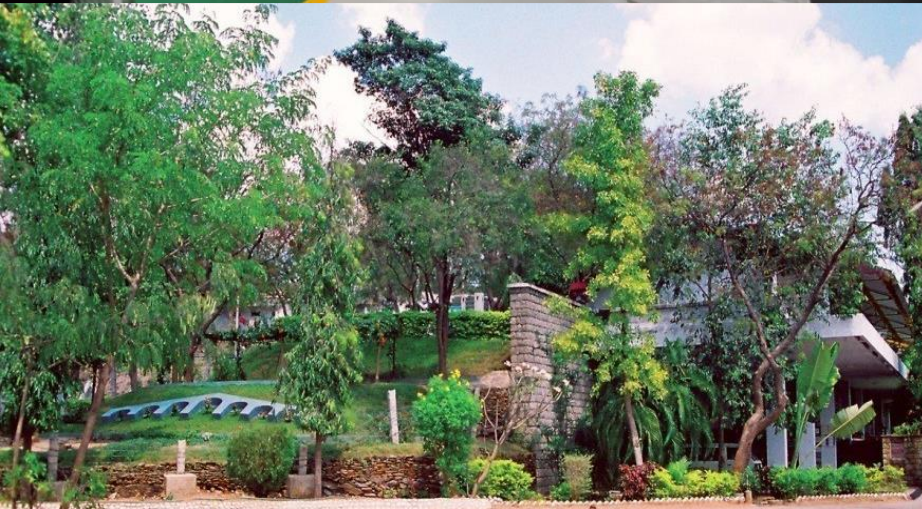




**Grindwell Norton Ltd.**  
**Investor Meet**  
May 13, 2022






# GNO Organisation



# GRINDWELL NORTON LTD. – PEOPLE & TALENT

■ > 30 Years    ■ > 15 years  
■ > 25 Years    ■ > 10 years  
■ >20 Years

## FUNCTION

HR 

Finance 

EHS 

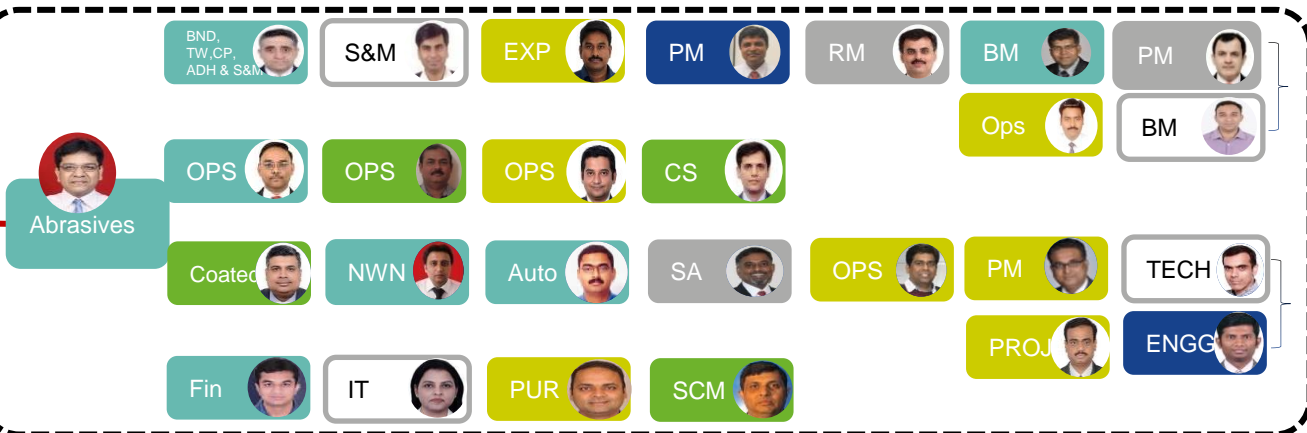
Finance Services 

Digital IT Services 

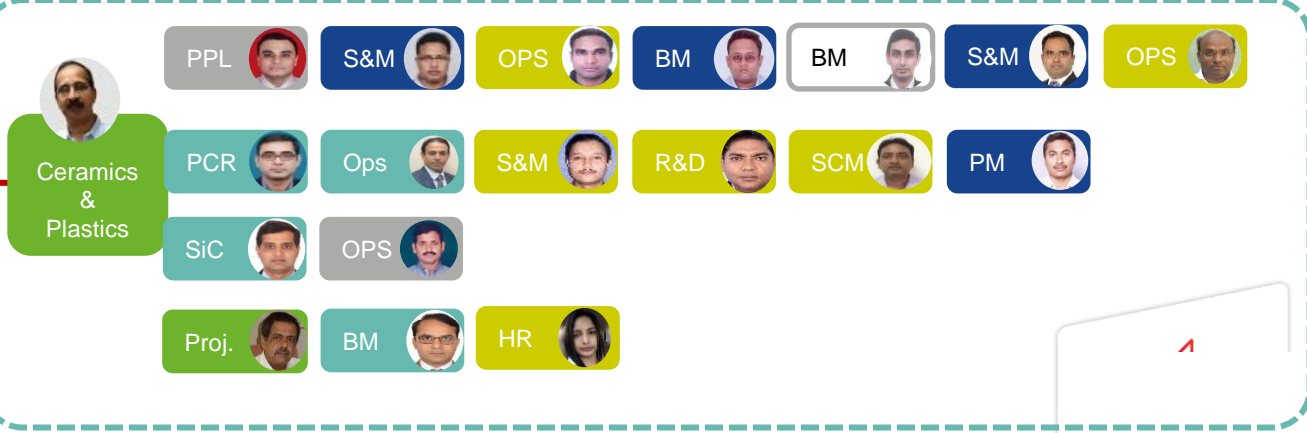
Legal Tax 

CEO – APAC & INDIA  
MD - GNO 

## ABRASIVES



## CERAMICS & PLASTICS



## Near term outlook is volatile

- RBI issued revised projections of real GDP growth for 2022-23 at 7.2%, owing to anticipated impact of escalating geopolitical tensions
- Headwinds from higher fuel and commodity prices brought about a broad-based rise in inflationary pressures weighing on demand

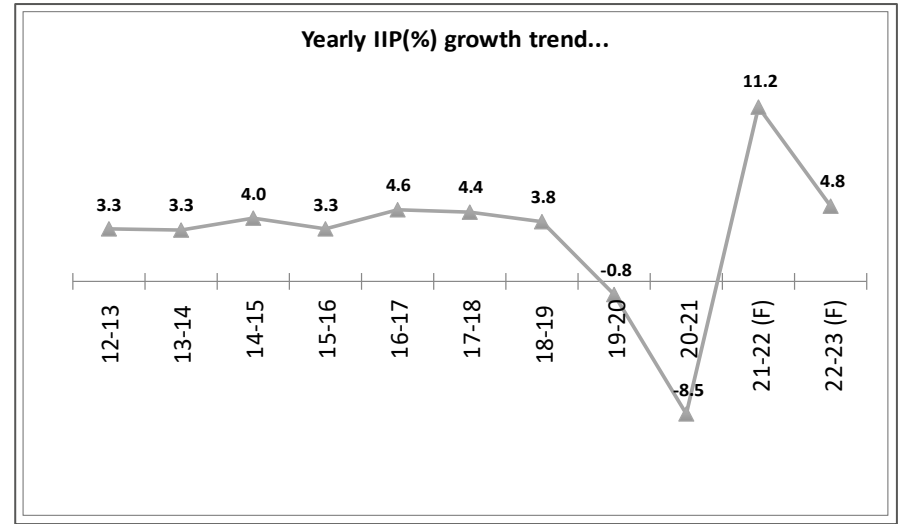
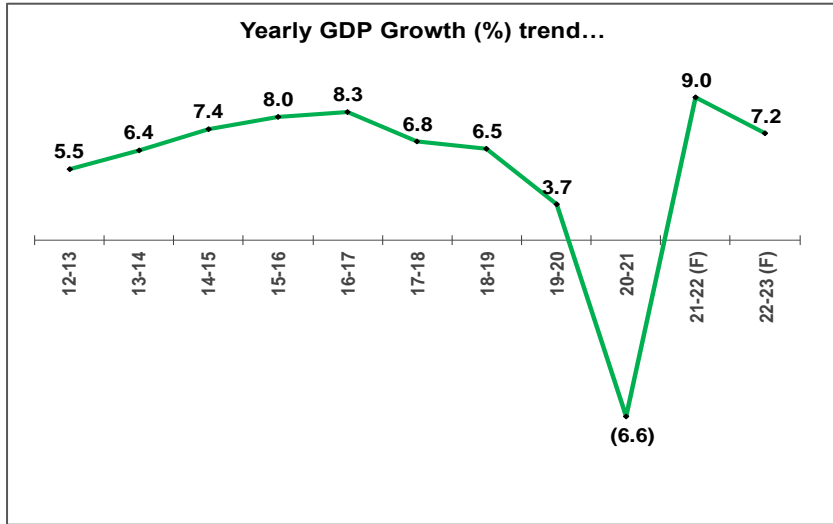
## Medium term to long term outlook remains positive

- Growth supportive Union budget with push on infra spends & divestments
- Record GST collection in March 2022, boosted by improved economic activity
- Private investment should come back this year and while high inflation is a concern
- Lower auto sales on YoY basis since August 2021
- PMI consolidating at higher level since July 2021

## ECONOMIC UPDATE

- **IMF revised India real GDP growth projections for FY 22-23 to 8.2% from 9% citing adverse impact of Russia-Ukraine war; Global growth outlook for 2022 cut to 3.6% from 4.4%.**
- **Nomura India BRI at 125.4 in Apr'22; slightly lower than March**
- **Manufacturing PMI rose to 54.7 in Apr 2022 marking 10<sup>th</sup> consecutive month of expansion**
- **Services PMI rose to 53.6 in Mar'22.**
- **WPI rose to 14.5% in Mar'22 and CPI was higher at 7.79% in Apr'22; RBI increased the repo rate to 4.4%**
- **The Govt. collected Rs.1.7 trillion GST in Apr 2022, FY22 GST collection increased by 19% over FY21**
- **Index of industrial production (IIP), rose by 1.7% in Feb'22.**
- **Passenger vehicle sales rose by ~21% in Mar '22 on Q-o-Q basis due to good demand despite supply chain constraints.**
- **Rupee depreciation**
- **Global supply chain realignment**

# INDIA: GDP & IIP GROWTH (%)

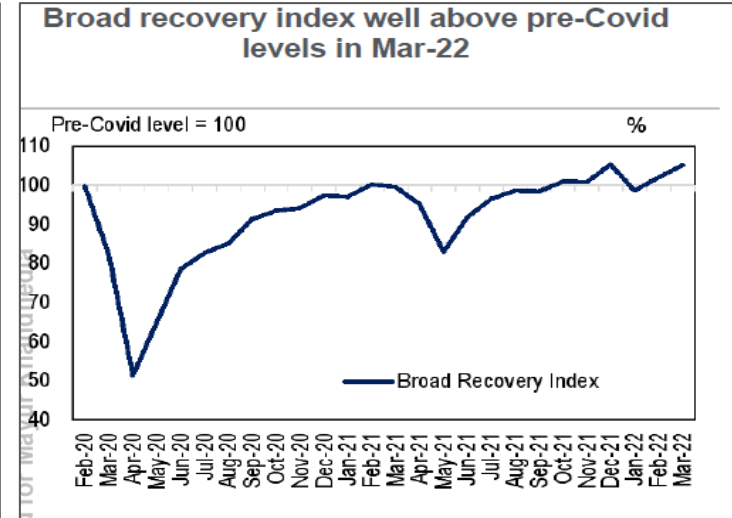
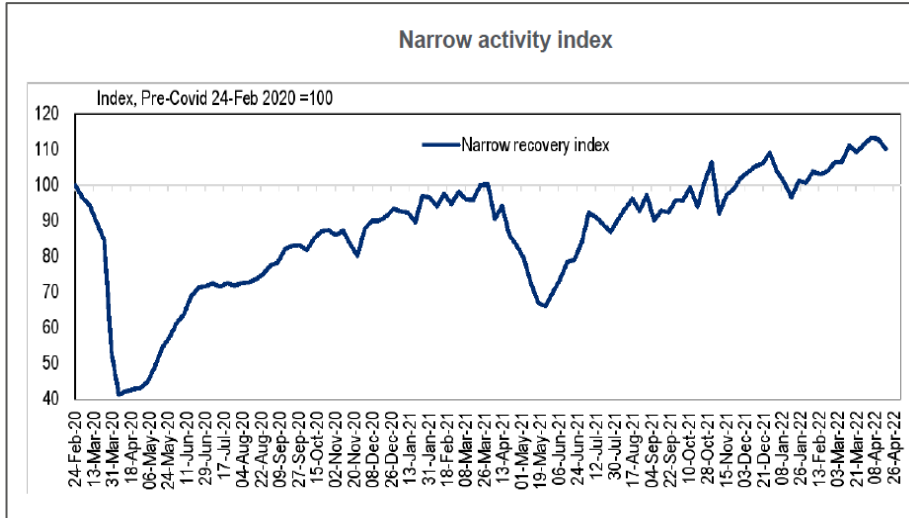


Source: CMIE

# MACRO ECONOMIC ENVIRONMENT

Weekly Narrow Recovery Index continued to improve with ~3.1%MoM jump in April MTD. The economic activity is now ~10-12% above pre-covid levels

Broad Recovery Index rose by 2.6% MoM in Mar'22 & ~5% above pre-covid levels. Overall it was flat QoQ in Q1 2022 as Omicron wave dampened activity in January

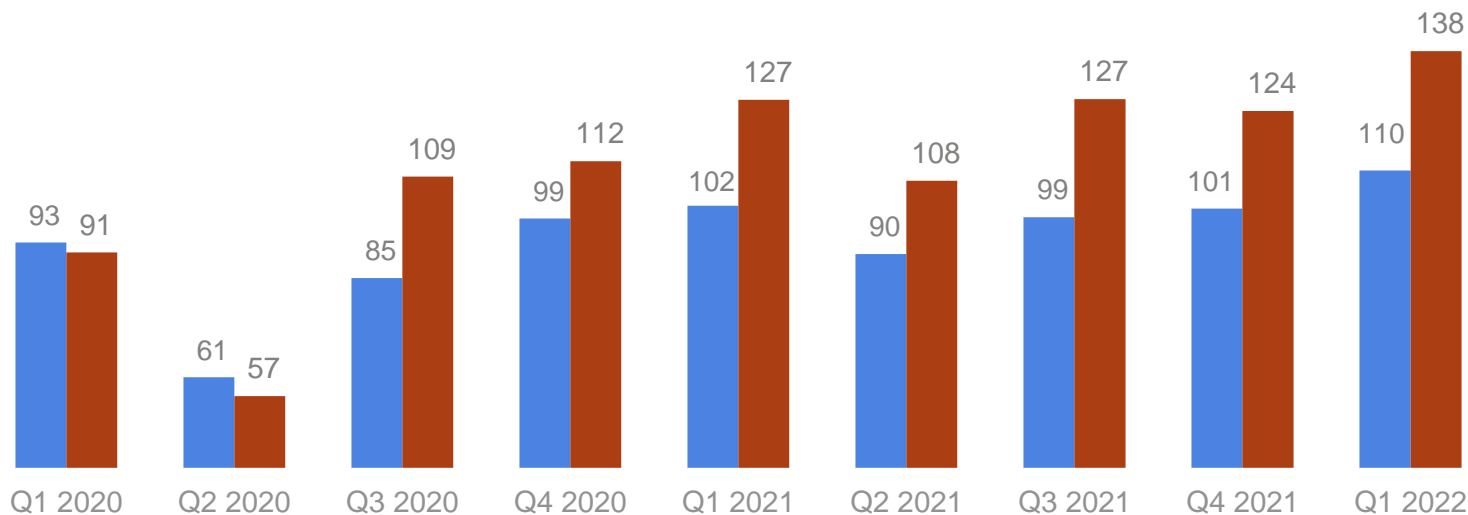


# BROAD RECOVERY INDEX VS GNO QUARTERLY SALES

## Index:

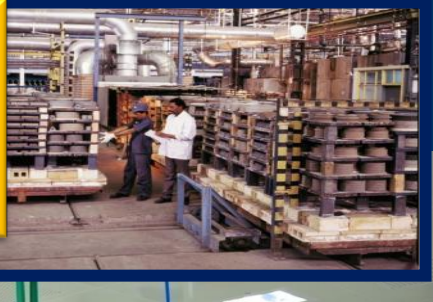
Broad Recovery : Feb 2020 = 100

GNO Sales : Avg. 2019 = 100





# GNO-Key Indicators and Trends



# KEY FINANCIAL INDICATORS – REVENUE FROM OPERATION

(Rs. Crores)

Key Financials(As Published)	FY 19-20	FY 20-21	FY 21-22	Growth 21-22 vs 20-21
Revenue from Operations	1580	1638	2013	22.9%
Operating Profit (PBIT)	247	321	400	24.7%
Profit Before Tax	243	317	396	24.8%
Net Profit for the period	184	238	295	24.1%

<b>Revenue from Operations</b>	1580	1638	2013	<b>22.9%</b>
OP Margin (on Net Revenue from Operations)	15.6%	19.6%	19.9%	
Return on Capital Employed (ROCE)	20.6%	23.3%	25.3%	
Business OP Margin	14.1%	17.5%	18.7%	
Bussiness Assets Turnover Ratio	2.54	2.78	2.61	
Return on Business Assets (ROI on business OP)	35.9%	48.7%	48.6%	

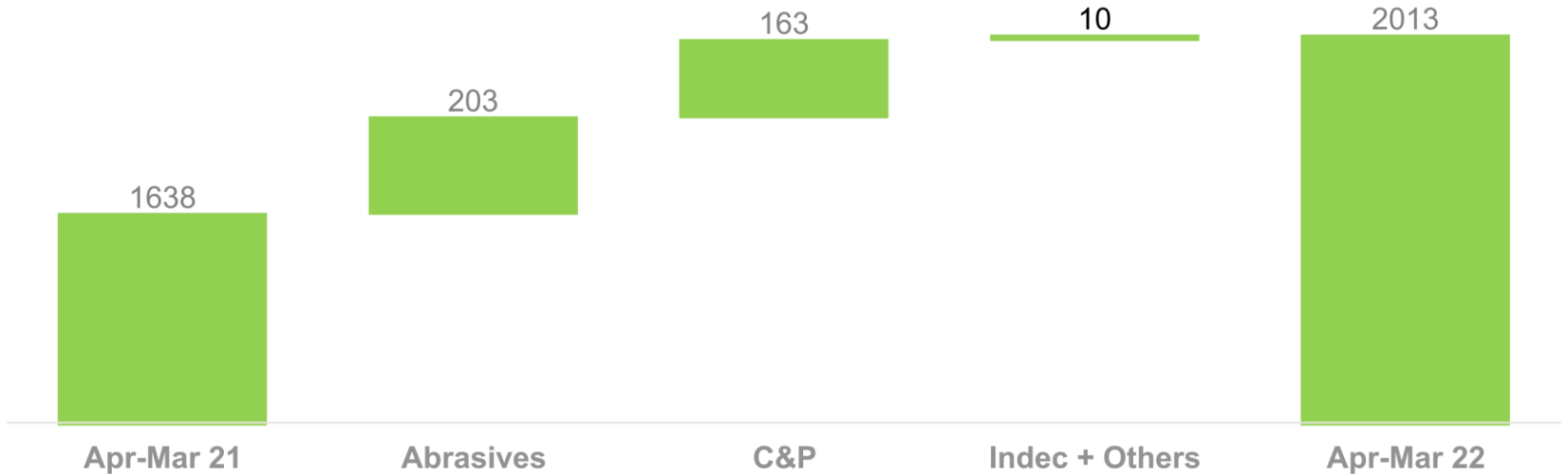
# REVENUE FROM OPERATIONS BRIDGE

Apr 20 - Mar 21  
Rs.1638

Apr 21 - Mar 22  
Rs.2013

Increase Rs.375 crores (22.9%)

(Rs. Crores)



# REVENUE FROM OPERATION - BRIDGE

Apr 20 - Mar 21  
Rs.1638

Apr 21 - Mar 22  
Rs.2013

Increase Rs.375 crores (22.9%)

(Rs. Crores)

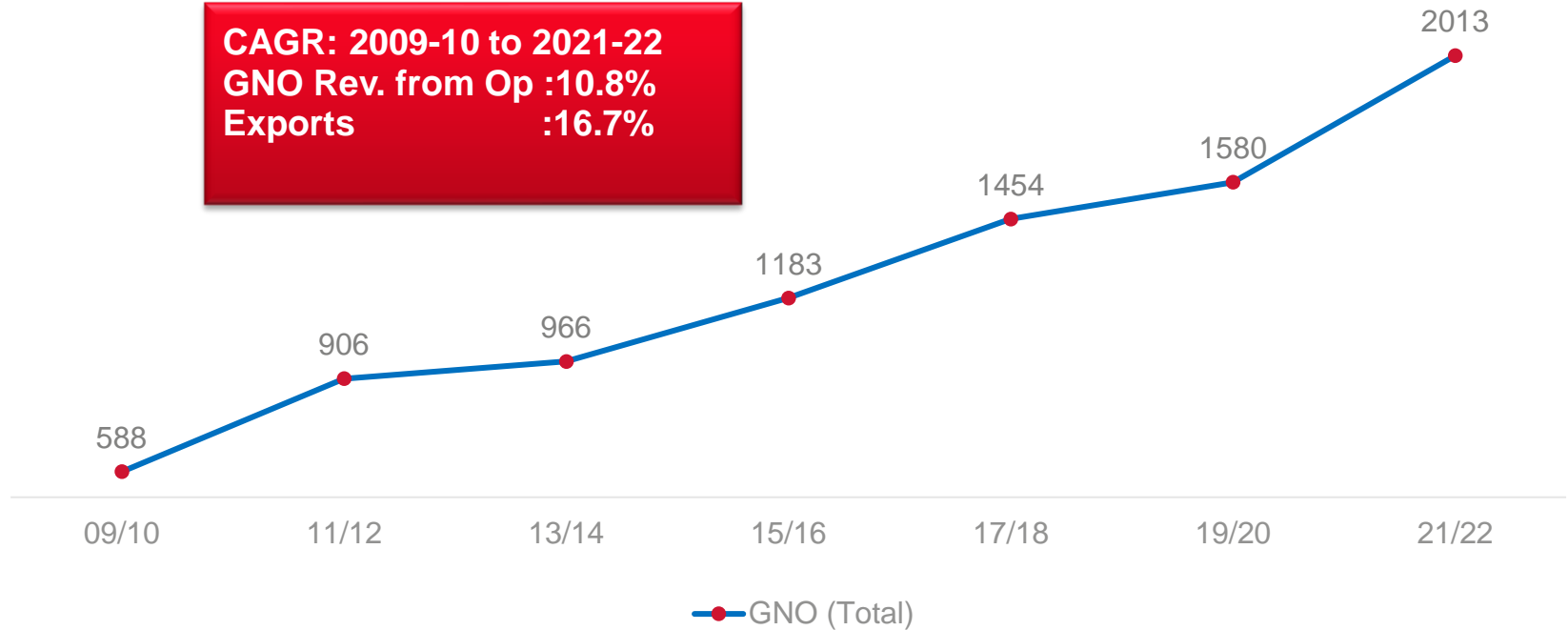


# GNO: REVENUE FROM OPERATIONS & EXPORTS

(NET OF EXCISE UP TO FY 2017-18)

(Rs. Crores)

**CAGR: 2009-10 to 2021-22**  
**GNO Rev. from Op :10.8%**  
**Exports :16.7%**



2021-22: Increase in Revenue from Operations 22.9% Export growth: 22.5%

Source: Annual Report

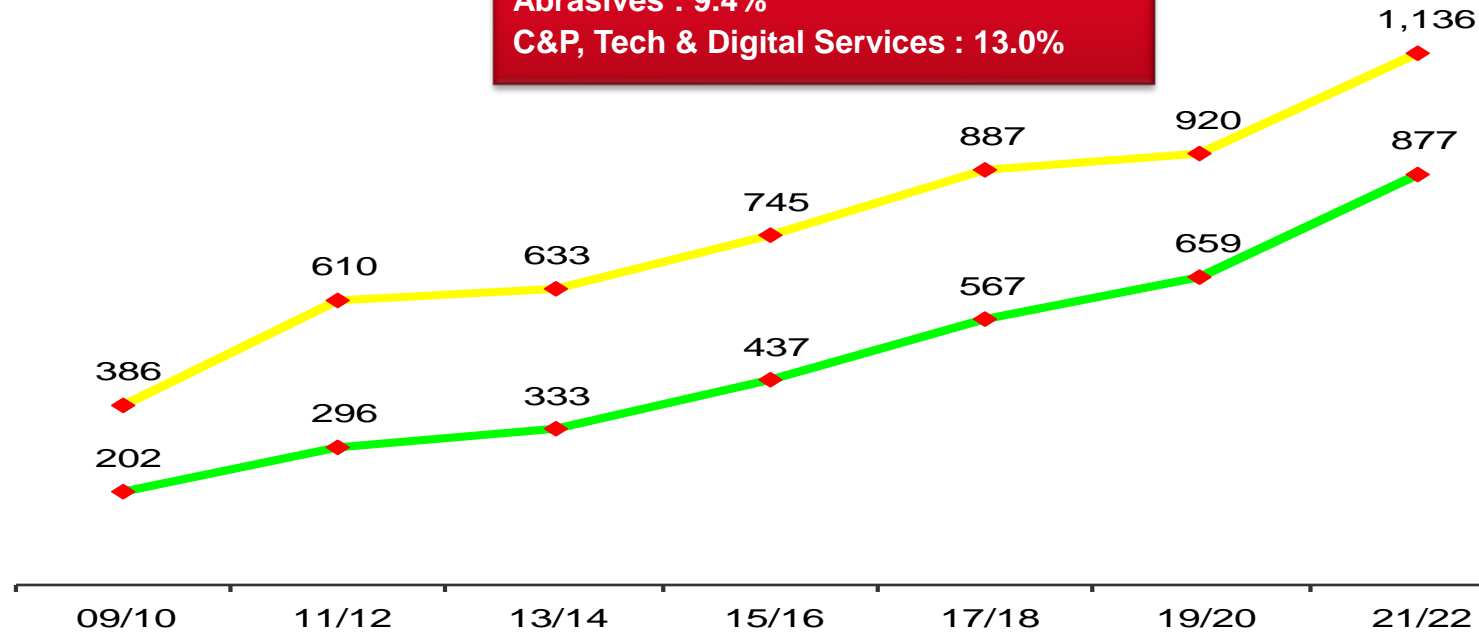
# GDP VS ABRASIVES AND C&P, TECH & DIGITAL SERVICES SALE OF PRODUCTS

(NET OF EXCISE UP TO FY. 2017-18)

(Rs. Crores)

- C&P, Tech & Digital Services
- Abrasives

**CAGR 2009-10 to 2021-22:**  
GDP : 5.6%  
Abrases : 9.4%  
C&P, Tech & Digital Services : 13.0%



# KEY FINANCIAL INDICATORS – OPERATING MARGIN

(Rs. Crores)

Key Financials(As Published)	FY 19-20	FY 20-21	FY 21-22	Growth 21-22 vs 20-21
Revenue from Operations	1580	1638	2013	22.9%
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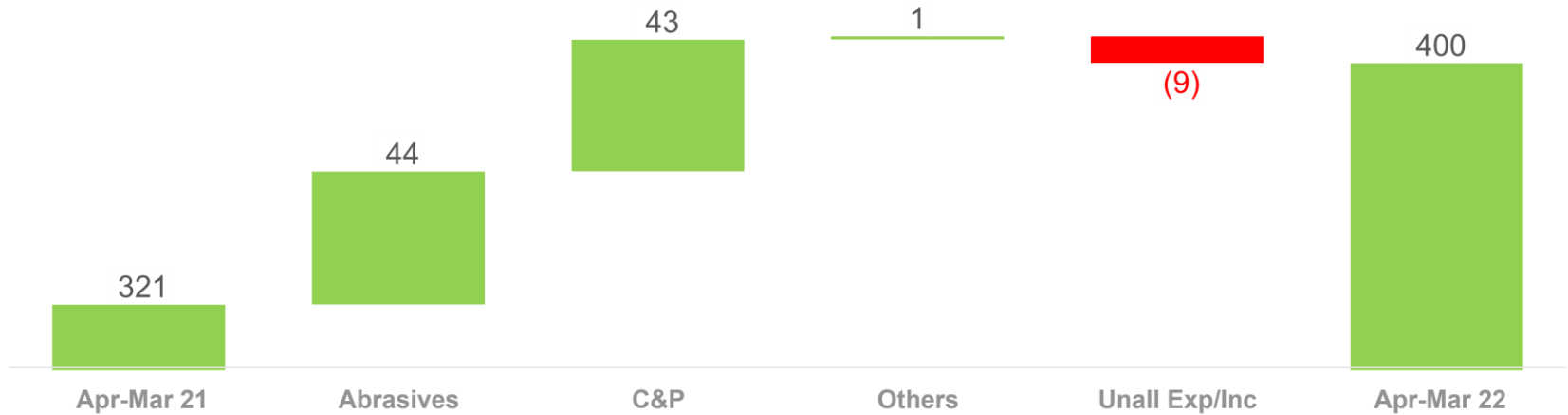
# OPERATING PROFIT BRIDGE

Apr 20 - Mar 21  
Rs.321

Apr 21 - Mar 22  
Rs.400

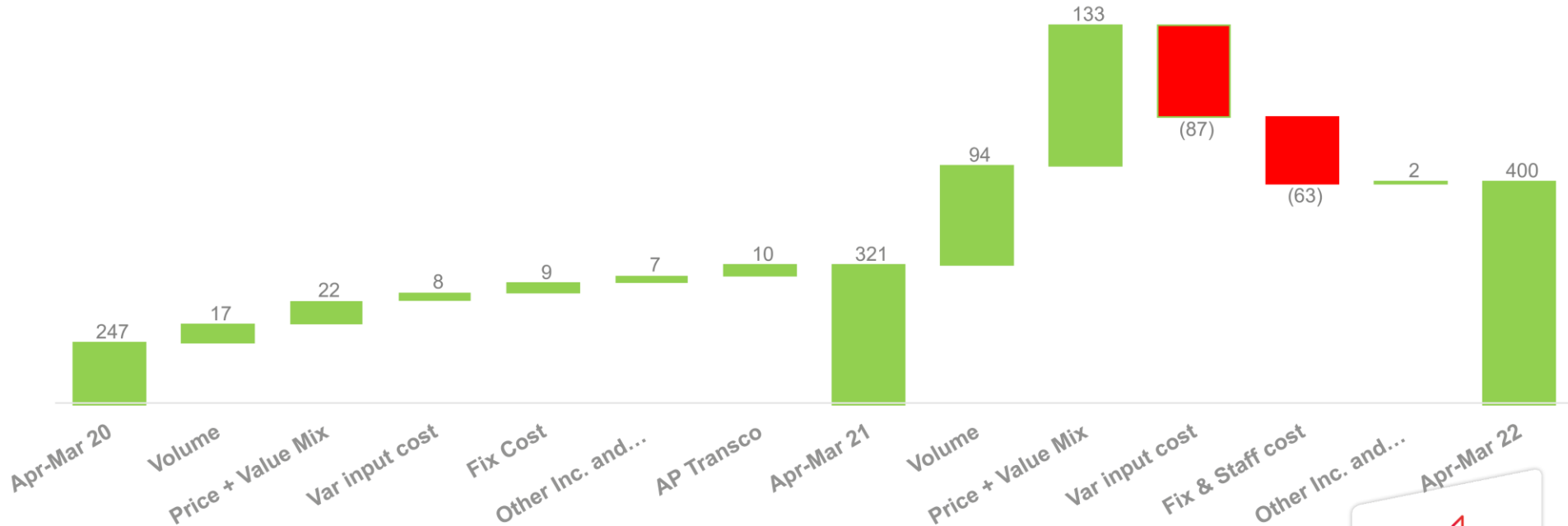
Increase Rs.79 crores (24.7%)

(Rs. Crores)



# OPERATING PROFIT BRIDGE

(Rs. Crores)

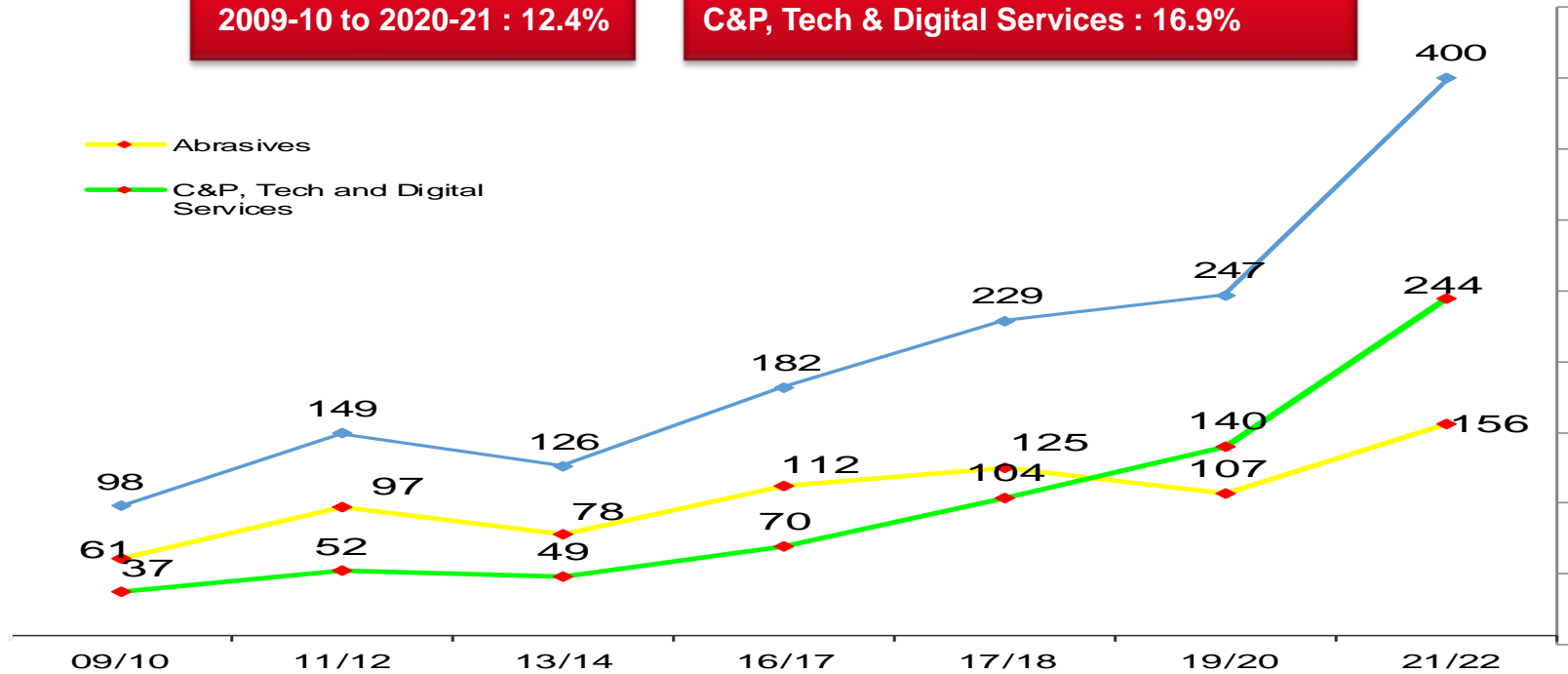


# GNO, ABRASIVES, C&P – OPERATING PROFIT (PBIT)

GNO Op. Profit CAGR:  
2009-10 to 2020-21 : 12.4%

CAGR 2009-10 to 2021-22: - Abr. : 8.2%  
C&P, Tech & Digital Services : 16.9%

(Rs. Crores)



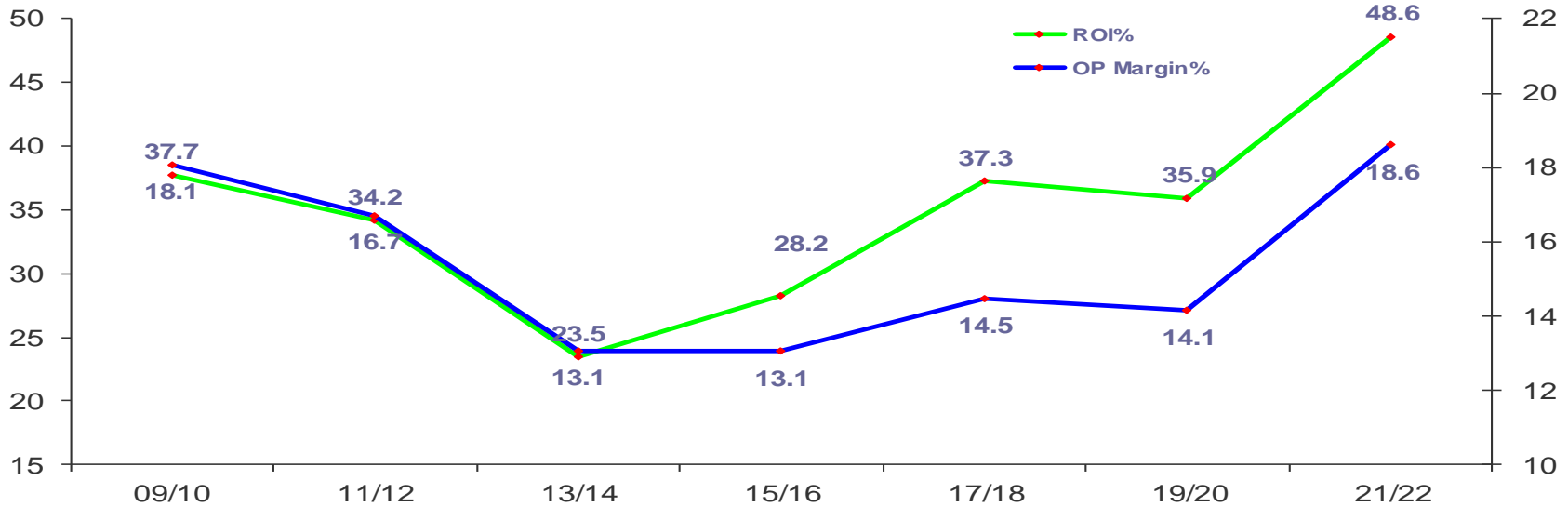
In FY2021-22, GNO PBIT increased by 24.6%; Abrasives by 38.9% and C&P, Tech & Digital Services by 16.9%

Source: Quarterly Page -Segment

# GNO PROFITABILITY – ROI & OP MARGIN (%)

ROI

OP Margin



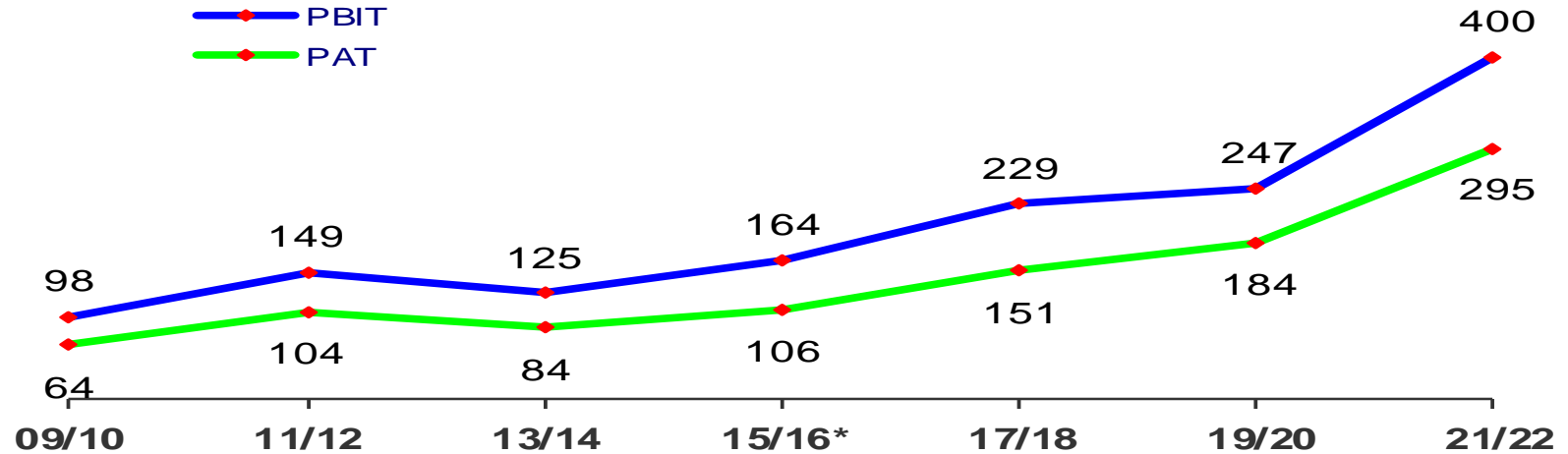
Source: Annual Report

# GNO PROFITS – OPERATING PROFIT(PBIT) & PAT

(Rs. Crores)

GNO Op. Profit CAGR:  
2009-10 to 2021-22: 12.4%

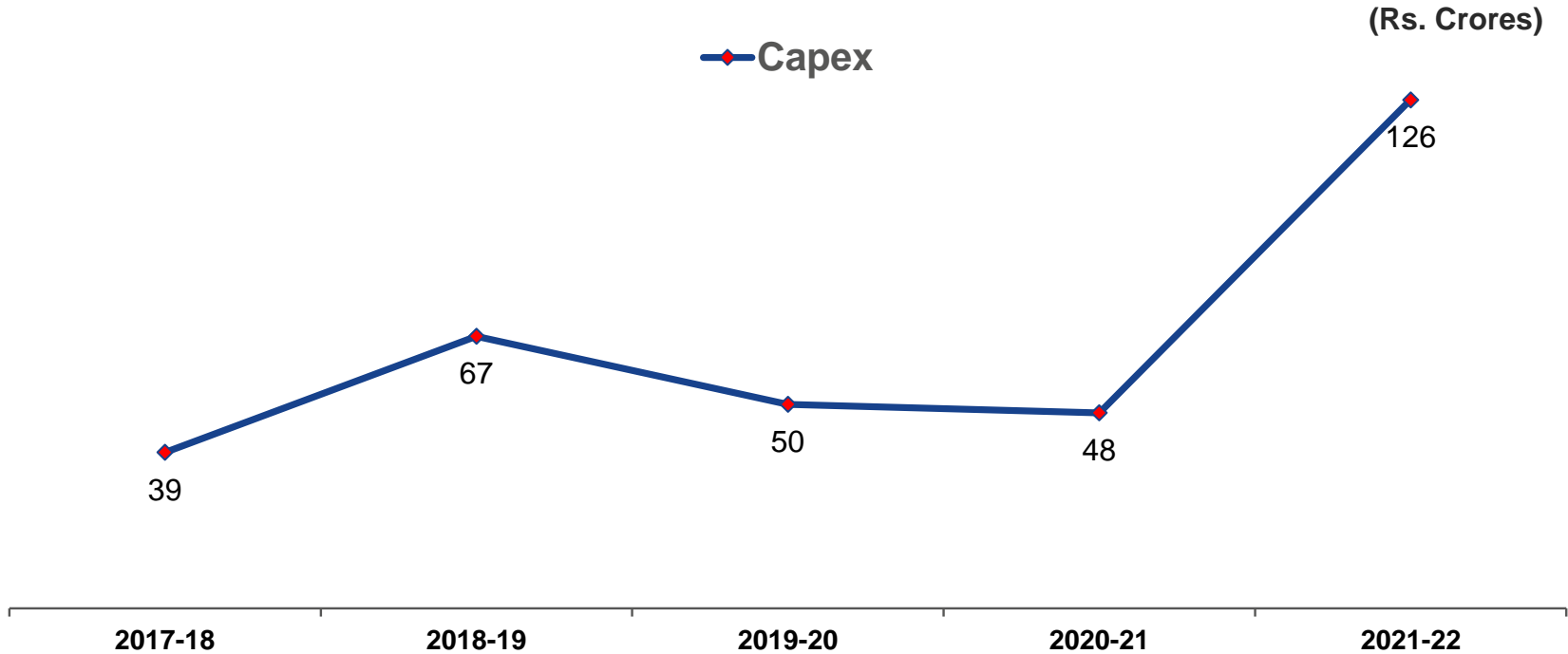
GNO PAT CAGR:  
2009-10 to 2021-22: 13.6%



2021-22 : PBIT increase by : 24.7%; PAT growth: 24.1%

Source: Annual Report

# GNO CAPITAL EXPENDITURE TREND - CAPEX

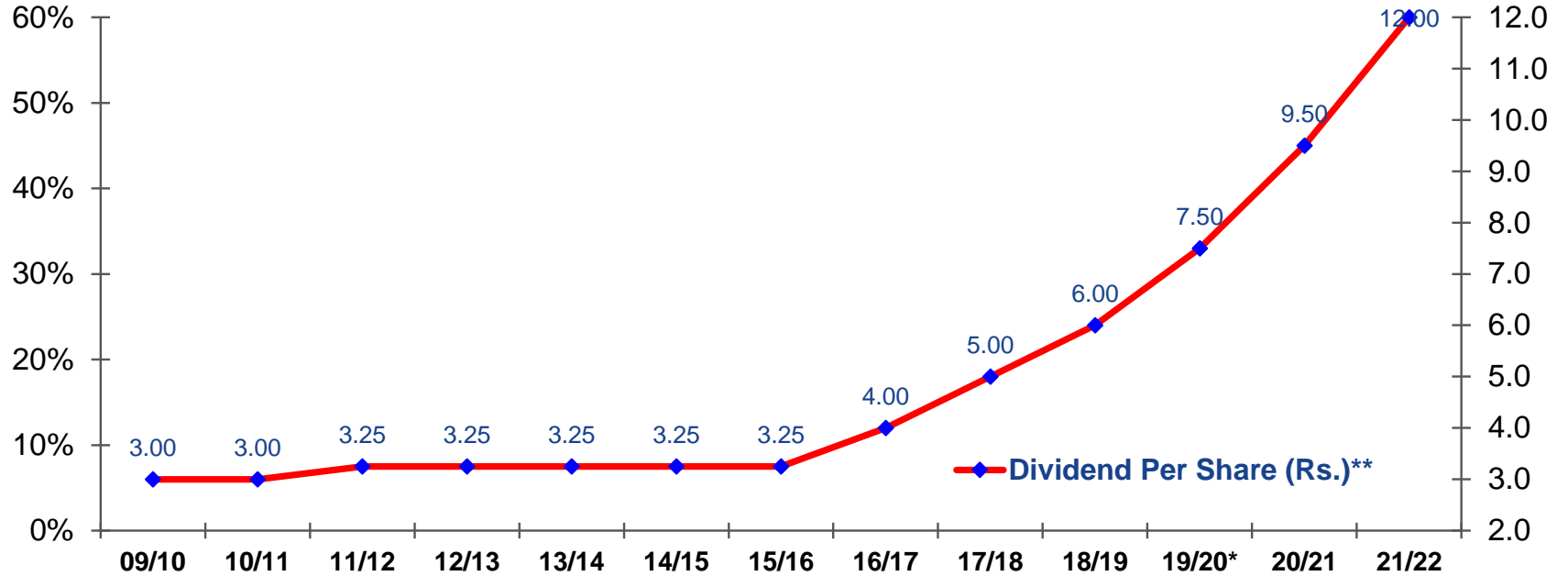


Capex = Purchased of property, plant & equipment and intangible assets

Source: Annual Report



# GNO – DIVIDEND PER SHARE



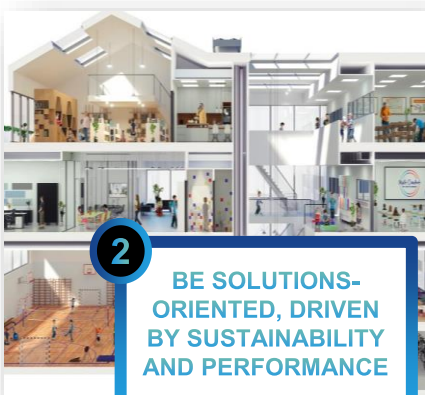
\*\*Note: Dividend per share adjusted for bonus/splits

Source: Annual Report

# 6 PRIORITIES OF ACTION TO MAKE A SUCCESS



**POSITION  
OURSELVES ON HIGH  
GROWTH MARKETS**



**BE SOLUTIONS-  
ORIENTED, DRIVEN  
BY SUSTAINABILITY  
AND PERFORMANCE**



**FOSTER GROWTH  
THROUGH  
CUSTOMER-CENTRIC  
INNOVATION AND  
THE POWER OF DATA**



**EMBED ESG IN OUR  
DECISIONS AND  
ACTIONS**

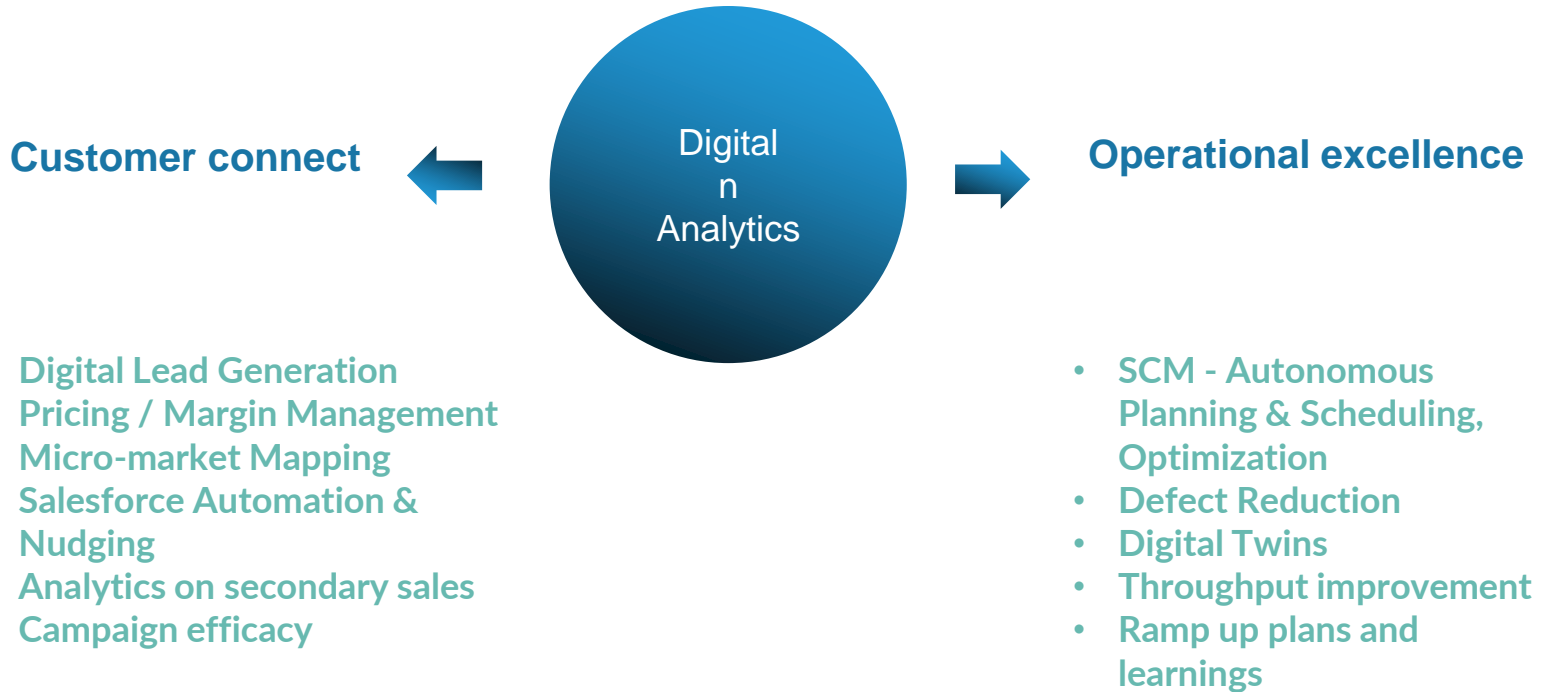


**STRENGTHEN OUR  
'TEC' CULTURE**



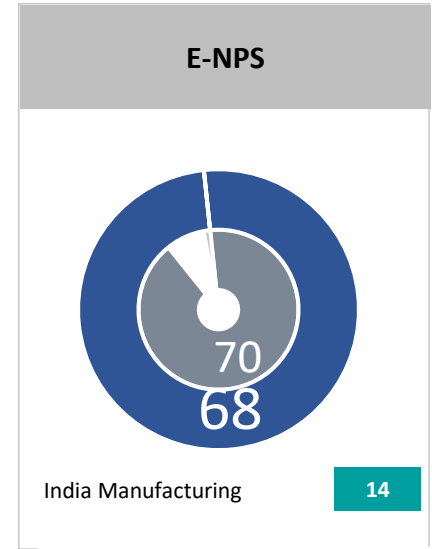
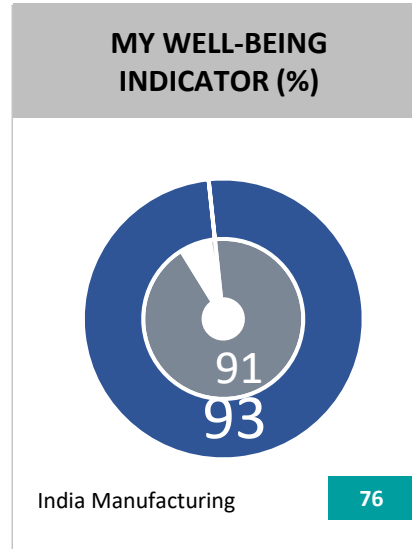
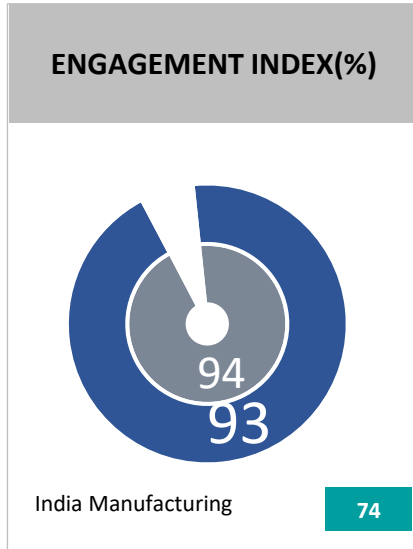
**BUILD THE BEST  
TEAMS IN A DIVERSE  
& INCLUSIVE  
WORKPLACE**

# FOSTER GROWTH THROUGH CUSTOMER-CENTRIC INNOVATION AND THE POWER OF DATA



# Engagement – Me@Saint-Gobain Survey





No of respondents 2021 – 1740 (93%)



NPS Indicator calculation

I would recommend my company to friends or relatives as a good place to work

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree
- Don't know

 =  - [  +  ]

%
%
%

*Fully agree*    *Somewhat disagree*    *Fully disagree*

2021   
2020

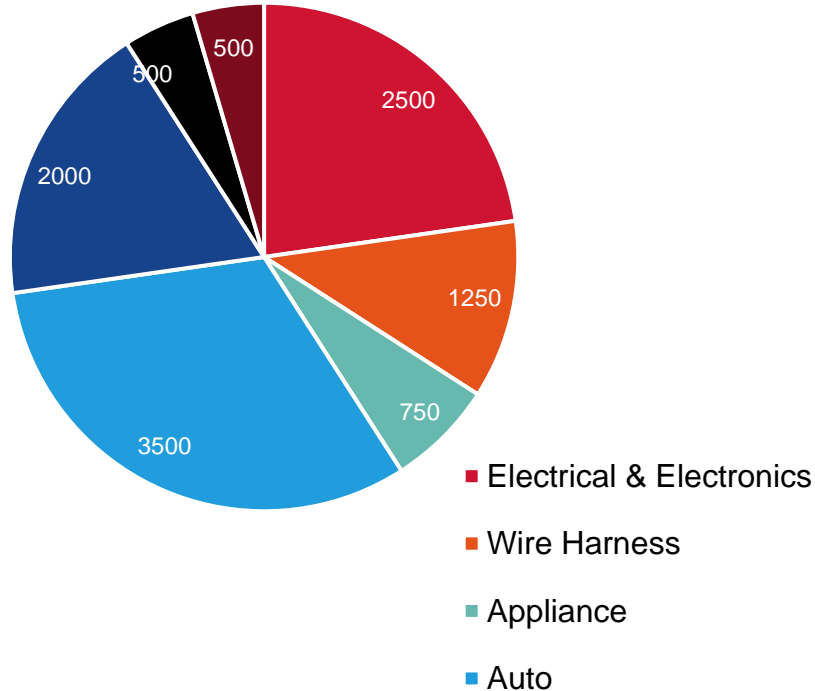


# ACQUISITION: PRS PERMAGEL



- **Part of J&J until 1999; acquired by PRS group**
- **Active in the Pressure Sensitive Adhesive Tape (PSAT); forward integration to printing of tapes/labels**
- **Major share of Aesthetic decals business with major 2-wheeler manufactures**
- **Manufacturing facility at Ambernath (near Mumbai)**
- **FY22 Est Results: Sales of 1475 MINR**
- **Proposal to acquire 100% of Equity for a Net Purchase Consideration of 1220 MINR**
- **SG/GNO has no manufacturing footprint for PSAT range in India**
- **Great platform for to grow in high growth profitable markets – EV, Railways, Aerospace, Defense and Steel**

## PSAT India Zoom – 11000 MINR



### Leveraging Permaccel

- Huge addressable market.
- Large number of RDSO approvals
- Established foot print in Aerospace & Defense
- Presence in Auto - to leverage SG range and explore wire harness.
- Backward integration
- Opportunity to grow in rest of Asia.
- Synergies with SG/GNO operations – Purchasing, Product Development, Innovation, Digitalization



# GROW & IMPACT

## Thank You