

# Price Waterhouse Chartered Accountants LLP

## Review Report

The Board of Directors  
M/s. Grindwell Norton Limited  
5th Level, Leela Business Park,  
Andheri Kurla Road,  
Marol, Andheri (East)  
Mumbai -400059

1. We have reviewed the unaudited consolidated financial results of Grindwell Norton Limited (the "Parent"), and its subsidiary (the parent and its subsidiary hereinafter referred to as the "Group") and joint venture entity [(refer Note 3a on the Statement)] for the quarter ended September 30, 2020 and the year to date results for the period April 1, 2020 to September 30, 2020 which are included in the accompanying 'Unaudited Consolidated Financial Result for the Quarter and Half Year Ended September 30, 2020', the unaudited consolidated statement of assets and liabilities as on that date and the consolidated statement of cash flows for the half-year ended on that date (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

Grindwell Norton Limited  
Consolidated financial results  
Quarter and half year ended September 30, 2020  
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We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of a subsidiary company, Saint Gobain Ceramics Materials Bhutan Private Limited and a joint venture entity SG Shinagawa Refractories India Private Limited.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The consolidated unaudited financial results includes financial results of one subsidiary which have not been reviewed by their auditors, whose financial results reflect total assets of Rs. 5,901 lakhs and net assets of Rs. 4,540 lakhs as at September 30, 2020 and total revenue of Rs. 1,232 lakhs and Rs. 1,611 lakhs, total net profit after tax of Rs. 52 lakhs and Rs. 16 lakhs and total comprehensive income of Rs. 52 lakhs and Rs. 16 lakhs for the quarter ended September 30, 2020 and for the period from April 1, 2020 to September 30, 2020, respectively, and net cash inflow of Rs. 138 lakhs for the period from April 1, 2020 to September 30, 2020, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit after tax of Rs. 1 lakhs and Rs. 7 lakhs and total comprehensive income of Rs. 1 lakhs and Rs. 7 lakhs for the quarter ended September 30, 2020 and for the period from April 1, 2020 to September 30, 2020, respectively, as considered in the consolidated unaudited financial results, in respect of one joint venture entity, based on their financial information which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Sachin Parekh  
Partner

Membership Number: 107038  
UDIN: 20107038AAAADG3173

Mumbai  
Date: October 30, 2020

**GRINDWELL NORTON LIMITED**

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Tel.: 022-40212121 \* Fax: 022-40212102 \* Email: sharecmpt.gno@saint-gobain.com \* Website: www.grindwellnorton.co.in  
CIN – L26593MH1950PLC008163

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020**

(Rs. in Lakhs)

	Quarter ended			Half year ended		Year ended
	30-09-2020 (Unaudited)	30-06-2020 (Unaudited)	30-09-2019 (Unaudited)	30-09-2020 (Unaudited)	30-09-2019 (Unaudited)	31-03-2020 (Audited)
<b>1 Income</b>						
(a) Gross Sales and Service Income	43,619	23,080	38,854	66,699	79,614	156,689
(b) Other Operating Income	285	162	376	447	752	1,268
Revenue from Operations (a+b)	43,904	23,242	39,230	67,146	80,366	157,957
(c) Other Income	760	2,598	1,031	3,358	2,170	4,037
<b>Total Income</b>	<b>44,664</b>	<b>25,840</b>	<b>40,261</b>	<b>70,504</b>	<b>82,536</b>	<b>161,994</b>
<b>2 Expenses</b>						
(a) Cost of materials consumed	13,461	7,953	14,588	21,414	31,415	59,304
(b) Purchases of Stock-in-Trade	2,607	2,512	3,883	5,119	7,116	12,237
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3,990	(215)	(709)	3,775	(2,005)	(245)
(d) Employee benefits expense	5,086	4,555	5,168	9,641	10,333	20,484
(e) Depreciation and amortization expenses	1,392	1,268	1,454	2,660	2,883	5,778
(f) Power & Fuel	1,806	999	1,893	2,805	3,796	8,376
(g) Finance costs	71	80	95	151	198	447
(h) Other expenses	7,597	5,484	7,897	13,081	16,202	31,350
<b>Total Expenses</b>	<b>36,010</b>	<b>22,636</b>	<b>34,269</b>	<b>58,646</b>	<b>69,938</b>	<b>137,731</b>
<b>3 Profit before share of profit/(loss) of joint venture (1- 2)</b>	<b>8,654</b>	<b>3,204</b>	<b>5,992</b>	<b>11,858</b>	<b>12,598</b>	<b>24,263</b>
Share of net profit/(loss) of joint venture accounted for using the equity method	1	6	(9)	7	(9)	1
<b>5 Profit before tax (3 + 4)</b>	<b>8,655</b>	<b>3,210</b>	<b>5,983</b>	<b>11,865</b>	<b>12,589</b>	<b>24,264</b>
<b>6 Tax expense</b>						
(a) Current Tax	2,331	440	995	2,771	3,394	6,756
(b) Deferred Tax Charge/(Credit)	(121)	(60)	(229)	(181)	(313)	(881)
<b>7 Net Profit for the period (5 - 6)</b>	<b>6,445</b>	<b>2,830</b>	<b>5,217</b>	<b>9,275</b>	<b>9,508</b>	<b>18,389</b>
<b>8 Other comprehensive income, net of income tax</b>						
(a) Items that will not be reclassified to profit or loss	(60)	(1,514)	(47)	(1,574)	(86)	(1,795)
(b) Income tax relating to items that will not be reclassified to profit or loss	15	451	8	466	22	331
<b>Total other comprehensive income, net of income tax</b>	<b>(45)</b>	<b>(1,063)</b>	<b>(39)</b>	<b>(1,108)</b>	<b>(64)</b>	<b>(1,464)</b>
<b>9 Total comprehensive income for the period (7 + 8)</b>	<b>6,400</b>	<b>1,767</b>	<b>5,178</b>	<b>8,167</b>	<b>9,444</b>	<b>16,925</b>
<b>10 Net Profit Attributable to :</b>						
- Owners	6,429	2,841	5,208	9,270	9,482	18,252
- Non Controlling interest	16	(11)	9	5	26	137
<b>11 Total Comprehensive income attributable to :</b>						
- Owners	6,384	1,778	5,169	8,162	9,418	16,788
- Non Controlling interest	16	(11)	9	5	26	137
<b>12 Paid-up equity share capital (Face value Rs.5/- per share)</b>	<b>5,536</b>	<b>5,536</b>	<b>5,536</b>	<b>5,536</b>	<b>5,536</b>	<b>5,536</b>
<b>13 Reserves and Surplus excluding Other Reserves as per balance sheet of previous accounting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102,995</b>
<b>14 Earnings per equity share of Rs 5/- each (not annualised) :</b>						
(a) Basic (in Rs.)	5.81	2.57	4.70	8.37	8.56	16.48
(b) Diluted (in Rs.)	5.81	2.57	4.70	8.37	8.56	16.48
See accompanying notes to the financial results						



**GRINDWELL NORTON LIMITED**

**Notes:**

1	The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 30, 2020.						
2	The above said results are prepared in accordance with the Indian Accounting Standards (Ind AS), as amended, specified under Section 133 of the Companies Act, 2013. The statutory auditors of the Company have carried out a Limited Review of the above results.						
3a	The above consolidated Financial Results consists of Grindwell Norton Limited, its subsidiary Saint Gobain Ceramic Materials Bhutan Private Limited and its Joint Venture entity SG Shinagawa Refractories India Private Limited. The unaudited Financial Statements of the Subsidiary and Joint Venture Company, duly certified by the Management have been considered to prepare the Consolidated Financial Results.						
3b	Key numbers of Standalone Financial Results of the Company are as under:						(Rs. in Lakhs)
	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2020 (Unaudited)	30-06-2020 (Unaudited)	30-09-2019 (Unaudited)	30-09-2020 (Unaudited)	30-09-2019 (Unaudited)	31-03-2020 (Audited)
	<b>Total Income</b>	44,540	25,638	39,865	70,178	81,698	159,852
	<b>Profit before tax</b>	8,553	3,244	5,934	11,797	12,437	23,937
<b>Net Profit for the period</b>	6,366	2,849	5,184	9,215	9,396	18,295	
4	With substantial easing up of restrictions and slowing down of Covid cases in country, the Company's operations have returned to near normalcy. The Company is taking necessary actions to secure the health and safety of our employees and extended ecosystem. However, the Company will continue to monitor changes to the future economic conditions for any material impact as the situation evolves.						
5	The Segmentwise information as required by Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is furnished in Annexure I.						
6	Refer Annexure II and III for Statement of Asset and Liabilities and Statement of Cash Flows respectively.						
7	The financial results are available on the BSE Limited website, www.bseindia.com, National Stock Exchange of India Limited website, www.nseindia.com and on the Company's website, www.grindwellnorton.co.in						

October 30, 2020

For **GRINDWELL NORTON LIMITED**



**B. Santhanam**  
Managing Director  
Director Identification No. 00494806

GRINDWELL NORTON LIMITED						
CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES						
(Rs. in Lakhs)						
	Quarter Ended			Half Year Ended		Year Ended
	30-09-2020 (Unaudited)	30-06-2020 (Unaudited)	30-09-2019 (Unaudited)	30-09-2020 (Unaudited)	30-09-2019 (Unaudited)	31-03-2020 (Audited)
<b>1 Segment Revenue</b>						
(a) Abrasives	26,080	10,322	22,402	36,402	46,794	92,434
(b) Ceramics & Plastics	14,298	8,744	13,764	23,042	27,493	52,095
(c) Others	3,958	4,257	3,522	8,215	7,038	15,205
<b>Total</b>	<b>44,336</b>	<b>23,323</b>	<b>39,688</b>	<b>67,659</b>	<b>81,325</b>	<b>159,734</b>
Less: Inter-Segment Revenue	432	81	458	513	959	1,777
<b>Revenue from Operations</b>	<b>43,904</b>	<b>23,242</b>	<b>39,230</b>	<b>67,146</b>	<b>80,366</b>	<b>157,957</b>
<b>2 Segment Results</b>						
(a) Abrasives	3,742	(1,004)	2,528	2,738	5,774	10,667
(b) Ceramics & Plastics	3,405	1,545	2,210	4,950	4,541	7,924
(c) Others	1,254	834	737	2,088	1,467	3,750
<b>Total</b>	<b>8,401</b>	<b>1,375</b>	<b>5,475</b>	<b>9,776</b>	<b>11,782</b>	<b>22,341</b>
Less: (1) Interest	71	80	95	151	198	447
(2) Other unallocable (Income)/ Expenditure (net)	(325)	(1,915)	(603)	(2,240)	(1,005)	(2,370)
<b>Profit Before Tax</b>	<b>8,655</b>	<b>3,210</b>	<b>5,983</b>	<b>11,865</b>	<b>12,589</b>	<b>24,264</b>
<b>3a Segment Assets</b>						
(a) Abrasives	46,551	48,586	50,979	46,551	50,979	49,004
(b) Ceramics & Plastics	31,282	31,646	37,931	31,282	37,931	32,241
(c) Others	10,467	11,231	12,584	10,467	12,584	13,101
(d) Unallocated	70,211	65,690	48,892	70,211	48,892	65,166
<b>Total Segment Assets</b>	<b>158,511</b>	<b>157,153</b>	<b>150,386</b>	<b>158,511</b>	<b>150,386</b>	<b>159,512</b>
<b>3b Segment Liabilities</b>						
(a) Abrasives	16,441	15,034	15,377	16,441	15,377	16,940
(b) Ceramics & Plastics	10,546	9,084	9,803	10,546	9,803	10,362
(c) Others	5,241	5,396	5,025	5,241	5,025	4,815
(d) Unallocated	6,238	5,738	7,489	6,238	7,489	7,305
<b>Total Segment Liabilities</b>	<b>38,466</b>	<b>35,252</b>	<b>37,694</b>	<b>38,466</b>	<b>37,694</b>	<b>39,422</b>



## Annexure II

## GRINDWELL NORTON LIMITED

## Statement of Unaudited Consolidated Assets &amp; Liabilities as at September 30, 2020

(Rs. in Lakhs)

	As At	
	30-09-2020 (Unaudited)	31-03-2020 (Audited)
<b>A Assets</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	35,862	36,099
Right-of- use-asset	1,665	2,266
Capital work-in-progress	2,040	2,912
Goodwill	49	49
Other intangible assets	38	44
Financial assets		
i. Investments	15,073	16,881
ii. Loans	969	1,175
iii. Other financial assets	13	12
Deferred tax assets (Net)	337	338
Other non-current assets	881	847
	<b>56,927</b>	<b>60,623</b>
<b>Current Assets</b>		
Inventories	26,226	30,334
Financial assets		
i. Investments	47,285	41,389
ii. Trade Receivables	18,290	20,503
iii. Cash and Cash Equivalents	2,870	1,263
iv. Bank balances other than (iii) above	192	206
v. Loans	181	310
vi. Other financial assets	1,840	849
Other current assets	4,700	4,035
	<b>101,584</b>	<b>98,889</b>
<b>Total Assets</b>	<b>158,511</b>	<b>159,512</b>
<b>B Equity and liabilities</b>		
<b>Equity</b>		
Equity Share Capital	5,536	5,536
Other Equity	113,147	113,197
Equity attributable to owners of the Company	118,683	118,733
Non-Controlling Interest	1,362	1,357
	<b>120,045</b>	<b>120,090</b>
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
Financial liabilities		
i. Lease liabilities	934	1,264
Provisions	2,057	2,298
Deferred tax liabilities (Net)	917	1,534
Other non-current liabilities	84	97
	<b>3,992</b>	<b>5,193</b>
<b>Current Liabilities</b>		
Financial liabilities		
i. Lease liabilities	717	972
ii. Trade payables		
(a) Total outstanding dues of micro and small enterprises	426	222
(b) Total outstanding dues of creditors other than (ii)(a) above	22,534	22,407
iii. Other financial liabilities	5,856	4,878
Provisions	2,436	2,372
Current tax liabilities (Net)	457	598
Other Current Liabilities	2,048	2,780
	<b>34,474</b>	<b>34,229</b>
<b>Total Equity and Liabilities</b>	<b>158,511</b>	<b>159,512</b>



## Annexure III

## GRINDWELL NORTON LIMITED

## Unaudited Consolidated Statement of Cash Flows for the half year ended September 30, 2020

(Rs. in Lakhs)

	Half year ended	
	30-09-2020 (Unaudited)	30-09-2019 (Unaudited)
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	11,865	12,589
<b>Adjustments for;</b>		
Depreciation expense	2,655	2,871
Amortisation expense	5	12
Loss on assets discarded/sold (net)	3	3
Gain on Redemption of Mutual Funds	(1,636)	(960)
Unrealised (gain)/loss on foreign exchange	195	(34)
Dividend income	(1,710)	-
Interest Income	4	(61)
Finance Costs	151	198
Share based Payments	93	79
Changes in fair value on financial instruments	987	(51)
Share of net (profit)/loss of Joint Venture	(7)	9
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in trade receivables	1,864	(1,247)
(Increase)/Decrease in inventories	4,109	(1,576)
(Increase)/Decrease in loans	336	54
(Increase)/Decrease in other financial asset	(990)	(371)
(Increase)/Decrease in other non-current asset	8	114
(Increase)/Decrease in other current asset	(666)	575
Increase/(Decrease) in trade payables	485	1,105
Increase/(Decrease) in provisions	(297)	387
Increase/(Decrease) in other non-current liabilities	(14)	(14)
Increase/(Decrease) in other current liabilities	(732)	(1,356)
Increase/(Decrease) in other financial liabilities	963	1,551
<b>Cash generated from operations</b>	17,671	13,877
Income taxes paid (net of refunds)	(2,881)	(3,520)
<b>Net cash inflow from operating activities</b>	14,790	10,357
<b>Cash flows from investing activities</b>		
Payments towards purchase of property, plant and equipment	(1,107)	(2,844)
Proceeds from Redemption of Mutual Funds (Net)	-	2,174
Proceeds from sale of property, plant and equipment	4	18
Purchase of investment-Mutual Funds (Net)	(4,090)	-
Purchase of investment	(795)	-
Investment in Joint Venture	-	(1,127)
Dividend received	1,710	-
Interest received	8	75
<b>Net cash inflow/(outflow) from investing activities</b>	(4,270)	(1,704)
<b>Cash flows from financing activities</b>		
Interest paid	(54)	(198)
Dividend paid	(8,304)	(6,643)
Dividend distribution tax paid	-	(1,366)
Payment of lease liabilities	(555)	(443)
<b>Net cash (outflow) from financing activities</b>	(8,913)	(8,650)
<b>Net increase/(decrease) in cash and cash equivalents</b>	1,607	3
Add : Cash and cash equivalents at the beginning of the financial year	1,263	23,217
Add: Changes in fair value gain on financial instruments at fair value through profit or loss	-	(29)
<b>Cash and cash equivalents at end of the year as reported in balance sheet</b>	2,870	23,191

