

Unaudited Consolidated Financial Results for the Quarter and Nine months ended 31st December, 2016

	Quarter ended			Nine Months ended		Year ended
	31-12-2016 (Unaudited)	30-09-2016 (Unaudited)	31-12-2015 (Unaudited)	31-12-2016 (Unaudited)	31-12-2015 (Unaudited)	31-03-2016 (Unaudited)
(₹ in Lakhs)						
1 Income from Operations						
(a) Gross Sales and Service Income	33,533	33,383	29,047	100,225	89,470	122,754
(b) Other Operating Income	264	171	162	624	552	722
Total Income from Operations	33,797	33,554	29,209	100,849	90,021	123,476
2 Expenses						
(a) Cost of materials consumed	12,336	11,466	10,096	35,411	30,807	42,064
(b) Excise duty on sales	2,356	2,428	2,032	7,150	6,386	8,596
(c) Purchase of stock-in-trade	3,091	2,593	2,407	8,070	6,257	8,617
(d) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,568)	(442)	(564)	(2,052)	(1,548)	(1,388)
(e) Employee benefit expenses	4,425	4,120	3,726	12,455	10,899	14,822
(f) Depreciation expenses	1,027	1,033	1,055	3,083	3,142	4,202
(g) Power & Fuel	1,589	1,447	1,384	4,520	5,418	6,815
(h) Other expenses	7,172	7,356	5,912	21,275	18,862	25,632
Total Expenses	30,429	30,001	26,048	89,912	80,223	109,360
3 Profit / (Loss) from operations before other income and finance costs (1 - 2)	3,369	3,553	3,161	10,937	9,798	14,116
4 Other Income	925	802	553	2,301	1,692	2,201
5 Profit / (Loss) from ordinary activities before finance costs (3 + 4)	4,294	4,355	3,714	13,238	11,490	16,317
6 Finance costs	41	34	59	127	189	242
7 Profit / (Loss) before tax (5 - 6)	4,253	4,321	3,655	13,111	11,301	16,075
8 Tax expense	1,481	1,372	1,206	4,440	3,847	5,519
9 Net Profit / (Loss) for the period (7 - 8)	2,772	2,949	2,449	8,671	7,455	10,556
10 Other comprehensive income, net of income tax						
a. Items that will not be reclassified to profit or loss	4	(44)	1,715	(84)	1,584	3,565
b. Items that will be reclassified to profit or loss	-	-	-	-	-	-
Total other comprehensive income, net of income tax	4	(44)	1,715	(84)	1,584	3,565
11 Total comprehensive income for the period (9 +/- 10)	2,776	2,906	4,164	8,586	9,040	14,121
12 Net Profit / Loss Attributable to :						
- Owners	2,697	2,919	2,427	8,566	7,411	10,441
- Non Controlling interest	75	30	22	105	44	115
13 Total Comprehensive income attributable to :						
- Owners	2,701	2,875	4,142	8,481	8,996	14,006
- Non Controlling interest	75	30	22	105	44	115
14 Paid-up equity share capital (Face value Rs.5/- each)	5,536	5,536	2,768	5,536	2,768	2,768
15 Reserve excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	73,635
16 Earnings per share (of Rs 5 /- each) (not annualised) (Refer Note 6):						
(a) Basic	2.44	2.64	2.19	7.74	6.70	9.43
(b) Diluted	2.44	2.64	2.19	7.74	6.70	9.43

	Quarter ended	Nine Months ended	Year ended
	31-12-2016 (Unaudited)	31-12-2015 (Unaudited)	31-03-2016 (Unaudited)
Reconciliation of Net Profit as reported earlier:			
Net Profit for the period (as per IGAAP)		2,293	7,468
Benefit/(Charge):			
(Increase)/decrease in cost due to fair value accounting of group share based payments		(18)	(51)
Actuarial loss on Defined Benefit plans reclassified to Other Comprehensive Income		125	376
Additional depreciation on account of change in estimate and unwinding of goodwill and trade mark amortisation		(2)	(6)
Fair value loss on financial instruments		145	(141)
Deferred tax impact of above adjustments		(94)	(238)
Net Profit for the period (as per Ind AS)		2,449	7,455

Notes:

- Results for the quarter and nine months ended 31st December 2016 has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with a transition date of April 1, 2015.
- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 1st February, 2017. A Limited Review by the Statutory Auditors for the quarter ended 31st December 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.
- Further transition adjustments may be required to the Financial Statements as at 31st March, 2016 including those arising from new or revised standards or interpretations issued by the Ministry of Corporate Affairs or changes in use of one or more optional exemptions from full retrospective application of certain Ind AS standards.
- 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 31st December, 2016 are as under:

	Quarter ended			Nine Months ended		Year ended
	31-12-2016 (Unaudited)	30-09-2016 (Unaudited)	31-12-2015 (Unaudited)	31-12-2016 (Unaudited)	31-12-2015 (Unaudited)	31-03-2016 (Unaudited)
(₹ in Lakhs)						
Total Income from Operations	33,108	32,902	28,750	98,686	88,321	121,050
Profit / (Loss) before Tax	4,097	4,173	3,531	12,615	10,983	15,486
Net Profit / (Loss) for the period	2,659	2,848	2,361	8,325	7,231	10,143

Segment wise Revenue, Results and Capital Employed

	Quarter ended			Nine Months ended		Year ended
	31-12-2016 (Unaudited)	30-09-2016 (Unaudited)	31-12-2015 (Unaudited)	31-12-2016 (Unaudited)	31-12-2015 (Unaudited)	31-03-2016 (Unaudited)
(₹ in Lakhs)						
1 Segment Revenue						
(a) Abrasives	21,826	21,993	19,412	66,104	59,052	80,288
(b) Ceramics & Plastics	8,504	9,074	7,605	26,085	24,816	34,372
(c) Others	3,382	2,464	2,237	8,639	6,292	8,993
Total	33,712	33,531	29,254	100,828	90,160	123,653
Less: Inter-Segment Revenue	179	148	207	603	690	899
Gross Sales & Service Income	33,533	33,383	29,047	100,225	89,470	122,754
2 Segment Results						
(a) Abrasives	2,593	2,718	2,281	8,261	7,308	10,053
(b) Ceramics & Plastics	804	816	895	2,644	2,874	4,102
(c) Others	632	392	365	1,532	776	1,250
Total	4,029	3,926	3,541	12,437	10,958	15,405
Add: Exceptional Item						
Less: (1) Interest	41	34	59	127	189	242
(2) Other unallocable (Income)/ Expenditure (net)	(265)	(429)	(173)	(801)	(532)	(912)
Profit Before Tax	4,253	4,321	3,655	13,111	11,301	16,075
3a Segment Assets						
(a) Abrasives	50,578	50,627	45,761	50,578	45,761	46,974
(b) Ceramics & Plastics	27,767	27,753	27,664	27,767	27,664	28,330
(c) Others	3,639	5,508	4,349	3,639	4,349	5,097
(d) Unallocated	38,236	31,724	30,035	38,236	30,035	29,159
Total Segment Assets	120,220	115,612	107,809	120,220	107,809	109,560
3b Segment Liabilities						
(a) Abrasives	19,533	18,344	15,255	19,533	15,255	17,063
(b) Ceramics & Plastics	7,395	6,294	5,933	7,395	5,933	6,563
(c) Others	1,598	2,197	1,195	1,598	1,195	2,072
(d) Unallocated	5,609	5,452	4,274	5,609	4,274	6,300
Total Segment Liabilities	34,135	32,287	26,657	34,135	26,657	31,998
3c Capital Employed (Segment Assets Less Segment Liabilities)						
(a) Abrasives	31,045	32,283	30,506	31,045	30,506	29,911
(b) Ceramics & Plastics	20,372	21,459	21,731	20,372	21,731	21,767
(c) Others	2,041	3,311	3,154	2,041	3,154	3,025
(d) Unallocated	32,627	26,272	25,761	32,627	25,761	22,859
Total Capital Employed in Segments	86,085	83,325	81,152	86,085	81,152	77,562

- 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 Shares of Re. 5/- each, as fully paid-up Bonus Shares in the proportion of 1 (One) Bonus Share of Re. 5/- each for each Ordinary Share of Re. 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
1st February, 2017

ANAND MAHAJAN
Managing Director
Director Identification No. 00066320