

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Grindwell Norton Limited

Report on the Audit of Standalone Financial Results

Opinion

1. We have audited the standalone annual financial results of Grindwell Norton Limited (hereinafter referred to as the 'Company') for the year ended March 31, 2022 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2022 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our 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)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Grindwell Norton Limited

Report on the Standalone Financial Results

Page 3 of 4

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 11 below)
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

10. The Financial Results include the results for the quarter ended March 31, 2022, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.



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INDEPENDENT AUDITOR'S REPORT
To the Board of Directors of Grindwell Norton Limited
Report on the Standalone Financial Results
Page 4 of 4

11. The standalone annual financial results dealt with by this report has been prepared for the express purpose of filing with stock exchanges. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2022, on which we issued an unmodified audit opinion vide our report dated May 06, 2022.

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



Sachin Parekh
Partner

Membership Number: 107038
UDIN: 22107038AIMNUO9252

Place: Bengaluru, India
Date: May 06, 2022

GRINDWELL NORTON LIMITED

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CIN – L26593MH1950PLC008163

STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

(Rs. In Lakhs)

		Quarter ended			Year ended	
		31-03-2022 (Refer Note 3)	31-12-2021 (Unaudited)	31-03-2021 (Refer Note 3)	31-03-2022 (Audited)	31-03-2021 (Audited)
1	Income					
	(a) Revenue from Operations	55,597	49,966	50,751	200,562	163,290
	(b) Other Income	1,153	1,721	1,244	5,306	5,097
	Total Income	56,750	51,687	51,995	205,868	168,387
2	Expenses					
	(a) Cost of materials consumed	16,631	17,702	14,355	71,117	53,562
	(b) Purchases of Stock-in-Trade	7,768	6,220	7,862	25,855	16,530
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(706)	(967)	(5)	(7,205)	3,155
	(d) Employee benefits expense	6,761	6,217	5,632	24,812	20,542
	(e) Finance costs	200	80	104	396	324
	(f) Depreciation and amortisation expenses	1,268	1,242	1,325	5,124	5,189
	(g) Other expenses	12,900	11,864	11,508	45,807	37,121
	Total Expenses	44,822	42,358	40,781	165,906	136,423
3	Profit before tax (1 - 2)	11,928	9,329	11,214	39,962	31,964
4	Tax expense					
	(a) Current Tax	3,703	2,160	2,703	10,780	7,874
	(b) Deferred Tax Charge/(Credit)	(645)	154	205	(618)	(118)
5	Net Profit for the period (3 - 4)	8,870	7,015	8,306	29,800	24,208
6	Other comprehensive income, net of income tax					
	(a) Items that will not be reclassified to profit or loss	1,489	(58)	4,046	1,313	2,410
	(b) Income tax relating to items that will not be reclassified to Profit or Loss	(196)	14	(932)	(153)	(451)
	Total other comprehensive income, net of income tax	1,293	(44)	3,114	1,160	1,959
7	Total comprehensive income for the period (5 + 6)	10,163	6,971	11,420	30,960	26,167
8	Paid-up equity share capital (Face value Rs.5/- per share)	5,536	5,536	5,536	5,536	5,536
9	Reserves and Surplus (included in Other Equity) as per balance sheet of previous accounting year	-	-	-	-	117,640
10	Earnings per equity share of Rs 5 /- each (not annualised):					
	(a) Basic (in Rs.)	8.01	6.34	7.50	26.91	21.86
	(b) Diluted (in Rs.)	8.01	6.34	7.50	26.91	21.86
	See accompanying notes to the financial results					



GRINDWELL NORTON LIMITED

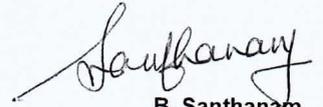
Notes:

1	The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 6, 2022.
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.
3	Figures for the quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between audited figures for the full financial year and the published year to date figures upto third quarter of the respective financial years.
4	The Segment wise information as required by Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is furnished in Annexure I.
5	Refer Annexure II and III for Standalone Statement of Asset and Liabilities and Standalone Statement of Cash Flows respectively.
6	Dividend of Rs. 12/- per equity share of Rs. 5 /- each, has been recommended by the Board of Directors, in the Board meeting held on May 6, 2022, which is subject to the approval of shareholders at the ensuing Annual General Meeting.
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
8	Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification.

May 6, 2022

For **GRINDWELL NORTON LIMITED**





B. Santhanam

Managing Director

Director Identification No. 00494806

GRINDWELL NORTON LIMITED						
STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES						
(Rs. in Lakhs)						
		Quarter Ended			Year Ended	
		31-03-2022 (Refer Note 3)	31-12-2021 (Unaudited)	31-03-2021 (Refer Note 3)	31-03-2022 (Audited)	31-03-2021 (Audited)
1	Segment Revenue					
	(a) Abrasives	30,112	28,344	30,352	113,561	93,283
	(b) Ceramics & Plastics	21,950	17,423	16,346	71,124	54,469
	(c) IT Services	3,574	3,257	3,314	13,617	12,607
	(d) Others	655	1,505	989	3,974	4,029
	Total	56,291	50,529	51,001	202,276	164,388
	Less: Inter-Segment Revenue	694	563	250	1,714	1,098
	Revenue from Operations	55,597	49,966	50,751	200,562	163,290
2	Segment Results					
	(a) Abrasives	4,472	3,491	4,884	15,561	11,197
	(b) Ceramics & Plastics	6,123	3,916	4,457	17,574	13,199
	(c) IT Services	1,010	951	956	3,854	3,666
	(d) Others	205	319	350	818	897
	Total	11,810	8,677	10,647	37,807	28,959
	Less: (1) Interest	200	80	104	396	324
	(2) Other unallocable (Income)/ Expenditure (net)	(318)	(732)	(671)	(2,551)	(3,329)
	Profit Before Tax	11,928	9,329	11,214	39,962	31,964
3a	Segment Assets					
	(a) Abrasives	71,322	67,791	57,834	71,322	57,834
	(b) Ceramics & Plastics	43,059	37,716	31,634	43,059	31,634
	(c) IT Services	4,240	4,545	4,532	4,240	4,532
	(d) Others	1,966	2,151	1,437	1,966	1,437
	(e) Unallocated	88,107	90,654	88,825	88,107	88,825
	Total Segment Assets	208,694	202,857	184,262	208,694	184,262
3b	Segment Liabilities					
	(a) Abrasives	23,857	29,214	24,121	23,857	24,121
	(b) Ceramics & Plastics	17,887	12,163	12,151	17,887	12,151
	(c) IT Services	2,131	3,103	1,669	2,131	1,669
	(d) Others	1,359	1,068	723	1,359	723
	(e) Unallocated	7,156	11,200	9,892	7,156	9,892
	Total Segment Liabilities	52,390	56,748	48,556	52,390	48,556



GRINDWELL NORTON LIMITED		
Statement of Standalone Assets & Liabilities as at March 31, 2022		
(Rs. in Lakhs)		
	As At	
	31-03-2022 (Audited)	31-03-2021 (Audited)
A Assets		
Non-current Assets		
Property, Plant and Equipment	34,435	32,855
Right-of- use-asset	1,129	1,049
Capital Work in Progress	6,604	2,379
Goodwill	49	49
Other Intangible Assets	950	857
Intangible asset under development	87	-
Financial Assets		
i. Investments	22,186	21,237
ii. Loans	390	79
iii. Other Financial Assets	3,555	897
Other Non-current Assets	3,801	1,930
	73,186	61,332
Current Assets		
Inventories	43,737	31,462
Financial assets		
i. Investments	33,025	52,140
ii. Trade Receivables	23,628	19,976
iii. Cash and Cash Equivalents	3,267	1,590
iv. Bank balances other than (iii) above	23,521	10,618
v. Loans	67	31
vi. Other financial assets	1,914	1,763
Other current assets	6,349	5,350
	135,508	122,930
Total Assets	208,694	184,262
B Equity and liabilities		
Equity		
Equity Share Capital	5,536	5,536
Other Equity	150,768	130,170
	156,304	135,706
Liabilities		
Non-current Liabilities		
Financial Liabilities		
i. Lease liabilities	665	467
Provisions	2,678	2,591
Deferred Tax Liabilities (Net)	1,550	1,932
Other Non-current Liabilities	56	70
	4,949	5,060
Current Liabilities		
Financial Liabilities		
i. Borrowings	215	-
ia. Lease liabilities	471	570
ii. Trade Payables		
(a) Total outstanding dues of micro and small enterprises	575	546
(b) Total outstanding dues of creditors other than (ii)(a) above	31,486	30,681
iii. Other Financial Liabilities	6,277	5,635
Provisions	2,719	2,263
Current Tax Liabilities (Net)	1,409	679
Other Current Liabilities	4,289	3,122
	47,441	43,496
Total Equity and Liabilities	208,694	184,262



Annexure III

GRINDWELL NORTON LIMITED		
Standalone Statement of Cash Flows for the year ended March 31, 2022		
(Rs. in Lakhs)		
	Year ended	
	31-03-2022 (Audited)	31-03-2021 (Audited)
Cash flow from operating activities		
Profit before tax	39,962	31,964
Adjustments for;		
Depreciation expense and amortization expenses	5,124	5,189
Loss/(Profit) on assets discarded/sold (net)	(316)	19
Gain on Redemption of Mutual Funds	(1,610)	(2,293)
Unrealised (gain)/loss on foreign exchange	48	(221)
Dividend income	(285)	(1,710)
Interest Income	(746)	(99)
Finance Costs	396	324
Share based Payments	157	176
Changes in fair value on financial instruments	246	887
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(3,719)	448
(Increase)/Decrease in inventories	(12,275)	(2,102)
(Increase)/Decrease in loans	(347)	263
(Increase)/Decrease in other financial asset	57	(198)
(Increase)/Decrease in other non-current asset	23	118
(Increase)/Decrease in other current asset	(1,000)	(1,486)
Increase/(Decrease) in trade payables	853	8,313
Increase/(Decrease) in provisions	209	(72)
Increase/(Decrease) in other non-current liabilities	(14)	(27)
Increase/(Decrease) in other current liabilities	1,166	507
Increase/(Decrease) in other financial liabilities	590	731
Cash generated from operations	28,519	40,731
Income taxes paid (net of refunds)	(9,967)	(7,658)
Net cash inflow from operating activities	18,552	33,073
Cash flows from investing activities		
Payments towards purchase of property, plant and equipment and intangible assets	(12,536)	(4,823)
Proceeds from maturity of NHAI bonds	74	-
Proceeds from sale of property, plant and equipment	569	9
Sale/(Purchase) of Mutual Fund (net)	21,118	(8,205)
Purchase of non-current investment	(15)	(795)
Investment in Bank Deposit with maturity of more than 3 months (net)	(15,426)	(10,478)
Dividend received	285	1,710
Interest received	409	36
Net cash (outflow) from investing activities	(5,522)	(22,546)
Cash flows from financing activities		
Interest paid	(396)	(324)
Proceeds from borrowings	215	-
Dividend paid	(10,518)	(8,304)
Payment of lease liabilities (Principal portion)	(654)	(840)
Net cash (outflow) from financing activities	(11,353)	(9,468)
Net increase/(decrease) in cash and cash equivalents	1,677	1,059
Add : Cash and cash equivalents at the beginning of the period	1,590	531
Cash and cash equivalents at end of the period as reported in balance sheet	3,267	1,590

