

Unaudited Standalone Financial Results for the Quarter ended 30th June, 2016

| | Quarter ended | | | Year ended |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | 30-06-2016 (Unaudited) | 31-03-2016 (Unaudited) | 30-06-2015 (Unaudited) | 31-03-2016 (Unaudited) |
| (₹ in Lakhs) | | | | |
| 1 Income from Operations | | | | |
| (a) Gross Sales and Service Income | 32,499 | 32,573 | 30,155 | 120,387 |
| (b) Other Operating Income | 177 | 156 | 204 | 663 |
| Total Income from Operations | 32,676 | 32,729 | 30,359 | 121,050 |
| 2 Expenses | | | | |
| (a) Cost of materials consumed | 12,073 | 11,930 | 10,433 | 44,316 |
| (b) Excise duty on sales | 2,366 | 2,211 | 2,163 | 8,596 |
| (c) Purchase of stock-in-trade | 2,386 | 2,360 | 1,948 | 8,617 |
| (d) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (163) | 30 | (35) | (1,410) |
| (e) Employee benefit expenses | 3,854 | 3,865 | 3,466 | 14,614 |
| (f) Depreciation expenses | 965 | 968 | 874 | 3,628 |
| (g) Power & Fuel | 1,044 | 953 | 1,634 | 5,115 |
| (h) Other expenses | 6,408 | 6,457 | 6,653 | 24,421 |
| Total Expenses | 28,933 | 28,774 | 27,136 | 107,897 |
| 3 Profit / (Loss) from operations before other income and finance costs (1 - 2) | 3,743 | 3,955 | 3,223 | 13,153 |
| 4 Other Income | 625 | 564 | 619 | 2,402 |
| 5 Profit / (Loss) from ordinary activities before finance costs (3 + 4) | 4,368 | 4,519 | 3,842 | 15,555 |
| 6 Finance costs | 23 | 17 | 18 | 69 |
| 7 Profit / (Loss) before tax (5 - 6) | 4,345 | 4,502 | 3,824 | 15,486 |
| 8 Tax expense | 1,527 | 1,590 | 1,346 | 5,343 |
| 9 Net Profit / (Loss) for the period (7 - 8) | 2,818 | 2,912 | 2,478 | 10,143 |
| 10 Other comprehensive income, net of income tax | | | | |
| a. Items that will not be reclassified to profit or loss | (44) | 1,980 | (65) | 3,565 |
| b. Items that will be reclassified to profit or loss | - | - | - | - |
| Total other comprehensive income, net of income tax | (44) | 1,980 | (65) | 3,565 |
| 11 Total comprehensive income for the period (9 +/- 10) | 2,774 | 4,892 | 2,413 | 13,708 |
| 12 Paid-up equity share capital (Face value Rs.5/- each) | 2,768 | 2,768 | 2,768 | 2,768 |
| 13 Reserve excluding revaluation reserves as per balance sheet of previous accounting year | - | - | - | 73,345 |
| 14 Earnings per share (of Rs 5/- each) (not annualised) (Refer Note 6): | | | | |
| (a) Basic | 2.55 | 2.63 | 2.24 | 9.16 |
| (b) Diluted | 2.55 | 2.63 | 2.24 | 9.16 |
| Reconciliation of Net Profit as reported earlier: | | | | |
| Net Profit for the period (as per IGAAP) | | 2,912 | 2,567 | 10,152 |
| Benefit/(Charge): | | | | |
| (Increase)/decrease in cost due to fair value accounting of group share based payments | | (17) | (16) | (68) |
| Actuarial loss on Defined Benefit plans reclassified to Other Comprehensive Income | | 126 | 125 | 502 |
| Additional depreciation on account of change in estimate and unwinding of goodwill and trade mark amortisation | | (3) | (2) | (9) |
| Fair value loss on financial instruments | | (66) | (114) | (207) |
| Deferred tax impact of above adjustments | | (40) | (82) | (227) |
| Net Profit for the period (as per Ind AS) | | 2,912 | 2,478 | 10,143 |

Notes:

- Results for the Quarter ended 30th June, 2016 are in compliance with Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs. Consequently, results for the Quarter ended 31st March, 2016, 30th June, 2015 and previous Year ended 31st March, 2016 have been restated to comply with Ind-AS to make them comparable.
- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 28th July, 2016. A Limited Review by the Statutory Auditors for the Quarter ended 30th June, 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.
- The Ind AS compliant financial results for the Quarter ended 31st March, 2016, have not been subjected to limited review or audit. However, the Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
- 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 :**
 - 4a. 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.

Segment wise Revenue, Results and Capital Employed

| | Quarter ended | | | Year ended |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | 30-06-2016 (Unaudited) | 31-03-2016 (Unaudited) | 30-06-2015 (Unaudited) | 31-03-2016 (Unaudited) |
| (₹ in Lakhs) | | | | |
| 1 Segment Revenue | | | | |
| (a) Abrasives | 22,285 | 21,236 | 19,975 | 80,288 |
| (b) Ceramics & Plastics | 7,697 | 8,845 | 8,369 | 32,005 |
| (c) Others | 2,793 | 2,701 | 2,066 | 8,993 |
| Total | 32,775 | 32,782 | 30,410 | 121,286 |
| Less: Inter-Segment Revenue | 276 | 209 | 255 | 899 |
| Gross Sales & Service Income | 32,499 | 32,573 | 30,155 | 120,387 |
| 2 Segment Results | | | | |
| (a) Abrasives | 2,950 | 2,744 | 2,530 | 10,053 |
| (b) Ceramics & Plastics | 803 | 923 | 947 | 3,340 |
| (c) Others | 508 | 472 | 194 | 1,250 |
| Total | 4,261 | 4,139 | 3,671 | 14,643 |
| Less: (1) Interest | 23 | 17 | 18 | 69 |
| (2) Other unallocable (Income)/ Expenditure (net) | (107) | (380) | (171) | (912) |
| Profit Before Tax | 4,345 | 4,502 | 3,824 | 15,486 |
| 3a Segment Assets | | | | |
| (a) Abrasives | 50,100 | 46,974 | 46,963 | 46,974 |
| (b) Ceramics & Plastics | 25,189 | 25,724 | 25,290 | 25,724 |
| (c) Others | 5,096 | 5,097 | 4,427 | 5,097 |
| (d) Unallocated | 28,387 | 27,984 | 24,130 | 27,984 |
| Total Segment Assets | 108,772 | 105,779 | 100,810 | 105,779 |
| 3b Segment Liabilities | | | | |
| (a) Abrasives | 17,688 | 17,063 | 15,351 | 17,063 |
| (b) Ceramics & Plastics | 5,479 | 5,393 | 4,724 | 5,393 |
| (c) Others | 1,315 | 2,072 | 1,478 | 2,072 |
| (d) Unallocated | 5,403 | 5,138 | 5,779 | 5,138 |
| Total Segment Liabilities | 29,885 | 29,666 | 27,332 | 29,666 |
| 3c Capital Employed | | | | |
| (Segment Assets Less Segment Liabilities) | | | | |
| (a) Abrasives | 32,412 | 29,911 | 31,612 | 29,911 |
| (b) Ceramics & Plastics | 19,710 | 20,331 | 20,566 | 20,331 |
| (c) Others | 3,781 | 3,025 | 2,949 | 3,025 |
| (d) Unallocated | 22,984 | 22,846 | 18,351 | 22,846 |
| Total Capital Employed in Segments | 78,887 | 76,113 | 73,478 | 76,113 |

4b. Employee benefit expenses: As per Ind AS 19, actuarial gains and losses on Defined Benefit Plans are recognised in Other Comprehensive Income.

4c. 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.

4d. 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.

4e. 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 Equity Shares of Rs. 5/- each, as fully paid-up Bonus Shares in the proportion of 1 (One) Bonus Share of Rs. 5/- each for each Ordinary Equity Share of Rs. 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
28th July, 2016

ANAND MAHAJAN
Managing Director
Director Identification No. 00066320