

# KALYANIWALLA & MISTRY (Regd.)

CHARTERED ACCOUNTANTS

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The Board of Directors  
Grindwell Norton Limited  
Leela Business Park,  
5<sup>th</sup> Level,  
Andheri-Kurla Road,  
Mumbai 400 059.

Dear Sirs,

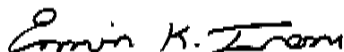
## LIMITED REVIEW REPORT

We have reviewed the accompanying Statement of Unaudited Financial Results of Grindwell Norton Limited for the quarter and half year ended September 30, 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which has been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on October 23, 2012. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For and on behalf of  
**KALYANIWALLA & MISTRY**  
**CHARTERED ACCOUNTANTS**  
Firm Regn. No. 104607W



**Ermin K. Irani**  
Partner  
Membership No. 35646  
Mumbai, October 23, 2012.

## GRINDWELL NORTON LIMITED

Regd. Office: Leela Business Park, 5th Level, Andheri-Kurla Road, Mumbai 400 059

## UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEP, 2012

(Rs. Lacs)

	Quarter ended 30-09-2012 Unaudited	Quarter ended 30-08-2012 Unaudited	Quarter ended 30-07-2011 Unaudited	Half Year ended 30-09-2012 Unaudited	Half Year ended 30-09-2011 Unaudited	Year ended 31-03-2012 Audited
<b>PART I</b>						
<b>1 Income from operations</b>						
(a) Net Sales/Income from Operations	22,944	22,468	22,662	45,412	42,797	85,434
(b) Other Operating Income	660	803	453	1,483	923	2,228
<b>Total income from operations</b>	<b>23,604</b>	<b>23,271</b>	<b>23,135</b>	<b>46,875</b>	<b>43,720</b>	<b>90,860</b>
<b>2 Expenses</b>						
a. Consumption of Raw Materials	10,361	10,276	8,739	20,627	17,230	34,341
b. Purchase of Traded Goods	1,882	2,020	2,117	3,702	3,870	7,474
c. (Increase)/Decrease in stock in trade	(812)	(938)	(741)	(1,551)	(2,115)	(1,162)
d. Employees Cost	2,567	2,493	2,479	5,060	4,910	9,486
e. Depreciation & amortisation expenses	436	417	425	863	844	1,668
f. Power & Fuel	1,475	1,433	1,471	2,908	2,991	5,676
g. Other Expenditure	4,524	4,379	4,862	8,903	9,691	18,621
<b>Total expenses</b>	<b>20,423</b>	<b>20,070</b>	<b>19,862</b>	<b>40,602</b>	<b>37,421</b>	<b>77,104</b>
<b>3 Profit / (Loss) from operations before other income, finance costs</b>	<b>3,181</b>	<b>3,192</b>	<b>3,283</b>	<b>6,373</b>	<b>6,299</b>	<b>13,556</b>
<b>4 Other income</b>	<b>246</b>	<b>282</b>	<b>289</b>	<b>528</b>	<b>671</b>	<b>1,379</b>
<b>5 Profit / (Loss) from ordinary activities before finance costs</b>	<b>3,427</b>	<b>3,474</b>	<b>3,552</b>	<b>6,901</b>	<b>6,970</b>	<b>14,935</b>
<b>6 Finance costs</b>	<b>14</b>	<b>9</b>	<b>9</b>	<b>23</b>	<b>15</b>	<b>37</b>
<b>7 Profit / (Loss) before tax</b>	<b>3,413</b>	<b>3,465</b>	<b>3,543</b>	<b>6,878</b>	<b>6,955</b>	<b>14,898</b>
<b>8 Tax Expense</b>	<b>1,011</b>	<b>1,043</b>	<b>1,098</b>	<b>2,054</b>	<b>2,140</b>	<b>4,535</b>
<b>9 Net Profit/(Loss) for the period</b>	<b>2,402</b>	<b>2,422</b>	<b>2,445</b>	<b>4,824</b>	<b>4,815</b>	<b>10,363</b>
<b>10 Paid up Equity Share Capital (Face Value Rs. 5/- each)</b>	<b>2,788</b>	<b>2,788</b>	<b>2,788</b>	<b>2,788</b>	<b>2,788</b>	<b>2,788</b>
<b>11 Reserves excluding Revaluation Reserve</b>	-	-	-	-	-	<b>43,420</b>
<b>12 Basic &amp; Diluted Earnings per share (of Rs. 5/- each) (not annualised):</b>	<b>4.34</b>	<b>4.38</b>	<b>4.42</b>	<b>8.71</b>	<b>8.70</b>	<b>18.72</b>
<b>PART II</b>						
<b>A PARTICULARS OF SHAREHOLDING</b>						
<b>1 Public Shareholding</b>						
- Number of Shares	22,901,970	22,901,970	22,901,970	22,901,970	22,901,970	22,901,970
- Percentage of Shareholding	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
<b>2 Promoters and Promoter Group Shareholding</b>						
a) Pledged/Encumbered	-	-	-	-	-	-
b) Non-encumbered						
- Number of Shares	32,458,030	32,458,030	32,458,030	32,458,030	32,458,030	32,458,030
- Percentage of Shares						
(i) As a % of total shareholding of Promoters and Promoter Group	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
(ii) As a % of total share capital of the Company	58.63%	58.63%	58.63%	58.63%	58.63%	58.63%

	Quarter ended 30-09-2012
<b>PARTICULARS</b>	
<b>B INVESTOR COMPLAINTS</b>	
- Pending at the beginning of the quarter	1
- Received during the quarter	-
- Disposed of during the quarter	1
- Remaining unresolved at the end of the quarter	-

## Notes:

- The above financial results were reviewed by the Audit Committee after a "Limited Review" by the statutory auditors of the Company and the Board of Directors approved the same at their meeting held on 23rd October, 2012.
- The Company's manufacturing plant at Halol (Gujarat) commenced commercial production during September 2012.
- Previous periods' figures have been recast wherever necessary.

For GRINDWELL NORTON LIMITED

Mumbai  
23rd October, 2012ANAND MAHAJAN  
Managing Director

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED**

	Quarter ended 30-09-2012	Quarter ended 30-06-2012	Quarter ended 30-09-2011	Half year ended 30-09-2012	Half year ended 30-09-2011	Year ended 31-3-2012
<b>1. Segment Revenue</b>						
(a) Abrasives	15,185	14,577	15,575	29,762	29,986	61,071
(b) Ceramics & Plastics	6,239	6,749	6,789	12,988	12,541	26,378
(c) Others	1,798	1,539	502	3,337	817	2,208
<b>Total</b>	<b>23,222</b>	<b>22,865</b>	<b>22,866</b>	<b>46,087</b>	<b>43,344</b>	<b>89,657</b>
Less: Inter-Segment Revenue	278	397	184	675	547	1,223
<b>Net sales</b>	<b>22,944</b>	<b>22,468</b>	<b>22,682</b>	<b>45,412</b>	<b>42,797</b>	<b>88,434</b>
<b>2. Segment Results</b>						
(a) Abrasives	2,199	2,237	2,392	4,436	4,746	9,736
(b) Ceramics & Plastics	804	934	1,164	1,738	2,191	4,711
(c) Others	271	204	40	475	95	493
<b>Total</b>	<b>3,274</b>	<b>3,375</b>	<b>3,596</b>	<b>6,549</b>	<b>7,032</b>	<b>14,940</b>
Less: (1) Interest	14	9	9	23	15	36
(2) Other unallocable (Income)/ Expenditure (net)	(153)	(99)	44	(252)	62	6
<b>Profit Before Tax</b>	<b>3,413</b>	<b>3,465</b>	<b>3,543</b>	<b>6,878</b>	<b>6,955</b>	<b>14,898</b>
<b>3. Capital Employed</b> (Segment Assets Less Segment Liabilities)						
(a) Abrasives	29,794	29,096	27,760	29,794	27,760	28,832
(b) Ceramics & Plastics	15,606	14,321	11,522	15,606	11,522	12,445
(c) Others	2,262	1,623	128	2,262	128	1,382
(d) Unallocated	3,360	3,580	5,422	3,360	5,422	3,539
<b>Total Capital Employed in Segments</b>	<b>51,022</b>	<b>48,620</b>	<b>44,832</b>	<b>51,022</b>	<b>44,832</b>	<b>46,198</b>



**BALANCE SHEET AS AT 30th September, 2012**

	As at 30-09-2012	As at 30-09-2011	As at 31-03-2012
<b>A EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
(a) Capital	2768	2768	2768
(b) Reserves and Surplus	48630	42459	43815
	51398	45227	46583
<b>2 Non-current liabilities</b>			
(a) Deferred tax liabilities (net)	1474	864	1080
(b) Other long-term liabilities	532	510	581
(c) Long-term provisions	1654	1640	1514
	3660	3014	3175
<b>3 Current liabilities</b>			
(a) Short-term borrowings	858	-	-
(b) Trade payables	6412	6176	7168
(c) Other Current liabilities	10048	8729	10316
(d) Short-term provisions	548	533	4538
	17866	15438	22022
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>72924</b>	<b>63679</b>	<b>71780</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	31683	20845	27862
(b) Non-current investments	4745	4460	4534
(c) Long-term loans and advances	2349	3251	2863
(d) Other non-current assets	262	246	330
	39039	28602	35589
<b>2 Current assets</b>			
(a) Current investments	-	301	-
(b) Inventories	18093	16532	15999
(c) Trade receivables	9747	9208	9546
(d) Cash and cash equivalents	2915	6679	7314
(e) Short-term loans and advances	2240	1793	2547
(f) Other current assets	890	564	785
	33885	35077	36191
<b>TOTAL - ASSETS</b>	<b>72924</b>	<b>63679</b>	<b>71780</b>

