



WALCHANDNAGAR INDUSTRIES LTD.

Regd Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034. CIN : L74999MH1908PLC000291

Tel.:022-40287110, Fax:022-23634527, e-mail: investors@walchand.com, website:www.walchand.com

PART I

(₹ in Lakhs)

Statement of Audited Results for the Quarter & 18 months period Ended on 31st March, 2016

Particulars	For the Quarter Ended			18 Months Ended	Year Ended
	31st March 2016	31st December 2015	31st March 2015	31st March 2016	30th September 2014
	1	2	3	4	5
	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>1 Income from operations</b>					
(a) Net sales/income from operations (Net of excise duty)	11,210	12,841	14,066	79,648	62,766
(b) Other Operating Income	32	78	39	564	1,057
<b>Total Income from operations (net)</b>	<b>11,242</b>	<b>12,919</b>	<b>14,105</b>	<b>80,212</b>	<b>63,823</b>
<b>2 Expenses</b>					
(a) Cost of materials consumed	3,390	5,084	7,005	37,105	31,548
(b) Sub contracting Expenses, processing charges and Other Direct Costs	648	1,039	3,687	11,273	14,371
(c) Changes in inventories of finished goods, work in-progress	2,014	277	(1,350)	3,357	(36)
(d) Employee benefits expense	2,345	2,290	2,269	13,583	9,243
(e) Depreciation and amortisation expense	537	543	546	3,384	1,725
(f) Other expenses	1,233	1,433	1,956	8,688	7,044
<b>Total expenses</b>	<b>10,167</b>	<b>10,666</b>	<b>14,113</b>	<b>77,390</b>	<b>63,895</b>
<b>3 Profit / (Loss) from operations before other Income, finance costs and exceptional items (1-2)</b>	<b>1,075</b>	<b>2,253</b>	<b>(8)</b>	<b>2,822</b>	<b>(72)</b>
<b>4 Other Income</b>	<b>140</b>	<b>40</b>	<b>106</b>	<b>524</b>	<b>785</b>
<b>5 Profit / (Loss) from ordinary activities before finance costs and exceptional items(3+4)</b>	<b>1,215</b>	<b>2,293</b>	<b>98</b>	<b>3,346</b>	<b>713</b>
<b>6 Finance costs</b>	<b>1,540</b>	<b>1,691</b>	<b>1,407</b>	<b>8,978</b>	<b>4,799</b>
<b>7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items &amp; foreign exchange fluctuation (5+6)</b>	<b>(325)</b>	<b>602</b>	<b>(1,309)</b>	<b>(5,632)</b>	<b>(4,086)</b>
<b>8 Exchange Currency Fluctuation Gain/(Loss)</b>	<b>134</b>	<b>(207)</b>	<b>65</b>	<b>(214)</b>	<b>(218)</b>
<b>9 Exceptional Items (Refer note 4)</b>	<b>(1,362)</b>	<b>-</b>	<b>-</b>	<b>(1,011)</b>	<b>2,445</b>
<b>10 Profit / (Loss) from ordinary activities before tax(7+8 + 9)</b>	<b>(1,553)</b>	<b>395</b>	<b>(1,244)</b>	<b>(6,857)</b>	<b>(1,859)</b>
<b>11 Tax expense</b>	<b>-</b>	<b>-</b>	<b>311</b>	<b>311</b>	<b>(622)</b>
<b>12 Net Profit / (Loss) from ordinary activities after tax(10+11)</b>	<b>(1,553)</b>	<b>395</b>	<b>(1,555)</b>	<b>(7,168)</b>	<b>(1,237)</b>
<b>13 Extraordinary items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>14 Net Profit / (Loss) for the period (12+13)</b>	<b>(1,553)</b>	<b>395</b>	<b>(1,555)</b>	<b>(7,168)</b>	<b>(1,237)</b>
<b>15 Paid-up equity share capital</b>	<b>761</b>	<b>761</b>	<b>761</b>	<b>761</b>	<b>761</b>
(Face Value of Rs. 2/- each)					
<b>16 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,033</b>
<b>17 Earnings Per Share (before &amp; after extraordinary items)</b>					
(of Rs. 2/- each) ( not annualized) :					
(a) Basic	(4.08)	1.04	(4.08)	(18.83)	(3.25)
(b) Diluted	(4.08)	1.04	(4.08)	(18.83)	(3.25)

*Sh. S*

Notes:

1. The above results, as reviewed by Audit Committee and approved by the Board of Directors at its meeting held on 24th May, 2016, have been taken on record.
2. After the Companies Act, 2013 coming in to force, the Company has changed the accounting year ending from September to March. As a result the current accounting period comprises of eighteen months ending 31st March, 2016. Therefore, the figures mentioned in column no. 4 are not comparable with figures mentioned in column no. 5.
3. The figures for the Quarter ended 31st March, 2016 are the balancing figures between the audited figures in respect of the full financial period and year to date figures up to the period ended on 31st December, 2015.
4. Exceptional item includes, provision of Rs. 1055 Lakhs against liquidated damages, and Rs. 881 lakhs against old debit balances due from certain parties and profit of Rs. 574 lakhs (Rs. 925 lakhs for the 18 months period) arising on sale of long term investment. The management however continues to pursue the recovery of old dues and liquidated damages.
5. At the end of current period, the trade receivables include dues of Rs. 848 lakhs from parties against whom the Company has initiated legal/arbitration proceedings. Pending the ultimate outcome of these cases which is presently unascertained, no provision has been made in respect on these dues.
6. Inventory includes work in progress of Rs. 2568 lakhs in respect of orders which have been cancelled/ put on hold. The Company is of the opinion that no provision is required to be made as on 31st March, 2016 as this stock will be either liquidated/ diverted to other projects.
7. As a matter of prudence the Company has not further created deferred tax assets on the current year's losses/ unabsorbed depreciation.
8. In view of Loss for the financial period under review, the Board of directors has not recommended any Dividend for the year/ Period Ended 31st March, 2016.
9. Figures for the previous periods have been regrouped/ rearranged wherever considered necessary to make them comparable.

For WALCHANDNAGAR INDUSTRIES LTD.

G. K. PILLAI

MANAGING DIRECTOR & CEO

Place: Mumbai

Date: 24th May, 2016


A TRADITION OF ENGINEERING EXCELLENCE



# WALCHANDNAGAR INDUSTRIES LTD.

Regd. Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034.

## Statement of Assets and Liabilities

Particulars		As at 31/03/2016 (Audited )	(₹ in Lakhs) As at 30/09/2014 (Audited )
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Shareholders' funds</b>		
	a) Share capital	761	761
	b) Reserves and surplus	55,433	66,274
	c) Money received against share warrants	-	-
	<b>Sub-total - Shareholders' funds</b>	56,194	67,035
2	<b>Non current Liabilities</b>		
	a) Long-term borrowings	8,943	7,507
	b) Other long-term liabilities	4,973	8,549
	c) Long-term provisions	809	556
	<b>Sub-total - Non-current liabilities</b>	14,725	16,612
3	<b>Current liabilities</b>		
	a) Short-term borrowings	30,006	27,520
	b) Trade payables	9,856	20,562
	c) Other current liabilities	28,703	29,391
	d) Short term provisions	344	386
	<b>Sub-total - Current liabilities</b>	68,909	77,859
	<b>TOTAL - EQUITY AND LIABILITIES</b>	139,828	161,506
<b>B</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	a) Fixed Assets		
	(i) Tangible Assets	55,837	61,410
	(ii) Intangible Assets	209	294
	(iii) Capital Work In Progress	56	439
	(iv) Intangible Assets under Development	-	-
		56,102	62,143
	b) Non Current investments	12	520
	c) Deferred tax assets	1,901	1,901
	d) Non Current Trade Receivables	660	1,154
	e) Long Term Loans and advances	2,422	2,304
	f) Other non current assets	137	137
	<b>Sub-total - Non -Current Assets</b>	61,234	68,159
2	<b>Current Assets</b>		
	a) Current investments	16	1,934
	b) Inventories	22,000	27,476
	c) Contract In Progress	5,912	4,317
	d) Trade receivables	39,619	40,470
	e) Cash and cash equivalents	2,477	4,685
	f) Short-term loans and advances	6,819	12,909
	g) Other current assets	1,751	1,556
	<b>Sub-total - Current Assets</b>	78,594	93,347
	<b>TOTAL ASSETS</b>	139,828	161,506
For WALCHANDNAGAR INDUSTRIES LIMITED			
Place: Mumbai		 G. K. PILLAI MANAGING DIRECTOR & CEO	
Date: 24th May, 2016			
A Tradition of Engineering Excellence			



**WALCHANDNAGAR INDUSTRIES LTD.**

Regd. Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034.

**SEGMENT-WISE REVENUE,  
RESULTS & CAPITAL EMPLOYED**

(₹ in Lakhs)

Particulars	For the Quarter Ended			18 months Ended 31st March 2016	Year ended 30th September 2014
	31st March 2016	31st December 2015	31st March 2015		
	1	2	3	4	5
	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>1 Segment Revenue</b>					
(a) Heavy Engineering	9,834	11,827	12,808	72,209	57,703
(b) Foundry and Machine Shop	1,087	762	1,013	6,147	5,003
(c) Others	340	349	325	1,990	1,194
<b>Total</b>	<b>11,261</b>	<b>12,938</b>	<b>14,146</b>	<b>80,346</b>	<b>63,900</b>
Less : Inter segment Revenue	19	19	41	134	77
<b>Net Sales/Income from Operations</b>	<b>11,242</b>	<b>12,919</b>	<b>14,105</b>	<b>80,212</b>	<b>63,823</b>
<b>2 Segment Results</b>					
Profit/(Loss) before Interest and Tax					
(a) Heavy Engineering	2,043	2,578	676	5,737	2,051
(b) Foundry and Machine Shop	(106)	(201)	(291)	(1,229)	(794)
(c) Others	29	43	53	226	16
<b>Total</b>	<b>1,966</b>	<b>2,420</b>	<b>438</b>	<b>4,734</b>	<b>1,273</b>
Add: Exceptional Item	(1,362)	-	-	(1,011)	2,445
Less : Finance Cost	1,540	1,691	1,407	8,978	4,799
Less - Other unallocable expenditure net of unallocable Income	617	334	275	1,602	778
<b>Profit/(Loss) Before Tax</b>	<b>(1,553)</b>	<b>395</b>	<b>(1,244)</b>	<b>(6,857)</b>	<b>(1,859)</b>
<b>3 Capital Employed</b>					
Segment Assets					
Less : Liabilities(*)					
(a) Heavy Engineering	44,886	46,951	47,520	44,886	51,878
(b) Foundry and Machine Shop	3,319	3,639	4,453	3,319	5,348
(c) Others	4,097	4,223	4,116	4,097	4,118
(d) Unallocated	3,892	4,129	5,432	3,892	5,691
<b>Total*</b>	<b>56,194</b>	<b>58,942</b>	<b>61,521</b>	<b>56,194</b>	<b>67,035</b>

For WALCHANDNAGAR INDUSTRIES LTD.



G. K. PILLAI

MANAGING DIRECTOR &amp; CEO

Place: Mumbai

Date: 24th May, 2016

A TRADITION OF ENGINEERING EXCELLENCE

# F-7 Laxmi Mills  
Shakti Mills Lane (Off Dr E Moses Rd)  
Mahalaxmi Mumbai 400 011 India  
Tel : 91 22 2493 2502 / 6655 1770  
Fax : 91 22 6655 1774  
Grams : VERIFY  
www.KSAiyar.com  
Mail@KSAiyar.com

**Auditor's Report on Standalone Quarterly Financial Results and Year to date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

**The Board of Directors  
Walchandnagar Industries Limited**

1. We have audited the quarterly financial results of **Walchandnagar Industries Limited** ('the Company') for the quarter ended March 31, 2016 and the financial results for the eighteen months period ended on March 31, 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This statement is the responsibility of the Company's management.

The financial results for the quarter ended on March 31, 2016 have been prepared on the basis of the financial results for the fifteen months period ended December 31, 2015, the audited annual financial statements as at and for the eighteen months period ended on March 31, 2016 and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The quarterly financial results are the derived figures between the audited figures in respect of the eighteen months period ended March 31, 2016 and the published year to date figures up to December 31, 2015 being the date of the end of the fifth quarter of the current financial period which were subject to limited review.

Our responsibility is to express an opinion on these financial results based on (a) our review of the financial results for the fifteen months period ended on December 31, 2015 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard - 25, Interim Financial Reporting specified under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India, (b) our audit of the annual financial statements as at and for the eighteen months period ended on March 31, 2016 and (c) the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



Offices also at  
Chennai Kolkata  
Bangaluru Coimbatore Hyderabad



2. We conducted our audit in accordance with the Standards on Auditing generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone financial results are free from material misstatement.

An audit includes examining on a test basis, evidence supporting the amounts disclosed in financial results. An audit also assessing the accounting principles used and significant estimates made by management.

We believe that our audit provides a reasonable basis for our opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:
  - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and
  - (ii) give a true and fair view of the net loss and other financial information for the quarter and the eighteen months period ended on March 31, 2016.

4. Emphasis of Matter

We draw attention to

- a) Note No. 2 to the published results regarding old Trade Receivables of Rs. 847.50 Lakhs which are currently under arbitration/ litigation. Pending the ultimate outcome of these matters, which is presently unascertainable, no provision has been made in respect of these dues.
- b) Note No. 3 to the published results regarding non moving inventory of work in progress amounting to Rs.2567.69 Lakhs on account of orders which have been cancelled/ put on hold. The Company contends that this stock will either be liquidated or diverted to other projects without any loss arising there from.

Our report is not qualified in respect of the above matters.



5. Further, read with Paragraph 1 above, we report that the figures for the quarter ended March 31, 2016 represent the derived figures between the audited figures in respect of the eighteen months period ended March 31, 2016 and the published year to date figures up to December 31, 2015 being the date of the end of the fifth quarter of the current financial year which were subjected to limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Mumbai  
Date: May 24, 2016



For **K. S. Aiyar & Co.,**  
Chartered Accountants  
Firm's Registration No.: 100186W

A handwritten signature in dark ink, appearing to read "Satish K. Kelkar".

**Satish K. Kelkar**  
Partner  
Membership No.: 38934

**FORM A**

**(For Audit Report with unmodified opinion)**

1	Name of the Company	Walchandnagar Industries Limited
2	Annual Financial Statements for the period ended	March 31, 2016
3	Type of Audit observation	Emphasis of Matter
4	Frequency of observation	Repetitive since June 2015

For K. S. Aiyar & Co.  
Chartered Accountants  
Firm's Registration No. 100186W

  
Satish K. Kelkar  
Partner  
Membership No. 38934



  
G. K. Pillai  
Managing Director & C.E.O.

  
Dilip J. Thakkar  
Chairman – Audit Committee

Position is vacant.  
Chief Financial Officer

Place : Mumbai  
Date : May 24, 2016