



**WALCHANDNAGAR INDUSTRIES LIMITED**

Website: www.walchand.com Email: wil@walchand.com

Ref.No. : WI:SEC:2017

Date : May 26, 2017

National Stock Exchange of India Ltd  
Corporate Action Department  
Exchange Plaza, 5th floor,  
Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400 051  
Fax :26598237/38, 66418126/25/24

BSE Ltd.,  
Corporate Relations  
Department  
1st floor, New Trading Ring,  
Rotunda Bldg P.J. Tower,  
Mumbai 400 001  
Fax:: 22723121/2039/2037

Dear Sirs,

- Sub: 1. Audited Financial Results for the Quarter and Year ended March 31, 2017.**  
**2. Auditor's Report on Standalone Quarterly Financial Results and Year to date Results of the Company.**  
**3. Form A.**

**Ref : Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

This is to inform you that the Board of Directors of Walchandnagar Industries Ltd. at their meeting held today, May 26, 2017, have *inter alia* :

1. Approved and taken on record the Audited Financial Results for the Quarter and Year ended March 31, 2017.
2. Auditor's Report on Standalone Quarterly Financial Results and Year to date Results of the Company issued by our Statutory Auditors, M/s. K. S. Aiyar & Co., Chartered Accountants.
3. Form A;

We are enclosing herewith a copies of the same for your information and record.

Thanking you,

Yours faithfully,

For Walchandnagar Industries Ltd.,

  
**G. S. Agrawal**  
**Vice President (Legal & Taxation) & Company Secretary**

Encl.: as above

PART I

(₹ in Lakhs)

Statement of Audited Results for the Quarter and Year ended on 31st March 2017

| Particulars   | For the Quarter Ended |                    |                 | For 12 months ended | For 18 Months Ended |
|---|-----------------------|--------------------|-----------------|---------------------|---------------------|
|   | 31st March 2017       | 31st December 2016 | 31st March 2016 | 31st March 2017     | 31st March 2016     |
|   | 1                     | 2                  | 3               | 4                   | 5                   |
|   | (Audited)             | (Unaudited)        | (Audited)       | (Audited)           | (Audited)           |
| 1 Revenue from Operations   | 13,259                | 10,698             | 11,762          | 42,369              | 82,704              |
| Less: Excise Duty   | 998                   | 710                | 520             | 2,578               | 2,492               |
| 2 Other Income  | 12,261                | 9,988              | 11,242          | 39,791              | 80,212              |
| 3 Total Revenue (1+2)   | 12,538                | 10,004             | 11,382          | 40,128              | 80,737              |
| Expenditure :   |                       |                    |                 |                     |                     |
| 4 Cost of Materials Consumed  | 4,076                 | 4,522              | 3,390           | 17,037              | 37,105              |
| 5 Sub-contracting Expenses, Processing Charges and Other Direct Costs       | 941                   | 770                | 648             | 2,779               | 11,273              |
| 6 Changes in inventories of finished goods and work-in-progress             | 1,790                 | 621                | 2,014           | 1,664               | 3,357               |
| 7 Employees Benefits Expenses   | 2,088                 | 2,008              | 2,345           | 8,241               | 13,583              |
| 8 Finance Costs   | 1,955                 | 2,017              | 1,540           | 6,950               | 8,978               |
| 9 Depreciation and Amortisation Expenses                                    | 434                   | 446                | 537             | 1,816               | 3,384               |
| 10 Other Expenses   | 1,150                 | 1,184              | 1,233           | 4,208               | 8,688               |
| 11 Exchange Currency Fluctuation (Gain)/ Loss                               | 136                   | (85)               | (134)           | 142                 | 214                 |
| 12 Total Expenses   | 12,571                | 11,483             | 11,573          | 42,838              | 86,583              |
| 13 Profit/ (Loss) before exceptional and extraordinary items and tax (3-12) | (33)                  | (1,479)            | (191)           | (2,710)             | (5,846)             |
| 14 Exceptional Items (Refer Note Number 5)                                  | (589)                 | (204)              | (1,362)         | (1,183)             | (1,011)             |
| 15 Profit/ (Loss) before extraordinary items and tax (13-14)                | (622)                 | (1,683)            | (1,553)         | (3,892)             | (6,857)             |
| 16 Extraordinary Items  | -                     | -                  | -               | -                   | -                   |
| 17 Profit/ (Loss) before tax (15-16)  | (622)                 | (1,683)            | (1,553)         | (3,892)             | (6,857)             |
| 18 Tax expense:   |                       |                    |                 |                     |                     |
| (1) Current tax   | -                     | -                  | -               | -                   | -                   |
| (2) Tax for earlier years   | -                     | -                  | -               | 632                 | 311                 |
| (3) Deferred tax (asset)/ liability (Refer Note number 6)                   | 1,901                 | -                  | -               | 1,901               | -                   |
| 19 Profit/ (Loss) for the year (17-18)                                      | (2,523)               | (1,683)            | (1,553)         | (6,426)             | (7,168)             |

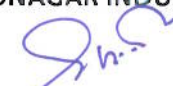
*Signature*

|    |   |        |        |        |         |         |
|----|---|--------|--------|--------|---------|---------|
| 20 | Earnings per equity share of face value of Rs. 2 each |        |        |        |         |         |
|    | (1) Basic   | (6.63) | (4.42) | (4.08) | (16.88) | (18.83) |
|    | (2) Diluted   | (6.63) | (4.42) | (4.08) | (16.88) | (18.83) |

Notes:

1. The above results, as reviewed by Audit Committee and approved by the Board of Directors at its meeting held on 26th May, 2017, have been taken on record.
2. The trade receivables more than 6 months considered good includes ₹ 716.32 lakhs (Previous year ₹ 847.50 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 of these dues.
3. Non Current Debtors of ₹ 1345.68 Lakhs include dues from Govt. parties after completion of projects of ₹ 312.56 Lakhs which are considered good for recovery.
4. Inventory includes work in progress of ₹ 2593.67 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, 2017 as this stock will be either liquidated or diverted to other projects.
5. Exceptional Item for the current quarter amounting to ₹ 589 Lakhs includes provision of ₹ 564 Lakhs against Liquidated Damages and ₹ 21 Lakhs provision for old debtors and ₹ 3 Lakhs for stock with subcontractor. The management however continues to pursue the recovery of old dues and Stock with Subcontractors.
6. During the year the company has not created further deferred tax asset on loss incurred. Also the deferred tax asset created in the past has also been reversed in terms of accounting standard AS 22.
7. The figures for the quarter ended 31st March 2017 are the balancing figures between the Audited figures in respect of the full financial year and year to date figures up to nine months ended 31st December 2016.
8. The corresponding figures for the previous accounting period are for 18 months due to change in accounting year ended 31st March 2016 and there fore not comparable with the current accounting year figures which are for 12 months. 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

DIN : 01537184

Place: Mumbai

Date: 26th May, 2017

A TRADITION OF ENGINEERING EXCELLENCE





**WALCHANDNAGAR INDUSTRIES LTD.**

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

Tel No. : (022) 40287110 Fax : (022) 23634527, E - mail : investors@walchand.com, Website: www.walchand.com

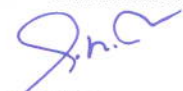
**Statement of Assets and Liabilities**

(₹ in Lakhs)

| Particulars |  | As at 31/03/2017<br>(Audited ) | As at 31/03/2016<br>(Audited ) |
|-------------|--|--------------------------------|--------------------------------|
| <b>A</b>    | <b>EQUITY AND LIABILITIES</b>              |                                |                                |
| 1           | <b>Shareholders' funds</b>                 |                                |                                |
|             | a) Share capital                           | 761                            | 761                            |
|             | b) Reserves and surplus                    | 46,932                         | 55,433                         |
|             | c) Money received against share warrants   | -                              | -                              |
|             | <b>Sub-total - Shareholders' funds</b>     | <b>47,693</b>                  | <b>56,194</b>                  |
| 2           | <b>Non current Liabilities</b>             |                                |                                |
|             | a) Long-term borrowings                    | 3,755                          | 8,943                          |
|             | b) Other long-term liabilities             | 5,241                          | 4,973                          |
|             | c) Long-term provisions                    | 1,246                          | 809                            |
|             | <b>Sub-total - Non-current liabilities</b> | <b>10,242</b>                  | <b>14,725</b>                  |
| 3           | <b>Current liabilities</b>                 |                                |                                |
|             | a) Short-term borrowings                   | 36,114                         | 30,006                         |
|             | b) Trade payables                          | 10,219                         | 9,856                          |
|             | c) Other current liabilities               | 27,737                         | 28,703                         |
|             | d) Short term provisions                   | 151                            | 344                            |
|             | <b>Sub-total - Current liabilities</b>     | <b>74,221</b>                  | <b>68,909</b>                  |
|             | <b>TOTAL - EQUITY AND LIABILITIES</b>      | <b>132,156</b>                 | <b>139,828</b>                 |
| <b>B</b>    | <b>ASSETS</b>                              |                                |                                |
| 1           | <b>Non-current assets</b>                  |                                |                                |
|             | a) Fixed Assets                            |                                |                                |
|             | (i) Tangible Assets                        | 52,300                         | 55,837                         |
|             | (ii) Intangible Assets                     | 146                            | 209                            |
|             | (iii) Capital Work In Progress             | 103                            | 56                             |
|             | (iv) Intangible Assets under Development   | -                              | -                              |
|             |  | <b>52,549</b>                  | <b>56,102</b>                  |
|             | b) Non Current investments                 | 12                             | 12                             |
|             | c) Deferred tax assets                     | -                              | 1,901                          |
|             | d) Non Current Trade Receivables           | 1,346                          | 660                            |
|             | e) Long Term Loans and advances            | 1,597                          | 2,422                          |
|             | f) Other non current assets                | 137                            | 137                            |
|             | <b>Sub-total - Non -Current Assets</b>     | <b>55,640</b>                  | <b>61,234</b>                  |
| 2           | <b>Current Assets</b>                      |                                |                                |
|             | a) Current investments                     | 316                            | 16                             |
|             | b) Inventories                             | 19,228                         | 22,000                         |
|             | c) Contract In Progress                    | 4,131                          | 5,912                          |
|             | d) Trade receivables                       | 39,806                         | 39,619                         |
|             | e) Cash and cash equivalents               | 1,587                          | 2,477                          |
|             | f) Short-term loans and advances           | 9,601                          | 6,819                          |
|             | g) Other current assets                    | 1,847                          | 1,751                          |
|             | <b>Sub-total - Current Assets</b>          | <b>76,516</b>                  | <b>78,594</b>                  |
|             | <b>TOTAL ASSETS</b>                        | <b>132,156</b>                 | <b>139,828</b>                 |

For WALCHANDNAGAR INDUSTRIES LIMITED

Place: Mumbai  
Date: 26th May, 2017
  
**G. K. PILLAI**  
**MANAGING DIRECTOR & CEO**  
**DIN : 01537184**
**A Tradition of Engineering Excellence**

| WALCHANDNAGAR INDUSTRIES LTD.   |                       |                    |                 |                     |                 |
|---|-----------------------|--------------------|-----------------|---------------------|-----------------|
| Regd. Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034. CIN : L74999MH1908PLC000291  |                       |                    |                 |                     |                 |
| Tel No. : (022) 40287110 Fax : (022) 23634527, E - mail : investors@walchand.com, Website: www.walchand.com   |                       |                    |                 |                     |                 |
| SEGMENT-WISE REVENUE, RESULTS & CAPITAL EMPLOYED  |                       |                    |                 |                     |                 |
|   | For the Quarter Ended |                    |                 | For 12 months ended | 18 Months Ended |
| Particulars   | 31st March 2017       | 31st December 2016 | 31st March 2016 | 31st March 2017     | 31st March 2016 |
|   | 1                     | 2                  | 3               | 4                   | 5               |
|   | (Audited)             | (Unaudited)        | (Audited)       | (Audited)           | (Audited)       |
| <b>1 Segment Revenue</b>  |                       |                    |                 |                     |                 |
| (a) Heavy Engineering   | 10,862                | 8,425              | 9,834           | 33,812              | 72,209          |
| (b) Foundry and Machine Shop  | 1,091                 | 1,292              | 1,087           | 4,786               | 6,147           |
| (c) Others  | 319                   | 293                | 340             | 1,238               | 1,990           |
| <b>Total</b>  | <b>12,273</b>         | <b>10,010</b>      | <b>11,261</b>   | <b>39,837</b>       | <b>80,346</b>   |
| Less : Inter segment Revenue  | 12                    | 22                 | 19              | 45                  | 134             |
| <b>Net Sales/Income from Operations</b>   | <b>12,261</b>         | <b>9,988</b>       | <b>11,242</b>   | <b>39,791</b>       | <b>80,212</b>   |
| <b>2 Segment Results</b>  |                       |                    |                 |                     |                 |
| Profit/(Loss) before Interest and Tax   |                       |                    |                 |                     |                 |
| (a) Heavy Engineering   | 2,047                 | 672                | 2,043           | 4,856               | 5,737           |
| (b) Foundry and Machine Shop  | (5)                   | 26                 | (106)           | (135)               | (1,229)         |
| (c) Others  | 64                    | (2)                | 29              | 179                 | 226             |
| <b>Total</b>  | <b>2,107</b>          | <b>696</b>         | <b>1,966</b>    | <b>4,901</b>        | <b>4,734</b>    |
| Add: Exceptional Item   | (589)                 | (204)              | (1,362)         | (1,183)             | (1,011)         |
| Less : Finance Cost   | 1,955                 | 2,017              | 1,540           | 6,950               | 8,978           |
| Less - Other unallocable expenditure net of unallocable Income  | 185                   | 158                | 617             | 660                 | 1,602           |
| <b>Profit/(Loss) Before Tax</b>   | <b>(622)</b>          | <b>(1,683)</b>     | <b>(1,553)</b>  | <b>(3,892)</b>      | <b>(6,857)</b>  |
| <b>3 Capital Employed</b>   |                       |                    |                 |                     |                 |
| <b>Segment Assets</b>   |                       |                    |                 |                     |                 |
| (a) Heavy Engineering   | 117,519               | 119,760            | 120,762         | 117,519             | 120,762         |
| (b) Foundry and Machine Shop  | 5,887                 | 6,035              | 6,290           | 5,887               | 6,290           |
| (c) Others  | 4,383                 | 4,424              | 4,333           | 4,383               | 4,333           |
| (d) Unallocated (Excluding Investment)  | 4,367                 | 5,940              | 8,444           | 4,367               | 8,444           |
|   | <b>132,156</b>        | <b>136,159</b>     | <b>139,829</b>  | <b>132,156</b>      | <b>139,829</b>  |
| <b>Segment Liabilities</b>  |                       |                    |                 |                     |                 |
| (a) Heavy Engineering   | 76,350                | 76,977             | 75,876          | 76,350              | 75,876          |
| (b) Foundry and Machine Shop  | 3,029                 | 3,030              | 2,971           | 3,029               | 2,971           |
| (c) Others  | 188                   | 273                | 236             | 188                 | 236             |
| (d) Unallocated (Excluding Investment)  | 4,896                 | 4,617              | 4,552           | 4,896               | 4,552           |
|   | <b>84,463</b>         | <b>84,898</b>      | <b>83,635</b>   | <b>84,463</b>       | <b>83,635</b>   |
| <b>Total</b>  | <b>47,693</b>         | <b>51,261</b>      | <b>56,194</b>   | <b>47,693</b>       | <b>56,194</b>   |
| For WALCHANDNAGAR INDUSTRIES LTD.   |                       |                    |                 |                     |                 |
| <div style="display: flex; justify-content: space-between;"> <div> Place: Mumbai<br/>Date: 26th May, 2017 </div> <div style="text-align: right;"> <br/> <b>G. K. PILLAI</b><br/> MANAGING DIRECTOR &amp; CEO<br/> DIN : 01537184 </div> </div> |                       |                    |                 |                     |                 |
| A TRADITION OF ENGINEERING EXCELLENCE   |                       |                    |                 |                     |                 |



# F-7 Laxmi Mills  
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Fax : 91 22 6655 1774  
Grams : VERIFY  
www.KSAiyar.com  
Mail@KSAiyar.com

**Auditor's Report on 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 annual financial results ("the statement") of **Walchandnagar Industries Limited** ('the Company') for the year ended March 31, 2017 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note No. 7 in the financial results regarding the figures for the quarter ended March 31, 2017 as reported in these financial results which are the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the end of the third quarter of the financial year. Also the figures up to the end of the third quarter had only been reviewed and were not subjected to audit. This statement has been prepared on the basis of the annual financial statement and reviewed quarterly financial results up to the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on this statement based on our review of the financial results for the nine months period ended on 31<sup>st</sup> December, 2016 which was prepared in accordance with (a) the recognition and measurement principles laid down in Accounting Standard - 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standard) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India (b) our audit of the annual financial statements which have been prepared in accordance with the Companies (Accounting Standard) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
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 financial results are free from material misstatement.



Offices also at  
Chennai Kolkata  
Bangaluru Coimbatore Hyderabad

An audit includes examining on a test basis, evidence supporting the amounts disclosed in financial results. An audit also includes 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, this statement :

(i) is 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 year ended on March 31, 2017.

4. Emphasis of Matter

We draw attention to

- a) Note No. 2 to the Financial results regarding old Trade Receivables of Rs. 716.32 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 Financial results regarding non current debtors which include dues of Rs. 312.56 Lakhs from Govt. parties after completion of the projects which are considered good for recovery.
- c) Note No. 4 to the Financial results regarding non moving inventory of work in progress amounting to Rs.2593.67 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.



Place: Mumbai  
Date: May 26, 2017

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

A handwritten signature in blue 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 Year ended | March 31, 2017                   |
| 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



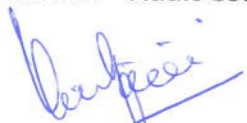
Satish K. Kelkar  
Partner  
Membership No. 38934



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



G. N. Bajpai  
Chairman – Audit Committee



Vivek Jain  
Chief Financial Officer

Place : Mumbai  
Date : May 26, 2017