

WALCHANDNAGAR INDUSTRIES LIMITED

PRESS RELEASE

RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2023

Mumbai, February 01, 2024: Walchandnagar Industries Limited (“WIL” / “Company”), a renowned engineering company known for its design, engineering & high complex precision manufacturing capabilities with operational legacy of more than 114 years, announced its results for the quarter ended December 31, 2023.

Mr. Chirag C. Doshi, Managing Director & CEO, Walchandnagar Industries Limited, shared “The quarter has been challenging with revenue performance on the lower side primarily due to workers strike at our Walchandnagar Plant (from November 22, 2023 to January 03, 2024). As a result, the Company lost revenue of around Rs. 30 Cr. & the overall profitability was also impacted. We remain committed to our integrated growth strategy in Defence, Aerospace and Nuclear (DNA) industry in India. We are confident that the growth strategies towards the business will help us to navigate and deliver balanced growth and create value in the quarters ahead.”

Financial Highlights:

(Rs. Lakhs)						
Particulars	Quarter ended 31.12.2023	Quarter Ended 30.09.2023	% Change	Year to date 31.12.2023	Year to date 31.12.2022	% Change
Total Revenue						
- Revenue from Operations	5,586	8,792	(36%)	21,097	20,999	0%
- Other Income	674	384	75%	1,698	1,935	(12%)
EBITDA	(123)	894	(114%)	1,280	1,867	(31%)
EBITDA Margins (%)*	(2%)	10%		6%	9%	

* EBITDA Margin % calculated as % of Revenue from Operations.

Financial Performance:

1. This quarter’s revenue performance is low due to workers strike at Walchandnagar Plant (from November 22, 2023 to January 03, 2024). The Company lost revenue of around Rs. 30 Cr and profitability was also impacted. This in turn resulted in increase in operating level loss in Q3.
2. EBITDA for Q3 has reduced to 2% in comparison to 10% of Q2, which is mainly due to revenue loss of around Rs. 30 Crores due to Strike at Walchandnagar Plant.
3. EBITDA at YTD Dec’23 level was reduced from 9% to 6% YOY basis, mainly because of change in sales mix of the strategic & non-strategic businesses and THE labour strike.

Business Review:

- The Company is engaged in segments namely Heavy Engineering, Foundry, Machine shop and others. These segments have been reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.
- With the Government of India increasing initiatives towards “Make in India”, the Company continues to be very positive about its growth potential in the areas of Defence, Aerospace and Nuclear (DNA) industry in India.
- The Company is well positioned to capitalize on the upcoming opportunities in the DNA Sector. The company has already secured orders worth Rs. 26,844 Lakhs for manufacturing & supply of Reactor Headers, PDHRS Condenser, Calandria Assembly & End Shield from Nuclear Power Corporation of India Limited (NPCIL).
- The order book in hand stands at Rs. 92,578 Lakhs as on 31st December 2023 (includes orders worth Rs. 31,000 Lakhs which are on hold from customer’s end).
- Company also has a healthy order book pipeline and the Company expects to close many of these orders in Q4 and Q1 of next year.
- In Q3, the Company has demonstrated continued progress on the incomplete projects of TNEB. Two more projects namely MRK-Sugar & MRK-Cogen are commissioned in December, 2023. With this, the total number of projects commissioned in Sugar Modernisation are 11 out of total 12 projects and in case of Cogen, it has reached 7 out of a total of 12 projects.

For more information write to: investors@walchand.com

Disclaimer: Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fiscal policy, competition, inflationary pressures and general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.
