

**WALCHANDNAGAR INDUSTRIES LIMITED**

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

Ref. No. : WIL: SEC: 2024

Date : November 14, 2024

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
SCRIP CODE : WALCHANNAG

BSE Ltd.
Corporate Relations Department
1st floor, New Trading Ring,
Rotunda Bldg P.J. Tower,
Mumbai 400 001.
Fax:: 22723121/2039/2037
SCRIP CODE : 507410

Dear Sir(s),

Sub: Press Release of Un-audited (Reviewed) Financial Results for the Quarter and Half Year ended on September 30, 2024

In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of Press Release titled "Walchandnagar Industries Limited Press Release – Results for the quarter and half year ended September 30, 2024" is annexed with this letter.

A copy of the said Press Release is also being uploaded on the website of the Company www.walchand.com.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For Walchandnagar Industries Ltd.,

G. S. Agrawal
Whole Time Director & Company Secretary
DIN: 00404340

Encl: As above

RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2024

“Results Reflect Transition Phase in the Company’s Growth Journey”

Mumbai, 14th November, 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 115 years, announced its results for the quarter ended 30th September, 2024.

Highlights

- Ongoing progress in the transition to core businesses in Q2 FY24-25; Foundry business impacted by weakness in the automotive and machine tools markets
- Raised Rs. 7,400 lakhs through Non-Convertible Debentures, leading to repayment of the ACRE loan and cancellation of contingent liability
- Robust order book of Rs. 86,077 lakhs as on 30th September, 2024; order pipeline of ~ Rs. 60,944 lakhs

Financial Overview:

Rs. Lakhs

Particulars	Q2 FY24-25	Q1 FY24-25	Q2 FY23-24	H1 FY24-25	H1 FY23-24
Total Revenues	7,344	10,345	9,176	17,688	16,616
• Revenue from Operations	6,786	7,917	8,792	14,702	15,511
• Other Income*	558	2,428	384	2,986	1,104
EBITDA**	360	1,146	894	1,506	1,403
EBITDA Margins	5.31%	14.48%	10.16%	10.24%	9.05%
PBT	(1,103)	(173)	(814)	(1,276)	(1,957)
PBT % of Sales	(16%)	(2%)	(9%)	(9%)	(13%)

* During the half year ended 30th September 2024, "Other Income" includes Rs. 2,059 lakhs towards profit on sale of land and gain on surrender of leasehold land rights. The results also include an Exceptional item of Rs. 412 lakhs from the current financial liabilities related to restructuring agreement written back

Revenue and EBITDA Performance:

- As part of our strategy, we have been looking to diversify from the EPC business and shifting our focus to the Defence & Missiles, Nuclear, Aerospace (“DNA”) segment and our specialized OEM businesses (Gear, Centrifugal, Crushing & Grinding Solutions and Instrumentation). The Q2 FY24-25 performance was a manifestation of the Company’s ongoing transition as part of this strategy as the revenue contribution from our core manufacturing business (DNAM and product businesses) reached ~87% in Q2 FY24-25 compared to 74% in Q2 FY23-24. The Defence & Missiles, Nuclear, Aerospace (“DNA”) segment was impacted by delays in receipt of orders from the government
- The weakness in the Foundry business was reflective of the industry-wide challenging demand conditions faced by the automotive and machine tools markets

Rs. Lakhs

Operating Revenue Mix – Business wise	Q2 FY25	Q2 FY24
Defence & Missiles, Nuclear, Aerospace (“DNA”)	2,186	2,378
Industrial Products Manufacturing*	3,732	4,130
Core Business	5,918	6,508
Foundry	868	2,284
Total Revenue from Operations	6,786	8,792

***Industrial Products:** Industrial Gearboxes, Centrifugal, Crushing & Grinding Solutions, Instrumentation.

- H1 FY24-25 EBITDA of Rs. 1,506 Lakhs was higher than Rs. 1,403 Lakhs in H1 FY23-24, boosted by the profit on sale of land and gain on surrender of leasehold land rights

Order Book:

- The Company has a healthy order book of Rs. 86,077 lakhs as on 30th September 2024 (including orders worth Rs. 33,930 lakhs relating to Sugar & Boiler business which are currently on hold by customers)
- We also have a healthy order pipeline of around Rs. 60,944 lakhs and we expect to close many of these orders in this financial year

New Issue:

- In Q2 FY24-25, the Company raised Rs. 7,400 Lakhs through the issue of Non-Convertible Debentures to Neo Special Credit Opportunities Fund (NSCOF). The proceeds were utilized to repay the entire outstanding amount of ACREs of Rs. 2,091 lakhs, which also led to the cancellation of the contingent liability of Rs. 13,714 lakhs

Business Update and Outlook:

- Our key DNA segment was impacted by factors beyond our control, essentially, delays in the receipt of much-awaited orders. The nature of our business involves extended lead cycles, making these delays a standard aspect of operations. Having said that, the government's efforts at increasing defence spending have received an impetus in the past few weeks. With the government's growing focus on "Make in India", we expect strong order bookings in the coming quarters in our strategic segments. We expect to see traction in the Nuclear business over the coming quarters as the government focuses on clean energy and energy security through innovative solutions such as Bharat Small Reactors
- We are aligning our operations to capitalize on these evolving market opportunities and have earmarked Rs. 84 crores towards capital expenditures, including expansion/modernization of our manufacturing facilities
- In the Centrifugal Machines business, the Company is poised to fully tap into the exports market and thereby further improve volumes and profitability
- Commissioning activities at TNEB Projects have been completed for Seven Cogen Projects and Eleven Sugar Modernisation projects out of respective Twelve projects each, making it to total commissioned projects to Eighteen out of total Twenty Four projects. The remaining Five Cogen Projects & one Sugar Modernisation Project are planned to be commissioned in a phased manner over the next eighteen months as per the priority of the TNEB. The work at Two Cogen Projects namely K-1 & K-2 are at advanced stage of Commissioning.

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.