

**WALCHANDNAGAR INDUSTRIES LIMITED**

Walchandnagar: 413 114, Dist Pune, Maharashtra, India

Tel: 02118- 307100 / 252 235 Fax: 02118- 252 358

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

Ref. No. : WIL: SEC: 2023

Date : May 25, 2023

National Stock Exchange of India Ltd  
Corporate Action Department  
Exchange Plaza, 5<sup>th</sup> floor,  
Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400 051

**Scrip Code : WALCHANNAG**

BSE Ltd.,  
Corporate Relations Department  
1<sup>st</sup> floor, New Trading Ring,  
Rotunda Bldg P.J. Tower,  
Mumbai 400 001  
**Scrip Code : 507410**

Dear Sirs,

**Sub:** Outcome of Board Meeting dated May 25, 2023.**Ref:** Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We are pleased to inform you that the Board of Directors at its meeting held today i.e. May 25, 2023, approved the following items:

1. The Audited Financial Results for the Quarter and Year ended March 31, 2023 (Copy of the same is enclosed).
2. Auditor's Report on Standalone Quarterly Financial Results and Year to date Results of the Company issued by our Statutory Auditors, M/s. Jayesh Sanghrajka & Co. LLP, Chartered Accountants (Copy of the same is enclosed).

Further, we hereby confirm and declare that Statutory Auditors of the Company M/s. Jayesh Sanghrajka & Co. LLP, Chartered Accountants have issued report with Un- Modified opinion in respect of Audited Financial Results for the Quarter and year ended on March 31, 2023. The said declaration is made in pursuant to Regulation 33 (3) (d) of the Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015 as amended.

The Board Meeting commenced at 05:30 p.m. and concluded at 08:02 p.m.

This is for your information and record.

Thanking you,

Yours faithfully,

**For Walchandnagar Industries Ltd.,**

**G. S. Agrawal**  
**Whole Time Director & Company Secretary**

Encl : As above



**WALCHANDNAGAR INDUSTRIES LTD.**

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

Tel No. : (022) 23612195/96/97 Fax : (022) 23634527, E - mail : investors@walchand.com, Website: www.walchand.com

**Audited Financial Results for the Quarter and Year ended on 31st March, 2023**

(Rs. in Lakhs)

Particulars	Quarter Ended			Year Ended	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	1	2	3	4	5
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1 Revenue from Operations	11,210	7,298	9,566	32,209	29,919
2 Other Income	291	1,114	596	2,226	3,269
<b>3 Total Revenue (1+2)</b>	<b>11,501</b>	<b>8,412</b>	<b>10,162</b>	<b>34,435</b>	<b>33,188</b>
<b>Expenditure :</b>					
4 Cost of Materials Consumed	5,435	3,682	3,981	16,714	13,309
5 Sub-contracting Expenses, Processing Charges and Other Direct Costs	440	473	637	1,938	2,075
6 Changes in inventories of finished goods and work-in-progress	3,109	(390)	934	1,908	286
7 Employees Benefits Expenses	1,862	2,091	1,866	7,690	7,915
8 Finance Costs	1,335	1,407	1,844	5,477	7,063
9 Depreciation and Amortisation Expenses	455	471	534	1,868	2,224
10 Other Expenses	3,760	1,228	1,036	7,423	4,123
<b>11 Total Expenses (4+5+6+7+8+9+10)</b>	<b>16,396</b>	<b>8,964</b>	<b>10,832</b>	<b>43,017</b>	<b>36,995</b>
12 Profit/ (Loss) before exceptional items and tax (3-11)	(4,895)	(551)	(671)	(8,581)	(3,807)
13 Exceptional Items (net)	10,539	-	-	10,539	-
14 Profit/ (Loss) before tax (12-13)	5,644	(551)	(671)	1,958	(3,807)
15 Tax expense:					
(1) Current tax	-	-	-	-	-
(2) Deferred tax (asset)/ liability	-	-	-	-	-
16 Profit/ (Loss) after Tax (14-15)	5,644	(551)	(671)	1,958	(3,807)
17 Other Comprehensive Income	(54)	35	100	(41)	337
18 Total Comprehensive Income for the period	5,590	(516)	(571)	1,917	(3,470)
19 Earnings per equity share of face value of Rs. 2 each					
(1) Basic	12.28	(1.20)	(1.76)	4.26	(10.00)
(2) Diluted	12.28	(1.20)	(1.76)	4.26	(10.00)

1. The above financial results have been prepared in accordance with Indian Accounting Standard as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and the Companies (Indian Accounting Standard) Amendment Rules, 2016.

2. The above Financial Results have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors at its meeting held on 25th May, 2023.

3. The company is engaged in segments namely Heavy Engineering, Foundry and Machine shop and Others. These segments have been reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

4. During the quarter the company has sold Free hold Land situated at Anthurne, Maharashtra. The other income includes Rs.178.86 lakh towards profit on Sale of this land.

5. The Financial performance of the Q-4 is negatively impacted to the extent of Rs. 4382.37 Lakhs due to following reasons:  
i) The old non-moving Work-in-Progress inventory amounting to Rs. 2194 Lakhs w.r.t. cancelled/hold contracts have been revalued at Rs. 230 Lakhs by the independent valuer thereby impacting the financial performance of Q4 and for the year ended by Rs. 1964 Lakhs, this impact of impairment is appearing under "change in inventory". However, the management is putting all the efforts to liquidate these inventories at the earliest.  
ii) During the quarter under review, the company has made detailed review of the receivables as per ECL policy of the company. On the basis of such review, the provision for doubtful debts to the extent of Rs. 2418.37 Lakhs is recognised which is impacting financial performance of Q-4 and for the year ended by further Rs. 2,418.37 Lakhs this impact is reflecting under other expenses

6. During the year, KKR India Financial Services Pvt. Ltd (KKRIFSL) assigned the loans given to the Company by way of term loan and non-convertible debentures to Assets Care and Reconstruction Enterprise Limited (acting in its capacity as trustee of ACRE-120 trust). There was a Standstill agreement dated 19th July 2022 between ACRE and the Company whereby on fulfilling certain conditions therein, the Company was eligible for waiver on the overall loan amount. The company has fulfilled all the conditions of the restructuring as per the agreement. The company executed a Restructuring Agreement with ACRE on 18th May 2023. Since this is an adjusting event as per IND AS 10 "Events after reporting date", the net waiver amount of Rs. 10,539 Lakhs has been disclosed in this quarter under "Exceptional Item".

7. The figures for the quarter ended March 31, 2023 and March 31, 2022 are balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year.

8. Figures for the previous periods have been regrouped/reclassified where necessary, to conform to the current period classification.

Place: Mumbai  
Date: May 25, 2023

For Walchandnagar Industries Limited



*Chirag C. Doshi*  
Chirag C. Doshi  
Managing Director & CEO  
DIN- 00181291

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**Statement of Assets and Liabilities**

Particulars	Rs. In Lakhs	
	As at March 31,2023 (Audited)	As at March 31,2022 (Audited)
Property, Plant and Equipment	28,266	29,871
Capital Work-in-Progress	156	435
Investment Property	188	188
Intangible Assets	67	82
Financial Assets		
(i) Investments	8	7
(ii) Trade Receivables	2,289	5,701
(iii) Other Financial Assets	325	252
Deferred Tax Assets (Net)	-	-
Other Non-Current Assets	1,945	4,263
	<b>33,243</b>	<b>40,798</b>
Inventories	13,171	15,442
Financial Assets		
(i) Trade Receivables	18,540	22,022
(ii) Cash and Cash Equivalents	178	294
(iii) Other Balances with Banks	5,209	4,299
(iv) Other Financial Assets	7,601	6,184
Current Tax Asset (Net)	187	174
Other Current Assets	4,011	4,142
Non Current Asset held for sale	671	-
	<b>49,570</b>	<b>52,557</b>
	<b>82,813</b>	<b>93,355</b>
Equity Share Capital	919	761
Other Equity	25,146	16,938
	<b>26,065</b>	<b>17,700</b>
Financial Liabilities		
(i) Borrowings	4,993	17,001
(ii) Other Financial Liabilities	289	4,006
Provisions	1,445	1,280
Other Non-Current Liabilities	6,273	8,210
	<b>13,001</b>	<b>30,497</b>
Financial Liabilities		
(i) Borrowings	24,294	27,783
(ii) Trade Payables	8,041	7,626
(iii) Other Financial Liabilities	3,702	4,025
Provisions	337	311
Other Current Liabilities	7,374	5,413
	<b>43,748</b>	<b>45,158</b>
	<b>82,813</b>	<b>93,355</b>





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

(Rs. in Lakhs)

Particulars	Quarter Ended			Year Ended	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	1	2	3	4	5
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
<b>1 Segment Revenue</b>					
(a) Heavy Engineering	9,035	5,617	7,806	24,567	24,001
(b) Foundry and Machine Shop	1,670	1,299	1,256	5,756	4,263
(c) Others	550	462	546	2,109	1,805
<b>Total</b>	<b>11,256</b>	<b>7,378</b>	<b>9,608</b>	<b>32,432</b>	<b>30,068</b>
Less : Inter segment Revenue	46	80	42	224	150
<b>Net Sales/Income from Operations</b>	<b>11,209</b>	<b>7,298</b>	<b>9,566</b>	<b>32,209</b>	<b>29,919</b>
<b>2 Segment Results</b>					
Profit/(Loss) before Interest and Tax					
(a) Heavy Engineering	(3,748)	1,039	1,345	(3,095)	4,005
(b) Foundry and Machine Shop	69	(161)	(101)	(186)	(478)
(c) Others	175	88	83	486	255
<b>Total</b>	<b>(3,504)</b>	<b>966</b>	<b>1,327</b>	<b>(2,795)</b>	<b>3,782</b>
Less : Finance Cost	1,335	1,408	1,845	5,477	7,063
Less - Other unallocable expenditure net of unallocable Income	56	109	153	309	527
Add- Exceptional Item	10,539	-	-	10,539	-
<b>Profit/(Loss) Before Tax</b>	<b>5,644</b>	<b>(551)</b>	<b>(671)</b>	<b>1,958</b>	<b>(3,807)</b>
<b>3 Capital Employed</b>					
Segment Assets					
(a) Heavy Engineering	72,810	78,106	83,449	72,810	83,449
(b) Foundry and Machine Shop	5,216	5,308	5,096	5,216	5,096
(c) Others	4,592	4,586	4,615	4,592	4,615
(d) Unallocated	196	197	195	196	195
<b>(A)</b>	<b>82,813</b>	<b>88,196</b>	<b>93,355</b>	<b>82,813</b>	<b>93,355</b>
Less : Liabilities					
(a) Heavy Engineering	48,010	58,659	66,994	48,010	66,994
(b) Foundry and Machine Shop	8,650	8,850	8,158	8,650	8,158
(c) Others	(1,694)	(1,500)	(1,088)	(1,694)	(1,088)
(d) Unallocated	1,782	1,715	1,591	1,782	1,591
<b>(B)</b>	<b>56,748</b>	<b>67,724</b>	<b>75,656</b>	<b>56,748</b>	<b>75,656</b>
<b>Total (A-B)</b>	<b>26,065</b>	<b>20,472</b>	<b>17,700</b>	<b>26,065</b>	<b>17,700</b>

For Walchandnagar Industries Limited



*Chirag C. Doshi*

Chirag C. Doshi  
Managing Director & CEO  
DIN- 00181291

Place: Mumbai  
Date: May 25, 2023

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Walchandnagar Industries Limited  
CIN - L74999MH1908PLC000291  
Cash Flow Statement for the year ended on March 31, 2023

Rs. in Lakhs

Particulars	Year ended	
	March 31, 2023	March 31, 2022
<b>A Cash Flow from Operating Activities</b>		
Profit/(Loss) before tax	1,958	(3,807)
<b>Adjustments for :</b>		
Depreciation and Amortization Expense	1,868	2,224
Amortization of Lease hold Land	-	66
Provision for doubtful debts	3,432	348
(Profit)/ Loss on sale of Asset	(1,039)	(2,233)
Finance Costs	5,477	7,063
Unrealized Exchange (Gain) / Loss (net)	(464)	(81)
Sundry Balances Written back	(0)	(333)
Interest Income	(188)	(163)
Rental Income from Investment property	(30)	(18)
Bad Debts Witten off	-	183
Employee Stock Option	79	-
Writeback on Debt Restructuring	(10,539)	-
	<b>(1,404)</b>	<b>7,054</b>
<b>Operating profit before working capital changes</b>	<b>554</b>	<b>3,247</b>
<b>Change in operating assets and liabilities</b>		
(Increase)/ decrease in trade receivables	3,925	(1,362)
(Increase)/ decrease in other financial assets	(1,490)	545
(Increase)/ decrease in other assets	669	(232)
(Increase)/ decrease in inventories	2,272	(93)
Increase/ (decrease) in trade payable	415	572
Increase/ (decrease) in other financial liabilities	487	1,733
Increase/ (decrease) in provisions	149	163
Increase/ (decrease) in other liabilities	24	(2,454)
	<b>6,450</b>	<b>(1,130)</b>
Cash Generated from Operations	7,004	2,118
Income Tax Refund / (Paid) (net)	609	717
<b>Net cash inflow from operating activities (A)</b>	<b>7,613</b>	<b>2,835</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of tangible/intangible assets including capital work in progress	(157)	(309)
Proceeds from Sale of Property, Plant and Equipment	0	36
Rent received on Investment Property	30	18
Proceed from sale of assets held for sale	1,656	2,344
Fixed Deposit / Margin Money Realized/(Paid)	(910)	222
Interest Received	191	241
<b>Net cash inflow from investing activities (B)</b>	<b>808</b>	<b>2,553</b>
<b>C Cash Flow from Financing Activities</b>		
Proceeds/(Repayments) of Equity & Long-Term Borrowings (Net)	(2,373)	4,681
Proceeds/(Repayments) of Short-Term Borrowings (Net)	(1,032)	(2,760)
Interest paid	(5,132)	(7,307)
<b>Net cash outflow from financing activities (C)</b>	<b>(8,537)</b>	<b>(5,386)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(116)</b>	<b>2</b>
Cash and Cash Equivalents at the beginning of the period	294	292
Cash and Cash Equivalents at the end of the period	178	294

**Cash & Cash Equivalents comprises of :**

Particulars	March 31, 2023	March 31, 2022
Cash on hand	3	4
Balances with banks	175	290
Total	178	294



For Walchandnagar Industries Limited

Chirag C. Doshi  
Managing Director & CEO  
DIN- 00181291

Date: May 25, 2023  
Place: Mumbai

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# Jayesh Sanghrajka & Co LLP

Chartered Accountants

## Independent Auditors' report on Financial Results of Walchandnagar Industries Limited for the quarter and year ended March 31, 2023 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

To,  
The Board of Directors  
Walchandnagar Industries Limited  
Mumbai

1. We have audited the accompanying statement containing the annual audited financial results of **Walchandnagar Industries Limited**, ("the Company"), for the quarter and year ended March 31, 2023 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations), read with SEBI circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (the Circular).
2. The management is responsible for preparation of accompanying statement which is prepared from the annual statutory Ind AS Financial Statement prepared in accordance with the Indian Accounting Standards specified in the Companies (Indian Accounting Standards), Rules, 2015 (as amended) under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the accounting principles generally accepted in India, basis which the above statement containing the annual audited Financial results has been prepared and approved by the Board of Directors. The responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.
3. Our responsibility is to express an opinion on the Statement on our audit. We conducted our audit in accordance with the standards on auditing specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.



Head Office :  
405 - 408, Hind Rajasthan Building,  
Dadasaheb Phalke Road, Dadar (E), Mumbai - 400 014.  
Branch Office at Vashi (Navi Mumbai)  
Tel.: +91 22 40774602  
info@jsandco.in www.jsandco.in

Affiliates Offices :  
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Guwahati, Hyderabad, Indore, Jaipur, Kochi,  
Kolkata, Patna, Silchar, Siliguri and  
Thiruvananthapuram.

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# Jayesh Sanghrajka & Co LLP

Chartered Accountants

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's management, as well as evaluating the overall presentation of the Statement.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion
6. In our opinion and to the best of our information and according to the explanations given to us,
  - 6.1. the Statement is presented in the format prescribed under Regulation 33 and Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
  - 6.2. The annual financial results for the quarter and year ended March 31, 2023 as set out in the Statement gives a true and fair view of the total comprehensive income (comprising of loss and other comprehensive income) and other financial information of the Company for the quarter and year ended March 31, 2023 in accordance with the accounting principles generally accepted in India.
7. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2023 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2023 and the published year-to-date figures up to December 31, 2022, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as stated in Paragraph 1 above, as required under the Regulation and the Circular.

## 8. Emphasis of Matter

- a) Refer note no. 6 of the statement where it is mentioned that during the year, KKR assigned the loans, given by them to the Company by way of Term Loan and Non-Convertible Debentures, to ACREs. There was a Standstill agreement dated July 19, 2022 between ACREs and the Company whereby on fulfilling certain conditions therein, the Company was eligible for waiver on the overall loan amount. The company has fulfilled the conditions as per the agreement. The



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info@jsandco.in      www.jsandco.in      www.incorpadvvisory.in

Affiliates Offices:  
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Thiruvananthapuram.

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# Jayesh Sanghrajka & Co LLP

Chartered Accountants

company executed a Restructuring Agreement with ACRE on May 18, 2023. Since this is an adjusting event as per IND AS 10 "Events after reporting date", the company has disclosed net waiver amount of Rs. 10,539 Lakhs under "Exceptional Item" in the Statement and reduced its total debts from ACREs.

Our report is not modified in respect of this matter.

## 9. Other Matter

We did not audit the financial statements / information of Ethiopia division included in the financial statements of the Company whose financial statements / financial information reflect total assets of Rs. 1,104.59 lakhs and total liabilities of Rs. 2122.48 Lakhs as at March 31, 2023 and the total revenue of Rs. 1.98 Lakh (Exchange gain) and total expenses of Rs. 5.34 Lakhs for the year ended on that date. The financial statements / information of this division has been audited by the independent auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of such division, is based solely on the report of such auditor.

Our opinion is not modified in respect of this matter.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 104184W/W100075



**Rishikesh Nasikkar**

Designated Partner

Membership Number: 166493

UDIN: 23166493BGYARD4509

Place: Mumbai

Date: May 25, 2023



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