

**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: 2022

Date : February 10, 2022

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: Un-audited (Reviewed) Financial Results for the Quarter and Nine Months ended December 31, 2021 along with Limited Review Report as on the date issued by Statutory Auditors of the Company.**

**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. February 10, 2022, approved the Un-audited (Reviewed) Financial Results for the Quarter and Nine Months ended December 31, 2021. A copy of the same along with Limited Review Report of the Un-audited Financial Results for the Quarter and Nine Months ended December 31, 2021 issued by M/s. Jayesh Sanghrajka & Co. LLP (Statutory Auditors of the Company) are enclosed for your information and record.

The Board Meeting commenced at 04.20 p.m. and concluded at 05:20 p.m. .

This is 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



**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  
**Unaudited Financial Results for the Quarter and Nine Months ended on 31st December, 2021**

(Rs. in Lakhs)

Particulars	Quarter ended			Nine Months Ended		Year ended
	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
	1	2	3	4	5	6
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Revenue from Operations	8,170	7,100	9,991	20,353	24,433	32,564
2 Other Income	663	1,711	1,044	2,673	1,743	2,503
<b>3 Total Revenue (1+2)</b>	<b>8,833</b>	<b>8,811</b>	<b>11,035</b>	<b>23,026</b>	<b>26,176</b>	<b>35,067</b>
<b>Expenditure :</b>						
4 Cost of Materials Consumed	3,165	3,940	2,580	9,328	7,280	9,681
5 Sub-contracting Expenses, Processing Charges and Other Direct Costs	536	491	422	1,437	972	1,535
6 Changes in inventories of finished goods and work-in-progress	813	(1,162)	3,156	(648)	5,243	6,648
7 Employees Benefits Expenses	2,115	2,004	2,111	6,049	6,119	8,139
8 Finance Costs	1,769	1,782	2,014	5,218	5,969	7,905
9 Depreciation and Amortisation Expenses	559	562	601	1,690	1,719	2,297
10 Other Expenses	904	1,108	922	3,087	3,049	4,586
<b>11 Total Expenses (4+5+6+7+8+9+10)</b>	<b>9,860</b>	<b>8,726</b>	<b>11,806</b>	<b>26,162</b>	<b>30,351</b>	<b>40,791</b>
12 Profit/ (Loss) before exceptional items and tax (3-11)	<b>(1,027)</b>	<b>85</b>	<b>(771)</b>	<b>(3,136)</b>	<b>(4,175)</b>	<b>(5,724)</b>
13 Exceptional Items (net)	-	-	-	-	-	-
14 Profit/ (Loss) before tax (12-13)	<b>(1,027)</b>	<b>85</b>	<b>(771)</b>	<b>(3,136)</b>	<b>(4,175)</b>	<b>(5,724)</b>
15 Tax expense:						
(1) Current tax	-	-	-	-	-	-
(2) Deferred tax (asset)/ liability	-	-	-	-	-	-
16 Profit/ (Loss) after Tax (14-15)	<b>(1,027)</b>	<b>85</b>	<b>(771)</b>	<b>(3,136)</b>	<b>(4,175)</b>	<b>(5,724)</b>
17 Other Comprehensive Income	38	74	(14)	237	(62)	(13)
18 Total Comprehensive Income for the period	<b>(989)</b>	<b>159</b>	<b>(785)</b>	<b>(2,899)</b>	<b>(4,237)</b>	<b>(5,737)</b>
19 Earnings per equity share of face value of Rs. 2 each						
(1) Basic	(2.70)	0.22	(2.02)	(8.24)	(10.97)	(15.04)
(2) Diluted	(2.70)	0.22	(2.02)	(8.24)	(10.97)	(15.04)

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 10 February, 2022.

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. Inventory includes work in progress of Rs. 2194.21 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 December 31, 2021 as this stock will be either liquidated or diverted to other projects.

5. Loan instalment due towards KKR India Financial Services Private Limited (Corporate Loan) Rs. 1,914.57 Lacs and KKR India Debt Opportunity Fund II (NCD) Rs. 684.01 Lacs totalling to Rs. 2,598.58 Lacs remain unpaid as on 31st March 2021. Since this default has not been made good by WIL, KKR has invoked security 95,09,918 No. of shares pledged with them in the month of July 2021 to December 2021. Interest on KKR India Financial Services Private Limited (Corporate Loan) and KKR India Debt Opportunity Fund II (NCD) for the year to date ended on 31st December, 2021 is due but not paid amounting to Rs. 1363.19 Lakhs (Rs. 428.43 Lakhs for Q1, Rs. 492.38 Lakhs for Q2 and Rs. 442.38 lakh for Q3 of FY 2021-22). Total default of loan and interest as on 31st December, 2021 is Rs. 3,961.77 Lakhs.

6. Profit of Q2-F.Y. 2021-22 includes Rs.1589 lakh towards profit on Sale of property situated at Walchand House, Karve Road Pune.

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

For Walchandnagar Industries Limited

Place: Mumbai  
 Date: February 10, 2022

Chirag C. Doshi  
 Managing Director & CEO  
 DIN- 00181291



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**Unaudited Financial Results for the Quarter and Nine Months ended on 31st December, 2021**

(Rs. in Lakhs)

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
	1	2	3	4	5	6
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 Segment Revenue</b>						
(a) Heavy Engineering	6,865	5,466	8,605	16,196	21,492	28,116
(b) Foundry and Machine Shop	939	1,240	1,127	3,006	2,334	3,575
(c) Others	417	444	279	1,259	687	1,042
<b>Total</b>	<b>8,221</b>	<b>7,151</b>	<b>10,011</b>	<b>20,460</b>	<b>24,513</b>	<b>32,734</b>
Less : Inter segment Revenue	51	50	20	107	80	170
<b>Net Sales/Income from Operations</b>	<b>8,170</b>	<b>7,100</b>	<b>9,991</b>	<b>20,353</b>	<b>24,433</b>	<b>32,564</b>
<b>2 Segment Results</b>						
Profit/(Loss) before Interest and Tax						
(a) Heavy Engineering	855	2,043	1,475	2,660	2,589	3,028
(b) Foundry and Machine Shop	(27)	(95)	(118)	(377)	(494)	(496)
(c) Others	36	64	18	172	7	76
<b>Total</b>	<b>864</b>	<b>2,012</b>	<b>1,375</b>	<b>2,455</b>	<b>2,102</b>	<b>2,608</b>
Add: Exceptional Item						
Less : Finance Cost	1,769	1,782	2,014	5,218	5,969	7,905
Less - Other unallocable expenditure net of unallocable Income	122	145	132	374	308	427
<b>Profit/(Loss) Before Tax</b>	<b>(1,027)</b>	<b>85</b>	<b>(771)</b>	<b>(3,136)</b>	<b>(4,175)</b>	<b>(5,724)</b>
<b>3 Capital Employed</b>						
Segment Assets						
(a) Heavy Engineering	83,338	82,991	90,097	83,338	90,097	85,440
(b) Foundry and Machine Shop	5,068	5,136	4,852	5,068	4,852	4,940
(c) Others	4,474	4,399	4,301	4,474	4,301	4,193
(d) Unallocated	559	1,069	1,164	559	1,164	1,230
<b>(A)</b>	<b>93,438</b>	<b>93,595</b>	<b>100,414</b>	<b>93,438</b>	<b>100,414</b>	<b>95,803</b>
Less : Liabilities						
(a) Heavy Engineering	66,643	65,851	73,137	66,643	73,137	70,299
(b) Foundry and Machine Shop	7,973	7,972	2,216	7,973	2,216	2,159
(c) Others	(1,122)	(1,135)	603	(1,122)	603	411
(d) Unallocated	1,674	1,646	1,788	1,674	1,788	1,763
<b>(B)</b>	<b>75,167</b>	<b>74,335</b>	<b>77,744</b>	<b>75,167</b>	<b>77,744</b>	<b>74,632</b>
<b>Total (A-B)</b>	<b>18,271</b>	<b>19,260</b>	<b>22,670</b>	<b>18,271</b>	<b>22,670</b>	<b>21,171</b>

For Walchandnagar Industries Limited

Place: Mumbai

Date: February 10, 2022

Chirag C. Doshi  
Managing Director & CEO  
DIN- 00181291

A TRADITION OF ENGINEERING EXCELLENCE



## Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,  
The Board of Directors  
Walchandnagar Industries Limited

1. We have reviewed the accompanying statement of unaudited financial results of **Walchandnagar Industries Limited** (the "Company") for quarter and year to date ended December 31, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulation").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there-under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above and subject to the possible effects of the matter described in Emphasis of Matter paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there-under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the





# Jayesh Sanghrajka & Co LLP

Chartered Accountants

Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

## Emphasis of Matter Paragraph

1. Attention is invited to Note No. 4 of the Financial results regarding non-moving inventory of work in progress amounting to Rs 2,194.21 Lakhs on account of orders which have been cancelled/ put on hold. The company contends that this inventory will either be liquidated or diverted to other projects without any loss arising there from.
2. Attention is invited to Note No. 5 of the Financial results regarding default in repayment of Corporate Loan from KKR India Financial Services Private Limited amounting to Rs 1,914.57 lakhs (Incl Interest overdue of Rs 105.26 Lakhs) and Non Convertible Debentures of KKR India Debt Opportunities Fund II amounting to Rs 684.01 lakhs (Incl Interest overdue of Rs 52.99 lakhs). Interest due and not paid on these borrowings for period 1st April 2021- 31<sup>st</sup> Dec 2021 is Rs 1,363.19 Lakhs. Total default of loan and interest as on 31<sup>st</sup> Dec 2021 is Rs 3,961.77 lakhs. Since these default have not been made good by the Company, the Lender has invoked 95,09,918 No. of equity shares of the Company pledged with them during the period from July 2021 to October 2021. These shares are part of the promoter group shareholding. Total amount recovered by KKR through invocation of these shares is Rs 5,468.61 lakhs.

Our conclusion on the statement is not modified in respect of the above matter.

**For Jayesh Sanghrajka & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 104184W/W100075

**Rishikesh Nasikkar**

Designated Partner

Membership No.: 166493

UDIN: 22166493ABFBKF5014

Place: Mumbai

Date: February 10, 2022



**Head Office :**  
405 408, Hind Rajasthan Building,  
Dadasaheb Phalke Road, Dadar (E), Mumbai 400 014.  
Branch Offices at Vashi and Kanjurmarg  
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**Affiliates Offices :**  
Ahmedabad, Bangalore, Chennai, Delhi,  
Guwahati, Hyderabad, Indore, Jaipur, Kochi,  
Kolkata, Delhi, Patna, Silchar, Siliguri and  
Thiruvananthapuram.

**Batgach**  
& Affiliates  
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