



WALCHANDNAGAR INDUSTRIES LIMITED

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Ref. No. : WI: SEC:2019

Date : May 16, 2019

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Scrip Code : WALCHANNAG

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Mumbai 400 001
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Scrip Code : 507410

Subject : Press Release

Dear Sirs,

In continuation to our letter dated May 16, 2019, Please find enclosed herewith press release on the Audited Financial Results for the quarter and year ended March 31, 2019.

Kindly take the same on your records.

Thanking You,

Yours sincerely,

For Walchandnagar Industries Limited

G. S. Agrawal

Vice President (Legal & Taxation) & Company Secretary



WALCHANDNAGAR INDUSTRIES LIMITED

PRESS RELEASE

RESULTS FOR THE QUARTER ENDING 31st March 2019

“Core Manufacturing Business Drives Revenue Growth”

Mumbai, 16th May 2019: 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 100 years, announced its results for the quarter ended/financial year ended March 31st, 2019.

Financial Overview:

₹ Lakhs

Particulars	Q4 FY18-19	Q3 FY18-19	Q4 FY17-18	12M FY18-19	12M FY17-18
Total Revenues	10,645	9,865	11,923	38,897	40,730
- Revenue from Operations	9,832	9,508	11,819	36,405	39,841
- Other Income	813	357	104	2,492	889
EBITDA (excluding Other Income)	1,366	2,441	2,701	7,892	7,529
EBITDA Margins*	13.9%	25.7%	22.9%	21.7%	18.9%

* EBITDA Margins % calculated on Revenue from Operations

Revenue Performance:

1. This quarter’s revenue performance is primarily in line with the Company’s strategy of maximizing revenue from its core manufacturing business i.e. approx. 83% of the operating revenue in Q4FY19 has come from the core manufacturing business of the Company comprising strategic sectors like Aerospace, Missiles, Defence, Nuclear, Gear and Centrifugals as compared to 78% in Q3FY19.

₹ Lakhs

Operating Revenue Mix – Business wise	Q4 FY19	Q3FY19
Defence & Missiles, Nuclear, Aerospace (“DNA”)	5,337	5,013
Industrial Products Manufacturing	2,844	2,383
Core Business	8,182	7,396
Foundry	1,509	1,680
EPC	94	378
Other Operating Income	47	54
Total Revenue from Operations	9,832	9,508

* **Industrial Products:** Industrial Gearboxes, Centrifugals, Cement Spares, Instrumentation.

2. While the overall operating revenues in Q4FY19 compared to Q3FY19 increased by 3.4%, revenues from our Core businesses grew by 10.6%. Further, the total order book (excl. Foundry

& Instrumentation) as on 31st March, 2019 stood at INR 822 Crore (compared to approx. INR 805 Crore as on April 1st, 2018) with approx. 56% by value comprising of orders from our Core Business.

Business Review :

Performance highlights:

- We continue to see significant traction in our Aerospace business and high order-booking visibility going forward. Aerospace revenues grew 18.5 % Y-o-Y in FY18-19 as compared to FY 17-18.
- Achieved INR 6545 lakhs of turnover (highest in WIL's history) from the Foundry Division for FY18-19.
- In the Defence business, WIL delivered the first gearbox as part of the Goa Shipyard order of 10 Offshore Patrol Vessel Gearboxes being built for the Indian Coast Guard (the first of its kind as part of the "Make in India" program).
- Sale of 145 centrifugal machines in the FY18-19 (a 72% increase compared to a total of 84 machines sold in the entire fiscal year 2017-18).

Outlook:

- The Company continues to be very excited about the ongoing momentum and its growth potential in the aerospace industry in India.
- The Company is well positioned to capitalize on the upcoming opportunities in the Nuclear Power sector wherein the process of tendering for core equipment is set to gather pace.
- In the Centrifugals Machines business, the Company is poised to fully tap into the exports market and thereby further improve volumes and profitability
- In the Defence business, Successful manufacturing and dispatch of the first Offshore Patrol Vessel gearbox puts WIL in an advantageous position to address similar opportunities in the Marine Gearbox segment.
- Commissioning activities have been completed at 5 TNEB sites out of 12. The balance 7 sites are planned to be commissioned in a phased manner over the next 18 months.

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.