

**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. : WI: SEC: 2019

Date : November 12th, 2019

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
Scrip Code : WALCHANNAG

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

Dear Sir(s),

Sub : Un-audited (Reviewed) Financial Results for the Quarter and Half Year ended September 30, 2019 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. November 12, 2019, approved the Un-audited (Reviewed) Financial Results for the Quarter and Half Year ended September 30, 2019. A copy of the same along with Limited Review Report of the Un-audited Financial Results for the Quarter and Half Year ended September 30, 2019 issued by M/s. Jayesh Sanghrajka & Co. LLP (Statutory Auditors of the Company) along with Press Release on the said Results issued by the Company are enclosed for your information and record.

The Board Meeting commenced at 2.30 pm and concluded at 05:45 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

PART I		Quarter Ended			Six months ended		(Rs. in Lakhs)
Sr. No.	Particulars	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	Year ended 31.03.2019
		1	2	3	4	5	6
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations	10,017	6,279	10,446	16,296	17,065	36,405
2	Other Income	277	456	1,138	733	2,137	2,492
3	Total Revenue (1+2)	10,294	6,735	11,584	17,029	19,202	38,897
Expenditure :							
4	Cost of Materials Consumed	3,437	3,853	4,801	7,290	7,053	14,724
5	Sub-contracting Expenses, Processing Charges and Other Direct Costs	474	499	704	973	1,508	3,004
6	Changes in inventories of finished goods and work-in-progress	(1,145)	(1,380)	(32)	(2,525)	(1,376)	(1,755)
7	Employees Benefits Expenses	1,972	2,020	2,167	3,992	4,310	8,441
8	Finance Costs	2,265	2,227	1,919	4,492	3,855	8,051
9	Depreciation and Amortisation Expenses	588	593	674	1,181	1,379	2,703
10	Other Expenses	2,595	972	1,134	3,567	2,249	3,943
11	Total Expenses (4+5+6+7+8+9+10)	10,186	8,784	11,367	18,970	18,978	39,111
12	Profit/ (Loss) before exceptional items and tax (3-11)	108	(2,049)	217	(1,941)	224	(214)
13	Exceptional Items (net)	-	-	-	-	-	-
14	Profit/ (Loss) before tax (12-13)	108	(2,049)	217	(1,941)	224	(214)
15	Tax expense:						
	(1) Current tax	-	-	-	-	-	-
	(2) Tax for earlier years	-	-	-	-	-	-
	(3) Deferred tax (asset)/ liability	-	-	-	-	-	-
16	Profit/ (Loss) after Tax (14-15)	108	(2,049)	217	(1,941)	224	(214)
17	Other Comprehensive Income	(14)	27	(89)	13	(49)	(156)
18	Total Comprehensive Income for the period	94	(2,022)	128	(1,928)	175	(370)
19	Earnings per equity share of face value of Rs 2 each						
	(1) Basic	0.28	(5.38)	0.57	(5.10)	0.59	(0.56)
	(2) Diluted	0.28	(5.38)	0.57	(5.10)	0.59	(0.56)

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1. The above unaudited 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 unaudited 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 November 12, 2019.
3. The limited review as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 has been completed by the Statutory auditors of the Company.
4. The company is engaged in segments namely Heavy Engineering, Foundry and Machine shop and Others. This segments has been reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.
5. 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 September 30, 2019 as this stock will be either liquidated or diverted to other projects.
6. The Company has adopted the Indian Accounting Standards (Ind AS) 116 Leases for the period commencing from April 1, 2019 and there is no material impact on financials.
7. Figures for the previous period have been regrouped/reclassified where necessary, to confirm to the current period classification.

For WALCHANDNAGAR INDUSTRIES LTD.



G. K. Pillai
MANAGING DIRECTOR & CEO
DIN : 01537184

Place: Mumbai

Date: November 12, 2019





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SEGMENT-WISE REVENUE, RESULTS & CAPITAL EMPLOYED

Particulars	Quarter ended			Half year ended		Rs in Lakhs
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.9.2018	Year Ended
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31.03.2019
1 Segment Revenue						
(a) Heavy Engineering	8,573	4,301	8,220	12,874	12,821	27,956
(b) Foundry and Machine Shop	966	1,514	1,746	2,480	3,313	6,689
(c) Others	572	494	484	1,066	944	1,837
Total	10,111	6,309	10,450	16,420	17,078	36,481
Less : Inter segment Revenue	94	30	4	124	13	76
Net Sales/Income from Operations	10,017	6,279	10,446	16,296	17,065	36,405
2 Segment Results						
Profit/(Loss) before Interest and Tax						
(a) Heavy Engineering	2,541	267	2,302	2,808	4,232	8,616
(b) Foundry and Machine Shop	(126)	(124)	(50)	(250)	(116)	3
(c) Others	55	110	70	165	149	294
Total	2,470	253	2,322	2,723	4,265	8,913
Add: Exceptional Item						
Less : Finance Cost	2,265	2,227	2,002	4,492	3,855	8,051
Less - Other unallocable expenditure net of unallocable income	97	75	103	172	186	1,076
Profit/(Loss) Before Tax	108	(2,049)	217	(1,941)	224	(214)
3 Capital Employed						
Segment Assets						
(a) Heavy Engineering	103,217	102,791	98,887	103,217	98,887	103,011
(b) Foundry and Machine Shop	5,401	5,674	5,689	5,401	5,689	5,773
(c) Others	4,423	4,505	4,988	4,423	4,988	4,550
(d) Unallocated	4,327	4,592	4,687	4,327	4,687	4,309
(A)	117,368	117,562	114,251	117,368	114,251	117,643
Less : Liabilities						
(a) Heavy Engineering	81,567	81,044	71,536	81,567	71,536	74,753
(b) Foundry and Machine Shop	2,008	2,821	7,019	2,008	7,019	7,171
(c) Others	675	692	210	675	210	651
(d) Unallocated	1,512	1,493	1,407	1,512	1,407	1,534
(B)	85,762	86,050	80,172	85,762	80,172	84,109
Total (A-B)	31,606	31,512	34,079	31,606	34,079	33,534

For WALCHANDNAGAR INDUSTRIES LTD.

G. K. Pillai
MANAGING DIRECTOR & CEO
DIN : 01537184

Place: Mumbai
Date: November 12, 2019

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Statement of Assets and Liabilities

Particulars	Rs. In Lakhs	
	As at September 30,2019 (Unaudited)	As at March 31,2019 (Audited)
Property, Plant and Equipment	33,296	34,215
Capital Work-in-Progress	1,427	480
Investment Property	189	189
Intangible Assets	105	106
Financial Assets		
(i) Investments	13	148
(ii) Trade Receivables	9,209	9,898
(iii) Other Financial Assets	516	592
Non Current Tax Asset (Net)	1,126	831
Other Non-Current Assets	4,800	4,908
	50,681	51,367
Inventories	22,407	19,476
Financial Assets		
(i) Investments	-	170
(ii) Trade Receivables	20,261	23,043
(iii) Cash and Cash Equivalents	310	2,677
(iv) Other Balances with Banks	4,981	6,305
(v) Other Financial Assets	8,713	5,150
Other Current Assets	7,037	6,477
Asset held for sale	2,978	2,978
	66,687	66,276
	117,368	117,643
Equity Share Capital	761	761
Other Equity	30,845	32,773
	31,606	33,534
Financial Liabilities		
(i) Borrowings	15,805	20,220
(ii) Other Financial Liabilities	2,465	2,619
Provisions	1,219	1,198
Other Non-Current Liabilities	7,940	3,728
	27,429	27,765
Financial Liabilities		
(i) Borrowings	22,511	21,665
(ii) Trade Payables	10,643	9,497
(iii) Other Financial Liabilities	11,815	7,461
Provisions	293	335
Other Current Liabilities	13,071	17,386
	58,333	56,344
	117,368	117,643

Walchandnagar Industries Limited
CIN - L74999MH1908PLC000291
Cash Flow Statement for the period ended September 30, 2019

Rs. in Lakhs

Particulars	Six months ended		Year ended
	September 30, 2019	September 30, 2018	March 31, 2019
A Cash Flow from Operating Activities			
Profit/(Loss) before tax	(1,941)	224	(214)
Adjustments for :			
Depreciation and Amortization Expense	1,181	1,379	2,703
Provision for doubtful debts	64	-	(2,969)
(Profit)/ Loss on sale of Property, Plant and Equipment	(0)	(7)	(8)
Finance Costs	4,492	3,855	8,051
Unrealized Exchange (Gain) / Loss (net)	(150)	(1,239)	(705)
Sundry Balances Written back	(237)	(508)	(866)
Interest Income	(207)	(107)	(277)
Rental Income from Investment property	-	-	-
Liquidated Damages	110	-	-
Bad Debts Witten off	1,355	-	-
Dividend Income on Current Investments	(1)	(1)	(1)
(Profit) / loss on sale of Current Investments	5	-	-
(Gain) / Loss on investments carried at fair value through profit and loss	-	-	-
	6,612	3,372	5,928
Operating profit before working capital changes	4,670	3,596	5,714
Change In operating assets and liabilities			
(Increase)/ decrease in trade receivables	2,092	3,404	9,652
(Increase)/ decrease in other financial assets	(3,578)	545	(1,021)
(Increase)/ decrease in other assets	(563)	(205)	(519)
(Increase)/ decrease in inventories	(2,931)	(970)	(2,367)
Increase/ (decrease) in trade payable	1,146	1,313	(47)
Increase/ (decrease) in other financial liabilities	3,207	(1,795)	280
Increase/ (decrease) in provisions	(9)	(95)	(157)
Increase/ (decrease) in other liabilities	134	2,161	2,932
	(502)	4,358	8,753
Cash Generated from Operations	4,169	7,954	14,467
Income Tax Refund / (Paid) (net)	(295)	(272)	128
Net cash Inflow from operating activities (A)	3,874	7,682	14,595
B Cash Flow from Investing Activities			
Purchase of tangible/intangible assets including capitalwork in progress	(1,112)	(828)	(1,224)
Proceeds from Sale of Property, Plant and Equipment	1	387	19
(Purchase)/Sale of Non Current Investments	136	26	30
(Purchase)/Sale of Current Investments	164	8	-12
(Additions)/Sale in Investment Property	-	-	-
Rent received on Investment Property	-	1	-
Proceed from sale of assets held for sale	0	0	-
Fixed Deposit / Margin Money Realized/(Paid)	1,415	(955)	(3,969)
Dividend received on current investment	1	1	1
Interest Received	221	31	224
Net cash Inflow from investing activities (B)	826	(1,345)	(4,931)
C Cash Flow from Financing Activities			
Proceeds/(Repayments) of Long-Term Borrowings (Net)	(4,415)	(1,151)	(4,633)
Proceeds/(Repayments) of Short-Term Borrowings (Net)	846	(1,936)	3,085
Interest paid	(3,498)	(3,233)	(6,284)
Net cash outflow from financing activities (C)	(7,067)	(6,320)	(7,832)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(2,367)	17	1,832
Cash and Cash Equivalents at the beginning of the period	2,677	845	845
Cash and Cash Equivalents at the end of the period	310	862	2,677

Cash & Cash Equivalents comprises of :

Particulars	As at September 30, 2019	As at September 30, 2018	As at March 31, 2019
Cash on hand	17	17	26
Funds in transit	-	-	-
Balances with banks	212	758	2,631
Deposits having original maturity of less than three months	81	87	20
Total	310	862	2,677

For WALCHANDNAGAR INDUSTRIES LTD.



G. K. Pillai
MANAGING DIRECTOR & CEO
DIN : 01537184

Place: Mumbai
Date: November 12, 2019

A TRADITION OF ENGINEERING EXCELLENCE

Jayesh Sanghrajka & Co LLP

Chartered Accountants

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

Review Report to

The Board of Directors

Walchandnagar Industries Limited

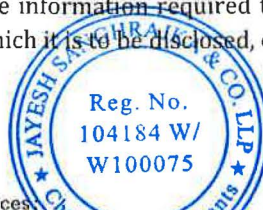
1. We have reviewed the accompanying statement of unaudited financial results of **Walchandnagar Industries Limited** (the "Company") for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulation"). Attention is drawn to the fact that the figures for net cash inflows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.
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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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Branch Offices at Vashi and Kanjurmarg
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Affiliates Offices:

Ahmedabad, Bangalore, Chennai, Coimbatore,
Guwahati, Hyderabad, Jaipur, Kolkata, Kochi,
Kolkata, Delhi, Patana, Silchar, Siliguri and
Thiruvananthapuram.



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& Affiliates
A Network Approved by ICAI

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Jayesh Sanghrajka & Co LLP

Chartered Accountants

Emphasis of Matter Paragraph

Attention is invited to Note no. 5 of published results regarding non-moving inventory of work in progress amounting to ₹ 2194.21 Lakhs on account of orders which have been cancelled/ put on hold. The company contends that this stock will either be liquidated or diverted to other projects without any loss arising there from.

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


Ashish Sheth
Partner

Membership No.: 107162



UDIN: 19107162AAAACQ3220

Place: Mumbai

Date: November 12, 2019

Head Office :

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Guwahati, Hyderabad, Indore, Jaipur, Kochi,
Kolkata, Delhi, Patana, Silchar, Sillguri and
Thiruvananthapuram.

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WALCHANDNAGAR INDUSTRIES LIMITED

PRESS RELEASE

RESULTS FOR THE QUARTER ENDING 30th September 2019

Mumbai, 12th November 2019: Walchandnagar Industries Limited ("**WIL**" / "**Company**"), a renowned engineering company known for its design, engineering & high complex precision manufacturing capabilities with an operational legacy of more than 100 years, announced its results for the second quarter of FY2019-20 ending September 30th, 2019.

Financial Overview:

Particulars	INR Lakh		
	Q2 FY19-20	Q1 FY19-20	Q2 FY18-19
Total Revenues	10,294	6,735	11,584
- Revenue from Operations	10,017	6,279	10,446
- Other Income	277	456	1,138
EBITDA (excluding Other Income)	2,684	315	1,672
EBITDA Margins*	26.8%	5.0%	16.0%

**EBITDA Margins % calculated on Revenue from Operations*

- 1. Revenue Performance:** This quarter's revenue performance has shown considerable increase over the performance of last quarter (Q1) both in terms of revenue growth & profitability. Growth in the manufacturing business as well as revenues booked against completion of stages in Legacy projects has led to the increase in revenues. Significantly higher revenue achieved in this quarter has imparted momentum to carry & further increase performance in next two quarters of FY 2019-20. Moreover, WIP generated in this quarter will give its favourable outcome in next quarters.
- 2. Order book:** Total order book as on 30th September 2019 stood at INR 886 Crore. Manufacturing business (including strategic sectors & industrial products) accounts for 65% of the same. The Aerospace business contributes the highest share by segment at 32 % of the total. WIL has booked approximately INR 200 Crore orders in first half (H1) of FY 2019-20 for the manufacturing business.

Business Review:

Performance highlights:

1. First order from Human Space Flight Centre (HSFC), Bengaluru for Gaganyaan Programme:

- WIL received first supply order from HSFC, Bengaluru for India's ambitious Gaganyaan Programme to send humans into space. WIL expects certain high value orders for this programme in second half of FY 2019-20. HSFC team of senior scientists visited WIL to take stock of preparedness of WIL for Gaganyaan Programme.

2. Commencement of the delivery for Small Satellite Launch Vehicle (SSLV):

- WIL delivered first flight hardware for Small Satellite Launch Vehicle. The first Nozzle End Segment of SSLV was flagged off on 27th Sept'2019 from WIL works. ISRO's SSLV Programme will go into full swing in near future for placement of small satellites in low earth orbit.

3. Dispatch of Road Mobile Launchers for Defence Weapon Programme:

- WIL dispatched three Road Mobile Launchers for Indian Defence Weapon Programme. Senior scientists from R&DE (Engrs) flagged off Launchers for their further testing & inclusion.

4. Delivery commencement of technically critical Hair Pin Heat Exchanger:

- WIL delivered first among the batch of technically intricate Hair Pin Heat Exchangers to NPCIL. WIL will complete this critical order in FY 2019-20 given the lined up production & technical expertise developed over the course.

5. Marine Gearboxes as part of "Make in India" program:

- WIL continues to adhere to the agreed schedule for supplying specialized marine gearboxes for Offshore Patrol Vessel being built at Goa Shipyard.

6. Further strengthening of WIL's footprint in various missile programs:

- On the back of its legacy in Akash missile program, WIL continues to strengthen its hold in other strategic & tactical missile programs.

Outlook:

1. The company continues to stride towards the strong order booking & execution in the Aerospace, Nuclear & Defence sector. Furthermore, company has the firm agenda to tap the tremendous potential in industrial products, spares as well as equipment manufacturing for Gear, Cement, Centrifugal, Foundry & Instrumentation businesses.
2. The company is well-equipped to perform & accrue significant revenue from the following businesses in the next quarters of FY 2019-20:

- a. **Aerospace:**
A strong order book & selective resource enhancement has placed Aerospace business in a good position to yield substantial revenue in upcoming quarters.
- b. **Defence:**
In view of the significant WIP generated, Defence business envisages completion of various orders for Indian weapon systems which will be gradually delivered in FY 2019-20.
- c. **Nuclear:**
Nuclear business has delivered first among the batch of technically intricate Hair Pin Heat Exchangers to NPCIL. The execution of this big order will be completed in FY2019-20.
- d. **Gear :**
The company will deliver balance Offshore Patrol Vessel Gearboxes along with other large industrial Gearboxes in FY 2019-20.

3. The company has firm visibility of order booking in the following businesses:

- a. **Aerospace:**
With already a handsome order booking in first half of FY 2019-20, the company has clear visibility of orders flowing from ISRO in upcoming quarters given upcoming launch programs of ISRO.
- b. **Defence & Missile:**
The Company expects fresh orders in this segment given India's continued thrust in Defence, specifically with respect to various weapon systems & missile programs.
- c. **Nuclear:**
The nuclear business expects fructification of big orders in pipeline for core equipment in Nuclear Power sector given the government's emphasis on acceleration of procurement process (in fleet mode) for 10 indigenous PHWR.
- d. **Industrial Products & Manufacturing business (Gear, Centrifugal, Cement, Foundry & Instrumentation):**
WIL forecasts regular order booking & execution in Industrial Products & Manufacturing segment.

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.