



WALCHANDNAGAR INDUSTRIES LTD.					
Regd. Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034.					
PART I					Rs. In Lakhs)
Statement of Standalone Audited Results for the Quarter and Year Ended on 30th September, 2012					
Particulars	Quarter Ended (30-09-2012)	Quarter Ended (30-06-2012)	Quarter Ended (30-09-2011)	Year Ended (30/09/2012)	Year Ended (30/09/2011)
(Refer note no. 4 below)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1 Income from operations					
(a) Net sales/income from operations (Net of excise duty)	30,628	16,658	26,302	87,875	95,767
(b) Other Operating Income	486	61	146	1,236	556
Total Income from operations (net)	31,114	16,719	26,448	89,111	96,323
2 Expenses					
(a) Cost of materials consumed	22,608	11,877	20,464	62,667	79,393
(b) Purchases of stock-in-trade	-	-	-	-	-
(c) Changes in Inventories of finished goods, work-in-progress & stock-in-trade	(1,640)	(768)	(1,450)	(1,903)	(6,827)
(d) Employee benefits expense	2,526	2,230	2,050	9,368	7,844
(e) Depreciation and amortization expense	488	451	446	1,798	1,589
(f) Other expenses	4,163	3,286	3,951	12,189	9,073
Total expenses	28,137	16,876	24,470	84,119	91,872
3 Profit / (Loss) from operations before other Income, finance costs and exceptional items (1-2)	2,977	143	1,978	4,992	4,451
4 Other Income	66	27	20	135	112
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items(3+4)	3,043	170	1,998	5,127	4,563
6 Finance costs	823	524	860	2,229	1,486
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items & foreign exchange fluctuation (5±6)	2,220	(354)	1,138	2,898	3,077
8 Exchange Currency Fluctuation Gain/(Loss)	1,211	(1,232)	(1,004)	(678)	(1,382)
9 Exceptional Items	-	-	-	(529)	-
10 Profit / (Loss) from ordinary activities before tax(7±8 ± 9)	3,431	(1,586)	134	1,691	1,695
11 Tax expense	1,028	(510)	(87)	478	415
12 Net Profit / (Loss) from ordinary activities after tax(10±11)	2,403	(1,076)	221	1,213	1,280
13 Extraordinary Items (net of tax expense Rs. Nil Lakhs)	-	-	-	-	-
14 Net Profit / (Loss) for the period (12±13)	2,403	(1,076)	221	1,213	1,280
15 Paid-up equity share capital	761	761	761	761	761
(Face Value of Rs. 2/- each)					
16 Reserve excluding Revaluation Reserve as per balance Sheet of previous accounting year	NA	NA	NA	23,459	22,689
17 Earnings Per Share (before & after extraordinary items)					
(of Rs. 2/- each) (not annualized) :					
(a) Basic	6.31	(2.83)	0.58	3.19	3.36
(b) Diluted	6.31	(2.83)	0.58	3.19	3.36
PART II					
Select Information for the Quarter Ended on 30th September, 2012					
A PARTICULARS OF SHAREHOLDING					
1 Public Shareholding					
- Number of shares	17,131,592	17,131,592	17,131,592	17,131,592	17,131,592
- Percentage of Shareholding	45.00	45.00	45.00	45.00	45.00
2 Promoters and Promoter Group Shareholding					
(a) Pledged/Encumbered -					
- Number of shares	-	-	950,000	-	950,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	4.54	-	4.54
- Percentage of shares (as a % of the total share capital of the company)	-	-	2.50	-	2.50
(b) Non-Encumbered					
- Number of shares	20,938,613	20,938,613	19,988,613	20,938,613	19,988,613
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	95.46	100.00	95.46
- Percentage of shares (as a % of the total share capital of the company)	55.00	55.00	52.50	55.00	52.50
Particulars					
3 Months Ended 30/09/2012					
B INVESTOR COMPLAINTS					
Pending at the beginning of the quarter					
Received during the quarter			11		
Disposed of during the quarter			11		
Remaining unresolved at the end of the quarter					
Notes :					
1 The results have been taken on record, reviewed by Audit committee and approved by Board of Directors at the Board Meeting held on 23rd November, 2012					
2 The company had issued 80,00,000 fully paid equity shares to the promoters on preferential basis, post conversion of 8,00,000 convertible warrants and received a total amount of Rs. 5,072 lakhs. Out of these Rs.2780 lakhs has been utilized for capital expenditure, Rs. 1516 lakhs for working capital and the balance amount of Rs.776 lakhs is invested in Liquid Mutual Funds.					
3 The Company has opted to avail the choice provided under Paragraph 46A of AS 11: The Effects of Changes in Foreign Exchange Rates inserted vide Notification dated December 29, 2011. Consequently, the loss on long term foreign currency monetary items amounting to Rs.303 lakhs has been capitalized / accumulated in foreign currency monetary item translation difference account to be amortized over the balance period of such long term asset / liability instead of recognizing the same in the statement of profit and loss.					
4 As per the amended listing agreement, the figures for the Quarter ended 30.09.2012, are balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.					
5 The Board has recommended Dividend of Re. 1/- per Equity share (50%) on Equity Shares of Rs. 2/- each subject to the approval of the shareholders.					
6 Figures for the previous periods have been regrouped wherever necessary.					
For WALCHANDNAGAR INDUSTRIES LTD.					
					
CHAKOR L. DOSHI CHAIRMAN					
Place: Mumbai					
Date: 23rd November, 2012					

WALCHANDNAGAR INDUSTRIES LTD.					
Regd. Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034.					
					(Rs. In Lakhs)
SEGMENT-WISE REVENUE, RESULTS & CAPITAL EMPLOYED					
PARTICULARS	Quarter Ended (30-09-2012)	Quarter Ended (30-06-2012)	Quarter Ended (30-09-2011)	Year Ended (30/09/2012)	Year Ended (30/09/2011)
(Refer note no. 4 below)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1 Segment Revenue					
(a) Heavy Engineering	29,723	15,430	24,950	83,501	91,157
(b) Foundry and Machine Shop	1,217	996	1,309	4,535	4,417
(c) Others	213	310	248	1,158	968
Total	31,153	16,736	26,507	89,194	96,542
Less : Inter segment Revenue	39	17	59	83	219
Net Sales/Income from Operations	31,114	16,719	26,448	89,111	96,323
2 Segment Results					
Profit/(Loss) before Interest and Tax					
(a) Heavy Engineering	4,445	(798)	1,110	4,904	3,980
(b) Foundry and Machine Shop	(35)	(91)	(28)	(235)	(136)
(c) Others	17	62	45	200	131
Total	4,427	(827)	1,127	4,869	3,975
Less : Finance Cost	823	524	860	2,229	1,486
Less : Other unallocable Expenditure net of unallocable Income	173	235	133	949	794
Total Profit/(Loss) Before Tax	3,431	(1,586)	134	1,691	1,695
3 Capital Employed					
Segment Assets					
Less : Segment Liabilities					
(a) Heavy Engineering	37,828	35,757	32,338	37,828	32,338
(b) Foundry and Machine Shop	3,045	2,849	3,197	3,045	3,197
(c) Others	998	977	776	998	776
(d) Unallocated (Excluding Investment)	1,827	1,808	1,313	1,827	1,313
Total	43,698	41,391	37,624	43,698	37,624
Secondary Segment (Export) (II)					
External Revenue by location of Customers	-	-	-	29,810	13,706
Total carrying amount of segment Assets to the extent allocable	-	-	-	13,371	5,132
Total cost incurred to acquire Segment Assets	-	-	-	30	26

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[Signature]

 WALCHANDNAGAR INDUSTRIES LTD. Regd. Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034.		
		(₹ In Lakhs)
Standalone Statement of Assets and Liabilities		
Particulars		
		(₹ In Lakhs)
		(Audited)
		(Audited)
A	EQUITY AND LIABILITIES	
1	Shareholders' funds	
	a) Share capital	761
	b) Reserves and surplus (Excluding Revaluation Reserves)	23,459
	Sub-Total - Shareholders' funds	24,220
2	Share application money pending allotment	-
3	Non-current Liabilities	
	a) Long-term borrowings	2,127
	b) Deferred tax liabilities (net)	337
	c) Other long-term liabilities	26,500
	d) Long-term provisions	206
	Sub-Total - Non-Current Liabilities	29,170
4	Current liabilities	
	a) Short-term borrowings	16,542
	b) Trade payables	22,336
	c) Other current liabilities	16,426
	d) Short term provisions	771
	Sub-Total - Current Liabilities	56,075
	TOTAL - EQUITY AND LIABILITIES	109,465
B	ASSETS	
1	Non-current assets	
	a) Fixed Assets	16,372
	b) Non-current investments	136
	c) Foreign Currency Monetary Item Difference Translation Difference Account	157
	d) Deferred tax assets (net)	-
	e) Long-term loans and advances	349
	f) Other non-current assets	137
	Sub-Total - Non -Current Assets	17,151
2	Current Assets	
	a) Current investments	1,854
	b) inventories	31,439
	c) Trade receivables	43,909
	d) Cash and cash equivalents	1,854
	e) Short-term loans and advances	13,229
	f) Other current assets	29
	Sub-Total - Current Assets	92,314
	TOTAL ASSETS	109,465
		107,972

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K. S. AIYAR & CO
CHARTERED ACCOUNTANTS

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Mahalaxmi Mumbai 400 011 India
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Auditor's Report

To
The Members,
Walchandnagar Industries Limited.

We have audited the attached Balance Sheet of Walchandnagar Industries Limited, as at September 30, 2012, and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto, in which are incorporated the returns of the divisions at Zambia and Ethiopia audited by overseas local auditors and relied on by us.

1. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law, have been kept by the company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the divisions at Zambia and Ethiopia not visited by us. The divisions' overseas Auditors' Reports have been forwarded to us and appropriately dealt with;

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Offices also at
Chennai Kolkata Goa
Bangalore Coimbatore

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- (iii) The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account and with the audited returns from the divisions at Zambia and Ethiopia;
- (iv) In our opinion, the balance sheet, statement of profit and loss and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- (v) On the basis of written representations received from the Directors, as on September 30, 2012 and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on September 30, 2012, from being appointed as a Director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the company as at September 30, 2012;
- (b) in the case of Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For K. S. Aiyar & Co.
Chartered Accountants
FRN: 100186W


Satish K. Kelkar
Partner
Membership No.: 38934

Place : Mumbai
Date : November 23, 2012

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Annexure to the Auditor's Report

Referred to in paragraph 3 of our report of even date.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of the Fixed Assets.
- (b) The Company has a programme for physical verification of the Fixed Assets, which in our opinion is reasonable having regard to the nature of the business. Accordingly, the Fixed Assets have been physically verified by the management at the end of the year and no material discrepancies were noticed on such verification.
- (c) The Fixed Assets disposed of during the year were not substantial. According to the information and explanation given to us; we are of the opinion that the disposal of the Fixed Assets has not affected the going concern status of the company.
- (ii) (a) The Management has conducted physical verification of the inventory at reasonable intervals other than material lying with sub-contractors, which have been substantially confirmed by them.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification as compared to the book records.
- (iii) The Company has not granted/ taken any secured or unsecured loans to/ from Companies, Firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Therefore, sub-clauses (b), (c), (d), (e), (f) and (g) of clause (iii) of the said Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 of the Companies Act, 1956 and exceeding

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the value of ₹ five lakhs in respect of any party during the year have been made at price which are reasonable having regard to prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. As informed to us, no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any other court or any other tribunal.
- (vii) In our opinion, Company has an internal audit system commensurate with size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) (a) According to the information and explanations given to us and the records of the company examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Excise-Duty and Cess and other material statutory dues applicable to it. There are no undisputed outstanding dues in respect of the above items which are more than six months as at the balance sheet date.
- (b) According to the information and explanations given to us, the disputed statutory dues on account of Sales Tax, Income-Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess that have not been deposited on account of matters pending before appropriate authority are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Denial of exemption availed under notification No. 6/2002, for supply of biomass based boilers	266.19 (Net of Cenvat reversal and payment)	March, 2000 to March, 2004	CESTAT, Mumbai

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Central Excise Act, 1944	Excise duty demand on bought out items supplied for centrifugals, which have already suffered duty at the manufacturers end.	82.45 (Net of Cenvat reversal and payments)	June, 1983 to April, 2005	Supreme Court, Delhi
Maharashtra Land Revenue Code	NA Tax (₹ 20 lacs paid under protest)	86.61	1982 to 2003	Collector of Pune
	NA Tax	16.18	1982 to 2003	SDO, Baramati
	NA Tax	58.58	1994-2003	SDO, Baramati
Central Sales Tax Act, 1956	The exemption from Tax for transit sale, u/s 6(2)(b) is denied. ₹ 30 lacs under protest	159.83	2005-06	Joint Commissioner of Sales Tax (Appeal), Pune
Service Tax Demand on Bought out Items	Amount paid under protest ₹ 28.76 lacs	362.65	2006-10	CESTAT, Kolkata

- (x) The Company does not have any accumulated losses as at the end of the financial year and has not incurred any cash losses in the current year, or in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to the financial institutions or banks or debenture holders during the year.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other

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investments. Accordingly the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The term loans have been applied for the purposes for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us during the period covered by our audit report, the Company has not made any preferential allotment of shares to the parties and companies covered under the register maintained u/s 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us during the period covered by our audit report, the Company has not issued any debentures.
- (xx) According to the information and explanations given to us during the period covered by our audit report, the Company has not raised any money by public issue.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For K. S. Aiyar & Co.
Chartered Accountants
FRN: 100186W



Satish K. Kelkar
Partner
Membership No.: 38934

Place : Mumbai
Date : November 23, 2012