

**WALCHANDNAGAR INDUSTRIES LTD.**

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

**UN-AUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 31-12-2011**

₹ in Lakhs

Particulars		Quarter Ended 31-12-2011 (Un-audited)	Quarter Ended 30-09-2011 (Un-audited)	Quarter Ended 31-12-2010 (Un-audited)	Year Ended 30-09-2011 (Audited)
1	Total Revenue (Sales, Operating & Other Income) (A+B)	19,365	26,488	19,862	96,435
	(a) Net Sales / Income from Operations	18,667	26,302	19,581	95,767
	(b) Other Operating Income	675	148	264	558
	Total Income (A)	19,342	26,448	19,825	96,323
2	Expenditure				
	a. (Increase)/Decrease in Stock in trade and work in progress	(425)	(1,450)	(2,130)	(6,827)
	b. Consumption of Raw Materials	14,224	20,464	17,068	79,393
	c. Employees Cost	2,194	2,059	1,800	7,844
	d. Depreciation	428	446	353	1,589
	e. Other Expenditure	2,451	2,951	2,081	9,073
	Total Expenditure	18,871	24,470	19,172	91,872
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	471	1,978	653	4,451
4	Other Income (B)	13	20	37	112
5	Profit before Interest and Exceptional Items (3+4)	484	1,998	690	4,563
6	Interest	395	860	190	1,870
7	Profit after Interest but before Exceptional Item & Foreign Exchange fluctuation (5-6)	89	1,138	500	2,684
8	Exchange Currency Fluctuation (Loss)/Gain	(957)	(1,004)	83	(989)
9	Exceptional Item	-	-	-	-
10	Profit(+)/Loss(-) from Ordinary Activities before tax (7+8)	(868)	134	583	1,695
11	Tax expense	(260)	(87)	138	415
12	Net Profit(+)/Loss(-) from Ordinary Activities after tax (9-10)	(608)	221	447	1,280
13	Extraordinary Item (net of tax expense ₹.....)	-	-	-	-
14	Net Profit(+)/Loss(-) for the period (11-12)	(608)	221	447	1,280
15	Paid up Equity Share Capital (Face Value of ₹ 2/- each)	761	761	761	761
16	Reserves (Excluding Revaluation Reserve)	NA	NA	NA	22,689
17	Earnings Per Share (EPS) (₹ 2/- Paid per share)				
	Basic ₹	(1.60)	0.58	1.17	3.36
	Diluted ₹	(1.60)	0.58	1.17	3.36
18	Public shareholding				
	Number of shares	17,138,902	17,131,592	17,131,592	17,131,592
	Percentage of Shareholding	48.02	45.00	45.00	45.00
19	Promoters and promoter group Shareholding				
	a) Pledged/Encumbered -				
	Number of shares	1,300,000	950,000	7,10,000	950,000
	Percentage of shares (As a % of the total shareholding of promoter and promoter group)	6.21	4.64	3.39	4.54
	Percentage of shares (As a % of the total share capital of the company)	3.41	2.50	1.86	2.50
	b) Non-Encumbered				
	Number of shares	19,630,303	19,988,613	20,228,613	19,988,613
	Percentage of shares (As a % of the total shareholding of promoter and promoter group)	83.78	95.46	98.61	95.46
	Percentage of shares (As a % of the total share capital of the company)	51.67	52.50	53.14	52.50

Notes :

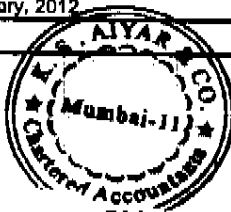
- The above results have been taken on record, reviewed by Audit committee and approved by Board of Directors at the Board meeting held on 9th February, 2012.
- The Statutory Auditors have carried out a limited review of the results for the Quarter ended on 31st December, 2011.
- During the Quarter, 19 Investors' complaints were received, which were promptly attended to and no complaints were pending at the beginning and at the end of the Quarter.
- Auditors Qualification - No provision has been made for the liability, if any, in respect of the Bank Guarantee invoked and encashed by a customer during the earlier year amounting to ₹ 700 lakhs shown under "loans and advances" and in respect of ₹ 744 lakhs owed by the said customer appearing under "Sundry Debtors". The company has disputed the customer's claim for Bank Guarantee invocation and has initiated arbitration proceedings. Since the matter is under arbitration, we are unable to opine on the likelihood of liability devolving on the company and consequent effect on its profits and Reserves and Surplus. This Qualification is reproduced from the Audit Report given for the Year ended 30th September, 2010. The arbitration proceedings are in progress in this matter.**
- 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 ₹ 5072 lakhs. Out of these ₹ 1516 lakhs has been utilized for capital expenditure, ₹ 2780 lakhs for working capital and the balance amount of ₹ 776 lakhs is invested in Liquid Mutual Funds.
- Figures have been regrouped for the previous periods, wherever necessary.

For WALCHANDNAGAR INDUSTRIES LIMITED

CHAKOR L. DOSHI
 CHAIRMAN

Place: Mumbai

Date: 9th February, 2012



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

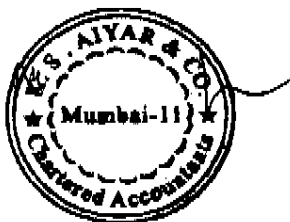
₹ in Lakhs

Particulars	Quarter	Quarter	Quarter	Year Ended
	Ended 31-12-2011 (Un-audited)	Ended 30-09-2011 (Un-audited)	Ended 31-12-2010 (Un-audited)	30-09-2011 (Audited)
1 Segment Revenue				
a) Heavy Engineering	18,008	24,950	18,575	91,157
b) Foundry and Machine Shop	1,037	1,309	1,040	4,417
c) Others	312	248	240	968
Total	19,357	26,507	19,855	96,542
Less : Inter segment Revenue	15	59	30	219
Net Sales/Income from Operations	19,342	26,448	19,825	96,323
2 Segment Results				
Profit/(Loss) before Interest and Tax				
a) Heavy Engineering	(213)	1,110	932	4,373
b) Foundry and Machine Shop	(88)	(28)	(14)	(136)
c) Others	56	45	38	131
Total	(245)	1,127	956	4,368
Less : Interest	395	860	190	1,879
Less : Other unallocable	228	133	183	794
Expenditure net of unallocable Income				
Profit/(Loss) Before Tax	(868)	134	583	1,695
3 Capital Employed				
Segment Assets				
Less : Liabilities				
a) Heavy Engineering	30,076	32,338	27,192	32,338
b) Foundry and Machine Shop	2,999	3,197	3,326	3,197
c) Others	838	776	658	776
d) Unallocated (Excluding Investment)	1,405	1,313	1,398	1,313
Total	35,318	37,624	32,574	37,624

For WALCHANDNAGAR INDUSTRIES LIMITED

Place: Mumbai
Date: 9th February, 2012

[Signature]
CHAKOR L. DOSHI
CHAIRMAN



client copy

K. S. AIYAR & CO
CHARTERED ACCOUNTANTS

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The Board of Directors,
Walchandnagar Industries Limited,
3, Walchand Terraces,
Tardeo Road, Mumbai – 400 034

Re: **Limited Review -Unaudited Financial Results for the Quarter Ended 31st December, 2011**

1. We have reviewed the accompanying statement of un-audited financial results of Walchandnagar Industries Limited, for the quarter ended December 31, 2011, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on 9th February, 2012. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for 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.
3. *No provision has been made for the liability, if any, in respect of a Bank Guarantee invoked and encashed by a customer during the earlier year amounting to Rs. 700 Lakhs shown under "Loans and Advances" and in respect of Rs. 744 Lakhs owed by the said customer appearing under "Sundry Debtors". Company has disputed the customer's claim for bank guarantee invocation and has initiated the arbitration proceeding. Since the matter is under arbitration, we are unable to opine on the likelihood of the liability devolving on the Company and the consequent effect on its Profits and Reserves and Surplus.*



K. S. AIYAR & CO
CHARTERED ACCOUNTANTS

4. *Subject to (3) above*, based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Mumbai

Date: 9th February, 2012

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



Satish K. Kelkar

Partner

Membership No. 38934