

**K. S. AIYAR & CO**

CHARTERED ACCOUNTANTS

# F-7 Laxmi Mills  
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Mahalaxmi Mumbai 400 011 India.  
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Mail@KSAiyar.com

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

**RE: Limited Review of the Unaudited Financial Results for the quarter ended December 31, 2014.**

**1. INTRODUCTION**

We have reviewed the accompanying statement of unaudited financial results of **Walchandnagar Industries Limited** for the quarter ended on December 31, 2014 except for the disclosures regarding 'public shareholding' and 'Promoter and Promoter Group shareholding' which have been traced from disclosures made by the management but have neither been reviewed nor been audited by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Indian Generally Accepted Accounting Principles. Our responsibility is to issue a report on this Statement based on our review.

**2. SCOPE OF REVIEW**

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" 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 this Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**3. CONCLUSION**

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



Offices also at  
Chennai Kolkata Goa  
Bangalore Coimbatore

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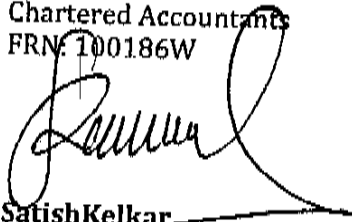
CHARTERED ACCOUNTANTS

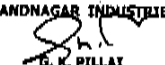
results has not been prepared in all material respects in accordance with applicable accounting standards notified pursuant to the Companies (Accounting Standard) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13,2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and 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 misstatements.

Place: Mumbai  
Date : February 13, 2015



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

  
Satish Kelkar  
Partner  
Membership No.: 38934

<b>WALCHANDNAGAR INDUSTRIES LTD.</b>				
Regd. Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034 CIN : L74999MH1908PLC000291 Tel: (022) 40287110, Fax: (022) 23634527, E-mail: wil@walchand.com, Website: www.walchand.com				
				(₹ In Lakhs)
<b>PART I</b>				
<b>Statement of Un-Audited Results for the Quarter ended on December 31, 2014</b>				
Particulars	Quarter ended		Year ended	
	December 31, 2014	September 30, 2014 (Refer note no 3)	December 31, 2013	September 30, 2014
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>1 Incomes from operations</b>				
(a) Net sales/Income from operations (Net of excise duty)	16,245	15,208	14,372	62,766
(b) Other Operating Income	209	403	302	1,057
<b>Total Income from operations (Net)</b>	<b>16,454</b>	<b>15,611</b>	<b>14,674</b>	<b>63,823</b>
<b>2 Expenses</b>				
(a) Cost of materials consumed	9,299	8,662	9,597	31,548
(b) Sub-contracting Expenses, Processing Charges and Other Direct Costs	2,342	1,834	6,636	14,371
(c) Changes in Inventories of finished goods and work-in-progress	1,272	(30)	(3,704)	(36)
(d) Employers benefits expenses	2,369	2,183	2,434	9,243
(e) Depreciation and amortisation expense (Refer Note No. 4)	712	457	417	1,725
(f) Other expenses	1,630	2,313	1,655	7,044
<b>Total expenses</b>	<b>17,624</b>	<b>15,419</b>	<b>17,033</b>	<b>63,899</b>
<b>3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>(1,170)</b>	<b>192</b>	<b>(2,359)</b>	<b>(72)</b>
<b>4 Other Income</b>	29	192	140	785
<b>5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>(1,141)</b>	<b>384</b>	<b>(2,219)</b>	<b>713</b>
<b>6 Finance costs</b>	1,381	1,327	1,026	4,799
<b>7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items &amp; foreign exchange fluctuation (5+6)</b>	<b>(2,524)</b>	<b>(943)</b>	<b>(3,245)</b>	<b>(4,086)</b>
<b>8 Exchange Currency Fluctuation Gain/(Loss)</b>	(42)	(158)	(85)	(210)
<b>9 Exceptional Items (Refer Note No. 3)</b>	-	-	-	2,445
<b>10 Profit / (Loss) from ordinary activities before tax (7+8+9)</b>	<b>(2,566)</b>	<b>(1,101)</b>	<b>(3,330)</b>	<b>(1,859)</b>
<b>11 Tax expense</b>	-	(622)	-	(622)
<b>12 Net Profit / (Loss) from ordinary activities after tax (10+11)</b>	<b>(2,566)</b>	<b>(479)</b>	<b>(3,330)</b>	<b>(1,237)</b>
<b>13 Extraordinary items (net of tax expenses)</b>	-	-	-	-
<b>14 Net Profit / (Loss) for the period (12+13)</b>	<b>(2,566)</b>	<b>(479)</b>	<b>(3,330)</b>	<b>(1,237)</b>
<b>15 Paid-up equity share capital (Face Value of ₹ 2/- each)</b>	761	761	761	761
<b>16 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year</b>	-	-	-	18,033
<b>17 Earnings Per Share (before and after extraordinary items) (of ₹ 2/- each) (not annualized)</b>				
(a) Basic	(6.74)	(1.26)	(8.75)	(3.25)
(b) Diluted	(6.74)	(1.26)	(8.75)	(3.25)
<b>PART-II Select Information for the Quarter ended December 31, 2014</b>				
<b>A PARTICULARS OF SHAREHOLDING</b>				
<b>1 Public Shareholding</b>				
- Number of shares	17,131,592	17,131,592	17,131,592	17,131,592
- Percentage of Shareholding	45	45	45	45
<b>2 Promoters and Promoter Group Shareholding</b>				
<b>(a) Pledged/Encumbered</b>				
- Number of shares	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
<b>(b) Non-Encumbered</b>				
- Number of shares	20,938,613	20,938,613	20,938,613	20,938,613
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	100	100	100	100
- Percentage of shares (As a % of the total share capital of the company)	55	55	55	55
<b>B INVESTOR COMPLAINTS</b>				
Pending at the beginning of the quarter	-	-	-	-
Received during the quarter	6	6	6	6
Disposed of during the quarter	6	6	6	6
Remaining unresolved at the end of the quarter	-	-	-	-
<b>Notes:</b>				
1. The above results, as reviewed by the Audit Committee and approved by Board of Directors at its meeting held on February 13, 2015, has been taken on record.				
2. The Statutory Auditors have carried out a Limited Review of the Results for the Quarter ended on 31st December 2014.				
3. Exceptional Item for the year denotes profit arising on sale of long term investments.				
4. Pursuant to the Companies Act, 2013, the Company has recomputed the Depreciation based on the useful life of Assets as prescribed in Schedule II of the Act. This has resulted in additional charge of Depreciation of Rs 276 Lakhs for the Quarter ended on 31st December 2014. Further as per transitional provision of the Act, Company has adjusted Written Down Value of Rs 394 Lakhs in respect of Assets whose Residual Life is Nil as at 30th September 2014 in the opening balance of Retained Earnings.				
5. As per Clause 41 of the listing agreement, the figures for the Quarter ended 30th September 2014 are balancing figures between audited figures in respect of the full Financial Year and the published year to date figures upto third Quarter of the Financial Year.				
6. Provision for Deferred Tax asset, if any, on losses incurred will be ascertained and accounted for at the end of the year.				
7. Figures for the previous periods have been regrouped/rearranged wherever considered necessary, to make them comparable.				
<b>For WALCHANDNAGAR INDUSTRIES LIMITED</b>				
 <b>G. K. PILLAI</b> Managing Director & C.E.O.				
Place: Mumbai				
Date: February 13, 2015				
<b>A TRADITION OF ENGINEERING EXCELLENCE</b>				

**WALCHANDNAGAR INDUSTRIES LTD.**

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**SEGMENT-WISE REVENUE, RESULTS & CAPITAL EMPLOYED****(₹ In Lakhs)**

Particulars	Quarter ended			Year ended
	December 31, 2014	September 30, 2014	December 31, 2013	September 30, 2014
	(Unaudited)	(Audited) (Refer note no 5)	(Unaudited)	(Audited)
<b>1 Segment Revenue</b>				
(a) Heavy Engineering	15,040	14,087	13,278	57,703
(b) Foundry and Machine Shop	1,160	1,235	1,135	5,003
(c) Others	283	317	284	1,194
<b>Total</b>	<b>16,483</b>	<b>15,639</b>	<b>14,697</b>	<b>63,900</b>
Less: Inter-segment Revenue	29	28	23	77
<b>Net Sales/ Income from Operations</b>	<b>16,454</b>	<b>15,611</b>	<b>14,674</b>	<b>63,823</b>
<b>2 Segment Results</b>				
Profit/(Loss) before Interest and Tax				
(a) Heavy Engineering	(713)	834	(1,814)	2,051
(b) Foundry and Machine Shop	(244)	(306)	(180)	(794)
(c) Others	(1)	(20)	2	16
<b>Total</b>	<b>(958)</b>	<b>508</b>	<b>(1,992)</b>	<b>1,273</b>
Add: Exceptional Item	-	-	-	-
Less: Finance Cost	1,383	1,327	1,026	2,445
Less: Other unallocable expenditure net of unallocable income(-)	225	282	312	778
<b>Profit/(Loss) Before Tax</b>	<b>(2,566)</b>	<b>(1,101)</b>	<b>(3,330)</b>	<b>(1,859)</b>
<b>3 Capital Employed</b>				
Segment Assets less Segment Liabilities				
(a) Heavy Engineering	49,429	51,878	51,463	51,878
(b) Foundry and Machine Shop	5,018	5,348	6,836	5,348
(c) Others	4,113	4,118	4,136	4,118
(d) Unallocated (Excluding Investments)	5,423	5,691	4,981	5,691
<b>Total</b>	<b>63,983</b>	<b>67,035</b>	<b>67,416</b>	<b>67,035</b>

For WALCHANDNAGAR INDUSTRIES LTD.

*G. K. Pillai*  
G. K. PILLAI  
Managing Director & C.E.O.

Place: Mumbai

Date: February 13, 2015

**A TRADITION OF ENGINEERING EXCELLENCE**