

Ref. No. : WI:SEC:2016

Date : November 12, 2016

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
Fax :26598237/38, 66418126/25/24

BSE Ltd.,
Corporate Relations Department
1st floor, New Trading Ring,
Rotunda Bldg P.J. Tower,
Mumbai 400 001
Fax:: 22723121/2039/2037

Dear Sirs,

Sub: Un-audited (Reviewed) Financial Results for the Quarter ended September 30, 2016 as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with Limited Review Report as on the date issued by Statutory Auditors of the Company.

This is to inform you that the Un-audited (Reviewed) Financial Results for the Quarter and Half Year ended September 30, 2016 were approved and taken on record at the meeting of the Board of Directors of the Company held today i.e. November 12, 2016. A copy of the same along with Limited Review Report on the Un-audited Financial Results for the Quarter and Half Year ended September 30, 2016, issued by M/s. K. S. Aiyar & Co., Chartered Accountants (Statutory Auditors of the Company) are enclosed 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) 40287110 Fax : (022) 23634527, E-mail : investors@walchand.com, Website: www.walchand.com

(₹ in Lakhs)

PART I

Statement of Unaudited Results for the Quarter & Six Months ended on 30th September 2016.

Particulars	For the Quarter Ended			For 6 months ended	For 12 months ended	18 Months Ended
	30th September 2016	30th June 2016	30th September 2015	30th September 2016	30th September 2015	31st March 2016
	1	2	3	4	5	6
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from operations						
(a) Net sales/income from operations (Net of excise duty)	9,832	7,578	13,664	17,410	55,597	79,648
(b) Other Operating Income	52	80	115	132	454	564
Total Income from operations (net)	9,884	7,658	13,779	17,542	56,051	80,212
2 Expenses						
(a) Cost of materials consumed	4,402	4,037	5,248	8,439	28,631	37,105
(b) Sub contracting Expenses, processing charges and Other Direct Costs	547	521	1,115	1,068	9,586	11,273
(c) Changes in inventories of finished goods, work-in-progress	310	(1,057)	2,186	(747)	1,066	3,357
(d) Employee benefits expense	2,123	2,022	2,173	4,145	8,948	13,583
(e) Depreciation and amortisation expense	470	466	525	936	2,304	3,384
(f) Other expenses	853	1,021	1,175	1,874	6,022	8,688
Total expenses	8,705	7,010	12,422	15,715	56,557	77,390
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	1,179	648	1,357	1,827	(506)	2,822
4 Other Income	28	16	122	44	344	524
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items(3±4)	1,207	664	1,479	1,871	(162)	3,346
6 Finance costs	1,565	1,413	1,446	2,978	5,747	8,978
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items & foreign exchange fluctuation (5±6)	(358)	(749)	33	(1,107)	(5,909)	(5,632)
8 Exchange Currency Fluctuation Gain/(Loss)	(26)	(65)	(144)	(91)	(141)	(214)
9 Exceptional Items (Refer Note No.4)	(390)	-	351	(390)	351	(1,011)
10 Profit / (Loss) from ordinary activities before tax(7+8 + 9)	(774)	(814)	240	(1,588)	(5,699)	(6,857)
11 Tax expense (Refer note 5 & 6)	632	-	-	632	311	311
12 Net Profit / (Loss) from ordinary activities after tax(10±11)	(1,406)	(814)	240	(2,220)	(6,010)	(7,168)
13 Extraordinary items	-	-	-	-	-	-
14 Net Profit / (Loss) for the period (12±13)	(1,406)	(814)	240	(2,220)	(6,010)	(7,168)
15 Paid-up equity share capital (Face Value of ₹ 2/- each)	761	761	761	761	761	761


S.K.M. *Adh*

16	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	10,471
17	Earnings Per Share (before & after extraordinary items) (of ₹ 2/- each) (not annualized) :						
	(a) Basic	(3.70)	(2.14)	0.63	(5.84)	(15.79)	(18.83)
	(b) Diluted	(3.70)	(2.14)	0.63	(5.84)	(15.79)	(18.83)

Notes:

1. The above results, as reviewed by Audit Committee and approved by the Board of Directors at its meeting held on 12th November, 2016, have been taken on record.
2. At the end of current period, the trade receivables include dues of ₹ 848 lakhs from parties against whom the Company has initiated legal/arbitration proceedings. Pending the ultimate outcome of these cases which is presently unascertained, no provision has been made in respect of these dues.
3. Inventory includes work in progress of ₹ 2568 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 30th September, 2016 as this stock will be either liquidated or diverted to other projects.
4. Exceptional Item for the current quarter includes provision of ₹ 382 Lakhs against old debtors and ₹ 8 Lakhs against Liquidated Damages. The management however continues to pursue the recovery of old dues and Liquidated damages.
5. The Income Tax Liability provided in the current quarter denotes additional Income Tax Liability in respect of earlier years as a result of order giving effect of the order under Section 245 D (4) and rectification orders passed under section 154 of the Act
6. The company is carrying deferred tax asset of ₹ 1901 Lakhs created in the previous years. The position of Deferred Tax will be reviewed at the end of the financial year.
7. The statutory Auditors have carried out a limited review of the results for the quarter ended on 30th September 2016.
8. The corresponding numbers for the previous year to date are for the period of 12 months due to change in accounting year for a period of 18 months ended on 31st March 2016 and therefore not comparable with the current year to date numbers for a period of 6 months ended on 30th September 2016
9. Figures for the previous periods have been regrouped/ rearranged wherever considered necessary to make them comparable.

For WALCHANDNAGAR INDUSTRIES LTD.


G. K. PILLAI

MANAGING DIRECTOR & CEO
DIN : 01537184



Place: Mumbai

Date: 12th November, 2016

**WALCHANDNAGAR INDUSTRIES LTD.**

Regd. Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034. CIN : L74999MH1908PLC000291

Tel No. : (022) 40287110 Fax : (022) 23634527, E-mail : investors@walchand.com, Website: www.walchand.com

Statement of Assets and Liabilities

		(₹ in Lakhs)	
Particulars		As at 30/09/2016 (Unaudited)	As at 31/03/2016 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital	761	761
	b) Reserves and surplus	52,182	55,433
	c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	52,944	56,194
2	Non current Liabilities		
	a) Long-term borrowings	9,708	8,943
	b) Other long-term liabilities	5,278	4,973
	c) Long-term provisions	809	809
	Sub-total - Non-current liabilities	15,795	14,725
3	Current liabilities		
	a) Short-term borrowings	27,768	30,006
	b) Trade payables	10,083	9,856
	c) Other current liabilities	28,756	28,703
	d) Short term provisions	344	344
	Sub-total - Current liabilities	66,951	68,909
	TOTAL - EQUITY AND LIABILITIES	135,689	139,828
B	ASSETS		
1	Non-current assets		
	a) Fixed Assets		
	(i) Tangible Assets	53,743	55,837
	(ii) Intangible Assets	151	209
	(iii) Capital Work In Progress	102	56
	(iv) Intangible Assets under Development	-	-
		53,996	56,102
	b) Non Current investments	12	12
	c) Deferred tax assets	1,901	1,901
	d) Non Current Trade Receivables	712	660
	e) Long Term Loans and advances	1,962	2,422
	f) Other non current assets	137	137
	Sub-total - Non -Current Assets	58,719	61,234
2	Current Assets		
	a) Current investments	16	16
	b) Inventories	22,410	22,000
	c) Contract In Progress	5,322	5,912
	d) Trade receivables	38,900	39,619
	e) Cash and cash equivalents	1,548	2,477
	f) Short-term loans and advances	6,533	6,819
	g) Other current assets	2,241	1,751
	Sub-total - Current Assets	76,970	78,594
	TOTAL ASSETS	135,689	139,828

For WALCHANDNAGAR INDUSTRIES LIMITED

Place: Mumbai

Date: 12th November, 2016


G. K. PILLAI

MANAGING DIRECTOR & CEO

DIN : 01537184

A Tradition of Engineering Excellence

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Tel No. : (022) 40287110 Fax : (022) 23634527, E-mail : investors@walchand.com, Website: www.walchand.com						
SEGMENT-WISE REVENUE, RESULTS & CAPITAL EMPLOYED						
						(₹ in Lakhs)
	For the Quarter Ended			For 6 months ended	For 12 months ended	18 Months Ended
Particulars	30th September 2016	30th June 2016	30th September 2015	30th September 2016	30th September 2015	31st March 2016
	1	2	3	4	5	6
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Segment Revenue						
(a) Heavy Engineering	8,348	6,209	12,324	14,557	50,548	72,209
(b) Foundry and Machine Shop	1,271	1,133	1,096	2,404	4,298	6,147
(c) Others	289	337	369	626	1,301	1,990
Total	9,908	7,679	13,789	17,587	56,147	80,346
Less : Inter segment Revenue	24	21	10	45	96	134
Net Sales/Income from Operations	9,884	7,658	13,779	17,542	56,051	80,212
2 Segment Results						
Profit/(Loss) before Interest and Tax						
(a) Heavy Engineering	1,353	785	1,366	2,138	1,115	5,737
(b) Foundry and Machine Shop	(74)	(82)	(118)	(156)	(922)	(1,229)
(c) Others	65	51	44	116	154	226
Total	1,344	754	1,292	2,098	347	4,734
Add: Exceptional Item	(390)	-	351	(390)	351	(1,011)
Less : Finance Cost	1,565	1,413	1,446	2,978	5,747	8,978
Less - Other unallocable expenditure net of unallocable Income	163	155	(43)	318	650	1,602
Profit/(Loss) Before Tax	(774)	(814)	240	(1,588)	(5,699)	(6,857)
3 Capital Employed						
Segment Assets						
(a) Heavy Engineering	119,146	122,562	124,427	119,146	124,427	120,762
(b) Foundry and Machine Shop	6,048	6,121	6,717	6,048	6,717	6,290
(c) Others	4,400	4,393	4,361	4,400	4,361	4,333
(d) Unallocated	6,096	6,741	9,177	6,096	9,177	8,444
	135,690	139,817	144,682	135,690	144,682	139,829
Less : Liabilities						
(a) Heavy Engineering	74,864	76,726	78,497	74,864	78,497	75,876
(b) Foundry and Machine Shop	3,069	2,888	2,844	3,069	2,844	2,971
(c) Others	239	249	178	239	178	236
(d) Unallocated	4,574	4,574	4,616	4,574	4,616	4,552
	82,746	84,436	86,135	82,746	86,135	83,635
TOTAL	52,944	55,381	58,547	52,944	58,547	56,194

For WALCHANDNAGAR INDUSTRIES LTD.



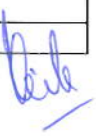
G. K. PILLAI
MANAGING DIRECTOR & CEO

DIN : 01537184

Place: Mumbai

Date: 12th November, 2016

A TRADITION OF ENGINEERING EXCELLENCE



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www.KSAiyar.com
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To,
The Board of Directors,
Walchandnagar Industries Limited,
3, Walchand Terraces,
Tardeo Road, Mumbai – 400 034

RE: Review report on quarterly and year to date Financial Results of the Company pursuant to Regulation 33 of SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015

1. We have reviewed the accompanying statement of unaudited financial results of **Walchandnagar Industries Limited** (“the Company”) for the quarter and half year ended on September 30, 2016 attached herewith being submitted by the Company pursuant to Regulation 33 of SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015. 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. 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 the Statement of financial results 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. Based on our review nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in all material respects in accordance with applicable accounting standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



4. Emphasis of Matter

- a) Attention is drawn to Note No. 2 of the published results regarding old Trade Receivables of Rs. 848 Lakhs which are currently under arbitration/ litigation. Pending the ultimate outcome of these cases, which is presently unascertained, no provision has been made in respect of these dues.
- b) Attention is invited to Note No. 3 of the published results regarding non moving inventory of work in progress amounting to Rs. 2568 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 review report is not qualified in respect of the above matters.

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



Satish Kelkar
Partner
Membership No.: 38934

Place: Mumbai
Date : November 12, 2016