

Ref. No. : WI:SEC:2017

Date : January 30, 2017

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 and Nine Months ended December 31, 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 Nine Months ended December 31, 2016 were approved and taken on record at the meeting of the Board of Directors of the Company held today i.e. January 30, 2017. A copy of the same along with Limited Review Report on the Un-audited Financial Results for the Quarter and Nine Months ended December 31, 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

PART I

(₹ in Lakhs)

Statement of Unaudited Results for the Quarter & Nine Months ended on 31st December, 2016.

	For the Quarter Ended			For 9 months ended	For 15 months ended	18 Months Ended
Particulars	31st December, 2016	30th September, 2016	31st December, 2015	31st December, 2016	31st December, 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)	9,977	9,832	12,841	27,387	68,438	79,648
(b) Other Operating Income	11	52	78	143	532	564
Total Income from operations (net)	9,988	9,884	12,919	27,530	68,970	80,212
2 Expenses						
(a) Cost of materials consumed	4,522	4,402	5,084	12,961	33,715	37,105
(b) Sub- contracting Expenses, Processing Charges and Other Direct Costs	770	547	1,039	1,838	10,625	11,273
(c) Changes in inventories of finished goods, work-in-progress	621	310	277	(126)	1,343	3,357
(d) Employee benefits expense	2,008	2,123	2,290	6,153	11,238	13,583
(e) Depreciation and amortisation expense	446	470	543	1,382	2,847	3,384
(f) Other expenses	1,184	853	1,433	3,058	7,455	8,688
Total expenses	9,551	8,705	10,666	25,266	67,223	77,390
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	437	1,179	2,253	2,264	1,747	2,822
4 Other Income	16	28	40	60	384	524
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	453	1,207	2,293	2,324	2,131	3,346
6 Finance costs	2,017	1,565	1,691	4,995	7,438	8,978
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items & foreign exchange fluctuation (5+6)	(1,564)	(358)	602	(2,671)	(5,307)	(5,632)
8 Exchange Currency Fluctuation Gain/(Loss)	85	(26)	(207)	(6)	(348)	(214)
9 Exceptional items (Refer Note No.4)	(204)	(390)	-	(594)	351	(1,013)
10 Profit / (Loss) from ordinary activities before tax (7+8 + 9)	(1,683)	(774)	395	(3,271)	(5,304)	(6,857)
11 Tax expense (Refer note 5)	-	632	-	632	311	311
12 Net Profit / (Loss) from ordinary activities after tax (10+11)	(1,683)	(1,406)	395	(3,903)	(5,615)	(7,168)
13 Extraordinary items	-	-	-	-	-	-
14 Net Profit / (Loss) for the period (12+13)	(1,683)	(1,406)	395	(3,903)	(5,615)	(7,168)
15 Paid-up equity share capital (Face Value of ₹ 2/- each)	761	761	761	761	761	761


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	(4.42)	(3.70)	1.04	(5.84)	(14.75)	(18.83)
(b)	Diluted	(4.42)	(3.70)	1.04	(5.84)	(14.75)	(18.83)

Notes:

1. The above results, as reviewed by Audit Committee and approved by the Board of Directors at its meeting held on 30th January, 2017, have been taken on record.
2. At the end of current period, trade receivables include ₹ 1,368 Lakhs on account of projects which are closed/ on hold. Out of this, trade receivables worth ₹ 520 Lakhs are against the projects which are closed where the Company is confident of receiving the same from customers. The balance of ₹ 848 Lakhs are dues from parties against whom the Company has initiated legal/arbitration proceedings. Pending the ultimate outcome of the cases which is presently unascertained, no provision has been made in respect of these dues.
3. Inventory includes work in progress of ₹ 2600 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 31st December, 2016 as this stock will be either liquidated or diverted to other projects.
4. Exceptional item for the current quarter includes provision of ₹ 50 Lakhs against old debtors and ₹ 154 Lakhs against Stock with Subcontractors. The management however continues to pursue the recovery of old dues and Stock with Subcontractors and the balance is considered as good.
5. 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.
6. The statutory Auditors have carried out a limited review of the results for the quarter ended on 31st December, 2016.
7. The corresponding numbers for the previous year to date are for the period of 15 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 9 months ended on 31st December, 2016.
8. Figures for the previous periods have been regrouped/ rearranged wherever considered necessary to make them comparable.

Place: Mumbai
Date: 30th January, 2017

For WALCHANDNAGAR INDUSTRIES LTD.


G. K. PILLAI
MANAGING DIRECTOR & CEO
(DIN : 01537184)

A TRADITION OF ENGINEERING EXCELLENCE


WALCHANDNAGAR INDUSTRIES LTD.

Regd. Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034. CIN : L74999MH1908PLC000291
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SEGMENT-WISE REVENUE, RESULTS & CAPITAL EMPLOYED

	For the Quarter Ended			For 9 months ended	For 15 months ended	18 Months Ended
Particulars	31st December, 2016	30th September, 2016	31st December, 2015	31st December, 2016	31st December, 2015	31st March, 2016
	1	2	3	4	5	6
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Segment Revenue						
(a) Heavy Engineering	8,425	8,348	11,827	22,982	62,375	72,209
(b) Foundry and Machine Shop	1,292	1,271	762	3,695	5,060	6,147
(c) Others	293	289	349	919	1,650	1,990
Total	10,010	9,908	12,938	27,596	69,085	80,346
Less : Inter segment Revenue	22	24	19	66	115	134
Net Sales/Income from Operations	9,988	9,884	12,919	27,530	68,970	80,212
2 Segment Results						
Profit/(Loss) before Interest and Tax						
(a) Heavy Engineering	672	1,353	2,578	2,809	3,694	5,737
(b) Foundry and Machine Shop	26	(74)	(201)	(130)	(1,123)	(1,229)
(c) Others	(12)	65	43	115	197	226
Total	696	1,344	2,420	2,794	2,768	4,734
Add: Exceptional Item	(204)	(390)	-	(594)	351	(1,011)
Less : Finance Cost	2,017	1,565	1,691	4,995	7,438	8,978
Less - Other unallocable expenditure net of unallocable income	158	163	334	476	985	1,602
Profit/(Loss) Before Tax	(1,683)	(774)	395	(3,271)	(5,304)	(6,857)
3 Capital Employed						
Segment Assets						
Heavy Engineering	119760	119146	124505	119760	124505	120762
Foundry and Machine Shop	6035	6048	6466	6035	6466	6290
Other	4424	4400	4473	4424	4473	4333
Unallocated	5940	6096	8658	5940	8658	8444
	136159	135690	144102	136159	144102	139829
Less : Liabilities						
Heavy Engineering	76977	74864	77554	76977	77554	75876
Foundry and Machine Shop	3030	3069	2827	3030	2827	2971
Other	273	239	250	273	250	236
Unallocated	4617	4574	4529	4617	4529	4552
	84898	82746	85160	84898	85160	83635
Total	51261	52944	58942	51261	58942	56194

For WALCHANDNAGAR INDUSTRIES LTD.

Place: Mumbai
Date: 30th January, 2017


G. K. PILLAI
MANAGING DIRECTOR & CEO
(DIN : 01537184)

A TRADITION OF ENGINEERING EXCELLENCE

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

F-7 Laxmi Mills
Shakti Mills Lane (Off Dr E Moses Rd)
Mahalaxmi Mumbai 400 011 India
Tel : 91 22 2493 2502 / 6655 1770
Fax : 91 22 6655 1774
Grams : VERIFY
www.KSAiyar.com
Mail@KSAiyar.com

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 nine months ended on December 31, 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 invited to Note No. 2 of the published results regarding Old trade receivables of Rs. 1,368 Lakhs on account of projects which are closed/ on hold. Out of this, trade receivables worth Rs. 520 Lakhs are against the projects which are closed where the Company is confident of receiving the same from customers. The balance of Rs. 848 Lakhs are dues from parties against whom the Company has initiated legal/arbitration proceedings. Pending the ultimate outcome of the 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. 2600 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 : January 30, 2017