WALCHANDNAGAR INDUSTRIES LIMITED
Walchandnagar: 413 114, Dist. Pune, Maharashtra, India
Tel: 02118-252 235/252 236/252 237/252 238
Fax: 02118-252 584
Website: www.walchand.com Email: wil@walchand.com

Ref. No. : WIL: SEC : 2026
Date : August 07, 2026

National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051.
Fax :26598237/38, 66418126/25/24
Scrip Code : WALCHANNAG

BSE Ltd.,
Phiroze Jeejeebhoy Towers,
Mumbai 400 001
Fax: 22723121/2039/2037
Scrip Code : 507410

Dear Sirs,

Sub.: Disclosure under Regulation 30 (6) read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Re- Credit Rating

With reference to the above subject, we wish to inform you that **ACUITE Ratings and Research Limited,** the Credit Rating Agency, have reaffirmed the credit rating of the Company vide its letter dated August 07, 2026 as given below:

Product	Bank Loan Ratings Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings (Fund Based)	129.89	Acuite BB | Stable | Reaffirmed	-
Bank Loan Ratings (Fund Based)	120.49	Not Applicable | Withdrawn	-
Bank Loan Ratings (Non-Fund Based)	384.62	-	Acuite A4+ | Reaffirmed
Total Outstanding	514.51	-	-

In this regard, please find enclosed herewith Published rating dated August 07, 2026 issued by **ACUITE Ratings and Research Limited.**

You are requested to kindly take the above information on record please.

Thanking you,
Yours faithfully,

For Walchandnagar Industries Ltd.

GIRIRAJ SHARAN AGRAWAL

Digitally signed by GIRIRAJ SHARAN AGRAWAL
DN: c=IN, o=Personal, title=5216, 2.5.4.20=f048798869b5576cd33292a4b6b9b7aa85cf64f178f4881b0e4fdb4df0c75a75, postalCode=400034, st=Maharashtra, serialNumber=5a4130bf9a70610c0fd108bdfb582c7679b4082096434107dba690b8c4821e18, cn=GIRIRAJ SHARAN AGRAWAL
Date: 2026.08.07 20:24:17 +05'30'

G. S. Agrawal
Whole Time Director & Company Secretary
DIN:00404340
Encl.: As above

Press Release

August 07, 2026

WALCHANDNAGAR INDUSTRIES LIMITED
Rating Reaffirmed and Withdrawn

Product	Quantum (Rs. Cr) (SEBI)	Quantum (Rs. Cr) (Other FSR)	Long Term Rating	Short Term Rating	Regulated By
Bank Loan Ratings	0.00	129.89	ACUITE BB | Stable | Reaffirmed	-	RBI
Bank Loan Ratings	0.00	120.49	Not Applicable | Withdrawn	-	RBI
Bank Loan Ratings	0.00	384.62	-	ACUITE A4+ | Reaffirmed	RBI
Total Outstanding	0.00	514.51	-	-	-
Total Withdrawn	0.00	120.49	-	-	-

Note:- For activities or ratings of instruments falling under the purview of Financial Sector Regulators other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Rating Rationale

Acuite has reaffirmed the long-term rating of **'ACUITE BB' (read as ACUITE double B)** and short-term rating of **'ACUITE A4+' (read as ACUITE A four plus)** on Rs.514.51 Cr. bank facilities of Walchandnagar Industries Limited (WIL). The outlook is revised from '**Negative'** to **'Stable'.**
Acuité has also withdrawn its proposed long-term rating of Rs. 120.49 Cr. bank facility without assigning any rating as it is a proposed facility of Walchandnagar Industries Limited**.** The rating has been withdrawn on account of the request received from the issuer.
The rating withdrawal is in accordance with Acuité's policy on withdrawal of rating as applicable to the respective facility / instrument.?

Rationale for Rating

The rating reaffirmation and revision in outlook reflects the improvement in the company's operational performance during FY2026 as compared to FY2025. Revenue was increased by ~6% during the year, while the company reported a positive EBITDA, as a result of reduced cost and better absorption of operating costs. However, the sustainability of the operational turnaround and improvement in profitability remains a key monitorable. The company's liquidity position is stretched, supported by debt repayments through share warrant proceeds, funding towards planned capex requirements, inflow of inter-corporate borrowings, and moderate bank limit utilisation. Nevertheless, the company continues to report negative cash accruals, which shall remain a key monitorable over the medium term. Acuite notes that monetization of non-core assets for the outstanding debt repayment or any further capital infusion remains a key rating sensitivity factor. The rating also factors in the comfort derived from the release of partial retention money of Rs.23.74 Cr. and bank guarantees of Rs.8.28 Cr. from TNEB during FY26. The working capital cycle, however, continues to remain intensive owing to the inherent nature of the business. Further, the financial risk profile remains moderate supported by steady networth, gearing below unity albeit below average debt protection metrics. Acuite also notes the management's plans to raise additional funds through preferential allotment by FY2027. The proposed fund infusion is expected to support debt reduction, fund capital expenditure requirements, and augment working capital, thereby strengthening the company's overall financial flexibility.

About the Company

Mumbai based, Walchandnagar Industries Limited (WIL) is an ISO 9001:2008 certified company with global presence and diversified business portfolio in Projects, Products and High-tech Manufacturing. Incorporated in 1908, WIL has a long track record of operations for over 100 years. WIL has been engaged in strategic business areas like Defence, Nuclear, Missiles, Aerospace (DNAM) and industrial products like Gears, Centrifugal, Castings and Gauges. The company benefits from an established customer base across its business segments and listed on the BSE and NSE stock exchanges in India. The directors of the company are Mr. Chirag Chakor Doshi, Mr. Rupal Anand Vora, Mr. Prabhat Kumar, Mr. Chakor Lalchand Doshi, Mr. Jayesh Chaturdas Dadia and Mr. Giriraj Sharan Agrawal.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has taken standalone financial and business risk profile of Walchandnagar Industries Limited to arrive at this rating.

Key Rating Drivers

Strengths

Established track record of operations and experienced management

WIL has a long operating track record of over 100 years and is engaged in strategic sectors such as Defence, Nuclear, Missiles and Aerospace (DNAM), which contributed around 31% of FY2026 revenues. The company also derives revenues from its Product segment (55% of total revenue) and Foundry & Instrumentation segment (14% of total revenue). Established by (Late) Seth Walchand Hirachand Doshi, WIL has evolved into a diversified engineering enterprise with capabilities across high-precision manufacturing and critical equipment supply.
The company is currently led by Mr. Chakor Doshi, who brings over three decades of industry experience. WIL has developed strong technical expertise and execution capabilities over the years, catering to marquee domestic and international customers. Its contribution to several prestigious national programmes, including the supply of critical equipment for India's lunar missions, *Chandrayaan-I* and *Chandrayaan-II*, as well as the *Akash* Missile programme, underscores its strong positioning in strategic sectors. Acuite believes that WIL's established presence in niche engineering segments, longstanding customer relationships, and the extensive experience of its management are expected to continue supporting its business profile over the medium term.

Increase in scale of operations during FY26

The operating income of the company stood at Rs.278.11 Cr. in FY26 as against Rs.262.09 Cr. in FY25 primarily driven by higher execution in the product segment. The unexecuted order book stood at Rs.374.56 Cr. as on 30.06.2026. The OB/OI stood at 1.35 times. This provides revenue visibility over the medium term.
The EBITDA margin stood at 7.84% in FY26 as against (25.62) % in FY25 supported by the execution of higher-margin nuclear and aerospace orders, improved operational efficiencies and better cost control measures. Further, the losses have reduced significantly and stood at (5.28) % in FY26 as against (32.82) % in FY25 due to its operating performance. It was further supported by the write-back of a one-time provision pertaining to TNEB orders in FY2025. Acuite believes the scale of operations will improve backed by order flow and increasing focus on DNA over the medium term.

Weaknesses

Intensive Working Capital Cycle

The working capital cycle Is intensive marked by GCA days of 640 days in FY26 as against 690 days in FY25. The inventory days stood at 196 days in FY26 as against 137 days in FY25, primarily due to the requirement to maintain adequate raw material requirements for long-gestation projects and elevated work-in-progress arising from extended manufacturing and processing cycles. The debtor days stood at 204 days in FY26 as against 211 days in FY25. While collections from regular customers are generally realised within ~75 days of invoicing, the overall receivables cycle continues to remain elongated owing to long-pending dues from Tamil Nadu Electricity Board (TNEB). The other current assets majorly involved unbilled revenue of Rs.120.50 Cr. (pending the completion of various quality and inspection checks), balance with govt of Rs.27.37 Cr. and advances to suppliers of Rs.21.48 Cr.
Against this, the creditor day stood at 194 days in FY26 as against 168 days in FY25 as payments to suppliers are largely aligned with the receipt of proceeds from customers. Additionally, the company procures raw materials for its Heavy Engineering Division (HED) and Foundry businesses through letters of credit, which typically provide a credit period of 150-180 days. Acuite believes that the working capital cycle will remain on similar levels over the medium term due to its inherent nature of the business.

Moderate Financial Risk Profile

The company has a moderate financial risk profile marked by gearing below unity albeit moderation in net worth and below average debt protection metrics. The tangible networth stood at Rs.358.37 Cr. as on 31st March 2026 as against

Rs.372.33 Cr. as on 31st March 2025. During FY2026, the company reported a marginal increase in equity following the conversion of employee stock options amounting to Rs. 0.08 crore.

The unsecured loans comprised of intercorporate deposits from a related party and stood at Rs.9.31 Cr. in FY26 as against Rs.9.03 Cr. in FY25. The gearing stood at 0.50 times in FY26 as against 0.48 times in FY25. The debt protection metrics marked by Interest Coverage Ratio and Debt Service Coverage Ratio of 0.91 times and 0.83 times respectively in FY26 as against (0.71) times and (0.48) times in FY25. The TOL/TNW stood at 1.45 times in FY26 from 1.34 times in FY25. Acuite believes the financial risk profile is likely to improve over the medium term supported by the proposed infusion of capital.

Rating Sensitivities

Potential triggers (individual or collective) for an upward rating action:

Growth in revenues by 30-40% along with improvement in profitability margins

Improvement in working capital cycle

Potential triggers (individual or collective) for a downward rating action:

Any deterioration in the financial risk profile leading to an impact on the overall liquidity

Any deterioration in profitability coupled with delays in sale of non-core assets

Liquidity Position

Stretched

The company has stretched liquidity marked by negative net cash accruals of Rs. (3.65) Cr. against Rs.3.38 Cr. debt obligations during FY26. The repayments were met by proceeds received from share warrants. Furthermore, the NCD repayments falling due in FY27 are proposed to be funded through the sale of non-core assets, the timely execution of the same remains a key monitorable. The company has surplus cash and bank balances of Rs.20.09 Cr. in FY26 from Rs.54.96 Cr. in FY25 (inclusive of unutilized share warrant monies). The current ratio was low and stood at 1.01 times in FY26 from 1.12 times in FY26. The average bank limit utilization for fund based was ~82% and non-fund-based was ~63% for the last six months ended May 26. Acuite expects the liquidity position will improve supported by expected net cash accruals over the medium term.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 26 (Actual)	FY 25 (Actual)
Operating Income	Rs. Cr.	278.11	262.09
PAT	Rs. Cr.	(14.68)	(86.03)
PAT Margin	(%)	(5.28)	(32.82)
Total Debt/Tangible Net Worth	Times	0.50	0.48
PBDIT/Interest	Times	0.91	(0.71)

Status of non-cooperation with previous CRA (if applicable)
Not Applicable

Any other information
None

Applicable Criteria
• Default Recognition :- https://www.acuite.in/view-rating-criteria-52.htm
• Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.htm
• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm

Note on complexity levels of the rated instrument
In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite’s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria “Complexity Level Of Financial Instruments” on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
30 May 2025	Bank Guarantee (BLR)	Short Term	197.06	ACUITE A4+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	217.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	76.21	ACUITE BB | Negative (Reaffirmed)
	Cash Credit	Long Term	98.20	ACUITE BB | Negative (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	46.53	ACUITE BB | Negative (Reaffirmed)
02 Aug 2024	Bank Guarantee (BLR)	Short Term	209.56	ACUITE A4+ (Assigned)
	Bank Guarantee (BLR)	Short Term	235.00	ACUITE A4+ (Assigned)
	Proposed Long Term Bank Facility	Long Term	0.15	ACUITE BB | Stable (Assigned)
	Cash Credit	Long Term	114.08	ACUITE BB | Stable (Assigned)
	Cash Credit	Long Term	76.21	ACUITE BB | Stable (Assigned)
28 Aug 2023	Bank Guarantee/Letter of Guarantee	Short Term	250.00	ACUITE A4 (Reaffirmed & Withdrawn)
	Letter of Credit	Short Term	37.28	ACUITE A4 (Reaffirmed & Withdrawn)
	Bank Guarantee/Letter of Guarantee	Short Term	225.00	ACUITE A4 (Reaffirmed & Withdrawn)
	Working Capital Demand Loan (WCDL)	Long Term	4.51	ACUITE C (Reaffirmed & Withdrawn)
	Cash Credit	Long Term	132.10	ACUITE C (Reaffirmed & Withdrawn)
	Cash Credit	Long Term	83.72	ACUITE C (Reaffirmed & Withdrawn)
	Working Capital Demand Loan (WCDL)	Long Term	8.07	ACUITE C (Reaffirmed & Withdrawn)
	Proposed Long Term Bank Facility	Long Term	95.43	ACUITE Not Applicable (Withdrawn)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Listing Status	Regulated By	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	200.00	Simple	ACUITE A4+ | Reaffirmed
BANK OF INDIA (BOI)	Not avl. / Not appl.	Bank Guarantee (BLR)	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	150.06	Simple	ACUITE A4+ | Reaffirmed
State Bank of India	Not avl. / Not appl.	Cash Credit	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	80.20	Simple	ACUITE BB | Stable | Reaffirmed | Negative to Stable
BANK OF INDIA (BOI)	Not avl. / Not appl.	Cash Credit	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	49.69	Simple	ACUITE BB | Stable | Reaffirmed | Negative to Stable
BANK OF INDIA (BOI)	Not avl. / Not appl.	Letter of Credit	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	34.56	Simple	ACUITE A4+ | Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	120.49	Simple	ACUITE Not Applicable | Withdrawn

Note:- For activities or ratings of instruments falling under the purview of Financial Sector Regulators other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

1. Bank Guarantee from SBI includes Rs.58.00 Cr of LC and 5.00 Cr of LC/BG (Foundry).
2. Interchangeability of Rs.17.44 Cr from BG to LC for Bank of India.
3. Two Interchangeability between Non-Fund Based to Fund Based of Rs. 18 Cr. for State Bank of India.
4. Two-way Interchangeability between BG to CC/WCDL Rs.12.00 Cr. for Bank of India.

Contacts

Mohit Jain Chief Analytical Officer - Rating Operations Manvi Khaitan Associate Analyst - Rating Operations	**Contact details exclusively for investors and lenders** Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

List of instruments and names of regulators of the instruments
As required by SEBI Circular (SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026) dated February 10, 2026, a list of activities or instruments falling under the purview of various Financial Sector Regulators (FSRs), along with the names of respective FSRs, is being disclosed below:
A. Rating Activity:

Sr. No.	Instrument / activity Name	Regulator of the instrument
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)[1]	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)[1]	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)[1]	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs [2]	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme [3]	-
15	Issuer Ratings [4]	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutal Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts	SEBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
22	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
23	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) [1]	Investor-side Regulator such as IRDAI, PFRDA [5]

[1] *Includes securitisation transactions involving assignee payout, acquirer's payout.*

[2] *Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.*

[3] *The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In Press Release(s) subsequent to issuance(s), Acuite shall separately capture the rated quantum details along with names of respective regulators.*

[4] *There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.*

[5] *These ratings were assigned during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side regulators have been included.*

B. Other activities:

Sr. No.	Activity Name	Regulator of the activity
1	Monitoring Agency	SEBI
2	Research activities, incidental to rating, such as research for Economy, Industries and Companies [6]	Not applicable

[6] *permitted by SEBI vide SEBI Master Circular for CRAs.*

Disclosure on instruments / activities and names of regulators:
A list of products/activities or ratings of instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has also been duly disclosed by Acuite on its website. A link to the same has been provided below for ready reference:
https://acuite.in/Activities-and-Regulators.html

About Acuité Ratings & Research
Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Please visit https://www.acuite.in/faqs.htm to refer FAQs on Credit Rating.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.