



WALCHANDNAGAR INDUSTRIES LTD.

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

PART I

Statement of Audited Results for the Quarter and Year ended on September 30, 2014						
Particulars	Quarter ended			Year ended		
	September 30, 2014 (Refer note no 4) (Audited)	June 30, 2014 (Unaudited)	September 30, 2013 (Refer note no 4) (Audited)	September 30, 2014 (Audited)	September 30, 2013 (Audited)	(₹ in lakhs)
1 Income from operations						
(a) Net sales/Income from operations (Net of excise duty)	15,208	14,572	24,453	62,766	71,755	
(b) Other Operating Income	403	310	344	1,057	896	
Total Income from operations (Net)	15,611	14,882	24,797	63,823	72,651	
2 Expenses						
(a) Cost of materials consumed	8,662	4,988	10,424	31,548	42,186	
(b) Sub-contracting Expenses, Processing Charges and Other Direct Costs	1,834	2,485	3,640	14,371	14,757	
(c) Changes in Inventories of finished goods and work-in-progress	(30)	2,040	3,395	(36)	(235)	
(d) Employees benefits expenses	2,183	2,184	2,490	9,243	9,647	
(e) Depreciation and amortisation expense	457	440	490	1,725	1,815	
(f) Other expenses	2,313	1,451	1,869	7,044	7,477	
Total expenses	15,419	13,588	22,319	63,895	75,597	
3 Profit / (Loss) from operations before other Income, finance costs and exceptional items (1-2)	192	1,294	2,478	(72)	(2,946)	
4 Other Income	192	424	194	785	563	
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	384	1,718	2,672	713	(2,383)	
6 Finance costs	1,327	1,262	1,068	4,799	4,076	
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items & foreign exchange fluctuation (5+6)	(943)	456	1,604	(4,086)	(6,459)	
8 Exchange Currency Fluctuation Gain/(Loss)	(158)	(3)	(351)	(218)	(1,293)	
9 Exceptional Items (Refer Note No. 2)	-	-	-	-	-	
10 Profit / (Loss) from ordinary activities before tax (7+8+9)	(1,101)	453	1,253	(1,859)	(3,577)	
11 Tax expense	(622)	-	3,191	(622)	251	
12 Net Profit / (Loss) from ordinary activities after tax (10+11)	(479)	453	(1,938)	(1,237)	(3,828)	
13 Extraordinary items (net of tax expenses)	-	-	-	-	-	
14 Net Profit / (Loss) for the period (12+13)	(479)	453	(1,938)	(1,237)	(3,828)	
15 Paid-up equity share capital (Face Value of ₹ 2/- each)	761	761	761	761	761	
16 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	18,033	19,226	
17 Earnings Per Share (before and after extraordinary items)						
(a) Basic	(1.26)	1.19	(5.09)	(3.25)	(10.06)	
(b) Diluted	(1.26)	1.19	(5.09)	(3.25)	(10.06)	

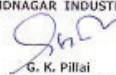
Particulars	Quarter ended		Year ended	
	September 30, 2014 (Refer note no 4) (Audited)	June 30, 2014 (Unaudited)	September 30, 2013 (Refer note no 4) (Audited)	September 30, 2014 (Audited)
PART-II Select Information for the Quarter and Year ended September 30, 2014				
A PARTICULARS OF SHAREHOLDING				
1. Public Shareholding	17,131,592	17,131,592	17,131,592	17,131,592
- Number of shares	45,000	45,000	45,000	45,000
- Percentage of Shareholding				
2. Promoters and Promoter Group Shareholding				
- 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) Non-Encumbered				
- 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)	100.00	100.00	100.00	100.00
- Percentage of shares (As a % of the total share capital of the company)	55.00	55.00	55.00	55.00
B INVESTOR COMPLAINTS				
Pending at the beginning of the quarter	1			
Received during the quarter	9			
Disposed of during the quarter	10			
Remaining unresolved at the end of the quarter	-			
Notes:				
1. The above results, as reviewed by the Audit Committee and approved by Board of Directors at its meeting held on November 29, 2014, has been taken on record.				
2. Exceptional item for the year denotes profit arising on sale of long term investments.				
3. During the Quarter ended on December 31, 2013, the company has changed to Accounting Standard 7 (Construction Contracts), from Accounting Standard 9 (Revenue Recognition) for recognizing Revenue in respect of long term contracts involving design, supply, erection & commissioning of complex machinery, being more appropriate method of accounting considering the nature of activity. As a result of the change, revenue from operations for the Quarter is higher by ₹ 424 lakhs and loss for the Quarter is lower by an equivalent amount and Revenue from operations for the Year ended September 30, 2014 is higher by ₹ 1770 lakhs & loss for the Year is lower by an equivalent amount.				
4. As per Clause 41 of the listing agreement, the figures for the Quarters ended 30-09-2014 and 30-09-2013 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 respective Financial Years.				
5. The Board has recommended Dividend of ₹ 0.40 per Equity share (20 %) on Equity shares of ₹ 2/- each subject to approval of shareholders.				
6. Figures for the previous periods have been regrouped/rearranged wherever considered necessary, to make them comparable.				

For WALCHANDNAGAR INDUSTRIES LIMITED

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

Place: Mumbai
Date: November 29, 2014

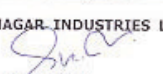
A TRADITION OF ENGINEERING EXCELLENCE

WALCHANDNAGAR INDUSTRIES LTD.					
Regd. Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034					
CIN : L74999MH1908PLC000261 Tel: (022) 40287110, Fax: (022) 23634527,					
E-mail: wii@walchand.com, Website: www.walchand.com					
SEGMENT-WISE REVENUE, RESULTS & CAPITAL EMPLOYED					
Particulars	Quarter ended		Year ended		
	September 30, 2014 (Refer note no 4)	June 30, 2014	September 30, 2013 (Refer note no 4)	September 30, 2014	September 30, 2013
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1 Segment Revenue					
(a) Heavy Engineering	14,087	13,455	23,252	52,703	67,164
(b) Foundry and Machine Shop	1,235	1,127	1,316	5,003	4,754
(c) Others	317	307	241	1,194	922
Total	15,639	14,889	24,809	63,900	72,840
Less: Inter-segment Revenue	28	7	12	77	189
Net Sales/ Income from Operations	15,611	14,882	24,797	63,823	72,651
2 Segment Results					
Profit/(Loss) before Interest and Tax					
(a) Heavy Engineering	834	1,776	2,714	2,051	(2,322)
(b) Foundry and Machine Shop	(306)	(217)	(131)	(794)	(288)
(c) Others	(20)	20	15	16	34
Total	508	1,579	2,598	1,273	(2,576)
Add: Exceptional Item	-	-	-	2,445	4,175
Less: Finance Cost	1,327	1,262	1,050	4,799	4,076
Less: Other unallocable expenditure net of unallocable income	282	(136)	277	778	1,100
Profit/(Loss) Before Tax	(1,101)	453	1,253	(1,859)	(3,577)
3 Capital Employed					
Segment Assets less Segment Liabilities					
(a) Heavy Engineering	51,878	56,457	55,119	51,878	55,119
(b) Foundry and Machine Shop	5,348	6,355	7,028	5,348	7,028
(c) Others	4,118	4,148	4,069	4,118	4,069
(d) Unallocated (Excluding Investments)	5,691	2,624	4,427	5,691	4,427
Total	67,035	69,584	70,643	67,035	70,643
For WALCHANDNAGAR INDUSTRIES LIMITED					
<div style="display: flex; justify-content: space-between;"> <div> Place: Mumbai Date: November 29, 2014 </div> <div style="text-align: right;">  G. K. Pillai Managing Director & C.E.O. </div> </div>					
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Statement of Assets and Liabilities
 (₹ in lakhs)

Particulars		As at September 30, 2014 (Current Year)	As at September 30, 2013 (Previous Year)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital	761	761
	b) Reserves and surplus	66,274	69,882
	c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	67,035	70,643
2	Non-Current Liabilities		
	a) Long-term borrowings	7,507	11
	b) Other long-term liabilities	8,549	8,519
	c) Long-term provisions	556	410
	Sub-total - Non-Current liabilities	16,612	8,940
3	Current Liabilities		
	a) Short-term borrowings	27,520	23,574
	b) Trade payables	20,562	27,199
	c) Other current liabilities	29,391	26,754
	d) Short term provisions	386	1,486
	Sub-total - Current liabilities	77,859	79,013
	TOTAL - EQUITY AND LIABILITIES	161,506	158,596
B	ASSETS		
1	Non-current assets		
	a) Fixed Assets		
	(I) Tangible Assets	61,410	63,385
	(II) Intangible Assets	294	441
	(III) Capital Work In Progress	439	2,041
	(IV) Intangible Assets under Development	-	-
		62,143	65,867
	b) Non-current investments	520	1,022
	c) Deferred tax assets	1,901	1,901
	d) Non Current Trade Receivables	1,154	2,378
	e) Long-term loans and advances	2,304	344
	f) other non-current assets	137	137
	Sub-total - Non-Current Assets	68,159	71,649
2	Current Assets		
	a) Current investments	1,934	2,069
	b) inventories	27,476	26,267
	c) Contract In Progress	4,317	-
	d) Trade receivables	40,470	41,722
	e) Cash and cash equivalents	4,685	1,227
	f) Short-term loans and advances	12,909	13,891
	g) Other current assets	1,556	1,771
	Sub-total - Current Assets	93,347	86,947
	TOTAL ASSETS	161,506	158,596

For WALCHANDNAGAR INDUSTRIES LIMITED

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

A TRADITION OF ENGINEERING EXCELLENCE

Place: Mumbai
 Date: November 29, 2014

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Shakti Mills Lane (Off. Dr. E. Moses Rd.)
Mahalaxmi, Mumbai 400 011, India
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INDEPENDENT AUDITORS' REPORT**To the Members of Walchandnagar Industries Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of **Walchandnagar Industries Limited** ("the Company"), which comprise the Balance Sheet as at September 30, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Offices also at
Chennai Kolkata Goa
Bangalore Coimbatore

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at September 30, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from divisions at Zambia and Ethiopia not visited by us. The divisions' overseas Auditors' Reports have been forwarded to us and appropriately dealt with;
 - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the audited returns from the divisions at Zambia and Ethiopia;
 - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 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

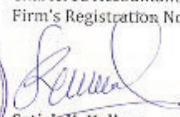


(e) on the basis of written representations received from the directors as on September 30, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place: Mumbai
Date: November 29, 2014



For K. S. Aiyar & Co.,
Chartered Accountants
Firm's Registration No.: 100186W


Satish K. Kelkar
Partner
Membership No.: 38934

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date on the financial statements for the year ended September 30, 2014 of Walchandnagar Industries Limited]

- (i) In respect of its fixed assets :
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The Company has a programme for physical verification of the fixed assets, which in our opinion is reasonable having regard to the nature of the business. Accordingly, the fixed assets have been physically verified by the Management at the end of the year and no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year were not substantial. According to the information and explanations given to us, we are of the opinion that the disposal of the Fixed Assets has not affected the going concern status of the Company.
- (ii) In respect of its inventories :
 - (a) The Management has conducted physical verification of the inventory at reasonable intervals other than material lying with sub-contractors, which have been confirmed by majority of them.
 - (b) The procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification as compared to the book records.
- (iii) The Company has not granted/ taken any secured or unsecured loans to/ from companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956. Therefore, sub-clauses (b), (c), (d), (e), (f) and (g) of clause (iii) of the said Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v)
 - (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹5 Lakhs in respect of any party during the year have been made at price which are reasonable having regard to prevailing market



prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 58A and 58AA and any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. As informed to us, no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any other court or any other tribunal.
- (vii) In our opinion, Company has an internal audit system commensurate with size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess and other material statutory dues applicable to it.

According to the information and explanations given to us, there are no undisputed outstanding dues in respect of the above items in arrears as at September 30, 2014 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the disputed statutory dues on accounts of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Municipal Tax and Cess that have not been deposited on account of matters pending before appropriate authority are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Denial of exemption availed under notification No. 6/2002, for supply of biomass based boilers.	266.19 (Net of CENVAT reversal and payment)	March, 2000 to March, 2004	CESTAT, Mumbai
Central Excise Act,	Excise duty demand on	82.73 (Net of	June, 1983 to April,	Supreme Court



1944	bought out items supplied for centrifugals, which have already suffered duty at manufacturers end.	CENVAT reversal and payments)	2005	
Maharashtra Land Revenue Code	NA Tax (₹ 20 Lakhs paid under protest)	86.61	1982 to 2003	Collector of Pune
	NA Tax	16.18	1982 to 2003	SDO, Baramati
	NA Tax	58.58	1994 to 2003	SDO, Baramati
Pune Municipal Corporation	Municipal Taxes - Determination of Annual Rateable Value	325.07	2008-09 to 2011-12	Court of Small Causes, Pune
Central Sales Tax Act, 1956	The exemption from tax for transit sale under section 6(2) (b) is denied. ₹30 Lakhs paid under protest.	159.83	2005-06	Joint Commissioner of Sales Tax (Appeal), Pune
Service Tax	Demand on value addition of bought out items. ₹ 28.76 Lakhs paid under protest.	362.65	2006-10	CESTAT, Kolkata
Employees Provident Fund	EPF - Demand from EPF authorities	50.68	2006-07	Mumbai High Court
Central Excise Act, 1944	Excise Duty on bought out components supplied for Centrifugals	2.47	Sept-09 to Jan-11	CESTAT, Mumbai

- (x) The Company does not have any accumulated losses as at the end of the financial year. The Company has incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.




- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to the financial institutions or banks or debenture holders during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purposes for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that funds raised on short-term basis have not been used for long-term investment.
- (xviii) According to the information and explanations given to us, during the period covered by our audit report, the Company has not made any preferential allotment of shares to the parties and companies covered under the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures.
- (xx) According to the information and explanations given to us, during the period covered by our audit report, the Company has not raised any money by public issue.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.



Place: Mumbai
Date: November 29, 2014

For K. S. Aiyar & Co.,
Chartered Accountants
Firm's Registration No.: 100186W


Satish K. Kelkar
Partner
Membership No.: 38934