

SWARAJ ENGINES LIMITED

Works :

Plot No. 2, Indl. Focal Point,
Phase IX, S.A.S. Nagar,
Distt. S.A.S. Nagar (Mohali)
(Near Chandigarh)

Tel. : 0172-2234941-47, 2234950
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02/SP/EXCH
16th October, 2012

The General Manager
Corp. Relationship Deptt
Bombay Stock Exchange Ltd.
1st. Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort, Mumbai

Fax No. 022-22722037,39,41,61,
22721072

Phone No. 022-22721121-22,
22722375, 22721233

The Secretary
National Stock Exchange of India Ltd.
Capital Market-Listing, Exchange Plaza,
Bandra – Kurla Complex, Bandra (E),
Mumbai

Fax No. 022-26598237-38
022-26598347-48

Phone No. 022- 26598235-36

SUB: UNAUDITED FINANCIAL RESULTS

Dear Sir,

This is to inform that Board of Directors of Swaraj Engines Limited in their meeting held today the **16th October, 2012** at Mumbai have approved the Unaudited Financial Results of the Company for the second quarter and half year ended 30th September, 2012.

Copy of the Unaudited Results, Limited Review Report from Company's Statutory Auditors pursuant to Clause 41 of the Listing Agreement and press release are enclosed.

With regards,

For Swaraj Engines Limited

(M.S.GREWAL)
Company Secretary

SWARAJ ENGINES Q2 NET PROFIT UP 19%

Mumbai, 16th October, 2012: The Board of Directors of Swaraj Engines Limited met today to consider and approve the financial results for the second quarter and half year ended 30th September, 2012.

Swaraj Engines Ltd. (SEL) reported an increase of 18% in its Profit Before Tax (PBT) for the second quarter ended 30th September, 2012. The PBT for the F13 Q2 reached Rs. 20.1 crores as compared to Rs. 17.0 crores achieved during the corresponding quarter last year.

The engine sales volume during the second quarter also registered a growth of 12% to reach 14,389 units as against 12,839 units sold during the same period last year.

With the increase in engine sales volume, net operating revenue for the second quarter reached Rs. 121.8 crores from Rs. 103.5 crores for the corresponding period in the previous fiscal. While working under challenging market conditions, the focus on productivity and cost helped SEL to sustain its profit margins and post a net profit of Rs. 14.0 crores against last year's profit of Rs. 11.8 crores – **a growth of 19%**.

Commenting on the performance, Vice Chairman, Mr. Bishwambhar Mishra said "considering the fact that SEL's business is directly linked to the tractor industry, which is presently facing tough market conditions, SEL has performed admirably".

For the half year ended 30th September 2012, on the supplies of 28,403 engines, net revenue reached Rs. 239.9 crores as against Rs. 213.3 crores for the same period last year. PBT for April – September six month period moved to Rs. 39.8 crores as against Rs. 36.6 crores for the corresponding period of the last financial year. Profit After Tax of Rs. 27.7 crores (last year Rs. 25.3 crores) has translated into an earning per share of Rs. 22.31 (last year Rs. 20.39) for the first six months of the current fiscal.

Financial results approved by the Board of Directors are attached.

About Swaraj Engines Ltd.

Swaraj Engines Limited (SEL) was set up in 1985 in Mohali, Punjab. SEL is in the business of supplying engines to Swaraj Division of Mahindra & Mahindra Ltd. (M&M). Besides this, the Company is also a supplier of hi-tech engine components to SML Isuzu Ltd.

From the start of commercial operations in 1989-90, SEL till fiscal 2012 has supplied around 4,60,000 engines for fitment into "Swaraj" tractors. SEL's engine business currently constitutes around 95% of the company's product revenue. The balance 5% represents the value of hi-tech engine components being supplied to SML Isuzu for assembly of commercial vehicle engines.

Mahindra & Mahindra Limited currently holds a 33.2% equity stake in SEL.

For further information please contact:

Ms. Roma Balwani Senior Vice President - Group Communications Mahindra & Mahindra Ltd. Mumbai, India Phone: (+91-22) 2490 1441 Email: balwani.roma@mahindra.com	Mr. M.N.Kaushal Whole-time Director Swaraj Engines Ltd. Mohali, Punjab, India Phone: (+91-172) 2271649 Email: kaushal.mahesh@mahindraswaraj.com
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SWARAJ ENGINES LIMITED

Regd. Office : Phase IV, Industrial Area, S.A.S.Nagar (Mohali), Punjab - 160 055

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

Particulars	Rs. Lakhs				
	Unaudited				
	Quarter Ended			Half Year Ended	
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011
PART I					
Income from Operations					
Net Sales / Income from Operations	12069	11689	10266	23758	21162
Other Operating Income	107	127	81	234	169
Total Income from Operations (Net)	12176	11816	10347	23992	21331
Expenses					
a) Cost of Materials Consumed	9492	8651	8054	18143	16283
b) Purchases of Stock-in-Trade	-	-	-	-	-
c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(289)	417	(243)	128	(181)
d) Employees Benefits Expense	551	527	471	1078	944
e) Depreciation and Amortisation Expenses	140	140	98	280	191
f) Other Expenses	557	418	541	975	980
Total Expenses	10451	10153	8921	20604	18217
Profit from Operations before Other Income, Finance Costs and Exceptional Items	1725	1663	1426	3388	3114
Other Income	287	308	288	595	560
Profit from Ordinary Activities before Finance Costs and Exceptional Items	2012	1971	1714	3983	3674
Finance Costs	2	1	12	3	14
Profit from Ordinary Activities after Finance Costs but before Exceptional Items	2010	1970	1702	3980	3660
Exceptional Items	-	-	-	-	-
Profit from Ordinary Activities before Tax	2010	1970	1702	3980	3660
Tax Expenses - Current	560	525	515	1085	1135
- Deferred	50	75	9	125	(7)
- Total	610	600	524	1210	1128
Net Profit from Ordinary Activities after Tax	1400	1370	1178	2770	2532
Extraordinary Items (Net of Tax expense)	-	-	-	-	-
Net Profit for the Period	1400	1370	1178	2770	2532
Share of Profit / (Loss) of Associates	-	-	-	-	-
Minority Interest	-	-	-	-	-
Net Profit after Taxes, Minority Interest and Share of Profit / (Loss) of Associates	1400	1370	1178	2770	2532
Paid-up Equity Share Capital (Face Value Rs.10/-)	1242	1242	1242	1242	1242
Reserves (excluding Revaluation Reserves)	--	--	--	--	--
Basic / Diluted Earning Per Share (Not Annualised)					
- Before Extraordinary Items	Rs. 11.28	Rs. 11.03	Rs. 9.49	Rs. 22.31	Rs. 20.39
- After Extraordinary Items	Rs. 11.28	Rs. 11.03	Rs. 9.49	Rs. 22.31	Rs. 20.39



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SWARAJ ENGINES LIMITED

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

Particulars	Unaudited					Audited
	Quarter Ended			Half Year Ended		Year Ended
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
PART II						
A) PARTICULARS OF SHAREHOLDING						
1) Public Shareholding						
- Number of Shares	61,33,403	61,33,403	61,33,403	61,33,403	61,33,403	61,33,403
- Percentage of Shareholding	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%
2) Promoters and Promoter Group Shareholding						
a) Pledged / Encumbered						
- Number of Shares	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil
b) Non-Encumbered						
- Number of Shares	62,86,417	62,86,417	62,86,417	62,86,417	62,86,417	62,86,417
- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter group)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
- Percentage of Shares (as a % of the total share capital of the company)	50.6%	50.6%	50.6%	50.6%	50.6%	50.6%

Particulars	Quarter ended 30-09-2012
B) INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	--
Received during the quarter	--
Disposed of during the quarter	--
Remaining unresolved at the end of the quarter	--



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SWARAJ ENGINES LIMITED

Regd. Office : Phase IV, Industrial Area, S.A.S.Nagar (Mohali), Punjab - 160 055

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

NOTES:

1. Statement of Assets and Liabilities

Particulars	Rs. Lakhs	
	As At	As At
	30.09.2012 (Unaudited)	31.03.2012 (Audited)
EQUITY AND LIABILITIES		
Shareholders' Funds		
a) Share Capital	1242	1242
b) Reserves and Surplus	20156	17386
Sub Total - Shareholders' Funds	21398	18628
Non-current Liabilities		
a) Deferred Tax Liabilities (Net)	445	320
b) Long-term Provisions	128	126
Sub Total - Non-current Liabilities	573	446
Current Liabilities		
a) Trade Payables	4214	4349
b) Other Current Liabilities	981	905
c) Short-term Provisions	152	2009
Sub Total - Current Liabilities	5347	7263
TOTAL - EQUITY AND LIABILITIES	27318	26337
ASSETS		
Non-current Assets		
a) Fixed Assets	7857	5052
b) Non-Current Investments	-	1184
c) Long-term Loans & Advances	609	842
Sub Total - Non-current Assets	8466	7078
Current Assets		
a) Current Investments	6898	6928
b) Inventories	3060	3344
c) Trade Receivables	875	1191
d) Cash and Cash Equivalents	7086	6970
e) Short-term Loans and Advances	933	826
Sub Total - Current Assets	18852	19259
TOTAL - ASSETS	27318	26337

2. The above results were reviewed by the Audit Committee and thereafter were approved by the Board of Directors in their meeting held at Mumbai on 16th October, 2012. The Statutory Auditors of the Company has conducted a Limited Review of the above financial results.

3. The Company is primarily engaged in the business of diesel engines, diesel engines components and spare parts. As the basic nature of these activities are governed by same set of risk and returns, these have been grouped as single segment in above disclosures as per Accounting Standard 17 dealing with "Segment Reporting".

4. Previous year figures have been regrouped / recast, wherever necessary, to make them comparable.



for and on behalf of
the Board of Directors

M.N. Kaushal

M.N. KAUSHAL
Whole-time Director

DAVINDER S. JAAJ & CO.

CHARTERED ACCOUNTANTS

SCO 18, IIInd Floor, Sector 17-E, Chandigarh - 160 017
Tel. : 91-172-4630700, 2701907, 2703706, Fax : 91-172-4625603 E-mail : jaajco@gmail.com

AUDITORS' LIMITED REVIEW REPORT

The Board of Directors
Swaraj Engines Limited
S.A.S.Nagar (Mohali)
Punjab

We have reviewed the accompanying statement of unaudited financial results of Swaraj Engines Limited ("the Company") for the Second quarter and six months ended 30th September 2012, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, engagements to Review Financial Statements 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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 results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies 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 misstatement.

For :-DAVINDER S.JAAJ & Co.
Chartered Accountants

Sumeet Singh Dhillon

Partner

Mem No 094370



Date: 16th October 2012

Place: Bombay