

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
Fax : 91-172-2234955
Email : mail@swarajenterprise.com

CIN No. L50210PB1985PLC006473

02/SP/EXCH

20th October, 2014

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 **20th October, 2014** at Mumbai have approved the Unaudited Financial Results of the Company for the second quarter and half year ended 30th September, 2014. 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.

Further, today the Board of Directors have appointed Shri Sudhir Mankad as Chairman of the Board in place of Shri G.P.Gupta who consequent to his resignation ceased to be the Director of the Company after the conclusion of the last Annual General Meeting of the Company held on 31st July, 2014.

With regards,

For Swaraj Engines Limited

(M.S.GREWAL)
Company Secretary

SWARAJ ENGINES LIMITED

CIN : L50210PB1985PLC006473

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

Tel : 0172-2271620-27, Fax : 0172-2272731, Email : selinvestor@swarajenterprise.com, Website : www.swarajenterprise.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

Particulars	Quarter Ended			Half Year Ended		Rs. Lakhs
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	Year Ended
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31.03.2014 (Audited)
PART I						
Income from Operations						
Net Sales / Income from Operations	16619	16521	15045	33140	29663	60407
Other Operating Income	105	92	113	197	211	421
Total Income from Operations (Net)	16724	16613	15158	33337	29874	60828
Expenses						
a) Cost of Materials Consumed	12689	12397	11870	25086	22706	46569
b) Purchases of Stock-in-Trade	-	-	-	-	-	-
c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22	264	(459)	286	(29)	(342)
d) Employees Benefits Expense	789	765	680	1554	1298	2769
e) Depreciation and Amortisation Expenses	348	334	222	682	434	912
f) Other Expenses	769	695	801	1464	1422	2769
Total Expenses	14617	14455	13114	29072	25831	52677
Profit from Operations before Other Income, Finance Costs and Exceptional Items	2107	2158	2044	4265	4043	8151
Other Income	403	425	460	828	930	1749
Profit from Ordinary Activities before Finance Costs and Exceptional Items	2510	2583	2504	5093	4973	9900
Finance Costs	-	-	1	-	3	4
Profit from Ordinary Activities after Finance Costs but before Exceptional Items	2510	2583	2503	5093	4970	9896
Exceptional Items -Expense/(Income)	-	-	-	-	-	115
Profit from Ordinary Activities before Tax	2510	2583	2503	5093	4970	9781
Tax Expenses - Current	698	800	759	1498	1501	3020
- Deferred	39	25	27	64	70	61
- Total	737	825	786	1562	1571	3081
Net Profit from Ordinary Activities after Tax	1773	1758	1717	3531	3399	6700
Extraordinary Items -Expense/(Income) (Net of Tax)	-	-	-	-	-	-
Net Profit for the Period	1773	1758	1717	3531	3399	6700
Share of Profit / (Loss) of Associates	-	-	-	-	-	-
Minority Interest	-	-	-	-	-	-
Net Profit after Taxes, Minority Interest and Share of Profit / (Loss) of Associates	1773	1758	1717	3531	3399	6700
Paid-up Equity Share Capital (Face Value Rs.10/-)	1242	1242	1242	1242	1242	1242
Reserves (excluding Revaluation Reserves)	--	--	--	--	--	19746
Basic / Diluted Earning Per Share (Not Annualised)						
- Before Extraordinary Items	Rs. 14.28	Rs. 14.15	Rs. 13.82	Rs. 28.43	Rs. 27.37	Rs. 53.95
- After Extraordinary Items	Rs. 14.28	Rs. 14.15	Rs. 13.82	Rs. 28.43	Rs. 27.37	Rs. 53.95

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
PART II						
A) PARTICULARS OF SHAREHOLDING						
1) Public Shareholding						
- Number of Shares	6,133,403	6,133,403	6,133,403	6,133,403	6,133,403	6,133,403
- 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	6,286,417	6,286,417	6,286,417	6,286,417	6,286,417	6,286,417
- 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 30-09-2014
B) INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	--
Received during the quarter	2
Disposed of during the quarter	2
Remaining unresolved at the end of the quarter	--

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

NOTES:

1. Statement of Assets and Liabilities

Particulars	Rs. Lakhs	
	As At	As At
	30.09.2014 (Unaudited)	31.03.2014 (Audited)
EQUITY AND LIABILITIES		
Shareholders' Funds		
a) Share Capital	1242	1242
b) Reserves and Surplus	23245	19746
Sub Total - Shareholders' Funds	24487	20988
Non-current Liabilities		
a) Deferred Tax Liabilities (Net)	742	694
b) Long-term Provisions	198	178
Sub Total - Non-current Liabilities	940	872
Current Liabilities		
a) Trade Payables	6826	5922
b) Other Current Liabilities	760	379
c) Short-term Provisions	391	5250
Sub Total - Current Liabilities	7977	11551
TOTAL - EQUITY AND LIABILITIES	33404	33411
ASSETS		
Non-current Assets		
a) Fixed Assets	8892	8580
b) Long-term Loans & Advances	334	307
Sub Total - Non-current Assets	9226	8887
Current Assets		
a) Current Investments	4919	7219
b) Inventories	3969	4640
c) Trade Receivables	2009	785
d) Cash and Bank Balances	12797	10953
e) Short-term Loans and Advances	484	927
Sub Total - Current Assets	24178	24524
TOTAL - ASSETS	33404	33411

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 20th October, 2014. The Statutory Auditors of the Company has conducted a Limited Review of the above financial results.

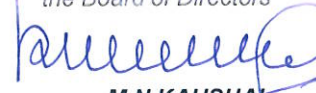
3. In compliance with the provisions of the Companies Act 2013, the company has reworked depreciation with reference to estimated economic life of Fixed Assets prescribed by Schedule II of the Act except for Patterns, Block & Dies and Vehicles, where lower useful life has been considered in line with the existing practice.

Due revision in estimated economic life, the charge for depreciation is higher by Rs. 161 lacs for the half year ended September 30, 2014 including Rs. 81 lacs for the quarter ended September 30, 2014. Further, Rs.31 lacs (net of tax) has been adjusted to General Reserve being the carrying value of assets having Nil revised remaining useful life as on April 1, 2014.

4. 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".

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

for and on behalf of
the Board of Directors


M.N.KAUSHAL
Whole-time Director

DAVINDER S. JAAJ & CO.

CHARTERED ACCOUNTANTS

Office : SCO 18, IInd Floor, Sector 17-E, Chandigarh - 160 017

Tel. : 91-172-4630700, 2703706 E-mail : jaajco@gmail.com

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

Limited Review Report

We have reviewed the accompanying statement of unaudited financial results of Swaraj Engines Limited ("the Company") for the Second quarter and half year ended 30th September 2014, 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 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 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 provide 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 recognized 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 M/S DAVINDER S. JAAJ & CO.

Chartered Accountants

Firm Registration No: 000969N

Sumeet Singh Dhillon

Partner

Membership No: 094370

Place: Mumbai

Date: 20th October 2014

Press Release**Swaraj Engines Q2 Operating Profit up 8%**

Mumbai, 20th October, 2014: The Board of Directors of Swaraj Engines Limited (SEL) met today to consider and approve the financial results for the second quarter and half year ended 30th September, 2014.

Continuing its improvement journey and by taking full advantage of increased capacity in meeting the demand of its key customer – Swaraj Division of Mahindra & Mahindra Limited, SEL today reported a growth of 8% in the engine sales volume for the second quarter ended 30th September, 2014. Engine sales for the quarter reached 20,054 units - the highest ever quarterly sale – compared to 18,484 units sold during the corresponding quarter of last year.

With higher sales volume, its net operating revenue for the second quarter moved to Rs. 167.2 crores from Rs. 151.6 crores for the corresponding period in the previous fiscal – a growth of 10%.

Operating profit for the second quarter at Rs. 24.6 crores also moved in tandem with increased engine sales volume and registered a growth of 8% when compared with Rs. 22.7 crores for the same period last year. However, due to higher depreciation to comply with the changes in Companies Act 2013 and CSR spend coupled with lower income on surplus funds, Profit Before Tax for the quarter at Rs. 25.1 crores stood almost at last year's level. Profit After Tax for the quarter was Rs. 17.7 crores (last year Rs. 17.2 crores).

For the half year ended 30th September 2014, on the supplies of 40,098 engines, compared to 36,267 engines for the same period last year, net operating revenue reached Rs. 333.4 crores, as against Rs. 298.7 crores for the same period last year – a growth of 12%. Operating profit for the first half year reached Rs. 49.5 crores, as against Rs. 44.8 crores for the corresponding period of the last financial year – a growth of 10%. While Profit Before Tax for the first half year stood at Rs. 50.9 crores (last year Rs.49.7 crores), Profit After Tax at Rs. 35.3 crores (last year Rs. 34.0 crores) has translated into an earning per share of Rs. 28.43 (last year Rs. 27.37) for the first six months of the current fiscal.

Further, today the Board of Directors have appointed Shri Sudhir Mankad as Chairman of the Board in place of Shri G.P.Gupta who consequent to his resignation ceased to be the Director of the Company after the conclusion of the last Annual General Meeting of the Company held on 31st July, 2014.



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 the Swaraj Division of Mahindra & Mahindra Ltd. (M&M). The Company is also manufacturing hi-tech engine components for SML Isuzu Ltd.

For further information please contact:

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