

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 NINE MONTH PERIOD ENDED 31ST DECEMBER, 2013

Particulars	Quarter Ended			Nine Months Ended		Rs. Lakhs
	31.12.2013	30.09.2013	31.12.2012	31.12.2013	31.12.2012	Year Ended
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
PART I						
Income from Operations						
Net Sales / Income from Operations	14917	15045	12349	44580	36107	47437
Other Operating Income	101	113	108	312	342	466
Total Income from Operations (Net)	15018	15158	12457	44892	36449	47903
Expenses						
a) Cost of Materials Consumed	11450	11870	9313	34156	27456	36705
b) Purchases of Stock-in-Trade	-	-	-	-	-	-
c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22	(459)	195	(7)	323	(265)
d) Employees Benefits Expense	707	680	579	2005	1657	2213
e) Depreciation and Amortisation Expenses	224	222	212	658	492	716
f) Other Expenses	659	801	532	2081	1507	2101
Total Expenses	13062	13114	10831	38893	31435	41470
Profit from Operations before Other Income, Finance Costs and Exceptional Items	1956	2044	1626	5999	5014	6433
Other Income	415	460	361	1345	956	1532
Profit from Ordinary Activities before Finance Costs and Exceptional Items	2371	2504	1987	7344	5970	7965
Finance Costs	-	1	11	3	14	15
Profit from Ordinary Activities after Finance Costs but before Exceptional Items	2371	2503	1976	7341	5956	7950
Exceptional Items -Expense/(Income)	115	-	-	115	-	-
Profit from Ordinary Activities before Tax	2256	2503	1976	7226	5956	7950
Tax Expenses - Current	689	759	530	2190	1615	2097
- Deferred	12	27	70	82	195	313
- Total	701	786	600	2272	1810	2410
Net Profit from Ordinary Activities after Tax	1555	1717	1376	4954	4146	5540
Extraordinary Items -Expense/(Income) (Net of Tax)	-	-	-	-	-	-
Net Profit for the Period	1555	1717	1376	4954	4146	5540
Share of Profit / (Loss) of Associates	-	-	-	-	-	-
Minority Interest	-	-	-	-	-	-
Net Profit after Taxes, Minority Interest and Share of Profit / (Loss) of Associates	1555	1717	1376	4954	4146	5540
Paid-up Equity Share Capital (Face Value Rs.10/-)	1242	1242	1242	1242	1242	1242
Reserves (excluding Revaluation Reserves)	--	--	--	--	--	18131
Basic / Diluted Earning Per Share (Not Annualised)						
- Before Extraordinary Items	Rs. 12.52	Rs. 13.82	Rs. 11.08	Rs. 39.89	Rs. 33.38	Rs. 44.61
- After Extraordinary Items	Rs. 12.52	Rs. 13.82	Rs. 11.08	Rs. 39.89	Rs. 33.38	Rs. 44.61

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Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2013	30.09.2013	31.12.2012	31.12.2013	31.12.2012	31.03.2013
	(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 31-12-2013
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	--

NOTES:

- 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 31st January, 2014. The Statutory Auditors of the Company has conducted a Limited Review of the above financial results.
- Exceptional Items represent the following:
 - One time expense of Rs. 213 lacs for laying Feeder Line by Punjab State Power Corporation Limited (PSPCL) for 66 KVA Power Sub-Station to ensure quality of power.
 - Net receipt of Fire Insurance Claim of Rs. 98 lacs.
- 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".
- 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
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

AUDITOR'S 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 third quarter and nine months ended 31st December 2013, except for the disclosure regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from the disclosure 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 the Directors. Our responsibility is to issue a report on these financial statements based on our review.

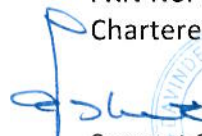
We conducted our review in accordance with the Standards on Review Engagement (SRE) 2400, engagements to review financial statements issued by the Institute of the Chartered Accountants of India. These standards require that we plan and perform the review to obtain moderate assurance as to whether the 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 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 requires 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.

FRN No. 000969N

Chartered Accountants


Sumeet Singh Dhir
Partner
Mem No. 094370

Dated: 31st January 2014

Place : Mumbai

**SEL Q3 PROFIT UP 20%
TO INVEST RS. 38 CRORES IN EXPANSION PLANS**

January 31, 2014, Mumbai: The Board of Directors of Swaraj Engines Limited (SEL) met today to consider and approve the financial results for the third quarter and nine month period ended 31st December, 2013.

Riding on the increased demand of engines from its key customer – Mahindra & Mahindra Limited – Swaraj Division, SEL today reported engine sales of 18,530 units during the third quarter ended 31st December, 2013 as compared to sale of 15,288 units during corresponding quarter of last year – **a growth of 21%**.

Moving in tandem with engine volumes, net operating revenue for the third quarter stood at Rs. 150.2 crores as against Rs. 124.6 crores for the last year – **a growth of 21%**.

Based on the above, SEL posted a Profit Before Tax (before exceptional items) of Rs. 23.7 crores as against Rs. 19.8 crores for same period last year – **a growth of 20%**. However, PBT after the exceptional items of Rs. 1.1 crores stood at Rs. 22.6 crores. Net Profit for the quarter at Rs. 15.6 crores (last year Rs. 13.8 crores) translated into an earning per share of Rs. 12.52 (last year Rs. 11.08).

For the nine month period ended 31st December 2013, engine sales volume was 54,797 units (last year 43,691 units), net operating revenue was Rs. 448.9 crores (last year Rs. 364.5 crores) – **a growth of 23%**. PBT (before exceptional items of Rs. 1.1 crores) for the nine month period was Rs. 73.4 crores (last year Rs. 59.6 crores) – **a growth of 23%**. Post exceptional items, PBT was Rs. 72.3 crores. Profit After Tax for the period at Rs. 49.5 crores (last year Rs. 41.5 crores) has translated into an earning per share of Rs. 39.89 (last year Rs. 33.38).

With timely completion of its previous expansion to 75,000 units by the end of fiscal 2013, the Company was able to take advantage of enhanced demand scenario in the first nine months of the current fiscal. Further, considering the upcoming demand from its key customer, the Board of Directors has approved a further expansion programme to increase capacity to 1,05,000 engines per annum over the next one and a half year. Besides, capacity augmentation, the Company will continue to sharpen its focus on engineering and quality edges. The proposed project will entail total capex of around Rs. 38.0 crores, which will be fully financed from internal resources.



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 a supplier of hi-tech engine components to SML Isuzu Ltd.

For further information please contact:

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