

SWARAJ ENGINES POSTS Q3 PBT OF Rs. 19.8 CRORES

Mumbai, 21st January, 2013: The Board of Directors of Swaraj Engines Limited met today to consider and approve the financial results for the third quarter and nine month period ended 31st December, 2012.

Swaraj Engines Ltd. (SEL) reported a Profit Before Tax (PBT) of Rs. 19.8 crores for the third quarter ended 31st December, 2012 representing a margin of 15.9% on net operating revenue of Rs. 124.6 crores.

The Company's engine sales volume for the third quarter increased by 1015 units, when compared to the corresponding quarter of the previous year. Total volume for Q3 reached 15,288 units. With the increase in engine sales volume, net operating revenue for the third quarter reached Rs. 124.6 crores, from Rs. 116.9 crores for the corresponding period of the previous fiscal. While the Company has sustained its profit at operating level, higher depreciation due to recent major capacity expansion has restricted the PBT to Rs. 19.8 crores, compared to Rs. 20.4 crores for the corresponding quarter of the previous year.

For the nine month period ended 31st December 2012, on total supplies of 43,691 engines, net revenue for the said period stood at Rs. 364.5 crores, as against Rs. 330.2 crores for the same period last year. PBT for the April – December nine month period reached 59.6 crores, as against Rs. 57.0 crores for the corresponding period of the last fiscal. Profit After Tax of Rs. 41.5 crores (last year Rs. 39.4 crores) has translated into an earning per share of Rs. 33.38 (last year Rs. 31.72).

On the engine capacity front, the second phase of the expansion is now almost complete and the total available capacity stands at 75,000 engines per annum.

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 96% of the company's product revenue. The balance 4% 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:

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