

Press Release
(30th July, 2013)

SWARAJ ENGINES FIRST QUARTER PROFIT RISES 25%

S.A.S.Nagar (Mohali), Punjab: The Board of Directors of Swaraj Engines Limited (SEL) has met today to consider and approve the un-audited financial results of the Company for the first quarter ended 30th June, 2013.

SEL reported its highest ever quarterly performance both in terms of engine sales volume and profit.

The engine sales during April – June Quarter of FY 2013-14 **grew by 27% to reach 17,783 units** from 14,014 units reached during the same period last year. With the increased engine sales volume but constrained by lower off-takes for LCV engine components, Profit Before Tax (PBT) at Rs. 24.7 crores for the Q1 **registered an impressive growth of 25%** over the same period last year when it stood at Rs. 19.7 crores. Even on a sequential basis, the PBT rose by 24% from Rs. 19.9 crores during the previous quarter ended 31st March, 2013.

The summary of quarterly financial results is as follows:

	F14Q1	F13Q4	F13Q1	Growth over immediate previous quarter	Growth over same period last year
	(Rs. Crores)				
Net Income from operations	147.2	114.5	118.2	29%	25%
Profit Before Tax	24.7	19.9	19.7	24%	25%
Profit After Tax	16.8	13.9	13.7	21%	23%

This growth was largely due to the timely decision of augmenting capacities to meet the industry demand and its effective implementation within the projected cost and timelines. As a result, the Company could take full advantage of strong demand emerging due to robust growth witnessed by the tractor industry. With its enhanced production capacity being tested in Q1, the Company is fully geared to meet higher emerging demand from its customers.

Copy of the unaudited financial results as approved by the Board of Directors is 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 the 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 June 2013, has supplied around 5,35,000 engines for fitment into "Swaraj" tractors.

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

For further information please contact:

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