

Press Release**(31st July, 2014)****SEL Q1 Operating Profit up 13%**

S.A.S.Nagar (Mohali), 31st July, 2014: The Board of Directors of Swaraj Engines Limited (SEL) today announced the unaudited financial results for the quarter ended 30th June, 2014.

Continuing its growth trends, Company's engine volumes for the first quarter (April-June, 2014) grew by 13% and touched its highest ever quarterly sales of 20,044 units compared to 17,783 units for the last year and sale of 19,265 units achieved in immediately preceding quarter. This growth has been attained on the strength of increased engines demand from its key customer - Swaraj Division of Mahindra & Mahindra Ltd.

Based on above, the Net Operating Revenue for the first quarter by registering a growth of 13% stood at Rs. 166.1 crores against last year's revenue of Rs. 147.2 crores. Moving in tandem, the operating profit grew by 13% and reached Rs. 24.9 crores. Depreciation for quarter at Rs. 3.3 crores compared to Rs. 2.1 crores during the corresponding quarter of last year was on higher side primarily due to additional charge of depreciation in compliance with the provisions of the Companies Act, 2013. Consequently, Profit Before Tax (PBT) for the quarter stood at Rs. 25.8 crores against the PBT of Rs. 24.7 crores for same period last year.

The Net Profit for the first quarter at Rs. 17.6 crores (last year Rs. 16.8 crores) has translated into an earning per share of Rs. 14.15 (last year Rs.13.54).

Further, the next phase of capacity expansion to 1,05,000 engines per annum is progressing as per the schedule and it is expected that this enhanced capacity would be available by end of first quarter of next fiscal.

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:

Mr. M.N.Kaushal
Whole-time Director
Swaraj Engines Ltd.
Phone: (+91-22) 28849384
Email: Kaushal.mahesh@mahindra.com