

SWARAJ ENGINES LIMITED

Works :
Plot No. 2, Indl. Focal Point,
Phase IX, S.A.S. Nagar,
Distt. S.A.S. Nagar (Mohali)
(Near Chandigarh)



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02/SP/EXCH
25th January , 2019

BSE Limited
Listing Department
P.J. Towers, 1st Floor,
Dalal Street, Fort,
Mumbai – 400 001
Email: corp.relations@bseindia.com

National Stock Exchange of India Limited
Capital Market-Listing, Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai- 400051
Email: cmlist@nse.co.in

Ref: Script Code: 500407

Script Name: SWARAJENG

SUB: Outcome of the Board Meeting

This is to inform that Board of Directors of Swaraj Engines Limited in their meeting held today the 25th January, 2019 at Mumbai have approved the Unaudited Financial Results of the Company for the third quarter and nine month ended 31st December, 2018. Copies of the Unaudited Results, Limited Review Report from the Company's Statutory Auditors and Press Release are enclosed herewith.

The meeting of the Board of Directors of the Company commenced at 11.00 A.M. and concluded at 12.00 noon .

You are requested to kindly take note of the above.

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 NINE MONTHS ENDED 31ST DECEMBER, 2018

₹ Lakhs

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from Operations	19872	24703	18326	68027	61011	79537
Other Income	403	386	490	1174	1482	1896
Total Income	20275	25089	18816	69201	62493	81433
Expenses						
a) Cost of Materials Consumed	14895	18863	13962	51378	43924	57582
b) Changes in Inventories of Finished Goods and Work-in-Progress	196	(321)	(236)	(81)	(331)	(150)
c) Excise Duty	-	-	-	-	2421	2421
d) Employee Benefits Expense	993	1004	888	2955	2583	3477
e) Finance Costs	-	-	-	8	-	101
f) Depreciation and Amortization Expense	472	480	420	1426	1265	1682
g) Other Expenses	1039	1144	1145	3351	3111	4048
Total Expenses	17595	21170	16179	59037	52973	69161
Profit before Exceptional Items and Tax	2680	3919	2637	10164	9520	12272
Exceptional Items	-	-	-	-	-	-
Profit before Tax	2680	3919	2637	10164	9520	12272
Tax Expense - Current	924	1348	929	3505	3267	4326
- Deferred	22	34	(15)	82	30	(64)
- Total	946	1382	914	3587	3297	4262
Profit for the Period	1734	2537	1723	6577	6223	8010
Other Comprehensive Income						
A) (i) Items that will not be reclassified to Profit or Loss	-	-	-	-	-	(45)
(ii) Income Tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	16
B) (i) Items that will be reclassified to Profit or Loss	-	-	-	-	-	-
(ii) Income Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(29)
Total Comprehensive Income for the Period	1734	2537	1723	6577	6223	7981
Paid-up Equity Share Capital (Face Value ₹10/-)	1213	1213	1242	1213	1242	1213
Other Equity	-	-	-	-	-	21637
Earning Per Share (not annualized)						
- Basic	₹ 14.31	₹ 20.91	₹ 13.88	₹ 54.24	₹ 50.11	₹ 64.62
- Diluted	₹ 14.29	₹ 20.90	₹ 13.86	₹ 54.19	₹ 50.06	₹ 64.56

[Handwritten Signature]

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2018

NOTES:

1. The financial results for the quarter and nine months ended 31st December, 2018 were reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held at Mumbai on 25th January, 2019. The Statutory Auditors of the Company has conducted a Limited Review of the said financial results.

2. These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles relevant thereto.

3. Consequent to introduction of Goods and Services Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. Further Ind AS 18 "Revenue" unlike Excise Duty, do not require GST to be included as a part of Revenue. Accordingly, the figures for the nine months ended 31st December, 2017 and year ended 31st March 2018 are not strictly relatable to current figures. The following additional related information is given below:-

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from Operations	19872	24703	18326	68027	61011	79537
Less : Excise duty	-	-	-	-	2421	2421
Revenue from Operations (Net of Excise duty)	19872	24703	18326	68027	58590	77116

₹ Lakhs

4. The Ministry of Corporate Affairs (MCA), on 28th March, 2018 notified Ind AS 115 "Revenue from Contracts with Customers" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018 and the same is effective for the accounting periods beginning on or after 1st April, 2018. The application of this standard did not have any material impact on the financial results of the Company.

5. The Company is primarily engaged in the business of diesel engines, diesel engine components and spare parts. As the basic nature of these activities are governed by the same set of risk, returns and internal business reporting system, accordingly these have been grouped as single segment in above disclosures as per Ind AS- 108 dealing with " Operating Segment".

6. During the quarter, the Company has allotted 714 Equity Shares of face value of Rs. 10/- each pursuant to exercise of stock options by employees.

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

for and on behalf of
the Board of Directors


SUBHASH MAGO
Whole Time Director &
Chief Executive Officer

Place : Mumbai

Date : 25th January, 2019

INDEPENDENT AUDITOR'S REVIEW REPORT

To,
The Board of Directors
Swaraj Engines Limited

**LIMITED REVIEW REPORT OF THE UNAUDITED FINANCIAL RESULTS OF SWARAJ ENGINES LIMITED FOR THE
QUARTER AND NINE MONTHS ENDED 31.12.2018**

1. We have reviewed the accompanying statement of Unaudited Financial Results ("the Statement") for the quarter and nine months ended 31st December'2018 of **Swaraj Engines Limited** ("the Company") being submitted by the Company, pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principals laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind-AS 34") prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review of the Statement 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, to the extent applicable. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether Statement is free of material misstatements. 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.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B.K. Khare & Co.**

Chartered Accountants

Firm Registration No. - 105102W

Shrish Rahalkar

Partner

Membership No. 111212

Mumbai, January 25, 2019

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Press Release

Swaraj Engines posted PBT of Rs. 26.8 crores for Q3

Mumbai, 25th January, 2019: 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, 2018.

Q3 (October – December 2018)

For the third quarter ended 31st December, 2018, the Company has posted its highest ever third quarter sales and profit. This was its 13th successive quarter of growth over corresponding period of previous year.

While engine sales for FY19Q3 stood at 22,569 units compared to 21,971 units sold during the corresponding quarter of last year, the net operating revenue for the third quarter reached Rs. 198.72 crores as against Rs. 183.26 crores for Q3 of last year – up 8.4%. With total operating expenses remained almost at last year's level, the Company's EBITDA for the quarter at Rs. 27.49 crores registered a growth of 7.1% over last year's Rs. 25.67 crores. After providing depreciation of Rs. 4.72 crores (last year – Rs. 4.20 crores) and with other income of Rs. 4.03 (last year - Rs. 4.90 crores), Profit Before Tax stood at Rs. 26.80 crores (last year Rs. 26.37 crores. Profit After Tax for the quarter was Rs. 17.34 crores (last year Rs. 17.23 crores).

Nine months (April – December 2018)

For the nine month period ended 31st December 2018, the total engine supplies of 77,871 units registered a growth of 10.9% over 70,242 units sold during corresponding period of last fiscal. Net operating revenue stood at Rs. 680.27 crores as against last year's Rs. 585.90 crores. While Profit Before Tax for the nine month period was Rs. 101.64 crores (last year Rs.95.20 crores), the Company posted a Profit After Tax of Rs. 65.77 crores (last year Rs. 62.23 crores).

The Summary of the financials is as follows:

Particulars	Rs. Crores			
	Q3 Ended		9 months Ended	
	31.12.18	31.12.17	31.12.18	31.12.18
Net Revenue from Operations	198.72	183.26	680.27	585.90
Operating Profit (EBITDA)	27.49	25.67	104.24	93.03
Profit Before Tax (PBT)	26.80	26.37	101.64	95.20
Profit After Tax (PAT)	17.34	17.23	65.77	62.23

About Swaraj Engines Ltd.

Swaraj Engines Limited (SEL) was set up in 1985 in Mohali, Punjab. SEL is primarily in the business of supplying engines to the Swaraj Division of Mahindra & Mahindra Ltd. (M&M).

For further information please contact:

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 Whole Time Director & CEO
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