

SWARAJ ENGINES LIMITED

Works :
Plot No. 2, Indl. Focal Point,
Phase-IX, S.A.S. Nagar
Distt. S.A.S. Nagar (Mohali)
(Near Chandigarh)
Tel. : 0172-2234941-47, 2234950



02/SP/EXCH
25th July, 2022

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

Scrip Code: 500407

Scrip 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 on 25th July, 2022 has approved the Unaudited Financial Results of the Company for the first quarter ended 30th June, 2022. Copies of the Unaudited Financial Results, Limited Review Report from the Company's Statutory Auditors and Press Release are enclosed herewith.

Further, the Board also took note that Mr. Sudhir Mankad, Chairman, upon completion of his second term as Independent Director on 30th July, 2022, will cease to be a Director of the Company. Therefore, in his place, the Directors have unanimously elected Mr. Rajesh Jejurikar as Chairman of the Board of Directors of the Company with effect from 31st July, 2022.

The meeting of the Board of Directors of the Company commenced at 12.30 P.M. and concluded at 1:00 P.M.

You are requested to kindly take note of the above.

With regards,

For Swaraj Engines Limited



(Rajesh K. Kapila)
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 ENDED 30TH JUNE, 2022

₹ Lakhs

| Particulars | Quarter Ended | | | Year Ended |
|---|----------------|--------------|--------------|---------------|
| | 30.06.2022 | 31.03.2022 | 30.06.2021 | 31.03.2022 |
| | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| | (Refer Note 3) | | | |
| Revenue from Operations | 39835 | 24235 | 31471 | 113815 |
| Other Income | 298 | 229 | 261 | 966 |
| Total Income | 40133 | 24464 | 31732 | 114781 |
| Expenses | | | | |
| a) Cost of Materials Consumed | 31033 | 18855 | 24325 | 89151 |
| b) Changes in Inventories of Finished Goods and Work-in-Progress | 664 | 112 | 51 | (130) |
| c) Employee Benefits Expense | 1177 | 1003 | 1134 | 4385 |
| d) Finance Costs | - | 1 | - | 8 |
| e) Depreciation and Amortization Expense | 471 | 420 | 479 | 1810 |
| f) Other Expenses | 1476 | 1155 | 1228 | 4871 |
| Total Expenses | 34821 | 21546 | 27217 | 100095 |
| Profit before Exceptional Items and Tax | 5312 | 2918 | 4515 | 14686 |
| Exceptional Items | - | - | - | - |
| Profit before Tax | 5312 | 2918 | 4515 | 14686 |
| Tax Expense - Current | 1393 | 683 | 1200 | 3789 |
| - Deferred | (35) | 49 | (50) | (50) |
| - Total | 1358 | 732 | 1150 | 3739 |
| Profit for the Period | 3954 | 2186 | 3365 | 10947 |
| Other Comprehensive Income | | | | |
| A) (i) Items that will not be reclassified to Profit or Loss | - | (112) | - | (112) |
| (ii) Income Tax relating to items that will not be reclassified to profit or loss | - | 28 | - | 28 |
| 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) | - | (84) | - | (84) |
| Total Comprehensive Income for the Period | 3954 | 2102 | 3365 | 10863 |
| Paid-up Equity Share Capital (Face Value ₹10/-) | 1214 | 1214 | 1214 | 1214 |
| Other Equity | - | - | - | 29353 |
| Earning Per Share (not annualized) | | | | |
| - Basic | ₹ 32.56 | ₹ 18.01 | ₹ 27.72 | ₹ 90.17 |
| - Diluted | ₹ 32.55 | ₹ 18.00 | ₹ 27.70 | ₹ 90.13 |

NOTES:

1. The financial results for the quarter ended 30th June, 2022 were reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held on 25th July, 2022. The Statutory Auditors of the Company has conducted a Limited Review of the said financial results.



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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. The figures for the previous quarter ended 31st March, 2022 are the balancing figures between the audited figures in respect of full financial year ended on 31st March, 2022 and the published unaudited year to date figures upto the nine months of the financial year 2021-22.

4. 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".

5. During the quarter, the Company has allotted 470 Equity Shares of face value of Rs. 10/- each pursuant to exercise of stock options by employees.

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

for and on behalf of
the Board of Directors



M. S. Grewal
Whole Time Director &
Chief Executive Officer

Place : S.A.S. Nagar (Mohali)
Date : 25th July, 2022

B. K. Khare & Co.
Chartered Accountants

706/708, Sharda Chambers, New Marine
Lines, Mumbai – 400 020, India

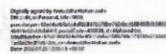
Independent Auditor's Review Report on the Unaudited Financial Results of the Company for the Quarter ended 30th June 2022 Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review report to,
The Board of Directors
Swaraj Engines Limited**

1. We have reviewed the accompanying Statement of unaudited financial results of Swaraj Engines Limited ('the Company') for the quarter ended 30th June 2022 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's management and has approved by the Board of Directors of the Company in its meeting held on 25 July, 2022. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. 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 applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B.K. Khare & Co.
Chartered Accountants
ICAI Firm Registration No. 105102W

Aniruddha
Mohan Joshi



Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 22040852ANOEAK7416
S.A.S. Nagar (Mohali), 25 July 2022

Press Release**Swaraj Engines Q1 PBT rises 17.7% to Rs. 53.12 crores**

S.A.S.Nagar (Mohali), 25th July, 2022: The Board of Directors of Swaraj Engines Limited (SEL) met today to consider and approve the financial results for the first quarter ended 30th June, 2022.

Q1 (April – June 2022)

On the strength of good engine demand, SEL reported its ever best quarterly performance in both Engine Sales Volume and Profit. Registering a sales volume growth of 13.9% over the same period last year, the Company posted engine sales of 38,428 units (last year 33,747 units) – the highest ever for any quarter.

The Net operating revenue for the first quarter stood at Rs.398.35 crores as compared to Rs. 314.71 crores for the corresponding quarter of last year. While the margins have been impacted due to the rise in commodity prices, the same got mitigated to a large extent with better control on operating costs coupled with the benefit of cost spread on higher volume.

Crossing Rs. 50 crore mark for the first time, the quarterly PBT at Rs. 53.12 crores - the highest ever quarterly profit - registered a growth of 17.7% over last year's PBT of Rs. 45.15 crores. PAT for the quarter was Rs. 39.54 (last year Rs. 33.65 crores) – up 17.5%

The financial summary for the Q1 is given below:

| | Rs. Crores | | |
|----------------------------|------------|------------|--------|
| | 30.06.2022 | 30.06.2021 | Growth |
| Engine Sales Volume (Nos.) | 38,428 | 33,747 | 13.9% |
| Net Operating Revenue | 398.35 | 314.71 | 26.6% |
| Operating Profit | 54.85 | 47.33 | 15.9% |
| Profit Before Tax (PBT) | 53.12 | 45.15 | 17.7% |
| Profit After Tax (PAT) | 39.54 | 33.65 | 17.5% |

Further, the Board in its today's meeting also noted that upon completion of his second term as Independent Director on 30th July, 2022, Mr. Sudhir Mankad, Chairman, will cease to be a Director of the Company. Taking note of the same, the Board unanimously elected Mr. Rajesh Jejurikar as its Chairman effective 31st July, 2022.

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:

Mr. Maninder S. Grewal
Whole Time Director & CEO
Swaraj Engines Ltd.
Phone: (+91-172) 2234941-47

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**EXTRACT OF UNAUDITED FINANCIAL RESULTS FOR THE
QUARTER ENDED 30TH JUNE, 2022**

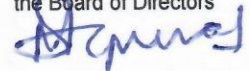
| S.No. | Particulars | ₹ Lakhs | | |
|-------|---|---------------|------------|---------------|
| | | Quarter Ended | Year Ended | Quarter Ended |
| | | 30.06.2022 | 31.03.2022 | 30.06.2021 |
| | | (Unaudited) | (Audited) | (Unaudited) |
| 1 | Total Income from Operations | 39835 | 113815 | 31471 |
| 2 | Net Profit for the period (before tax and exceptional items) | 5312 | 14686 | 4515 |
| 3 | Net Profit for the period before tax (after exceptional items) | 5312 | 14686 | 4515 |
| 4 | Net Profit for the period after tax (after exceptional items) | 3954 | 10947 | 3365 |
| 5 | Total Comprehensive Income for the period [Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)] | 3954 | 10863 | 3365 |
| 6 | Paid-up Equity Share Capital (Face Value ₹10/-) | 1214 | 1214 | 1214 |
| 7 | Other Equity | - | 29353 | - |
| 8 | Earning Per Share (of ₹10 each) (not annualized) | | | |
| | - Basic | ₹ 32.56 | ₹ 90.17 | ₹ 27.72 |
| | - Diluted | ₹ 32.55 | ₹ 90.13 | ₹ 27.70 |

NOTES:

1. The financial results for the quarter ended 30th June, 2022 were reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held on 25th July, 2022. The Statutory Auditors of the Company has conducted a Limited Review of the said financial results.

2. The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the Stock Exchange Websites, www.nseindia.com and www.bseindia.com, and on the Company's website www.swarajenterprise.com.

for and on behalf of
the Board of Directors



M. S. Grewal

Whole Time Director &
Chief Executive Officer

Place : S.A.S. Nagar (Mohali)

Date : 25th July, 2022