

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
19th July, 2021

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 the 19th July, 2021 have approved the Unaudited Financial Results of the Company for the first quarter ended 30th June, 2021. Copies of the Unaudited Financial 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 **11.30 AM**

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, 2021

₹ Lakhs

Particulars	Quarter Ended			Year Ended
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	(Refer Note 3)			
Revenue from Operations	31471	30491	11699	98657
Other Income	261	224	206	859
Total Income	31732	30715	11905	99516
Expenses				
a) Cost of Materials Consumed	24325	23972	9355	77438
b) Changes in Inventories of Finished Goods and Work-in-Progress	51	(433)	(557)	(869)
c) Employee Benefits Expense	1134	1110	947	4289
d) Finance Costs	-	-	-	-
e) Depreciation and Amortization Expense	479	472	423	1977
f) Other Expenses	1228	1224	666	4233
Total Expenses	27217	26345	10834	87068
Profit before Exceptional Items and Tax	4515	4370	1071	12448
Exceptional Items	-	-	-	-
Profit before Tax	4515	4370	1071	12448
Tax Expense - Current	1200	1199	343	3595
- Deferred	(50)	(85)	(56)	(401)
- Total	1150	1114	287	3194
Profit for the Period	3365	3256	784	9254
Other Comprehensive Income				
A) (i) Items that will not be reclassified to Profit or Loss	-	7	-	7
(ii) Income Tax relating to items that will not be reclassified to profit or loss	-	(2)	-	(2)
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)	-	5	-	5
Total Comprehensive Income for the Period	3365	3261	784	9259
Paid-up Equity Share Capital (Face Value ₹10/-)	1214	1214	1213	1214
Other Equity	-	-	-	26843
Earning Per Share (not annualized)				
- Basic	₹ 27.72	₹ 26.84	₹ 6.46	₹ 76.27
- Diluted	₹ 27.70	₹ 26.82	₹ 6.45	₹ 76.20

NOTES:

1. The financial results for the quarter ended 30th June, 2021 were reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held on 19th July, 2021. The Statutory Auditors of the Company has conducted a Limited Review of the said financial results.



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

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, 2021 are the balancing figures between the audited figures in respect of full financial year ended on 31st March, 2021 and the published unaudited year to date figures upto the nine months of the financial year 2020-21.
4. The Management has made the assessment of possible impact of Covid 19 on its liquidity, recoverable values of its financial & non-financial assets and has concluded that there are no significant adjustments required in the financial results. Further, the Management will continue to closely monitor the developments and possible impact, If any, on its financial condition, liquidity and operations due to Covid 19.
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 2254 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



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

Place : S.A.S. Nagar (Mohali)
Date : 19th July, 2021

B. K. Khare & Co.

Chartered Accountants

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

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company 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 30 June 2021 ('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 approved by Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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. 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

Aniruddha Mohan Joshi

Mohan Joshi

2021.07.19 12:03:19

+05'30'

Aniruddha Joshi

Partner

Membership No. 040852

UDIN: 21040852AAAACX3894

S.A.S. Nagar (Mohali), 19 July 2021

Press Release(19th July, 2021)**Swaraj Engines Posts Q1 Net Profit of Rs. 33.65 Crores**

S.A.S.Nagar (Mohali), 19th July, 2021: The Board of Directors of Swaraj Engines Limited (SEL) today approved the financial results for the first quarter ended 30th June, 2021.

Continuing its growth journey, Swaraj Engines reported its ever best Q1 performance in terms of achieving highest ever first quarter engine sale of 33,747 units and Profit After Tax of Rs. 33.65 crores. The said volumes are higher by 145% as compared to sale of 13,756 units during the corresponding quarter of fiscal 2021. Although, the same is not fully comparable with last year's Q1 engine sales which were impacted due to lockdowns.

With increase in the engine sales volume, the Net Operating Revenue for quarter stood at Rs. 314.71 crores as compared to Rs. 116.99 crores for the corresponding quarter of last year. The increase in the commodity prices has impacted the contribution margin, however, with total operating expenses restricted at 7.5% of the net operating revenue, the Company posted a healthier operating margin of 15.0%. Profit before tax & after tax for the quarter stood at Rs. 45.15 crores (last year Rs. 10.71 crores) and Rs. 33.65 crores (last year Rs. 7.84 crores) respectively. **This quarterly profit is also the highest ever for any quarter.**

Reflecting the above, the Financial Summary is given below:

	Quarter Ended		Rs. Crores
	30.06.2021	30.06.2020	Growth over previous year
Engine Sales Volume (Nos.)	33,747	13,756	145.3%
Net Operating Revenue	314.71	116.99	169.0%
Operating Profit	47.33	12.88	267.5%
Profit Before Tax	45.15	10.71	321.6%
Profit After Tax	33.65	7.84	329.2%

Also, even on Q-o-Q basis, the above performance is better when compared with Q4FY21 where the Company posted a PAT of Rs. 32.56 crores on a sale of 33,831 units of engines.

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).

For further information please contact:

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

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

EXTRACT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2021

S.No.	Particulars	₹ Lakhs		
		Quarter Ended	Year Ended	Quarter Ended
		30.06.2021 (Unaudited)	31.03.2021 (Audited)	30.06.2020 (Unaudited)
1	Total Income from Operations	31471	98657	11699
2	Net Profit for the period (before tax and exceptional items)	4515	12448	1071
3	Net Profit for the period before tax (after exceptional items)	4515	12448	1071
4	Net Profit for the period after tax (after exceptional items)	3365	9254	784
5	Total Comprehensive Income for the period [Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)]	3365	9259	784
6	Paid-up Equity Share Capital (Face Value ₹10/-)	1214	1214	1213
7	Other Equity	-	26843	-
8	Earning Per Share (of ₹10 each) (not annualized)			
	- Basic	₹ 27.72	₹ 76.27	₹ 6.46
	- Diluted	₹ 27.70	₹ 76.20	₹ 6.45

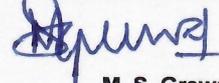
NOTES:

1. The financial results for the quarter ended 30th June, 2021 were reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held on 19th July, 2021. 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.

Place : S.A.S. Nagar (Mohali)
Date : 19th July, 2021

for and on behalf of
the Board of Directors



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