

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

The logo for Swaraj Engines Limited, featuring the word "SWARAJ" in white capital letters on a green rectangular background.

02/SP/EXCH
25th October, 2023

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 October, 2023 has approved the Unaudited Financial Results of the Company for the second quarter and half year ended 30th September, 2023. 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 11.30 A.M. and concluded at 12.25 P.M.

You are requested to kindly take note of the above.

With regards,

For Swaraj Engines Limited

A handwritten signature in blue ink, appearing to read "Rajesh K. Kapila", with a horizontal line underneath.

(Rajesh K. Kapila)
Company Secretary
M.No.: ACS-9936

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 HALF YEAR ENDED 30TH SEPTEMBER, 2023

₹ Lakhs

| Particulars | Quarter Ended | | | Half Year Ended | | Year Ended |
|---|---------------|--------------|--------------|-----------------|--------------|---------------|
| | 30.09.2023 | 30.06.2023 | 30.09.2022 | 30.09.2023 | 30.09.2022 | 31.03.2023 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| Revenue from Operations | 38890 | 39983 | 38475 | 78873 | 78310 | 142182 |
| Other Income | 324 | 459 | 250 | 783 | 548 | 1195 |
| Total Income | 39214 | 40442 | 38725 | 79656 | 78858 | 143377 |
| Expenses | | | | | | |
| a) Cost of Materials Consumed | 30861 | 31237 | 31308 | 62098 | 62341 | 113768 |
| b) Changes in Inventories of Finished Goods and Work-in-Progress | (169) | 468 | (541) | 299 | 123 | (388) |
| c) Employee Benefits Expense | 1183 | 1118 | 1105 | 2301 | 2282 | 4371 |
| d) Finance Costs | 6 | 6 | 2 | 12 | 2 | 8 |
| e) Depreciation and Amortization Expense | 472 | 464 | 468 | 936 | 939 | 1854 |
| f) Other Expenses | 1801 | 1644 | 1552 | 3445 | 3028 | 5790 |
| Total Expenses | 34154 | 34937 | 33894 | 69091 | 68715 | 125403 |
| Profit before Exceptional Items and Tax | 5060 | 5505 | 4831 | 10565 | 10143 | 17974 |
| Exceptional Items | - | - | - | - | - | - |
| Profit before Tax | 5060 | 5505 | 4831 | 10565 | 10143 | 17974 |
| Tax Expense - Current | 1338 | 1436 | 1282 | 2774 | 2675 | 4750 |
| - Deferred | (45) | (23) | (39) | (68) | (74) | (137) |
| - Total | 1293 | 1413 | 1243 | 2706 | 2601 | 4613 |
| Profit for the Period | 3767 | 4092 | 3588 | 7859 | 7542 | 13361 |
| Other Comprehensive Income | | | | | | |
| A) (i) Items that will not be reclassified to Profit or Loss | - | - | - | - | - | (12) |
| (ii) Income Tax relating to items that will not be reclassified to profit or loss | - | - | - | - | - | 3 |
| 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) | - | - | - | - | - | (9) |
| Total Comprehensive Income for the Period | 3767 | 4092 | 3588 | 7859 | 7542 | 13352 |
| Paid-up Equity Share Capital (Face Value ₹10/-) | 1215 | 1215 | 1214 | 1215 | 1214 | 1215 |
| Other Equity | - | - | - | - | - | 33006 |
| Earning Per Share (not annualized) | | | | | | |
| - Basic | ₹ 31.01 | ₹ 33.69 | ₹ 29.54 | ₹ 64.70 | ₹ 62.10 | ₹ 110.02 |
| - Diluted | ₹ 31.01 | ₹ 33.68 | ₹ 29.54 | ₹ 64.69 | ₹ 62.09 | ₹ 109.99 |



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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2023

Balance Sheet as at 30th September 2023

| Particulars | ₹ Lakhs | |
|--|---------------------------|-------------------------|
| | As At | As At |
| | 30.09.2023 (Unaudited) | 31.03.2023 (Audited) |
| I. ASSETS | | |
| Non-Current Assets | | |
| a) Property, Plant & Equipment | 8169 | 8720 |
| b) Capital Work-in-Progress | 103 | 209 |
| c) Investment Property | 21 | 21 |
| d) Intangible Assets | 8 | 10 |
| e) Financial Assets | 1063 | 5163 |
| f) Income tax assets (net) | - | 410 |
| g) Other Non-Current Assets | 377 | 82 |
| h) Deferred tax assets (net) | 196 | 128 |
| Total - Non-Current Assets | 9937 | 14743 |
| Current Assets | | |
| a) Inventories | 7061 | 6961 |
| b) Financial Assets | | |
| i) Investments | 3987 | 2613 |
| ii) Trade Receivables | 13477 | 12809 |
| iii) Cash and Cash Equivalents | 631 | 363 |
| iv) Other Balances with Banks | 12936 | 10544 |
| v) Other Financial Assets | 520 | 2464 |
| c) Other Current Assets | 3107 | 3116 |
| Total - Current Assets | 41719 | 38870 |
| Total Assets | 51656 | 53613 |
| II. EQUITY AND LIABILITIES | | |
| Equity | | |
| a) Equity Share Capital | 1215 | 1215 |
| b) Other Equity | 29697 | 33006 |
| Total Equity | 30912 | 34221 |
| Liabilities | | |
| Non-Current Liabilities | | |
| a) Non-Current Financial Liabilities | 77 | 88 |
| b) Long Term Provisions | 683 | 668 |
| c) Deferred Tax Liabilities (Net) | - | - |
| Total - Non-Current Liabilities | 760 | 756 |
| Current Liabilities | | |
| a) Financial Liabilities | | |
| i) Lease liabilities | 31 | 34 |
| ii) Trade Payables | 18002 | 16608 |
| iii) Other Financial Liabilities | 1173 | 1444 |
| b) Short Term Provisions | 634 | 340 |
| c) Other Current Liabilities | 144 | 210 |
| Total - Current Liabilities | 19984 | 18636 |
| Total - Equity And Liabilities | 51656 | 53613 |



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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2023

Statement of Cash Flow for the Half Year ended 30th September 2023

| Particulars | ₹ Lakhs | |
|--|---------------------------|---------------------------|
| | As At | As At |
| | 30.09.2023 (Unaudited) | 30.09.2022 (Unaudited) |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before Exceptional Items and Tax | 10565 | 10143 |
| Adjustments for: | | |
| Depreciation and Amortisation | 936 | 939 |
| Employee Stock Compensation | 6 | 6 |
| Interest (Received) / Paid (Net) | (661) | (507) |
| (Profit)/Loss on Mutual Fund Investment | (100) | (64) |
| (Profit)/Loss on disposal of Property, Plant and Equipment (Net) | 6 | 41 |
| Net gain on financial assets measured at FVTPL | (7) | - |
| Operating Profit Before Working Capital Changes | 10745 | 10558 |
| Movements in working capital: | | |
| (Increase)/Decrease in Trade and Other Receivables | (712) | (2452) |
| (Increase) in Inventories | (100) | (240) |
| (Decrease)/Increase in Trade and Other Payables | 1352 | 1141 |
| Cash generated from Operations | 11285 | 9007 |
| Income taxes paid (Net) | (2154) | (1892) |
| Net cash generated from Operating Activities | 9131 | 7115 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Investments Sales / (Purchase) - Net | (1367) | 3620 |
| Bank Deposit (Placed) / Matured - Net | 3696 | 968 |
| Other Corporate Deposits (Placed)/Matured - Net | 2000 | (2000) |
| Interest received | 673 | 510 |
| Net Proceeds from disposal of Mutual Fund Investments | 100 | 64 |
| Purchase of Property, Plant and Equipment | (839) | (693) |
| Changes in earmarked balances and margin accounts with banks | (1988) | 14 |
| Proceeds from disposal of Property, Plant and Equipment | 63 | 88 |
| Net cash (used in) / generated from Investing Activities | 2338 | 2571 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Repayment of lease liabilities (including interest) | (18) | (4) |
| Dividends paid to Shareholders of the Company | (11175) | (9716) |
| Equity Shares issued under ESOP* | - | - |
| Interest and Finance Charges paid | (8) | - |
| Net cash used in Financing Activities | (11201) | (9720) |
| Net Increase / (Decrease) in Cash and Cash Equivalents | 268 | (34) |
| Opening Balance of Cash and Cash Equivalents | 363 | 577 |
| Closing Balance of Cash and Cash equivalents | 631 | 543 |

* Equity Shares issued under ESOP as at 30.09.2023- Rs. 0.03 Lakhs (30.09.2022- Rs. 0.05 Lakhs)

Notes:

1. The financial results for the quarter and half year ended 30th September, 2023 were reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held on 25th October, 2023. The Statutory Auditors of the Company has conducted a Limited Review of the said financial results.

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**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE
QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2023**

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

Place : Mumbai
Date : 25th October, 2023

*for and on behalf of
the Board of Directors*


Giji Kurian
Whole Time Director &
Chief Executive Officer
DIN : 09629029

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**EXTRACT OF UNAUDITED FINANCIAL RESULTS FOR THE
QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2023**

₹ Lakhs

| S.No. | Particulars | Quarter Ended | Half Year Ended | Quarter Ended |
|-------|---|---------------|-----------------|---------------|
| | | 30.09.2023 | 30.09.2023 | 30.09.2022 |
| | | (Unaudited) | (Unaudited) | (Unaudited) |
| 1 | Total Income from Operations | 38890 | 78873 | 38475 |
| 2 | Net Profit for the period (before tax and exceptional items) | 5060 | 10565 | 4831 |
| 3 | Net Profit for the period before tax (after exceptional items) | 5060 | 10565 | 4831 |
| 4 | Net Profit for the period after tax (after exceptional items) | 3767 | 7859 | 3588 |
| 5 | Total Comprehensive Income for the period [Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)] | 3767 | 7859 | 3588 |
| 6 | Paid-up Equity Share Capital (Face Value ₹10/-) | 1215 | 1215 | 1214 |
| 7 | Other Equity | - | - | - |
| 8 | Earning Per Share (of ₹10 each) (not annualized) | | | |
| | - Basic | ₹ 31.01 | ₹ 64.70 | ₹ 29.54 |
| | - Diluted | ₹ 31.01 | ₹ 64.69 | ₹ 29.54 |

NOTES:

1. The financial results for the quarter and half year ended 30th September, 2023 were reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held on 25th October, 2023. 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 : Mumbai
Date : 25th October, 2023

for and on behalf of
the Board of Directors

Giju Kurian
Whole Time Director &
Chief Executive Officer
DIN : 09629029

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 and Half Year ended 30th September 2023 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 and half year ended 30th September 2023 ('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 been approved by the Board of Directors of the Company in its meeting held on October 25, 2023. Our responsibility is to issue a report 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
Mohan Joshi

Digitally signed by
Aniruddha Mohan Joshi
Date: 2023.10.25
12:13:42 +05'30'

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 23040852BGURHZ7513
Mumbai, 25 October 2023

Press Release

Swaraj Engines posts All Time High Q2 Profits

- Highest ever Q2 engine sales of 37,876 units, up by 2.9%
- Highest ever Q2 PAT at Rs. 37.67 crores, up by 5%
- 6th successive quarter of growth (Year over Year)

Mumbai, 25th October, 2023: The Board of Directors of Swaraj Engines Limited (SEL) today approved the financial results of the Company for the second quarter and half year ended 30th September, 2023.

Q2 (Jul. – Sept. 2023)

Driven by the continued engine demand, the company maintained its growth momentum and posted sale of 37,876 engines for the second quarter ended 30th September, 2023 as compared to last year's 36,792 engines. Net operating revenue for the second quarter reached Rs. 388.90 crores compared to Rs. 384.75 crores for the same period last year. The operating profit for the quarter at Rs. 52.14 crores compared to last year's Rs. 50.51 crores also increased almost in tandem with the volume increase, accompanied by margin improvement of 30 basis points. While the PBT stood at Rs. 50.60 crores (last year Rs. 48.31 crores), the PAT at Rs. 37.67 crores registered a growth of 5.0% over last year's PAT of Rs. 35.88 crores.

The financial summary for the Q2 is given below:

| | Rs. Crores | |
|---------------------------|-------------------|-------------|
| | FY24 | FY23 |
| Engine Sale Volume (Nos.) | 37,876 | 36,792 |
| Net Operating Revenue | 388.90 | 384.75 |
| Operating Profit | 52.14 | 50.51 |
| Profit Before Tax (PBT) | 50.60 | 48.31 |
| Profit After Tax (PAT) | 37.67 | 35.88 |

H1 (Apr. – Sept. 2023)

In the backdrop of overall consistent engine sales demand during the first two quarters of the current fiscal, the H1 of FY24 also recorded the highest ever half yearly engine sales of 76,313 units as compared to last year's sale of 75,220 units. On the net operating revenue of Rs. 788.73 crores (last year Rs. 783.10 crores) for the said period, the Company posted a Profit Before Tax of Rs. 105.65 crores (last year Rs. 101.43 crores) and Profit After Tax of Rs. 78.59 crores (last year Rs. 75.42 crores) - the highest ever PBT & PAT.

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. Giju Kurian
Whole Time Director & CEO
Swaraj Engines Ltd.
Phone: (+91-172) 2234941-47