

Press Release**SEL Board Recommends 330% Dividend**

Mumbai, 26th April, 2016: The Board of Directors of Swaraj Engines Limited (SEL) today announced the audited financial results for the quarter and year ended 31st March, 2016.

Q4 (Jan. – Mar. 16)

SEL posted an increase of 41% in its Profit After Tax (PAT) of Rs. 11.6 crores for the fourth quarter ended 31st March, 2016 over corresponding quarter of last year.

The engine sales during the quarter moved to 13,970 units from last year's 12,344 units – an increase of 13%. The net operating revenue for the quarter stood at Rs. 114.0 crores (last year Rs. 104.3 crores) and with the increased revenue coupled with operational efficiencies, operating profit at Rs. 15.8 crores registered an increase of 18.5% over last year. The Profit Before Tax (PBT) of Rs. 16.4 crores represents an improved margin of 14.4% of net operating revenue against last year's 13.9%.

FY 2015 - 2016

While the tractor industry after witnessing a de-growth in FY 2014-15, remained sluggish and registered further decline during FY 2015-16. However, Company's engine sale for the year at 64,088 units remained also flat compared to last year's sale of 64,595 units. As a results, Net Operating Revenue for the financial year ended 31st March, 2016 stood at Rs. 525.9 crores as against Rs. 539.7 crores. Despite decrease in net operating revenue, Company's operating margin improved to 14.0% from last year's level of 13.8%. While Profit Before Tax for the year stood at Rs. 76.0 crores (last year Rs. 77.8 crores), Profit After Tax at Rs. 51.2 crores (last year Rs. 51.8 crores) has translated into an earning per share of Rs. 41.22 (last year Rs. 41.74).

Dividend

The Board, while approving the annual accounts, has recommended an equity dividend of 150% (Rs.15.00 per share) for the financial year ended 31st March, 2016. Further, keeping in view of Company's surplus cash position, the Board, over and above the said normal dividend, has also recommended a special dividend payment of 180% (Rs.18.00 per share), taking the total dividend to 330% (Rs.33.00 per share) for the FY 2015-16 same as declared and paid for FY 2014-15.

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 manufacturing hi-tech engine components for SML Isuzu Ltd.

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