

SWARAJ ENGINES LIMITED

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



Tel. : 0172-2234941-47, 2234950
Fax : +91-172-2234955
Email: mail@swarajenterprise.com

02/SP/EXCH
22nd October, 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: Scrip Code: 500407

Scrip Name: SWARAJENG

SUB: Outcome of the Board Meeting

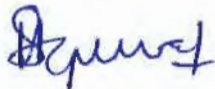
This is to inform that Board of Directors of Swaraj Engines Limited in their meeting held today the 22nd October, 2019 at Mumbai have approved the Unaudited Financial Results of the Company for the second quarter and half year ended 30th September, 2019. Copies of the Unaudited Financial Results, Limited 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 3.30 P.M. and concluded at 4.15 P.M.

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 HALF YEAR ENDED 30TH SEPTEMBER, 2019

₹ Lakhs

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from Operations	22272	20538	24703	42810	48155	87174
Other Income	344	362	386	706	771	1538
Total Income	22616	20900	25089	43516	48926	88712
Expenses						
a) Cost of Materials Consumed	16962	15331	18863	32293	36483	66523
b) Changes in Inventories of Finished Goods and Work-in-Progress	167	427	(321)	594	(277)	(866)
c) Employee Benefits Expense	1089	1,030	1004	2119	1962	3928
d) Finance Costs	1	-	-	1	8	9
e) Depreciation and Amortization Expense	534	476	480	1010	954	1954
f) Other Expenses	1054	1014	1144	2068	2312	4424
Total Expenses	19807	18278	21170	38085	41442	75972
Profit before Exceptional Items and Tax	2809	2622	3919	5431	7484	12740
Exceptional Items	-	-	-	-	-	-
Profit before Tax	2809	2622	3919	5431	7484	12740
Tax Expense - Current	465	924	1348	1389	2581	4361
- Deferred	(195)	6	34	(189)	60	137
- Total	270	930	1382	1200	2641	4498
Profit for the Period	2539	1692	2537	4231	4843	8242
Other Comprehensive Income						
A) (i) Items that will not be reclassified to Profit or Loss	-	-	-	-	-	(22)
(ii) Income Tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	8
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)	-	-	-	-	-	(14)
Total Comprehensive Income for the Period	2539	1692	2537	4231	4843	8228
Paid-up Equity Share Capital (Face Value ₹10/-)	1213	1213	1213	1213	1213	1213
Other Equity	-	-	-	-	-	22685
Earning Per Share (not annualized)						
- Basic	₹ 20.94	₹ 13.95	₹ 20.91	₹ 34.89	₹ 39.93	₹ 67.96
- Diluted	₹ 20.92	₹ 13.94	₹ 20.90	₹ 34.86	₹ 39.90	₹ 67.91

SWARAJ ENGINES LIMITED

CIN : L50210PB1985PLC000473

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2019

Balance Sheet as at 30th September 2019

Particulars	₹ Lakhs	
	As At	As At
	30.09.2019 (Unaudited)	31.03.2019 (Audited)
I. ASSETS		
Non-Current Assets		
a) Property, Plant & Equipment	10466	10837
b) Capital Work-in-Progress	146	200
c) Investment Property	23	24
d) Intangible Assets	116	139
e) Intangible Assets under Development	-	-
f) Other Non-Current Assets	610	777
Total - Non-Current Assets	11361	11977
Current Assets		
a) Inventories	3706	4744
b) Financial Assets		
i) Investments	8476	8383
ii) Trade Receivables	1619	1874
iii) Cash and Cash Equivalents	176	271
iv) Other Balances with Banks	589	1593
v) Other Financial Assets	4624	5922
c) Other Current Assets	1803	1864
Total - Current Assets	20993	24651
Total Assets	32354	36628
II. EQUITY AND LIABILITIES		
Equity		
a) Equity Share Capital	1213	1213
b) Other Equity	19518	22585
Total Equity	20731	23798
Liabilities		
Non-Current Liabilities		
a) Long Term Provisions	405	398
b) Deferred Tax Liabilities (Net)	527	716
Total - Non-Current Liabilities	932	1114
Current Liabilities		
a) Financial Liabilities		
i) Trade Payables	9751	10415
ii) Other Financial Liabilities	425	763
b) Short Term Provisions	425	416
c) Other Current Liabilities	90	122
Total - Current Liabilities	10691	11716
Total - Equity And Liabilities	32354	36628



SWARAJ ENGINES LIMITED

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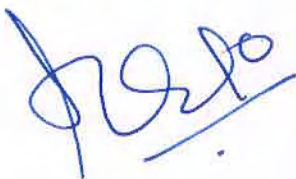
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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2019

Statement of Cash Flow for the half year ended 30th September 2019

Particulars	₹ Lakhs	
	As At	As At
	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Exceptional Items and Tax	5431	7484
Adjustments for:		
Depreciation and Amortisation	1010	954
Employee Stock Compensation	12	11
Interest (Received) / Paid (Net)	(373)	(441)
Return on Mutual Fund Investment	(129)	(145)
(Profit)/Loss on disposal of Property, Plant and Equipment	(4)	(7)
(Gain)/Loss on Investments carried at fair value through Profit and Loss	(194)	(159)
Operating Profit Before Working Capital Changes	5753	7697
Movements in working capital:		
Trade and Other Receivables	982	(540)
Inventories	1038	(1334)
Trade and Other Payables	(1015)	2857
Cash generated from Operations	6758	8680
Income taxes paid (Net)	(1520)	(2000)
Net cash generated from Operating Activities	5238	6680
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investments Sales / (Purchase)	102	1990
Bank Deposit (Placed) / Matured	930	1326
Other Corporate Deposits (Placed)/Matured	1000	(2000)
Interest received	374	449
Return on Mutual Fund Investment	129	145
Purchase of Property, Plant and Equipment	(564)	(1490)
Increase in Ear Marked Balances	3	(30)
Proceeds from disposal of Property, Plant and Equipment	8	20
Net cash (used in) / generated from Investing Activities	1982	410
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid to Shareholders of the Company (including DDT)	(7314)	(7280)
Equity Shares issued under ESOP*	-	-
Interest and Finance Charges paid	(1)	(8)
Net cash used in Financing Activities	(7,315)	(7,288)
Net Increase / (Decrease) in Cash and Cash Equivalents	(95)	(198)
Opening Balance of Cash and Cash Equivalents	271	305
Closing Balance of Cash and Cash equivalents	176	107

*Equity Shares issued under ESOP as at 30.09.2019 - Rs. 0.21 Lakhs (30.09.2018 - Rs. 0.15 Lakhs)



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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2019

NOTES:

1. The financial results for the quarter and half year ended 30th September, 2019 were reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held at Mumbai on 22nd October, 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. 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. During the quarter, the Company has allotted 2154 Equity Shares of face value of Rs. 10/- each pursuant to exercise of stock options by employees.
5. The Company has opted to exercise the option permitted under section 115BAA of the Income-Tax Act , 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the six months ended 30th September 2019 and re-measured its Deferred Tax Liability based on the rate prescribed in the said section. The full impact of this change has been recognised in the statement of Profit & Loss for the quarter ended 30th September 2019.
6. Previous year/period figures have been regrouped / recast, wherever necessary, to make them comparable.

Place : Mumbai
Date : 22nd October, 2019

for and on behalf of
the Board of Directors

SUBHASH MAGO
Whole Time Director &
Chief Executive Officer

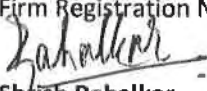
INDEPENDENT AUDITOR'S REVIEW REPORT

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 HALF YEAR ENDED SEPTEMBER 30, 2019

1. We have reviewed the accompanying statement of Unaudited Financial Results ("the Statement") for the quarter and half year ended September 30, 2019 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 amended (the "Listing Regulations").
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34. (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular is the responsibility of the Company's management and has been approved by the Board of Director of the Company. 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 financial statements are 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 the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Listing Regulations, 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

UDIN: 1911212AAAALQ8876

Mumbai, October 22, 2019



Pune
T + 91 020 25648885/8446011005
+ 91 020 8446031006/8446031009
F + 91 020 2542 0212
E bkkpune@bkkhareco.com
Hotel Swaroop, 4th Floor,
Lane No.10, Prabhat Road,
Erandwane, Pune - 411 004, India

Bengaluru
T + 91 80 41105357
E bkkbengaluru@bkkhareco.com
101, Money Chambers,
1st Floor, # 6 K. H. Road,
Shanthinagar,
Bengaluru - 560027, India

New Delhi
T + 91 011 4905 7624
E bkkdelhi@bkkhareco.com
A - 4, Westend,
Rao Tula Ram Marg,
New Delhi - 110021,
India

Chennai
T + 044 4862 9299
E bkkchennai@bkkhareco.com
2nd Floor, Crown Court
Cathedral Road,
Chennai - 600066,
India

Press Release**Swaraj Engines posts PAT of Rs. 25.4 crores in Q2 F20**

Mumbai, 22nd October, 2019: The Board of Directors of Swaraj Engines Limited (SEL) met today to consider and approve the financial results for the second quarter and half year ended 30th September, 2019.

Q2 (July – September 2019)

In the backdrop of de-growth witnessed in the tractor industry during this fiscal, the Company's engine sales also got impacted and stood at 26,271 units (last year - 28,560 units). As a result, net operating revenue for the second quarter was Rs. 222.7 crores compared to Rs. 247.0 crores for the same period last year. The operating profit for the quarter stood at Rs. 30.0 crores as against last year's Rs. 40.1 crores. While the Profit Before Tax for the period was Rs. 28.1 crore (last year - Rs. 39.2 crores), Profit After Tax for the quarter at Rs. 25.4 crores remained at last year's level due to recently announced reduction in corporate tax rates effective from the current financial year.

The financial summary for the Q2 is given below:

	Rs. Crores	
	30.09.2019	30.09.2018
Engine Sale Volume (Nos.)	26,271	28,560
Net Operating Revenue	222.7	247.0
Operating Profit	30.0	40.1
Profit Before Tax	28.1	39.2
Profit After Tax	25.4	25.4

H1 (April – September 2019)

Engine sales for the first half of the current financial year ended 30th September, 2019 was 49,304 units (last year - 55,302 units). The net operating revenue for the said period stood at Rs. 428.1 crores (last year Rs. 481.5 crores). The Company posted a Profit Before Tax of Rs. 54.3 crores (last year Rs. 74.8 crores) and Profit After Tax of Rs. 42.3 crores (last year Rs. 48.4 crores).

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

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EXTRACT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2019

₹ Lakhs

S.No.	Particulars	Quarter Ended	Half Year Ended	Quarter Ended
		30.09.2019	30.09.2019	30.09.2018
		(Unaudited)	(Unaudited)	(Unaudited)
1	Total Income from Operations	22,272	42,810	24,703
2	Net Profit for the period (before tax and exceptional items)	2,809	5,431	3,919
3	Net Profit for the period before tax (after exceptional items)	2,809	5,431	3,919
4	Net Profit for the period after tax (after exceptional items)	2,539	4,231	2,537
5	Total Comprehensive Income for the period [Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)]	2,539	4,231	2,537
6	Paid-up Equity Share Capital (Face Value ₹10/-)	1,213	1,213	1,213
7	Other Equity	-	-	-
8	Earning Per Share (of ₹10 each) (not annualized)			
	- Basic	₹ 20.94	₹ 34.89	₹ 20.91
	- Diluted	₹ 20.92	₹ 34.86	₹ 20.90

NOTES:

1. The financial results for the quarter and half year ended 30th September, 2019 were reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held at Mumbai on 22nd October, 2019. The Statutory Auditors of the Company has conducted a Limited Review of the said financial results.

2. The Company has opted to exercise the option permitted under section 115BAA of the Income-Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the six months ended 30th September 2019 and re-measured its Deferred Tax Liability based on the rate prescribed in the said section. The full impact of this change has been recognised in the statement of Profit & Loss for the quarter ended 30th September 2019.

3. 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 : 22nd October, 2019

for and on behalf of
the Board of Directors

SUBHASH MAGOO
Whole Time Director &
Chief Executive Officer