

Press Release**Swaraj Engines Q1 PBT Zooms 25%**

S.A.S.Nagar (Mohali), 26th July, 2016: The Board of Directors of Swaraj Engines Limited (SEL) today announced the financial results for the first quarter ended 30th June, 2016.

Driven by growth in the tractor industry during the first quarter ended 30th June, 2016 and resultant higher engine demand from its key customer - Swaraj Division of Mahindra & Mahindra Ltd., Swaraj Engines Limited posted its best ever quarterly performance in terms of volumes and financials as well.

The Company's engine sales volume for the quarter grew by 13.7% to reach 20,910 units as against 18,383 units sold during corresponding quarter of last year. Accordingly, Net Operating Revenue for the quarter moved to Rs 171.7 crores compared to Rs. 153.2 crores in the same period last year – a growth of 12.1% .

With the growth in engine sales volume and better spread of fixed cost, the Operating Profit (EBITDA - earnings before interest, tax, depreciation and amortisation) increased by 27.4% to Rs. 28.4 crores and margin expansion of 200 basis points at 16.5% in Q1 compared to same quarter last year.

While Profit Before Tax (PBT) at Rs. 29.1 crores (last year Rs. 23.3 crores) posted a significant growth of 24.9%, the Profit after tax for the quarter stood at Rs. 19.0 crores as compared to last year's Rs. 15.6 crores – a growth of 21.4%

The comparative summary of Q1 financials is as follows:

	Rs. Crores		
	Apr.- Jun.16	Apr.- Jun.15	Growth
Engine Volume – Nos.	20910	18383	13.7%
Net operating revenue	171.7	153.2	12.1%
EBIDTA	28.4	22.3	27.4%
Profit Before Tax	29.1	23.3	24.9%

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.

For further information please contact:

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