



February 9, 2017

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 051  BSE – 500495	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai – 400051  NSE - ESCORTS	<b>Delhi Stock Exchange Limited</b> DSE House, 3/1, Asaf Ali Road, New Delhi – 110002  DSE - 00012
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**Subject: Outcome of the Board Meeting of Escorts Limited pursuant to Regulation 30 & Unaudited Financial Results (Provisional) pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir,

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please note that the Board in its meeting held today i.e. February 9, 2017 has approved the Unaudited Financial Results (Provisional) for the quarter ended December 31, 2016 and Limited Review Report thereon.

Please find enclosed herewith the following:

1. Unaudited Financial Results (Provisional) for the quarter ended December 31, 2016
2. Limited Review Report
3. Press Release

We further wish to inform you that the Board Meeting held today commenced at 11:00 a.m. and concluded at 12.50 p.m.

Kindly take the same on record.

Thanking you.

Yours faithfully,  
For Escorts Limited

**Ajay Sharma**  
**Group General Counsel**  
**& Company Secretary**

Encl: A/a



**Statement of Standalone Unaudited Financial Results  
For The Quarter & Nine Months Ended 31st December, 2016**

PART I		Rs. In Lakhs				
Sl. No.	Particulars	Standalone Results				
		3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended in the previous year	For the Nine Months ended	
		31/12/16	30/09/16	31/12/15	31/12/16	31/12/15
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	<b>Income from Operations</b>					
	(a) Income from Operations	108,991.14	97,854.20	88,754.27	311,267.00	262,118.13
	(b) Other Operating Income	301.91	415.56	379.07	1,100.58	1,151.23
	<b>Total Income from Operations</b>	<b>109,293.05</b>	<b>98,269.76</b>	<b>89,133.34</b>	<b>312,367.58</b>	<b>263,269.36</b>
2	<b>Expenses</b>					
	(a) Cost of Materials Consumed	69,750.47	67,143.01	48,592.27	198,753.30	166,536.51
	(b) Purchases of Stock-in-Trade	6,027.03	5,749.97	4,980.51	18,131.00	16,196.43
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(50.43)	(6,054.90)	8,944.62	(2,582.81)	1,996.80
	(d) Employee Benefits Expense	11,141.11	11,140.40	10,318.62	33,196.83	30,586.30
	(e) Depreciation & Amortisation Expense	1,671.25	1,571.54	1,416.19	4,633.87	4,442.85
	(f) Other Expenses	13,276.02	13,507.22	12,204.23	39,933.28	34,654.92
	<b>Total Expenses</b>	<b>101,815.45</b>	<b>93,057.24</b>	<b>86,456.44</b>	<b>292,065.47</b>	<b>254,413.81</b>
3	<b>Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)</b>	<b>7,477.60</b>	<b>5,212.52</b>	<b>2,676.90</b>	<b>20,302.11</b>	<b>8,855.55</b>
4	Other Income	786.01	709.31	1,363.75	2,515.12	3,827.03
5	<b>Profit / (Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)</b>	<b>8,263.61</b>	<b>5,921.83</b>	<b>4,040.65</b>	<b>22,817.23</b>	<b>12,682.58</b>
6	Finance Costs	493.65	644.15	1,028.00	1,992.03	3,526.92
7	<b>Profit / (Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)</b>	<b>7,769.96</b>	<b>5,277.68</b>	<b>3,012.65</b>	<b>20,825.20</b>	<b>9,155.66</b>
8	Exceptional Items	202.26	316.87	12.60	1,094.84	122.55
9	<b>Profit / (Loss) from Ordinary Activities before Tax (7-8)</b>	<b>7,567.70</b>	<b>4,960.81</b>	<b>3,000.05</b>	<b>19,730.36</b>	<b>9,033.11</b>
10	Tax Expense	2,211.97	1,190.56	421.89	5,528.47	1,109.54
11	<b>Net Profit / (Loss) from ordinary activities after Tax (9-10)</b>	<b>5,355.73</b>	<b>3,770.25</b>	<b>2,578.16</b>	<b>14,201.89</b>	<b>7,923.57</b>
12	Extraordinary Items (net of tax expense)	-	-	-	-	-
13	<b>Net Profit / (Loss) for the period from Continuing Operations after Tax (11-12)</b>	<b>5,355.73</b>	<b>3,770.25</b>	<b>2,578.16</b>	<b>14,201.89</b>	<b>7,923.57</b>
14	Profit/(Loss) from Discontinued Operations before Tax (refer note 6)	(4,319.05)	(981.13)	(820.68)	(5,881.43)	(2,118.37)
15	Tax Expense on Discontinued Operations (refer note 6)	(1,234.46)	(339.54)	(284.03)	(1,775.17)	(733.17)
16	Net Profit/(Loss) from Discontinued Operations (14-15) (refer note 6)	(3,084.59)	(641.59)	(536.65)	(4,106.26)	(1,385.20)
17	<b>Net Profit for the Period (13+16)</b>	<b>2,271.14</b>	<b>3,128.66</b>	<b>2,041.51</b>	<b>10,095.63</b>	<b>6,538.37</b>
18	Other Comprehensive Income (net of tax)	(4.22)	0.83	2.33	0.80	2.83
19	<b>Total Comprehensive Income</b>	<b>2,266.92</b>	<b>3,129.49</b>	<b>2,043.84</b>	<b>10,096.43</b>	<b>6,541.20</b>
20	Paid-up equity share capital (Face Value Rs. 10/- each)	12,257.69	12,257.69	12,257.69	12,257.69	12,257.69
	Less: Amount recoverable from Escorts Employees Benefit & Welfare Trust	310.16	310.16	320.96	310.16	320.96
	Paid-up equity share capital (Face Value Rs. 10/- each)	<b>11,947.53</b>	<b>11,947.53</b>	<b>11,936.73</b>	<b>11,947.53</b>	<b>11,936.73</b>
21.i	<b>Earnings Per Share (for continuing operation) of Rs. 10 each (not annualised):</b>					
	(a) Basic (Rs.)	4.48	3.16	2.16	11.89	6.64
	(b) Diluted (Rs.)	4.48	3.16	2.16	11.89	6.64
21.ii	<b>Earnings Per Share (for discontinued operation) of Rs. 10 each (not annualised):</b>					
	(a) Basic (Rs.)	(2.58)	(0.54)	(0.45)	(3.44)	(1.16)
	(b) Diluted (Rs.)	(2.58)	(0.54)	(0.45)	(3.44)	(1.16)
21.iii	<b>Earnings Per Share (for discontinued &amp; continuing operation) of Rs. 10 each (not annualised):</b>					
	(a) Basic (Rs.)	1.90	2.62	1.71	8.45	5.48
	(b) Diluted (Rs.)	1.90	2.62	1.71	8.45	5.48



For ESCORTS LIMITED

(RAJAN NANDA)  
CHAIRMAN

Place : Faridabad  
Date : 09/02/2017

Escorts Limited  
Phone: 0129-2250222, Fax: 0129-2250060  
E-mail: corpsect@ndb.vsnl.net.in, Website: www.escortsgroup.com  
Registered Office : 15/5, Mathura Road, Faridabad – 121 003, Haryana  
CIN - L74899HR1944PLC039088





ESCORTS LIMITED

Segment Wise Revenue, Results And Capital Employed, For The Quarter & Nine Months ended 31st December, 2016

Sl. No.	Particulars	Rs. In Lakhs				
		3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended in the previous year	For the Nine Months ended	
		31/12/16	30/09/16	31/12/15	31/12/16	31/12/15
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	<b>Segment Revenue:</b>					
	a) Agri Machinery Products	88,927.20	79,573.78	70,734.31	254,417.88	210,759.28
	b) Auto Ancillary Products (Discontinued Operation - refer note 6)	1,550.99	1,263.85	1,851.13	4,977.40	7,526.86
	c) Railway Equipments	5,798.90	6,004.88	5,653.93	17,589.11	17,093.70
	d) Construction Equipments	15,169.41	13,388.04	13,258.27	42,271.58	36,774.54
	e) Others	-	-	-	-	-
	f) Unallocated	32.20	12.20	41.75	174.12	154.49
	<b>Total</b>	<b>111,478.70</b>	<b>100,242.75</b>	<b>91,539.39</b>	<b>319,430.09</b>	<b>272,308.87</b>
	Less: Inter Segment Revenue	634.66	709.14	554.92	2,085.11	1,512.65
	<b>Net Segment Revenue</b>	<b>110,844.04</b>	<b>99,533.61</b>	<b>90,984.47</b>	<b>317,344.98</b>	<b>270,796.22</b>
2	<b>Segment Results:</b>					
	a) Agri Machinery Products	9,259.67	7,450.19	4,921.88	26,386.89	16,431.14
	b) Auto Ancillary Products (Discontinued Operation - refer note 6)	(210.70)	(591.92)	(605.72)	(1,065.02)	(1,490.09)
	c) Railway Equipments	638.45	769.07	564.20	2,350.85	1,947.83
	d) Construction Equipments	(361.12)	(612.55)	(554.84)	(1,767.41)	(2,144.80)
	e) Others	4.52	(22.14)	(26.78)	(31.72)	(65.03)
	<b>Total</b>	<b>9,330.82</b>	<b>6,992.65</b>	<b>4,298.74</b>	<b>25,873.59</b>	<b>14,679.05</b>
	Less :					
	- Finance Cost	833.48	963.35	1,242.96	2,915.68	4,155.20
	- Exceptional Items	3,970.78	386.87	12.60	4,987.59	122.55
	- Other unallocable expenditure (Net of unallocable income)	1,277.91	1,662.75	863.81	4,121.39	3,486.56
	<b>Total Profit Before Tax</b>	<b>3,248.65</b>	<b>3,979.68</b>	<b>2,179.37</b>	<b>13,848.93</b>	<b>6,914.74</b>
3	<b>Segment Assets</b>					
	a) Agri Machinery Products	178,234.61	185,134.48	165,119.00	178,234.61	165,119.00
	b) Auto Ancillary Products (Discontinued Operation - refer note 6)	3,304.55	9,977.74	10,712.25	3,304.55	10,712.25
	c) Railway Equipments	12,914.23	12,121.04	13,819.26	12,914.23	13,819.26
	d) Construction Equipments	30,131.75	28,785.51	30,964.59	30,131.75	30,964.59
	e) Others	820.35	788.35	767.37	820.35	767.37
	f) Unallocated	106,959.49	93,462.94	91,352.86	106,959.49	91,352.86
	<b>Total</b>	<b>332,364.98</b>	<b>330,270.06</b>	<b>312,735.33</b>	<b>332,364.98</b>	<b>312,735.33</b>
4	<b>Segment Liabilities</b>					
	a) Agri Machinery Products	96,254.30	101,557.57	76,608.94	96,254.30	76,608.94
	b) Auto Ancillary Products (Discontinued Operation - refer note 6)	3,229.47	5,537.01	12,289.50	3,229.47	12,289.50
	c) Railway Equipments	6,277.49	5,390.93	5,726.22	6,277.49	5,726.22
	d) Construction Equipments	24,112.66	18,497.95	30,636.72	24,112.66	30,636.72
	e) Others	362.07	361.77	364.56	362.07	364.56
	f) Unallocated	15,206.60	13,557.53	12,391.97	15,206.60	12,391.97
	<b>Total</b>	<b>145,442.59</b>	<b>144,902.76</b>	<b>138,017.91</b>	<b>145,442.59</b>	<b>138,017.91</b>

Notes :

- The above Standalone Unaudited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on February 9, 2017.
- The Company has adopted Indian Accounting Standards ("Ind AS") from April 1, 2016 (transition date being April 1, 2015) and accordingly, these financial results have been prepared in accordance with Companies (Indian Accounting Standard) Rules, 2015 as prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- The format for unaudited quarterly results as prescribed in SEBI circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of Sebi's circular dated July 5, 2016 and Schedule III (Division II) of the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.



4 Reconciliation of standalone financial results to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as follows:

Particulars	Notes	Rs. In Lakhs	
		For quarter ended 31 December 2015	For nine months ended 31 December 2015
<b>Profit after tax as reported under previous GAAP</b>		<b>2,049.90</b>	<b>7,295.33</b>
<b>Adjustments on account of:</b>			
(i) Measurement of financial assets and liabilities at amortised cost	(a)	(86.89)	(768.98)
(ii) Recognition of loss allowance for expected credit losses on financial assets measured at amortised cost	(b)	52.45	117.95
(iii) Deferral of revenue for after sale services and extended warranties being separately identifiable components of sales	(c)	(25.17)	(122.47)
(iv) Measurement of financial assets at fair value through profit or loss (FVTPL)	(d)	2.79	(22.73)
(v) Others		113.59	78.24
(vi) Deferred tax impact on above Ind AS adjustments		(65.16)	(38.97)
<b>Profit after tax as reported under Ind AS</b>		<b>2,041.51</b>	<b>6,538.37</b>
Other comprehensive income (net of tax)	(e)	2.33	2.83
<b>Total comprehensive income as reported under Ind AS</b>		<b>2,043.84</b>	<b>6,541.20</b>

5 Exceptional item (continuing operation) in current quarter includes Rs. 202.26 Lacs (corresponding period Rs. 12.60 lacs) incurred towards Voluntary Retirement Scheme aimed at certain section of employees.

6 (a) Pursuant to approval of the Board and execution of the Asset Purchase Agreement (Agreement) dated August 11, 2016, your Company had divested its OEM & Export business of its Auto Product Division. The said divestment has become effective w.e.f. December 6, 2016 upon completion of agreed covenants of the Agreement. Consequently, Profit/(loss) before tax, Tax expense and Profit/(loss) after tax for the Auto Product Division has been disclosed separately as discontinued operation in the above financial results.

(b) Profit/(loss) for discontinued operations includes :

Particulars	Rs in Lacs				
	3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended in	For the Nine Months ended	
	31/12/16	30/09/16	31/12/15	31/12/16	31/12/15
Profit/(loss) before tax from ordinary activities attributable to discontinued operations (i)	(550.53)	(911.13)	(820.68)	(1,988.68)	(2,118.37)
Gain/(loss) on disposal of assets/settlement of liabilities including VRS attributable to discontinued operations (ii)	(3,768.52)	(70.00)	-	(3,892.75)	-
Tax Expense on discontinued operations : (iii)					
(a) on ordinary activities	(190.54)	(315.34)	(284.03)	(688.28)	(733.17)
(b) on gain/(loss) on disposal of assets/settlement of liabilities including VRS	(1,043.92)	(24.20)	-	(1,086.89)	-
<b>Net Profit/(loss) from Discontinued Operations (i+ii-iii)</b>	<b>(3,084.59)</b>	<b>(641.59)</b>	<b>(536.65)</b>	<b>(4,106.26)</b>	<b>(1,385.20)</b>

7 The Limited Review, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed and the related Report forwarded to the Stock Exchanges. This Report does not have any impact on the above 'Results and Notes' for the Quarter ended December 31, 2016 which needs to be explained.



For ESCORTS LIMITED

(RAJAN NANDA)  
CHAIRMAN

Place : Faridabad  
Date : 09/02/2017

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CIN - L74899HR1944PLC039088



## Limited Review Report

### Review Report to The Board of Directors, Escorts Limited

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Escorts Limited ("the Company") for the quarter and nine months ended December 31, 2016 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

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.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Accounting Standards i.e. Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S. N. Dhawan & CO. LLP  
Chartered Accountants  
(Firm Regn. No. 000050N/N500045)



*Vijay Dhawan*

(Vijay Dhawan)

Partner

M.No.: 012565

Dated: February 9, 2017  
Place: New Delhi





**PRESS RELEASE**

**Escorts Profits grow by 54.4% at ₹ 101 crore**

*Tractor volumes in Q3 up by 27.4% at 16,963 units*

*Construction Equipment volumes in Q3 up 16.8% at 815 units*

*EBIDTA for Q3 up by 123.5% at ₹ 91.5 crore*

*Profit from continued operations in Q3 up by 107.7% at ₹ 53.6 crore*

*One-time loss from discontinued operations of ₹ 30.8 Crore*

**New Delhi, February 9, 2017:** Escorts Limited today reported a profit of ₹ 22.7 crore in the quarter ending December 31, 2016 up by 11.2 percent as against a profit of ₹ 20.4 crore in the corresponding quarter in the previous fiscal. The profit reported is after one time loss from discontinued operations in respect of its Auto Products business of Rs 30.8 cr. The net profit for the nine months ending December

2016 was up by 54.4 percent at ₹ 101 crore as against ₹ 65.4 crore in the corresponding period last year.

**HIGHLIGHTS 9MFY17**

Turnover up 18.7% at ₹ 3,123.7 crore.

EBIDTA up by 87.5% at ₹ 249.4 crore.

Domestic tractor market share up at 10.4%

Material cost down by 156 bps

EBIDTA margins up by 293 bps

EPS at ₹ 8.45 as against ₹ 5.48 last year.

Tractor sales were up by 27.4 percent at 16,963 units during the third quarter of the current fiscal. Sales of construction equipment went up by 16.8 percent at 815 units as against 698 units in the corresponding quarter.

Turnover for the quarter was up by 22.6 percent to ₹ 1,093 crore as against the quarter ended December 2015. Turnover for first nine months of fiscal 2017 stood at ₹ 3,123.7 crore, up by 18.7 percent as against ₹ 2,632.7 crore in the nine months ended December 2015. Material cost was down by 156 bps at 68.6 percent as against 70.2 percent in the corresponding nine-month period.

EBIDTA from continuing operations for the quarter was up by 123.5 percent at ₹ 91.5 crore as against ₹ 40.9 crore in the corresponding quarter. EBIDTA for the First nine months was up by 87.5 percent at ₹ 249.4 crore as against ₹ 133 crore in the corresponding nine-

month period last fiscal.

Speaking on the results, **Chairman Mr. Rajan Nanda** said, "We are on a growth trajectory. Escorts today is prepared for a continued momentum and growth across sectors. Agricultural and highways focus in the union budget will also have a positive impact on farm income, rural economy and infrastructure development fostering further investments and opportunities."

**ESCORTS LIMITED**

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Corporate Identification Number L74899HR1944PLC039088





According to **Mr. Nikhil Nanda, Managing Director, Escorts Ltd**, "Escorts today is a leaner company with smart, integrated & efficient processes and infusing cost optimization across the board. Strategic focus on investments in expanding our product portfolio, appointing new dealers for an expanded coverage and wider service reach have resulted in better customer connect and demand. We will continue to innovate, add new product features and achieve cost efficiencies."

### **SEGMENT WISE PERFORMANCE**

#### ***Escorts Agri Machinery***

Tractor sales were correspondingly up by 27.4% at 16,963 units during the third quarter of the current fiscal. EBIT margins correspondingly up by 345 bps at 10.4% as compared to 7.0% in last year same quarter.

For the nine months of the year, tractor sales were up by 23.2% at 48,808 units. EBIT margins up by 258 bps at 10.4% as against 7.8% in the corresponding period. Market share grew to 10.4% as against 10.1% in the corresponding nine months.

#### ***Escorts Construction Equipment***

Construction equipment volume in Quarter ended Dec'16 went up by 16.8% at 815 units against 698 units in the corresponding quarter. For nine months ended December construction equipment volume were up by 25.3% at 2,278 units as against 1,818 units in corresponding nine months.

#### ***Railway Equipment Division***

The division recorded a 2.6% increase in revenue for the third quarter ended Dec'16 at ₹ 58 crore as against ₹ 56.5 crore in the corresponding quarter. For the nine month of the year, RED revenue stood at ₹ 175.9 crore, an increase of 2.9% against ₹ 170.9 crore in the corresponding period of the last fiscal. EBIT Margin for nine months up by 197 bps at 13.4% as against 11.4% in corresponding nine months. The current order book is around ₹ 130 crore and will be executed in the next 6-7 months.

#### ***Escorts Auto Products***

Revenues from the Auto division was ₹ 15.5 crore in the quarter ending December 2016 as against ₹ 18.5 crore in December 2015. As a part of strategic reorientation we have divested Auto Product business.

***The reviewed accounts of the third quarter and nine months ended 31<sup>st</sup> December 2016 has been approved by the Board of Directors of Escorts Limited.***

**For further information, kindly contact:**

**Sharad Gupta**  
Group Head Corporate Brand Communications  
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