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Date: July 28, 2017

The Manager  
Listing Department  
**National Stock Exchange of India Limited**  
5<sup>th</sup> Floor Exchange Plaza  
Bandra Kurla Complex, Bandra East  
Mumbai -400051

NSE Code: Escorts  
BSE Code: 500495  
DSE Code: 00012

Dear Sir

**Sub: Earning Presentation of Q1FY18 Results**

In compliance of the *Regulation 30(6) read with Schedule III*, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find Earning Presentation of Q1FY18 to be discussed with the Investors & Analyst during the conference call scheduled to be held today i.e. July 28, 2017 at 5.00 p.m..

Further please note the said presentation is being made available on our website @ <http://www.escortsgroup.com/investor-information.html> pursuant to *Regulation 46* of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information & record.

Thanking you,

Yours Faithfully  
For **ESCORTS LIMITED**

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

**Encl: Earning Presentation**

**Copy to:**

The Manager Listing Department <b>BSE Limited</b> 25 <sup>th</sup> Floor P J Towers Dalal Street Fort, Mumbai-400001	The Manager Listing Department <b>Delhi Stock Exchange Limited</b> DSE House, 3/1 Asaf Ali Road New Delhi -110002
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**ESCORTS LIMITED**

Corporate Secretarial & Law

Registered Office :15/5, Mathura Road, Faridabad - 121 003, Haryana, India

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Corporate Identification Number - L74899HR1944PLC039088



# Escorts Ltd.

BSE: 500495 | NSE: ESCORTS

**Q1 FY18 Earning Presentation**

July 28, 2017

# Content



- Financial Highlights
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# Q ended June'17 Highlights



Volume	<ul style="list-style-type: none"> <li>Tractor volumes correspondingly up by 7.3% to <b>17,561</b> on Y-o-Y and sequentially up by 17.3% on Q-o-Q.</li> <li>Construction volume correspondingly up by 20 % to 886 on Y-o-Y and sequentially down by 14.6% on Q-o-Q.</li> </ul>
Revenue	At <b>₹ 1,163.2 Cr</b> Correspondingly up by 11 % on Y-o-Y and Sequentially up by 11.4 % on Q-o-Q led by volume growth.
EBIDTA	<ul style="list-style-type: none"> <li>At <b>₹ 97.5 Cr.</b> Correspondingly up by 8.3% on Y-o-Y and Sequentially up by 31.2% on Q-o-Q.</li> <li>Margin at 8.4% sequentially up by 126 bps on Q-o-Q and correspondingly down by 20 bps on Y-o-Y.</li> </ul>
PAT	At <b>₹ 62.6 Cr.</b> up correspondingly by <b>₹ 15.7 Cr.</b> against <b>₹ 47 Cr.</b> in Q ended June'16 and up sequentially by <b>₹ 3.16 Cr.</b> against <b>₹ 59.5 Cr.</b> in Q ended Mar'17.
Debt	At <b>₹ 179 Cr.</b>
EPS	At <b>₹ 5.24</b> as against <b>₹ 3.94</b> in quarter ended June'16

# Management Message



## Rajan Nanda, Chairman and Managing Director

Government's renewed focus on farm mechanisation and smart city infrastructure has provided positive momentum to the industry, resulting in to an upward trend in market demand. Escorts will continue investing in technology, efficient distribution and product mix for enhanced agility, dynamism and customer responsiveness.



## Nikhil Nanda, Managing Director

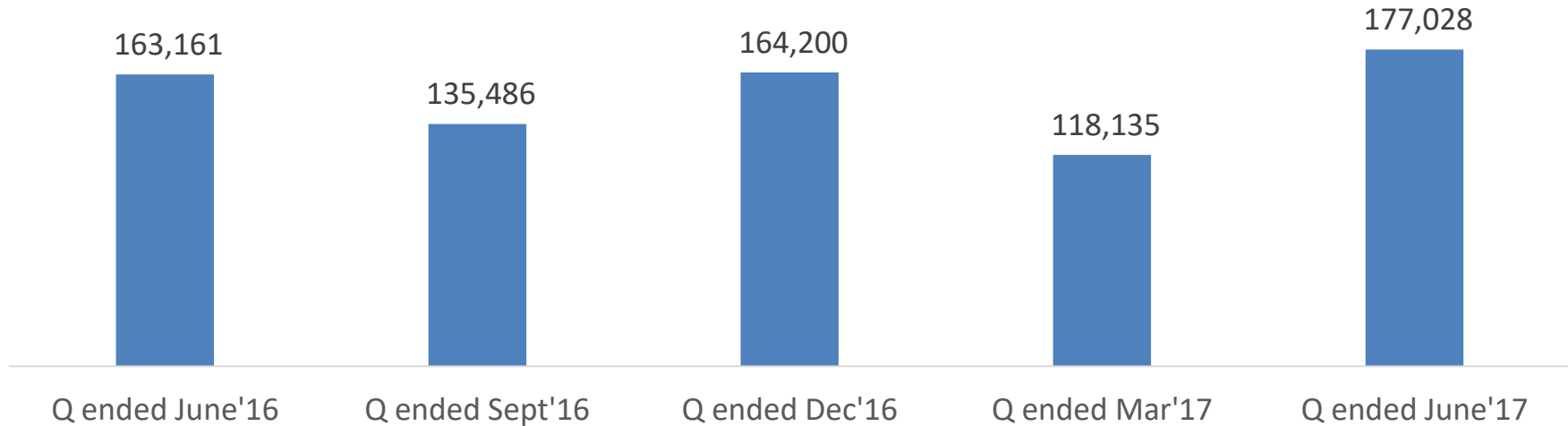
Escorts today is equipped with future readiness to tap the emerging opportunities across agriculture, infrastructure and railway segments. Our focus on enhanced customer reach and technology upgrades will build our capability and competence to cater to growing domestic and global demand.



# Tractor Industry Overview



## Domestic Industry



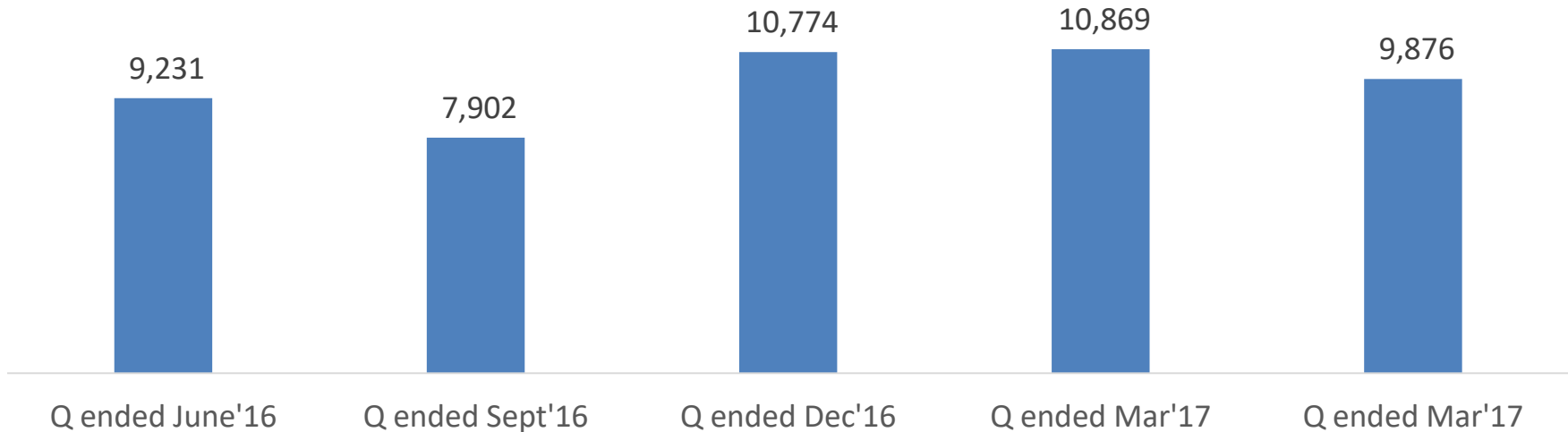
- Y-o-Y domestic Industry up by 8.5% in Quarter ended June'17, Q-o-Q Industry up by 50%.
- Industry on Y-o-Y basis in North and central region grew by 17.7%, whereas industry down by 3% in South and west region.
- Q2FY18 industry expected to grow by 18~20%.
- The long term growth fundamentals of industry are strong with lowering of the replacement cycle, but the pace of the central & state Government's policy roll out would govern the short term industry performance.



# Construction Industry Overview



## Construction Served Industry



- The construction equipment industry up by 15.6% in Q1FY18 w.r.t Q1FY17.
- All major segments like Earth Moving, Material handling, Road Construction have seen a positive movement.
- Served industry (Backhoe Loaders, PnC and Compactors) went up by 7% in Q1FY18 wrt to LY.
- Material handling have been the biggest gainer in Q1FY18 with growth of 64% followed by compactors with 33% and Backhoe loader down by 3%.



# Business Segment Highlights



## Escorts Agri Machinery (EAM)



**80% of Q1FY18 Revenue**

- Y-o-Y Domestic tractor volumes up by 6.2 % to 17,199 lacs in Q1FY18.
- Y-o-Y export volume up by 109.3% to 362 tractors.
- Domestic Share of Market at 9.7% in Q1FY18. Affected due to deferral of sales on account of GST.
- EBIT Margins up by 73 bps at 10.8% against 10.1% Q-o-Q.

## Escorts Construction Equipment (ECE)



**14% of Q1FY18 Revenue**

- Volume at 886 in quarter ended June'17 up by 20% as that of previous fiscal.
- Served industry up by 7% in Q1FY18.
  - Backhoe loader industry volume down by 3%
  - Compactors industry volumes up by 33%
  - Cranes up by 64%
- Positive swing of 368 at EBIT margin in Q1.

## Railway Equipment Division (RED)



**6% of Q1FY18 Revenue**

- Y-o-Y revenue up by 12.8% to ₹ 65.2 Cr. in Q1FY18.
- Order book stood at ₹ 150 Cr. which will get executed in the next 6-7 months.
- EBIT Margins at 10%
- Going forward business expected to grow by 15~20% CAGR for next 3 years





# Fact Sheet



Headquarters

Faridabad, Haryana, India

Initial public offering

1991 (BSE and NSE(India))

## **FY17 Earnings**

Revenue

INR 4,167.6 Crore (USD 631.5 mn)

Net Profit

INR 160.4 Crore (USD 24.3 mn)

EPS

INR 13.43

## **Q1FY18 Earnings**

Revenue

INR 1,163.2 Crore (USD 176.2 mn)

Net Profit

INR 62.6 Crore (USD 9.5 mn)

EPS

INR 5.24

Book Value Per Share

INR 164.51

1 USD = 66 INR

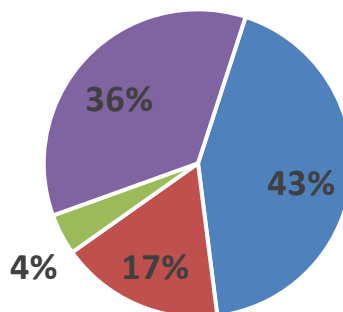
# Share Holding Pattern



Share holding Trend					
Share Holders (%)	Jun'16	Sept'16	Dec'16	Mar'17	Jun'17
Promoters	43.0	43.0	43.0	43.0	43.0
FII's	8.9	12.0	13.4	16.5	17.2
DII's	3.1	3.8	3.7	3.8	4.3
Public	45.0	41.2	39.9	36.7	35.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

As of June'17

■ Promoters ■ FII's ■ DII's ■ Public



# Annexure

## Quarter ended June'17 results



### ESCORTS LIMITED

#### Unaudited standalone financial results for the quarter ended June 30, 2017

Particulars	Rs. in lakhs			
	Standalone results			
	3 Months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the year ended
	6/30/2017	3/31/2017	6/30/2016	3/31/2017
	Unaudited	Audited	Unaudited	Audited
<b>Income</b>				
Revenue from operations	116,315.31	104,390.37	104,804.77	416,757.95
Other income	2,049.70	1,830.74	1,019.80	4,345.86
<b>Total income</b>	<b>118,365.01</b>	<b>106,221.11</b>	<b>105,824.57</b>	<b>421,103.81</b>
<b>Expenses</b>				
Cost of materials consumed	81,633.60	66,325.53	60,190.29	259,795.54
Purchases of stock-in-trade	7,543.15	6,281.27	6,354.00	24,412.27
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(11,152.73)	(2,383.35)	3,522.51	(4,966.16)
Excise duty paid on sales	2,085.47	2,159.10	1,669.54	7,442.39
Employee benefits expense	11,529.37	10,702.02	10,915.32	43,898.85
Finance costs	795.01	1,119.34	854.23	3,111.37
Depreciation & amortisation expense	1,779.17	1,673.00	1,391.08	6,306.87
Other expenses	14,922.32	13,870.72	13,150.04	53,804.00
<b>Total expenses</b>	<b>109,135.36</b>	<b>99,747.63</b>	<b>98,047.01</b>	<b>393,805.13</b>
<b>Profit from continuing operations before exceptional items</b>	<b>9,229.65</b>	<b>6,473.48</b>	<b>7,777.56</b>	<b>27,298.68</b>
Exceptional items	-	(1,471.22)	575.71	(376.38)
<b>Profit from continuing operations before tax</b>	<b>9,229.65</b>	<b>7,944.70</b>	<b>7,201.85</b>	<b>27,675.06</b>
Tax expense	2,965.23	2,032.17	2,125.93	7,560.64
<b>Net profit from continuing operations after tax</b>	<b>6,264.42</b>	<b>5,912.53</b>	<b>5,075.92</b>	<b>20,114.42</b>



# Annexure

## Quarter ended June'17 results



**ESCORTS**

Profit/(loss) from discontinued operations before tax	-	35.77	(581.25)	(5,845.66)
Tax expense of discontinued operations	-	-	(201.16)	(1,775.17)
Net profit/(loss) from discontinued operations after tax	-	35.77	(380.09)	(4,070.49)
<b>Net profit for the period</b>	<b>6,264.42</b>	<b>5,948.30</b>	<b>4,695.83</b>	<b>16,043.93</b>
Other comprehensive income				
a) Items that will not be reclassified to profit and loss	(60.21)	511.54	6.58	512.43
b) Income tax relating to items that will not be reclassified to profit and loss	22.15	1.83	(2.39)	1.74
c) Items that will be reclassified to profit or loss	-	-	-	-
d) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total other comprehensive income	(38.06)	513.37	4.19	514.17
<b>Total comprehensive income for the period</b>	<b>6,226.36</b>	<b>6,461.67</b>	<b>4,700.02</b>	<b>16,558.10</b>
<b>Earnings per share (for continuing operation) of ₹ 10/- each:</b>				
(a) Basic (₹)	5.24	4.95	4.26	16.84
(b) Diluted (₹)	5.24	4.95	4.26	16.84
<b>Earnings per share (for discontinued operation) of ₹ 10/- each:</b>				
(a) Basic (₹)	-	0.03	(0.32)	(3.41)
(b) Diluted (₹)	-	0.03	(0.32)	(3.41)
<b>Earnings per share (for discontinued &amp; continuing operation) of ₹ 10/- each:</b>				
(a) Basic (Rs.)	5.24	4.98	3.94	13.43
(b) Diluted (Rs.)	5.24	4.98	3.94	13.43
<b>Paidup equity share capital, equity share of ₹ 10/- each</b>	<b>12,257.69</b>	<b>12,257.69</b>	<b>12,257.69</b>	<b>12,257.69</b>
<b>Other equity excluding revaluation reserve</b>				<b>183,241.15</b>

For ESCORTS LIMITED

Place : Faridabad  
Date : 28/07/2017

(RAJAN NANDA)  
CHAIRMAN

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



# Annexure

## Quarter ended June'17 results



ESCORTS LIMITED

Unaudited segment information for the quarter ended June 30, 2017

Rs. in lakhs

Sl. No.	Particulars	Standalone			For the year ended
		3 Months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	
		6/30/2017 Unaudited	3/31/2017 Audited	6/30/2016 Unaudited	
1	<b>Segment revenue:</b>				
	a) Agri machinery products	94,209.51	80,182.41	85,916.90	334,600.29
	b) Construction equipments	16,456.05	18,404.58	13,714.13	60,676.16
	c) Railway equipments	6,523.48	6,657.53	5,785.33	24,246.64
	d) Auto ancillary products (discontinued operation)	-	157.05	2,162.56	5,134.45
	e) Unallocated	9.60	29.03	129.72	203.15
	<b>Total</b>	<b>117,198.64</b>	<b>105,430.60</b>	<b>107,708.64</b>	<b>424,860.69</b>
	Less: Inter segment revenue	883.33	883.18	741.31	2,968.29
	<b>Net segment revenue</b>	<b>116,315.31</b>	<b>104,547.42</b>	<b>106,967.33</b>	<b>421,892.40</b>
2	<b>Segment results:</b>				
	a) Agri machinery products	10,176.25	8,077.86	9,677.03	34,464.75
	b) Construction equipments	(347.66)	385.79	(793.74)	(1,381.62)
	c) Railway equipments	644.99	716.60	943.33	3,067.45
	d) Auto ancillary products (discontinued operation)	-	35.77	(262.40)	(1,029.25)
	<b>Total</b>	<b>10,473.58</b>	<b>9,216.02</b>	<b>9,564.22</b>	<b>35,121.33</b>
	<b>Less :</b>				
	- Finance cost	795.01	1,119.34	1,118.85	4,035.02
	- Exceptional items	0.00	(1,471.21)	629.94	3,516.38
	- Other unallocable expenditure	448.92	1,587.42	1,194.83	5,740.53
	(Net of unallocable income)				
	<b>Total profit before tax</b>	<b>9,229.65</b>	<b>7,980.47</b>	<b>6,620.60</b>	<b>21,829.40</b>
3	<b>Segment assets</b>				
	a) Agri machinery products	203,633.41	192,287.97	170,678.70	192,287.97
	b) Construction equipments	30,864.81	30,945.25	28,175.23	30,945.25
	c) Railway equipments	15,715.65	14,911.42	13,484.36	14,911.42
	d) Auto ancillary products (discontinued operation)	901.72	725.48	10,468.79	725.48
	e) Unallocated	107,608.36	112,445.08	98,407.45	112,445.08
	<b>Total</b>	<b>358,723.95</b>	<b>351,315.20</b>	<b>321,214.53</b>	<b>351,315.20</b>
4	<b>Segment liabilities</b>				
	a) Agri machinery products	108,061.71	103,060.16	89,943.90	103,060.16
	b) Construction equipments	25,024.77	25,513.68	18,458.13	25,513.68
	c) Railway equipments	7,811.29	7,719.33	5,451.06	7,719.33
	d) Auto ancillary products (discontinued operation)	943.89	1,537.67	7,798.53	1,537.67
	e) Unallocated	11,619.70	14,368.77	13,657.38	14,368.77
	<b>Total</b>	<b>153,461.36</b>	<b>152,199.61</b>	<b>135,309.00</b>	<b>152,199.61</b>

### Notes :

- The above Standalone Financial Results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on July 28, 2017.
- The Limited Review, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed and the related

For ESCORTS LIMITED

Place : Faridabad  
Date : 28/07/2017

(RAJAN NANDA)  
CHAIRMAN

Escorts Limited  
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# Our Values



## OUR CORE VALUES



### RESPECT FOR PEOPLE

We will demonstrate dignity and respect for people in all our interactions. We will not tolerate belittling of people, regardless of position, or circumstance.

### EMPOWERMENT

People at all levels must be vested with the power and confidence to take decisions concerning their area of work.

### TRANSPARENCY

People will understand the processes and criteria used to arrive at decisions concerning them.

### COLLABORATION

We will work with our colleagues with the spirit of collaboration and mutual respect.

## OUR STRATEGIC VALUES



### CUSTOMER CENTRICITY

Acute sensitivity to the needs and experiences of the customer shall guide all that we do.

### EXCELLENCE

We will strive to achieve and surpass world class standards in all that we do.

### INNOVATION

We will use the power of technology and imagination to deliver solutions to the customers' needs.

### AGILITY

We will operate in our markets with the ability to change direction and position with nimbleness and speed.



# Safe Harbor



Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Escorts Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

## Contact Details

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(CIN: L74899HR1944PLC039088)

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