

**The Board of Directors,
Escorts Limited
15/5, Mathura Road,
Faridabad**

We have reviewed the accompanying statement of unaudited financial results of Escorts Limited for the quarter ended December 31, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. 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 these financial statements based on our review.

We conducted our review in accordance with 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with Accounting Standards specified under the Companies Act, 1956(which are deemed to be applicable as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.



**For S.N.Dhawan & Company
Chartered Accountants
(Firm Regn. No. 000050N)**

A handwritten signature in black ink, appearing to read "Vijay Dhawan".

**(Vijay Dhawan)
Partner
M.No.: 12565**

Place: New Delhi
Dated: February 11, 2015



ESCORTS LIMITED

CIN Number : L74899HR1944PLC039088

Statement of Standalone Financial Results

For The Quarter and Nine Months Ended 31st December, 2014

PART I		Rs. In Lakhs					
		Standalone Results					
Sl. No.	Particulars	3 Months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the Nine Months ended		Previous Period ended (18 Months)
		31/12/14	30/09/14	31/12/13	31/12/14	31/12/13	31/03/14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
	(a) Net Sales/Income from Operations (Net of excise duty)	104,233.55	98,660.53	115,444.75	315,105.00	326,730.57	626,761.20
	(b) Other Operating Income	403.85	602.46	514.00	1,705.95	1,246.26	2,389.35
	Total Income from Operations (Net)	104,637.40	99,262.99	115,958.75	316,810.95	327,976.83	629,150.55
2	Expenses						
	(a) Cost of Materials Consumed	61,950.23	74,156.32	77,388.04	204,670.93	219,428.81	422,415.32
	(b) Purchases of Stock-in-Trade	5,296.13	4,832.52	2,060.26	15,860.61	16,828.22	30,373.72
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	7,607.94	(8,394.11)	4,553.98	6,379.72	(2,705.51)	(1,741.34)
	(d) Employee Benefits Expenses	11,079.14	10,989.43	11,436.57	33,676.49	33,110.64	66,734.90
	(e) Depreciation & Amortisation Expenses	1,649.68	1,348.43	1,452.20	4,486.47	4,186.57	8,322.16
	(f) Other Expenses	13,806.77	14,327.25	13,420.49	42,286.13	38,494.87	73,243.61
	Total Expenses	101,389.89	97,259.84	110,311.54	307,360.35	309,343.60	599,348.37
3	Profit / (Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)	3,247.51	2,003.15	5,647.21	9,450.60	18,633.23	29,802.18
4	Other Income	1,486.56	1,028.41	1,584.53	3,526.06	4,572.63	8,141.17
5	Profit / (Loss) from Ordinary Activities before Finance Cost and Exceptional Items (3+4)	4,734.07	3,031.56	7,231.74	12,976.66	23,205.86	37,943.35
6	Finance Cost	1,367.97	1,406.79	1,552.09	4,116.32	5,402.64	11,066.68
7	Profit / (Loss) from Ordinary Activities after Finance Cost but before Exceptional Items (5-6)	3,366.10	1,624.77	5,679.65	8,860.34	17,803.22	26,876.67
8	Exceptional Items	(38.02)	3,127.45	0.44	3,076.87	68.05	(363.68)
9	Profit / (Loss) from Ordinary Activities before Tax (7-8)	3,404.12	(1,502.68)	5,679.21	5,783.47	17,735.17	27,240.35
10	Tax Expense	(164.48)	(717.08)	1,123.50	(410.64)	2,985.71	2,751.10
11	Net Profit / (Loss) from ordinary activities after Tax (9-10)	3,568.60	(785.60)	4,555.71	6,194.11	14,749.46	24,489.25
12	Extraordinary Items (net of tax expense)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	3,568.60	(785.60)	4,555.71	6,194.11	14,749.46	24,489.25
14	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	12,257.69
	Less: Amount recoverable from Escorts Employees Benefit & Welfare Trust	329.36	329.86	331.36	329.36	331.36	331.36
	Paid-up equity share capital (Face Value Rs. 10/- each)	11,928.33	11,927.83	11,926.33	11,928.33	11,926.33	11,926.33
15	Reserves excluding Revaluation Reserves as per balance sheet	-	-	-	-	-	167,594.25
16.i	Earnings Per Share (before extraordinary items) of Rs. 10 each (not annualised):						
	(a) Basic (Rs.)	2.99	(0.66)	3.82	5.19	12.37	20.53
	(b) Diluted (Rs.)	2.99	(0.66)	3.82	5.19	12.37	20.53
16.ii	Earnings Per Share (after extraordinary items) of Rs. 10 each (not annualised):						
	(a) Basic (Rs.)	2.99	(0.66)	3.82	5.19	12.37	20.53
	(b) Diluted (Rs.)	2.99	(0.66)	3.82	5.19	12.37	20.53



PART II

Select Information For The Quarter and Nine Months Ended 31st Decemeber, 2014

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		Previous Period ended (18 Months)
		31/12/14	30/09/14	31/12/13	31/12/14	31/12/13	31/03/14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	- Number of shares	71,143,128	71,143,128	71,131,838	71,143,128	71,131,838	71,132,128
	- Percentage of shareholding (%)	58.04	58.04	58.03	58.04	58.03	58.03
2	Promoters and Promoter Group Shareholding						
a)	Pledged / Encumbered						
	Number of shares	-	NIL	NIL	-	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	NIL	NIL	-	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	-	NIL	NIL	-	NIL	NIL
(b)	Non - encumbered						
	Number of shares	51,433,750	51,433,750	51,445,040	51,433,750	51,445,040	51,444,750
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	41.96	41.96	41.97	41.96	41.97	41.97

B	Investor Complaints	3 Months ended 31/12/14
	- Pending at the beginning of the quarter	Nil
	- Received during the quarter	2
	- Disposed of during the quarter	2
	- Remaining unresolved at the end of the quarter	Nil



Place : Faridabad
Date : 11/02/2015

For ESCORTS LIMITED

(Signature)
(RAJAN NANDA)
CHAIRMAN

Registered Office :: SCO 232 1st Floor , Sector 20, Panchkula, Haryana -134109



ESCORTS LIMITED

Segment Wise Revenue, Results And Capital Employed, For The Quarter Ended 31st December, 2014

(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		Previous Period ended (18 Months)
		31/12/14	30/09/14	31/12/13	31/12/14	31/12/13	31/03/14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue:						
	a) Agri Machinery Products	84,776.03	80,300.71	97,197.47	259,718.88	271,938.44	512,331.48
	b) Auto Ancillary Products	2,551.89	2,681.51	2,941.61	7,526.35	9,822.50	21,058.40
	c) Railway Equipments	3,910.12	4,734.21	3,323.08	12,915.57	13,740.96	25,577.98
	d) Construction Equipments	14,127.07	12,148.71	13,087.04	38,384.44	35,634.84	76,319.60
	e) Others	0.00	0.00	0.01	0.00	0.02	23.54
	f) Unallocated	128.19	78.93	107.29	444.11	355.87	673.91
	Total	105,493.30	99,944.07	116,656.50	318,989.35	331,492.63	635,984.91
	Less: Inter Segment Revenue	613.56	457.51	513.77	1,566.54	2,318.92	5,169.48
	Net Segment Revenue	104,879.74	99,486.56	116,142.73	317,422.81	329,173.71	630,815.43
2	Segment Results:						
	a) Agri Machinery Products	6,609.59	5,684.70	9,180.89	20,111.55	28,926.64	49,644.30
	b) Auto Ancillary Products	(474.41)	(699.49)	(941.72)	(2,095.30)	(1,799.01)	(2,962.52)
	c) Railway Equipments	90.20	455.05	128.13	708.07	1,102.14	1,455.52
	d) Construction Equipments	(169.22)	(1,080.28)	(263.61)	(2,146.86)	(1,581.07)	(3,222.21)
	e) Others	(35.66)	(28.46)	(23.19)	(89.90)	(85.63)	(143.79)
	Total	6,020.50	4,331.52	8,080.50	16,487.56	26,563.07	44,771.30
	Less :						
	- Finance Cost	1,367.97	1,406.79	1,552.09	4,116.32	5,402.64	11,066.68
	- Exceptional Items	(38.02)	3,127.45	0.44	3,076.87	68.05	(363.68)
	- Other unallocable expenditure (Net of unallocable income)	1,286.43	1,299.96	848.76	3,510.90	3,357.21	6,827.95
	Total Profit Before Tax	3,404.12	(1,502.68)	5,679.21	5,783.47	17,735.17	27,240.35
3	Capital Employed (Segment Assets – Segment Liabilities)						
	a) Agri Machinery Products	90,550.54	93,668.41	88,898.18	90,550.54	88,898.18	92,781.17
	b) Auto Ancillary Products	2,071.06	(261.07)	2,719.16	2,071.06	2,719.16	2,174.98
	c) Railway Equipments	8,107.69	8,189.21	8,879.25	8,107.69	8,879.25	10,029.03
	d) Construction Equipments	13,380.52	12,748.23	21,172.06	13,380.52	21,172.06	18,169.29
	e) Others	517.18	321.43	(127.28)	517.18	(127.28)	616.26
	f) Unallocated	93,997.30	92,220.13	90,040.36	93,997.30	90,040.36	88,580.25
	Total	208,624.29	206,886.34	211,581.73	208,624.29	211,581.73	212,350.98

Notes :

- The above results were reviewed by the Audit committee at its meeting held on February 11, 2015 and were approved and taken on record by the Board of Directors of the Company at its meeting held on same day. Limited Review of the above quarterly results have been carried out by the Statutory Auditors of the Company.
- Tax expense comprise of current tax, deferred tax liabilities / assets and MAT credit entitlement, if any.
- Pursuant to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing from April 1, 2014, the Company has realigned the remaining useful life of its fixed assets generally in accordance with the provisions prescribed under Schedule II to the Act. Consequently, in case of assets which have completed their useful life in accordance with the life prescribed under Schedule II to the Act, the carrying value of such assets as on April 1, 2014 amounting to Rs. 7273.52 Lakhs (net of tax Rs. 5795.76 Lakhs) has been adjusted to the retained earnings & Rs. 2444.72 Lakhs to Revaluation Reserve and in case of the other assets the carrying value is being depreciated over the revised remaining useful life. Accordingly, depreciation charged during the quarter ended December 31, 2014 is higher by Rs.78.92 lakhs and for nine months ended December 31, 2014 is lower by Rs. 64.08 lakhs.
- Figures for the previous periods have been regrouped/restated, wherever necessary, to correspond with the figures of current period.



For ESCORTS LIMITED

(Signature)
(RAJAN NANDA)
CHAIRMAN

Place : Faridabad
Date : 11/02/2015

Registered Office :: SCO 232 1st Floor , Sector 20, Panchkula, Haryana -134109



PRESS RELEASE

Escorts' Q3 Profit at ₹ 35.7 crore

- Q3 Tractor volumes sequentially up 5.8%
- Q3 Construction Equipment sequentially up 7.2%
- Sequential turnover up by 5.4% to ₹1,046.4 crore
- Tractor sales, however, continues to be slower than corresponding quarter

Q3 FY 2014-15 HIGHLIGHTS

- PAT at ₹ 35.7Cr. in Q Ended Dec'14 against loss of ₹ 7.9 Cr. in Q ended Sept'14.
- Tractor Volumes sequentially up by 5.8% to 15,881 in Q ended Dec'14 against 15,013 in Q ended Sept'14.
- Construction Equipment Volume sequentially up by 7.2% to 801 in Q ended Dec'14 against 747 in Q ended Sept'14 and correspondingly up by 8.7% against 737 in Q ended Dec'13.
- Turnover sequentially up by 5.4% to ₹ 1,046 Cr in Q ended Dec'14 against ₹ 992.6 Cr in Q ended Sept'14.
- EBIDTA sequentially up by 46.1% at ₹ 49.0 Cr. in Q ended Dec'14. against ₹ 33.5 Cr. in Q ended Sept'14.

New Delhi, February 11, 2015: Escorts Limited today reported a net profit of ₹ 35.7 crore in the third quarter ended December 31, 2014. The third quarter saw an increase of 5.4% in turnover to ₹ 1,046 crore against ₹ 992.6 crore in the preceding quarter. EBIDTA was sequentially up by 46.1% at ₹ 49.0 Cr. in the quarter ended December 2014 as against ₹ 33.5 Cr. in the quarter ended September 2014.

Domestic tractor industry remains flat sequentially, company posted an increase of 9.5% in domestic tractor volumes to 15,455 against 14,117 tractor in preceding quarter ended September 2014. Total volume up by 5.8% to 15,881 tractor against 15,013 tractor in quarter ended September 2014. Construction Equipment posted an increase of 7.2% sequentially in volume to 801 units against 747 units in quarter ended September 2014 and correspondingly up by 8.7% from 737 units in quarter ended December 2013.

However, the downturn in the tractor industry is expected to continue due to low yield coupled with low crop prices. The turnover was down correspondingly by 9.8% to ₹ 1,046.4 crore against ₹ 1,159.6 crore last year. This was largely on account of a 16.6% drop in tractor volumes to 15,881 tractors against 19,047 tractor in the corresponding quarter ended December 2013. This impacted overall profits which correspondingly went down from ₹ 45.6 crore in the quarter ended December 2013 to ₹ 35.7 crore in the quarter ended December 2014.

Speaking on the results, Chairman Mr. Rajan Nanda said, "The first three quarters have been quite tough for the tractor industry. Looking ahead, the tractor demand is expected to remain subdued in the short term, however the long term demand drivers are intact. At the same time, the signs in the construction sector seem to have turned positive and have shown an uptrend in volume for two continuous quarters for us. The optimism in the economy due to the new government is now entering a phase where the policies and actions on the ground will need to give the necessary channel for growth."

ESCORTS LIMITED

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Mr. Nikhil Nanda, Managing Director added, "Escorts has embarked on a path of enhancing the product proposition for our customers. Our strategy in the tractor market is to introduce innovative and technologically superior products and attain a dominant position in the higher HP segments. Despite the tractor Industry going down, we have launched two new products in Q3 in line with our Product strategy. The four wheel drive tractor in the Farmtrac Brand and Anti Lift Tractor in the Powertrac brand has been very well received by the customers. In ECE and EAP, we have done a considerable progress in curtailing our losses and are hopeful of getting momentum in the upcoming quarters".

SEGMENT WISE PERFORMANCE

Escorts Agri Machinery volumes sequentially up by 5.8% to 15,881 tractor in the quarter ended December 2014 against 15,013 tractor in quarter ended September 2014. However, there was a 16.6% drop from the corresponding period last year. For the nine month period, tractor sales were down 8.7%. Agri machinery revenue went up by 5.6% sequentially to ₹ 847.8 crore against ₹ 803.0 crore in quarter ended September 2014. However, as opposed to the corresponding period last year, income was down 12.8%.

EBIT margin sequentially up by 70 bps to 7.8% against 7.1% in quarter ended September 2014 and correspondingly down by 165 bps against 9.4% in quarter ended December 2013.

Revenue for 9 months ended December 2014 stood at ₹ 2,597.2 crore against ₹ 2,719.4 crore last year. EBIT margin at 7.7% in 9 months ended December 2014 against 10.6% in 9 months ended December 2013.

Escorts Construction Equipment volume was up by 8.7% at 801 units in quarter ended December 2014 against 737 units in the corresponding quarter last fiscal. Even sequentially, sales were up by 7.2% against 747 units in the quarter ending September 2014. Revenue increased to ₹ 141.3 crore in the quarter ended December 2014 against ₹ 121.5 crore in the Quarter ended September 2014 and against ₹ 130.9 crore in the quarter ending December 2013. Positive swing at EBIT margin sequentially by 769 bps to (1.2)% against (8.9)% in quarter ended September 2014 and correspondingly up by 82 bps against (2.0)% in quarter ended December 2013. Revenue for 9 months ended December 2014 at ₹ 383.8 crore against ₹ 356.4 crore in the corresponding period in the last fiscal. EBIT margin at (5.6)% in 9 months ended December 2014 against (4.4)% in 9 months ended December 2013.

Escorts Auto Product revenue stood at ₹ 25.5 crore in the quarter ended December 2014 as against ₹ 26.8 crore in the previous quarter and ₹ 29.4 crore in the quarter ended December 2013. Positive swing at EBIT margin sequentially by 750 bps to (18.6)% against (26.1)% in quarter ended September 2014 and correspondingly up by 1342 bps against (32.0)% in quarter ended December 2013. Revenue for 9 months ended December 2014 stood at ₹ 75.3 crore against ₹ 98.2 crore last year. EBIT margin at (27.8)% in 9 months ended December 2014 against (18.3)% in 9 months ended December 2013.

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Escorts Railway Products posted income of ₹ 39.1 crore in the quarter ended December 2014 up by 17.7% as against ₹ 33.2 crore in the corresponding quarter ended December 2013. However, sequentially, income was down 17.4% against ₹ 47.3 crore in quarter ended September 2014. Revenue for 9 months ended December 2014 stood at ₹ 129.2 crore against ₹ 137.4 crore last year.

The reviewed accounts of the third quarter and nine months ended 31st December 2014 has been approved by the Board of Directors of Escorts Limited.

For further information kindly contact:

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