



May 25, 2016

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 051  <b>BSE – 500495</b>	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai – 400051  <b>NSE - ESCORTS</b>	<b>Delhi Stock Exchange Limited</b> DSE House, 3/1, Asaf Ali Road, New Delhi – 110002  <b>DSE - 00012</b>
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**Subject: Outcome of the Board Meeting of Escorts Limited pursuant to Regulation 30 & Audited Financial Results 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. May 25, 2016 has approved the following items:

1. Appointment of Mr. D J Kakalia as Additional Director on the Board of the Company.
2. Recommended the Dividend of Rs. 1.20 (12%) per fully paid-up equity share of Rs. 10/- each for the financial year 2015-16, subject to the approval of the Shareholders of the Company at the ensuing Annual General Meeting.
3. Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2016.

Please find enclosed herewith the following:

1. Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2016.
2. Auditors' Report on the Audited Financial Results – Standalone and Consolidated
3. Form A (Standalone) and Form B (Consolidated)
4. Press Release

We further wish to inform you that the Board Meeting held today commenced at 11:00 a.m. and concluded at 2.00p.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 and Consolidated Financial Results  
For The Quarter and Year Ended 31/03/2016**

PART I		Standalone Results					Rs. In Lakhs	
		3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended in the previous year	For the Year ended		For the Year ended	
Sl. No.	Particulars	31/03/16	31/12/15	31/03/15	31/03/16	31/03/15	31/03/16	31/03/15
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
1	<b>Income from Operations</b>							
	(a) Net Sales/Income from Operations (Net of excise duty)	80,078.53	88,421.91	81,122.44	345,605.70	396,227.44	351,465.90	405,777.60
	(b) Other Operating Income	394.70	386.18	649.49	1,615.75	2,355.44	2,295.89	5,490.65
	<b>Total Income from Operations (Net)</b>	<b>80,473.23</b>	<b>88,808.09</b>	<b>81,771.93</b>	<b>347,221.45</b>	<b>398,582.88</b>	<b>353,761.79</b>	<b>411,268.25</b>
2	<b>Expenses</b>							
	(a) Cost of Materials Consumed	53,769.99	47,466.38	51,481.11	217,105.72	256,149.71	222,545.62	263,352.77
	(b) Purchases of Stock-in-Trade	4,989.82	5,565.60	4,644.03	22,828.24	20,504.64	22,302.62	21,059.26
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(2,881.39)	8,462.98	1,825.64	(531.33)	8,207.70	(498.44)	8,302.75
	(d) Employee Benefits Expenses	9,728.50	10,900.26	9,506.74	42,062.55	43,183.23	43,367.72	44,734.71
	(e) Depreciation & Amortisation Expenses	1,366.71	1,485.19	2,119.52	6,010.84	6,605.99	6,116.62	6,862.75
	(f) Other Expenses	10,985.95	13,000.66	12,111.66	49,757.42	54,397.78	51,404.11	57,548.31
	<b>Total Expenses</b>	<b>77,959.58</b>	<b>86,881.07</b>	<b>81,688.70</b>	<b>337,233.44</b>	<b>389,049.05</b>	<b>345,238.25</b>	<b>401,860.55</b>
3	<b>Profit / (Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)</b>	<b>2,513.65</b>	<b>1,927.02</b>	<b>83.23</b>	<b>9,988.01</b>	<b>9,533.83</b>	<b>8,523.54</b>	<b>9,407.70</b>
4	Other Income	1,874.66	1,307.66	2,538.58	5,779.29	6,064.64	6,060.82	6,523.81
5	<b>Profit / (Loss) from Ordinary Activities before Finance Cost and Exceptional Items (3+4)</b>	<b>4,388.31</b>	<b>3,234.68</b>	<b>2,621.81</b>	<b>15,767.30</b>	<b>15,598.47</b>	<b>14,584.36</b>	<b>15,931.51</b>
6	Finance Cost	1,521.34	1,119.09	1,594.49	5,129.34	5,710.81	5,239.58	5,826.53
7	<b>Profit / (Loss) from Ordinary Activities after Finance Cost but before Exceptional Items (5-6)</b>	<b>2,866.97</b>	<b>2,115.59</b>	<b>1,027.32</b>	<b>10,637.96</b>	<b>9,887.66</b>	<b>9,344.78</b>	<b>10,104.98</b>
8	Exceptional Items	1,312.56	(7.00)	(14.22)	1,450.83	3,062.65	1,453.71	3,061.62
9	<b>Profit / (Loss) from Ordinary Activities before Tax (7-8)</b>	<b>1,554.41</b>	<b>2,122.59</b>	<b>1,041.54</b>	<b>9,187.13</b>	<b>6,825.01</b>	<b>7,891.07</b>	<b>7,043.36</b>
10	Tax Expense	(88.45)	72.69	(235.38)	248.94	(646.02)	221.45	(557.35)
11	<b>Net Profit / (Loss) from ordinary activities after Tax (9-10)</b>	<b>1,642.86</b>	<b>2,049.90</b>	<b>1,276.92</b>	<b>8,938.19</b>	<b>7,471.03</b>	<b>7,669.62</b>	<b>7,600.71</b>
12	Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-
13	<b>Net Profit / (Loss) for the period (11-12)</b>	<b>1,642.86</b>	<b>2,049.90</b>	<b>1,276.92</b>	<b>8,938.19</b>	<b>7,471.03</b>	<b>7,669.62</b>	<b>7,600.71</b>
14	Minority Interest	-	-	-	-	-	(36.29)	(30.37)
15	<b>Net Profit / (Loss) after taxes and minority Interest (13-14)</b>	<b>1,642.86</b>	<b>2,049.90</b>	<b>1,276.92</b>	<b>8,938.19</b>	<b>7,471.03</b>	<b>7,705.91</b>	<b>7,631.08</b>
16	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	12,257.69
	Less: Amount recoverable from Escorts Employees Benefit & Welfare Trust	318.56	320.96	329.36	318.56	329.36	318.56	329.36
17	<b>Paid-up equity share capital (Face Value Rs. 10/- each) Reserves excluding Revaluation Reserves as per balance sheet</b>	<b>11,939.13</b>	<b>11,936.73</b>	<b>11,928.33</b>	<b>11,939.13</b>	<b>11,928.33</b>	<b>11,939.13</b>	<b>11,928.33</b>
18.i	<b>Earnings Per Share (before extraordinary items) of Rs. 10 each (not annualised):</b>							
	(a) Basic (Rs.)	1.38	1.72	1.07	7.49	6.26	6.46	6.40
	(b) Diluted (Rs.)	1.38	1.72	1.07	7.49	6.26	6.46	6.39
18.ii	<b>Earnings Per Share (after extraordinary items) of Rs. 10 each (not annualised):</b>							
	(a) Basic (Rs.)	1.38	1.72	1.07	7.49	6.26	6.46	6.40
	(b) Diluted (Rs.)	1.38	1.72	1.07	7.49	6.26	6.46	6.39



Statement of Assets and Liabilities	Rs. In Lakhs			
	Standalone		Consolidated	
	As at	As at	As at	As at
	31/03/16	31/03/15	31/03/16	31/03/15
<b>EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' Funds</b>				
a. Share Capital	11,939.13	11,928.33	11,939.13	11,928.33
b. Reserves & Surplus	175,289.95	167,701.23	175,039.11	171,138.05
<b>Sub-total - Shareholders Funds</b>	<b>187,229.08</b>	<b>179,629.56</b>	<b>186,978.24</b>	<b>183,066.38</b>
<b>2 Minority Interest</b>		-	1,269.41	1,467.83
<b>3 Non-current Liabilities</b>				
a. Long-term Borrowings	8,753.14	10,580.84	8,753.14	10,682.43
b. Deferred Tax Liability (Net)		-	1,202.87	1,367.16
c. Other Long-term Liabilities	3,347.54	3,453.58	3,378.71	3,469.08
d. Long-term Provisions	2,994.92	11,354.79	3,115.74	11,445.22
<b>Sub-total - Non-current Liabilities</b>	<b>15,095.60</b>	<b>25,389.21</b>	<b>16,450.46</b>	<b>26,963.89</b>
<b>4 Current Liabilities</b>				
a. Short-term Borrowings	21,422.79	30,259.53	21,994.89	30,464.30
b. Trade Payables	72,935.99	70,063.22	74,255.72	73,843.15
c. Other Current Liabilities	21,064.07	24,577.28	21,894.70	25,607.71
d. Short-term Provisions	15,885.19	8,790.37	15,922.92	8,851.05
<b>Sub-total - Current Liabilities</b>	<b>131,308.04</b>	<b>133,690.40</b>	<b>134,068.23</b>	<b>138,766.21</b>
<b>Total Equity and Liabilities</b>	<b>333,632.72</b>	<b>338,709.17</b>	<b>338,766.34</b>	<b>350,264.31</b>
<b>ASSETS</b>				
<b>1 Non Current Assets</b>				
a. Fixed Assets	163,074.47	163,841.92	163,595.24	165,125.41
b. Non-current Investments	38,602.58	38,002.58	37,075.39	36,739.65
c. Deferred Tax Assets (Net)	4,022.50	4,781.30	5,810.92	6,796.85
d. Long-term Loans and Advances	1,961.90	1,980.49	2,272.29	2,542.24
e. Other Non-current Assets	293.48	293.48	1,058.48	293.48
<b>Sub-total - Non-Current Assets</b>	<b>207,954.93</b>	<b>208,899.77</b>	<b>209,812.32</b>	<b>211,497.63</b>
<b>2 Current Assets</b>				
a. Current Investment	396.20	342.20	762.36	523.63
b. Inventories	39,001.05	41,591.98	42,650.96	45,282.21
c. Trade Receivables	42,406.65	39,705.86	40,897.33	41,425.95
d. Cash and Cash Equivalents	24,247.53	23,640.58	24,546.22	25,136.41
e. Short-term Loans and Advances	18,922.41	23,320.26	19,375.23	25,145.01
f. Other current assets	703.95	1,208.52	721.92	1,253.47
<b>Sub-total - Current Assets</b>	<b>125,677.79</b>	<b>129,809.40</b>	<b>128,954.02</b>	<b>138,766.68</b>
<b>Total Assets</b>	<b>333,632.72</b>	<b>338,709.17</b>	<b>338,766.34</b>	<b>350,264.31</b>

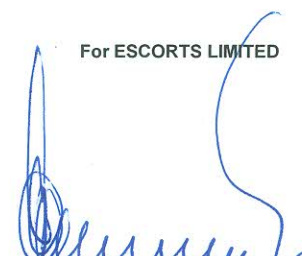


Place : Faridabad  
Date : 25/05/2016

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

For ESCORTS LIMITED



(RAJAN NANDA)  
CHAIRMAN



Segment Wise Revenue, Results And Capital Employed, For The Quarter and Year Ended 31/03/2016

Rs in Lakhs

Sl. No.	Particulars	Standalone				Consolidated		
		3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended in the previous year	For the Year ended		For the Year ended	
		31/03/16	31/12/15	31/03/15	31/03/16	31/03/15	31/03/16	31/03/15
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
1	<b>Segment Revenue:</b>							
	a) Agri Machinery Products	61,372.17	70,720.98	60,941.44	273,940.49	320,430.84	282,026.78	332,295.41
	b) Auto Ancillary Products	2,339.07	1,654.25	2,875.35	9,238.14	10,339.91	9,238.14	10,339.91
	c) Railway Equipment's	5,256.53	5,075.71	5,452.03	20,542.89	18,345.43	20,542.89	18,345.43
	d) Construction Equipments	12,155.92	11,888.03	12,929.11	45,564.37	51,136.97	45,564.37	51,136.97
	e) Others	-	-	-	-	-	1,030.63	4,086.67
	f) Unallocated	24.98	41.75	44.10	179.47	366.37	179.47	366.37
	<b>Total</b>	<b>81,148.67</b>	<b>89,380.72</b>	<b>82,242.03</b>	<b>349,465.37</b>	<b>400,619.52</b>	<b>358,582.28</b>	<b>416,570.76</b>
	Less: Inter Segment Revenue	675.44	572.63	470.10	2,243.92	2,036.64	4,820.49	5,302.51
	<b>Net Income from Operations</b>	<b>80,473.23</b>	<b>88,808.09</b>	<b>81,771.93</b>	<b>347,221.45</b>	<b>398,582.88</b>	<b>353,761.79</b>	<b>411,268.25</b>
2	<b>Segment Results:</b>							
	a) Agri Machinery Products	5,927.31	4,829.87	2,815.71	22,209.36	22,927.26	21,694.41	22,827.10
	b) Auto Ancillary Products	(162.64)	(601.99)	(271.16)	(1,657.21)	(2,366.46)	(1,657.21)	(2,366.46)
	c) Railway Equipment's	201.45	631.18	1,045.12	2,264.99	1,753.19	2,264.99	1,753.19
	d) Construction Equipments	(691.87)	(705.91)	(335.16)	(3,001.95)	(2,482.02)	(3,001.95)	(2,482.02)
	e) Others	(27.32)	(29.57)	(25.94)	(69.63)	(115.84)	(737.62)	317.36
	<b>Total</b>	<b>5,246.93</b>	<b>4,123.58</b>	<b>3,228.57</b>	<b>19,745.56</b>	<b>19,716.13</b>	<b>18,562.62</b>	<b>20,049.17</b>
	<b>Less :</b>							
	- Finance Cost	1,521.34	1,119.09	1,594.49	5,129.34	5,710.81	5,239.58	5,826.53
	- Exceptional Items	1,312.56	(7.00)	(14.22)	1,450.83	3,062.65	1,453.71	3,061.62
	- Other unallocable expenditure (Net of unallocable income)	858.62	888.90	606.76	3,978.26	4,117.66	3,978.26	4,117.66
	<b>Total Profit Before Tax</b>	<b>1,554.41</b>	<b>2,122.59</b>	<b>1,041.54</b>	<b>9,187.13</b>	<b>6,825.01</b>	<b>7,891.07</b>	<b>7,043.36</b>
3	<b>Capital Employed</b> (Segment Assets – Segment Liabilities)							
	a) Agri Machinery Products	105,802.54	111,542.51	107,299.19	105,802.54	107,299.19	107,168.43	109,123.26
	b) Auto Ancillary Products	5,908.66	5,290.56	5,139.64	5,908.66	5,139.64	5,908.66	5,139.64
	c) Railway Equipment's	10,444.05	9,165.10	12,360.86	10,444.05	12,360.86	10,444.05	12,360.86
	d) Construction Equipments	13,053.82	14,742.47	17,483.07	13,053.82	17,483.07	13,053.82	17,483.07
	e) Others	562.13	560.57	517.63	562.13	517.63	2,678.54	5,390.66
	f) Unallocated	93,279.63	102,637.09	99,736.47	93,279.63	99,736.47	91,539.98	98,389.33
	<b>Total</b>	<b>229,050.83</b>	<b>243,938.30</b>	<b>242,536.86</b>	<b>229,050.83</b>	<b>242,536.86</b>	<b>230,793.48</b>	<b>247,886.82</b>

Notes :

- The above results were reviewed by the Audit Committee at its meeting held on May 25, 2016 and were approved and taken on record by the Board of Directors at their meeting held on the same date.
- The Board of Directors has recommended a dividend of 12% i.e. Rs. 1.20 per fully paid-up Equity Share of Rs. 10 each for the year ended March 31, 2016 subject to approval of the Shareholders at the ensuing Annual General Meeting.
- The Company has shifted its registered office from "SCO-232, First Floor, Sector – 20, Panchkula – 134 109, Haryana" to "15/5, Mathura Road, Faridabad – 121 003, Haryana", within the State of Haryana pursuant to special resolution passed through postal ballot on January 30, 2016.
- Tax expense comprise of current tax, deferred tax liabilities / assets and MAT credit entitlement, if any.
- Capital Employed has been calculated as "Total Assets Less Current Liabilities excluding Short Term Borrowings and Debt payable within 1 year".
- The Figures of the quarter ended March 31, 2016 are the balancing figures between audited figures in respect of the full financial years and the published year to date figures upto the third quarter of the current financial year. The previous financial year/ period figures have been regrouped/restated, wherever necessary, to correspond with the figures of current period.



Place : Faridabad  
Date : 25/05/2016




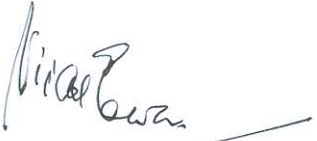
For ESCORTS LIMITED  
  
(RAJAN NANDA)  
CHAIRMAN

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

**Form A**

**(for audit report on Standalone Financial Statements with Unmodified Opinion)**

**Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

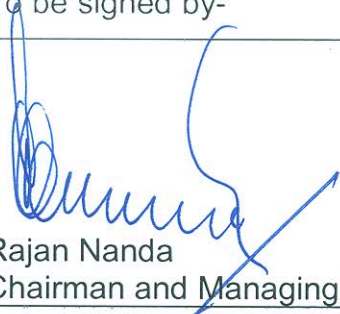


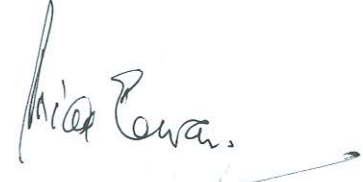
1	Name of the Company:	<b>Escorts Limited</b>
2	Annual financial statements for the year ended	March 31, 2016
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable
5	To be signed by-	
	 Rajan Nanda Chairman and Managing Director	 Dr. S.A. Dave Audit Committee Chairman
	 Bharat Madan Group Financial Controller	 Vijay Dhawan, Partner of M/s S.N. Dhawan & Co. Statutory Auditors of the Company

**Form B**

**(for audit report on Consolidated Financial Statements with Modified Opinion)**

**Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

1.	Name of the company	Escorts Limited
2.	Annual financial statements for the year ended	March 31, 2016
3.	Type of Audit qualification	Qualified Opinion
4.	Frequency of qualification	One matter appearing in Annual Audit Report of Consolidated Financial Statements since financial year ended March 31, 2014
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p><b><u>Basis for Qualified Opinion</u></b></p> <p>The Company has not considered the financial statements of its subsidiaries Farmtrac North America LLC and Beaver Creeks Holdings LLC and its associate Escorts Consumer Credit Limited in preparation of consolidated financial statements. In absence of financial statements, we are not able to give our opinion on amounts not included in respect of these subsidiaries.</p> <p><b><u>Management Response</u></b></p> <p>The observations and comments given by the Statutory Auditors in their report read together with Notes to Accounts are self-explanatory and hence do not call for any further comments.</p>

	Additional comments from the board/audit committee chair:	Nil
5	To be signed by-	
	 Rajan Nanda Chairman and Managing Director	 Dr. S.A. Dave Audit Committee Chairman
	 Bharat Madan Group Financial Controller	 Vijay Dhawan, Partner of M/s S.N. Dhawan & Co. Statutory Auditors of the Company

## **Auditor's Report on Quarterly Standalone Financial Results and Year to Date Results of Escorts Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Board of Directors of Escorts Limited**

1. We have audited the quarterly financial results of Escorts Limited ("the Company") for the quarter ended March 31, 2016 and the year to date results for the period April 1, 2015 to March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended March 31, 2016 as reported in these financial results are the balancing figures between audited figures in respect of full financial year published and year to date figures made up to the end of the third quarter ended December 31, 2015 and have been regrouped/reclassified wherever necessary. Also, the figures up to the quarter ended December 31, 2015 had only been reviewed and not subjected to an audit.
2. The financial results have been prepared on the basis of annual standalone financial statements and the reviewed quarterly standalone financial results up to the end of the third quarter, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual standalone financial statements, which have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
4. In our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results as well as year to date results:
  - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - ii. give a true and fair view of the net profit and other financial information for the quarter and as well as the year ended March 31, 2016.



**For S. N. Dhawan and Co.**  
Chartered Accountants  
(Firm Registration No. 000050N)

(Vijay Dhawan)

**Partner**

M.No.:012565

Place: New Delhi

Dated: May 25, 2016

## **Auditor's Report on Consolidated Financial Results of Escorts Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Board of Directors of Escorts Limited**

1. We have audited the accompanying annual consolidated financial results of Escorts Limited ("the Company") and its subsidiaries (together referred to as "Group"), its associates and jointly controlled entities for the period April 1, 2015 to March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. These consolidated financial results have been prepared on the basis of annual consolidated financial statements which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results, which have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
4. We did not audit the financial statements of three subsidiaries and a joint venture included in the consolidated annual financial results, whose consolidated financial statements reflect total assets of Rs. 78.23 crores as at March 31, 2016 as well as the total revenue of Rs. 87.20 crores for the year ended on that date. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the financial results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
5. In our opinion and to the best of our information and according to the explanations given to us, these consolidated financial results:
  - i. include the financial results of the following entities:  
Farmtrac Tractors Europe Sp.z.o.o, Poland, Escorts Assets Management limited, EDDAL Credit Limited, Escorts Securities Limited and Adico Escorts Agri Equipments Private Limited.
  - ii. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - iii. give a true and fair view of the net profit and other financial information for the year ended March 31, 2016.



**For S. N. Dhawan and Co.**  
Chartered Accountants  
(Firm Registration No. 000050N)

(Vijay Dhawan)

**Partner**

M.No.:012565

Place: New Delhi  
Dated: May 25, 2016



## PRESS RELEASE

# ESCORTS NET PROFIT UP 19.6% AT ₹ 89.4 CRORE

### FY 2016 HIGHLIGHTS

**PAT** at ₹ 89.4 against ₹ 74.7 crore in FY 2015

**PBT** at ₹ 91.9 crore up by 34.6% from ₹ 68.3 crore

**Tractor volumes** at 51,455

Tractor domestic **market share** at 10.3%.

**Material cost** down by 252 bps at 68.9%

**EAM segment margin (EBIT)** up by 95 bps

- Profit for Q4 up 28.7% YoY at ₹16.4 crore
- Q4 EBIDTA up 76.2% at ₹38.8 crore
- Tractor volumes at 51,455 units in FY 2016

**New Delhi, May 25, 2016:** Escorts Limited today reported an increase in net profit of 19.6 % at ₹ 89.4 crore in the fiscal year March 31, 2016 as against ₹ 74.7 crore in the previous fiscal. For the quarter ending March 2016, net profit was up by 28.7 % at ₹ 16.4 crore as against ₹ 12.8 crore in the corresponding quarter in the previous fiscal.

EBIDTA for the fourth quarter of the 2015-16 fiscal was up at ₹ 38.8 crore by 76.2% against ₹ 22 crore in the corresponding quarter ended March 2015 and up by 13.7% as against ₹. 34.1 crore in the preceding quarter ended December 2015. Profit before tax was up by 49.2 % in the quarter ended March 2016 at ₹ 15.5 crore as against ₹ 10.4 crore in the corresponding quarter of the last fiscal.

There was an improvement in segment margins with Escorts Agri Machinery showing a positive increase of 504 bps at 9.7% over the corresponding quarter (at 4.6%) as a result of better product mix and cost reduction. Similarly, Escorts Construction Equipment showed a positive swing of 25 bps sequentially.

In the fourth quarter of FY 2016, tractor volumes were up by 7.1 % at 11,823 tractors as against 11,036 tractors in the corresponding quarter. Construction Equipment volumes during the quarter were marginally lower by 0.4% at 737 units as against the corresponding quarter (740 units) but up by 5.6 % over the preceding quarter (at 698 units) ended December 2015.

For the quarter ending March 2016, turnover stood at ₹ 804.7 crore as against ₹ 817.7 crore in the corresponding quarter. Turnover for the year stood at ₹ 3,472.2 crore as against ₹ 3,985.8 crore.

Material costs were down by 143 bps at 69.4% in the fourth quarter of FY 2016 as against 70.9% in the corresponding quarter of the previous fiscal. In FY 2016, material costs were down by 252 bps at 68.9% as against 71.5% in the fiscal ended March 2015.

### ESCORTS LIMITED

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Corporate Identification Number L74899HR1944PLC039088



*Speaking on the results, Chairman Mr. Rajan Nanda said, "The tractor industry has now been impacted for almost seven consecutive quarters by adverse weather conditions. While the forecast for the forthcoming monsoons have been optimistic, the need for concerted action across multiple fronts in the farm sector has become urgent. Focus on farm mechanization, effective crop insurance and agriculture infrastructure is critical to dealing with farm distress. At Escorts, we have focused on improving margins through better product mix and cost reduction and the results are evident. We have improved our profitability and are confident that the company is well poised to take advantage of the inevitable improvement in both the farm and construction sector."*

#### Q4 HIGHLIGHTS

**PAT** at ₹ 16.4 crore, up by 28.7%  
from ₹ 12.8 crore in Q4 2015

**PBT** at ₹ 15.5 crore, up by 49.2 %  
from ₹ 10.4 crore in Q4 2015

**EBIDTA** at ₹ 38.8 crore up by 76.2%  
against ₹ 22 crore in Q4 2015

**Tractor Volumes** at **11,823** tractors,  
up by 7.1% against **11,036** tractors in  
Q4 2015

**Turnover** at ₹ **804.7 Cr.**

**Material cost** down by 143 bps at  
69.4% from corresponding quarter in  
FY 2015

**Segment margin for EAM** at 9.7% up  
by 504 bps against 4.6% in Q4 2015

**Says Mr. Nikhil Nanda, Managing Director, Escorts Ltd,** "Escorts today is a leaner, fitter company where we have created efficiencies through integration of production processes and cut costs across the board. However, the improvement in profits is as much an outcome of the investments we have made in expanding our product portfolio, appointing new dealers for an expanded channel coverage. Escorts Agri Machinery, for instance, has improved its domestic market share to 11.1% from 9.48% in the preceding quarter. In the new fiscal, we will continue to innovate, add new product features to meet applications demand and drive greater cost efficiencies."

#### SEGMENT WISE PERFORMANCE

##### *Escorts Agri Machinery*

Tractor volumes in the fiscal year ended March 2016 stood at 51,455 units as against 59,779 units in the previous fiscal. The fourth quarter of FY 2016 saw sales increase of 7.1% to 11,823 tractors against 11,036 units in the corresponding quarter of the last fiscal. Revenues for the fiscal year stood at ₹ 2,739.4 crore as against ₹ 3,204.3 Cr. in the previous fiscal. On a quarterly basis, the fourth quarter of FY 2016 saw revenues up by 0.71% at ₹ 613.7 crore in the quarter ended March 2016 as against ₹ 609.4 crore in the corresponding quarter of the previous fiscal. Escorts Agri Machinery improved its domestic market share to 11.1% at the end of March 2016 as against 11.05% in the corresponding quarter (March 2015) and 9.48% in the preceding quarter ended December 2015.

##### *Escorts Construction Equipment*

Construction Equipment volumes stood at 2,555 units in FY 2016 as against 3,007 units in the previous fiscal. In the fourth quarter of the fiscal, sales went up to 737 units from 698 units in the preceding quarter ended December 2015. Revenue for the year stood at ₹ 455.6 crore as against ₹ 511.4 crore. Revenue for the fourth quarter ended March 2016 stood at ₹ 121.6 crore as against ₹ 118.9 crore in the preceding quarter ended December 2015.

#### ESCORTS LIMITED

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### *Railway Equipment Division*

Railway Equipment Division recorded a rise in income for the second successive year with revenues increasing by 11.98% to ₹ 205.4 crore from ₹ 183.5 crore in the previous fiscal. Segment margins (EBIT) improved to 11%, up by 147 bps, as against 9.6% in the previous fiscal. The current order book is of approximately ₹ 55 crore which will be executed in the next 3-4 months of FY17.

### *Escorts Auto Products*

Escorts Auto Products recorded revenue of ₹ 92.4 crore for FY 2016 as against ₹ 103.4 crore in the preceding fiscal. The division recorded revenues of ₹ 23.4 crore in the fourth quarter of the fiscal, up from ₹ 16.5 crore in the preceding quarter ended December 2015.

**The audited accounts of the 12 months ending March 2016 has been approved by the Board of Escorts Limited.**

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### **ESCORTS LIMITED**

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