



July 28, 2016

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 051 BSE – 500495	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai – 400051 NSE - ESCORTS	Delhi Stock Exchange Limited 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. July 28, 2016 has approved the Unaudited Financial Results (Provisional) for the quarter ended June 30, 2016 and Limited Review Report thereon.

Please find enclosed herewith the following:

1. Unaudited Financial Results (Provisional) for the quarter ended June 30, 2016,
2. Limited Review Report,
3. Press Release.

The Board has also approved the Dividend Distribution Policy of the Company which will be placed on the website in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further wish to inform you that the Board Meeting held today commenced at 11:15 a.m. and concluded at 12:20 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

ESCORTS LIMITED

Corporate Secretarial & Law

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

Tel. : +91-129-2250222 Fax : +91-129-2250060

E-mail : corpsl@escorts.co.in Website : www.escortsgroup.com

Corporate Identification Number – L74899HR1944PLC039088



Statement of Standalone Unaudited Financial Results
For The Quarter Ended June 30, 2016

Sl. No.	Particulars	Rs. In Lakhs	
		Standalone Results	
		3 Months ended	Corresponding 3 Months ended
		June 30, 2016	June 30, 2015
		Unaudited	Unaudited
1	Income from Operations		
	(a) Income from Operations	104,735.28	95,693.01
	(b) Other Operating Income	406.46	451.66
	Total Income from Operations	105,141.74	96,144.67
2	Expenses		
	(a) Cost of Materials Consumed	61,281.74	58,981.85
	(b) Purchases of Stock-in-Trade	6,489.71	5,974.50
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	3,618.88	2,682.46
	(d) Employee Benefits Expense	11,384.46	10,832.30
	(e) Depreciation & Amortisation Expense	1,450.16	1,612.90
	(f) Other Expenses	13,589.96	11,914.90
	Total Expenses	97,814.91	91,998.91
3	Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	7,326.83	4,145.76
4	Other Income	1,042.56	1,179.13
5	Profit / (Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	8,369.39	5,324.89
6	Finance Costs	1,118.85	1,582.75
7	Profit / (Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	7,250.54	3,742.14
8	Exceptional Items	629.94	-
9	Profit / (Loss) from Ordinary Activities before Tax (7-8)	6,620.60	3,742.14
10	Tax Expense	1,924.77	223.95
11	Net Profit / (Loss) from ordinary activities after Tax (9-10)	4,695.83	3,518.19
12	Extraordinary Items (net of tax expense)	-	-
13	Net Profit / (Loss) for the period (11-12)	4,695.83	3,518.19
14	Other Comprehensive Income (net of tax)	4.19	(0.51)
15	Total Comprehensive Income	4,700.02	3,517.68
16	Paid-up equity share capital (Face Value Rs. 10/- each)	12,257.69	12,257.69
	Less: Amount recoverable from Escorts Employees Benefit & Welfare Trust	318.56	329.36
	Paid-up equity share capital (Face Value Rs. 10/- each)	11,939.13	11,928.33
17.i	Earnings Per Share (before extraordinary items) of Rs. 10 each (not annualised):		
	(a) Basic (Rs.)	3.94	2.95
	(b) Diluted (Rs.)	3.94	2.95
17.ii	Earnings Per Share (after extraordinary items) of Rs. 10 each (not annualised):		
	(a) Basic (Rs.)	3.94	2.95
	(b) Diluted (Rs.)	3.94	2.95



For ESCORTS LIMITED

(RAJAN NANDA)
CHAIRMAN

Place : Faridabad
Date : 28/07/2016

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



ESCORTS LIMITED

Segment Wise Revenue, Results And Capital Employed, For The Quarter ended June 30, 2016

Sl. No.	Particulars	Rs. In Lakhs	
		3 Months ended	Corresponding 3 Months ended
		June 30, 2016	June 30, 2015
		Unaudited	Unaudited
1	Segment Revenue:		
	a) Agri Machinery Products	85,833.12	79,300.19
	b) Auto Ancillary Products	2,008.36	2,845.94
	c) Railway Equipments	5,449.05	4,870.47
	d) Construction Equipments	12,481.93	9,472.98
	e) Others	0.00	0.00
	f) Unallocated	129.72	75.05
	Total	105,902.18	96,564.63
	Less: Inter Segment Revenue	760.44	419.96
	Net Segment Revenue	105,141.74	96,144.67
2	Segment Results:		
	a) Agri Machinery Products	9,677.03	7,332.78
	b) Auto Ancillary Products	(262.40)	(414.37)
	c) Railway Equipments	943.33	617.93
	d) Construction Equipments	(793.74)	(1,070.74)
	e) Others	(14.10)	120.08
	Total	9,550.12	6,585.68
	Less :		
	- Finance Costs	1,118.85	1,582.75
	- Exceptional Items	629.94	0.00
	- Other unallocable expenditure (Net of unallocable income)	1,180.73	1,260.79
	Total Profit Before Tax	6,620.60	3,742.14
3	Capital Employed (Segment Assets – Segment Liabilities)		
	a) Agri Machinery Products	95,777.20	97,004.52
	b) Auto Ancillary Products	5,554.58	5,051.64
	c) Railway Equipments	8,497.20	8,613.18
	d) Construction Equipments	11,242.72	14,675.38
	e) Others	429.92	529.69
	f) Unallocated	90,811.22	95,780.77
	Total	212,312.84	221,655.18

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 July 28, 2016.
- 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.
- The Ind AS financial results and financial information for the quarter ended June 30, 2015 have not been subjected to any limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true & fair view of the results in accordance with Ind AS.
- Reconciliation of standalone financial results to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as follows:

Particulars	Notes	For quarter ended June 30, 2015
		Rs In Lakhs
Profit after tax as reported under previous GAAP		3,627.23
Adjustments on account of:		



(i) Measurement of financial assets and liabilities at amortised cost	(a)	(174.99)
(ii) Recognition of loss allowance for expected credit losses on financial assets measured at amortised cost	(b)	40.01
(iii) Deferral of revenue for after sale services and extended warranties being separately identifiable components of sales	(c)	(93.38)
(iv) Measurement of financial assets at fair value through profit or loss (FVTPL)	(d)	103.77
(v) Others		33.71
(vi) Deferred tax impact on above Ind AS adjustments		(18.16)
Profit after tax as reported under Ind AS		3,518.19
Other comprehensive income (net of tax)	(e)	(0.51)
Total comprehensive income as reported under IndAS		3,517.68

(a) Under previous GAAP, all financial assets and financial liabilities were carried at cost.

Under Ind AS, certain financial assets and financial liabilities are subsequently measured at amortised cost which involves the application of effective interest method. In applying the effective interest method, an entity identifies fees that are an integral part of the effective interest rate of a financial instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability. For certain financial liabilities, the fair value of the financial liability at the date of transition to Ind AS has been considered as the new amortised cost of that financial liability at the date of transition to Ind AS.

(b) Under previous GAAP, provision for doubtful debts was recognised based on the estimates of the outcome and of the financial effect of contingencies determined by the judgement of the management of the Company. This judgement was based on consideration of information available up to the date on which the financial statements were approved and included a review of events occurring after the balance sheet date.

Under Ind AS, a loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables is assessed when they are past due and based on company's historical counterparty default rates and forecast of macro-economic factors. Other receivables have been segmented by reference to the industry of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment.

(c) Under previous GAAP, the amount of revenue was usually determined by agreement between the parties to the transaction.

Under Ind AS, where the sale transaction of the Company includes separately identifiable components, such as after sales services and extended warranties, it is necessary to apply the recognition criteria to those separately identifiable components in order to reflect the substance of the transaction. Revenue from each component so identified is only recognized when such goods are sold or services are rendered. Accordingly, revenue attributable to specifically identifiable components where services are pending to be rendered has been deferred.

(d) Under previous GAAP, current investments were stated at lower of cost and fair value.

Under Ind AS, these financial assets have been classified as FVTPL on the date of transition and fair value after the date of transition has been recognised in profit or loss.

(e) Under previous GAAP, long-term investments were stated at cost. Where applicable, provision was made to recognise the decline, other than temporary, in valuation of such investments.

Under Ind AS, certain investments in equity instruments [other than those in (d)] have been classified as subsequently measured at fair value through other comprehensive income (FVOCI) through an irrevocable election at the date of transition.

6 During the quarter ended 30th June 2016, Company has introduced a Voluntary Retirement Scheme aimed at certain section of employees. The total amount paid during the quarter under the said scheme including related terminal benefits is Rs. 629.94 Lacs, which is included under the head "Exceptional Items".

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 June 30, 2016 which needs to be explained.

Place : Faridabad
Date : 28/07/2016



For ESCORTS LIMITED

(RAJAN NANDA)
CHAIRMAN

Escorts Limited
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Limited Review Report

Review Report to The Board of Directors, Escorts Limited

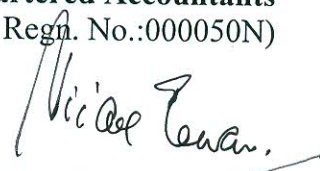
We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Escorts Limited ("the Company") for the quarter ended June 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure 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 & Company**
Chartered Accountants
(Firm Regn. No.:000050N)




(Vijay Dhawan)
Partner
M.No.: 12565

Dated: July 28, 2016
Place: New Delhi



PRESS RELEASE

ESCORTS FIRST QUARTER NET PROFIT UP 33.5%

Q1 FY 2016-17 HIGHLIGHTS

PAT at ₹ 47 crore against ₹ 35.2 crore in corresponding quarter

Turnover increased by 9.3% to ₹ 1051.4 crore against corresponding quarter

Tractor volumes at 16,363 units, with 38% sequential and 10% corresponding growth

Construction Equipment volume correspondingly up by 45% at 739

Material cost down by 245 bps against the corresponding quarter

- Profit for Q1 grows to ₹47 crore
- Q1 EBIDTA up 52.4% at ₹87.8 crore
- Tractor volumes up 10% to 16,363 units

New Delhi, July 28, 2016: Escorts Limited today reported an increase in net profit by 33.5% at ₹ 47 crore in the quarter ending June 2016 against ₹ 35.2 crore in quarter ended June 2015.

Escorts turnover increased correspondingly by 9.3% to ₹ 1051.4 crore in quarter ending June 2016 against ₹ 961.4 crore in quarter ended June 2015.

EBIDTA for the first quarter of this fiscal year is correspondingly up by 52.4% at ₹ 87.8 crore against ₹ 57.6 crore in quarter ending June 2015. Material cost is down by 245 bps at 67.9% against 70.3% in corresponding quarter ending June 2015.

Consequently, there is a significant improvement in segment margins with Escorts Agri Machinery showing a corresponding positive increase of 203 bps at 11.3% in quarter ending June 2016 as compared 9.2% in quarter ending June 2015.

Tractor volumes are correspondingly up by 10% to 16,363 tractors in quarter ending June 2016. **Construction Equipment** volumes during this quarter showed a 45% increase to 739 units against the corresponding quarter ending June 2015, resulting in positive swing of 494 bps at EBIT margin in ECE segment. **Escorts Railway Products** segment margin (EBIT) up by 462 bps at 17.3% in quarter ending June 2016 against 12.7% in quarter ending June 2015.

Speaking on the results, Chairman Mr. Rajan Nanda said, "The last quarter has shown a welcome upward trend in market demand. Sustaining it by the government taking advantage of a good monsoon would be important for the revival of the overall farm sector. The government has to provide a big impetus to farm mechanization, crop insurance and agriculture infrastructure. The construction industry too is showing signs of improvement and railways are on a healthy track. I am confident that if the economy continues to strengthen across sectors, our investments in better product mix, increased coverage, enhanced efficiencies and product innovation will deliver even better results."

ESCORTS LIMITED

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Says Mr. Nikhil Nanda, Managing Director, "The Escorts strategy of superior products, strengthened marketing and brand initiatives, focus on cost efficiencies and focus on customer relationships has resulted in not only improvement in our core markets but also greater share in newer markets where we had fledgling presence. The introduction of best-in-class products in all segments is showing results and acquiring new customers. Given the cost compression strategies implemented in the recent past, an upturn in revenue gives a boost to our profitability. We will continue to focus on products that are superior and service that exceeds expectations."

SEGMENT WISE PERFORMANCE

Escorts Agri Machinery

Tractor volumes in the quarter ended June 2016 went up sequentially by 38.4% to 16,363 tractors against 11,823 tractors in quarter ended March 2016 and was correspondingly up by 10% against 14,875 tractors in quarter ended June 2015. The segment revenues increased correspondingly by 8.2% at ₹ 858.3 crore in quarter ending June 2016 against ₹ 793 crore in quarter ended June 2015.

Escorts Construction Equipment

Construction Equipment volumes stood at 739 units in quarter ending June 2016 against 508 units in quarter ending June 2015, showing a 45% corresponding growth. Revenue for the quarter up by 31.7% correspondingly to ₹ 124.8 crore as against ₹ 94.7 crore in corresponding quarter ending June 2015.

Railway Equipment Division

Escorts Railway Products has a current order book of ₹ 100 crores (approx.) which will stand executed in next 7 to 8 months. The revenues for the quarter increased by 11.9% to ₹ 54.5 crore against the corresponding quarter ending June 2015.

Escorts Auto Products

Escorts Auto Products recorded a revenue of ₹ 20.1 crore for the first quarter of fiscal 2016 as against ₹ 28.5 crore in the corresponding quarter ending June 2015.

The reviewed accounts of the quarter ending June 2016 has been approved by the Board of Escorts Limited.

For further information kindly contact:

Sharad Gupta

Group Head Corporate Brand Communications

Escorts Ltd.

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Investor Relations

Escorts Ltd.

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