



ESCORTS LIMITED

Registered Office: 11, Scindia House, Connaught Circus, New Delhi - 110001

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST MARCH 2006

Rs. in crores

SI No.	Particulars	Quarter ended 31 st March 2006	Corresponding Quarter ended 31 st March 2005	6 months ended 31 st March 2006	Corresponding 6 months ended 31 st March 2005	Previous accounting period ended 30 th Sept. 2005 (15 months) Audited
1	Net Sales & Income from Operations	441.58	231.99	770.87	588.76	1307.93
2	Income from Investments/Other Income	-	0.05	-	0.24	505.73
	Total	441.58	232.04	770.87	589.00	1813.66
3	Total Expenditure					
	a) (Increase)/Decrease in stock-in-trade	(7.94)	(1.94)	(22.14)	(2.31)	2.74
	b) Consumption of raw materials	320.95	169.94	564.28	422.90	907.75
	c) Manufacturing expenses	15.15	11.22	27.56	23.97	58.39
	d) Staff Cost	39.93	39.53	78.80	76.32	185.79
	e) Other expenditure	42.64	31.09	79.89	62.02	181.21
	Total	410.73	249.84	728.39	582.90	1335.88
4	Interest	16.29	25.48	34.47	48.14	141.79
5	Cash Profit/(Loss) Before Depreciation & Amortisation	14.56	(43.28)	8.01	(42.04)	335.99
6	Depreciation	10.05	10.50	19.94	20.25	52.86
7	Amortisation	1.86	1.97	3.74	5.03	9.09
		2.65	(55.75)	(15.67)	(67.32)	274.04
8	Loss on sale of investments/provision for diminution in investments, current assets, loans & advances and write offs	8.87	7.50	8.87	7.50	243.02
9	Provision against Loans & Advances written back	(6.79)	-	(6.79)	-	-
10	Profit/(Loss) Before Tax	0.57	(63.25)	(17.75)	(74.82)	31.02
11	Provision for taxation	16.75	(14.99)	(4.49)	(32.28)	(8.07)
12	Profit/(Loss) After Tax	(16.18)	(48.26)	(13.26)	(42.54)	39.09
13	Paid-up equity share capital (Face value Rs.10/- each)	72.23	72.23	72.23	72.23	72.23
14	Reserves excluding Revaluation Reserve	-	-	-	-	448.76
15	Basic and Diluted EPS (Rs.) (Not annualised)	(2.24)	(6.68)	(1.84)	(5.89)	5.41
16	Aggregate of Non-Promoter Shareholding	50,540,399	48,415,395	50,540,399	48,415,395	50,726,142
	- Nos					
	- %age	69.97%	67.03%	69.97%	67.03%	70.23%



Notes:

1. The results for the quarter ended 31st March 2006 are subjected to Limited Review by Auditors.
2. The Profit/(Loss) Before Tax (PBT) from business operations [excluding extra-ordinary income/(expenses)] has shown an improving trend in the trailing 4 quarters which is a clear sign of turnaround in the business performance of the Company as evident from the figures of PBT given below:

	Rs. in crores
-Jan-Mar '06	2.65
-Oct-Dec '05	-18.32
-Jul-Sep '05	-54.86
- Apr-Jun '05	-77.29

3. During the quarter, the Company has divested its entire shareholding in the software subsidiaries i.e. Escosoft Technologies Limited and Esconet Services Limited. On divestment, the Company incurred a loss to the tune of Rs.84.35 crores. However, provision of Rs.75.48 crores created in earlier periods has been adjusted against the loss.
4. The Company in the current quarter has written off debtors relating to Agri Machinery Products business amounting to Rs.59.36 crores. The impact thereof on the results for the quarter is not material as the Company was carrying sufficient provision for doubtful debts created in earlier periods that has been adjusted against the write-off.
5. Provision for tax stated above includes deferred tax and fringe benefit tax computed and created during the period.
6. The Company has filed with the Delhi High Court, scheme of arrangement and compromise with its shareholders and Escorts Finance Limited and its fixed deposit holders and secured creditors.
7. At the beginning of the quarter no investor complaint was pending for disposal. During the quarter, the Company received 8 complaints from investors, which were disposed off within the quarter itself. Hence, at the end of the quarter, no complaint was pending unresolved.
8. Previous period figures have been re-grouped/re-arranged wherever necessary.
9. The above results have been taken on record by the Committee of Directors at their meeting held on 27th April 2006.



**SEGMENT WISE REVENUE AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT
FOR THE QUARTER ENDED 31ST MARCH 2006**

Rs. in crores

SI No.	Particulars	Quarter ended 31 st March 2006	Corresponding Quarter ended 31 st March 2005	6 months ended 31 st March 2006	Corresponding 6 months ended 31 st March 2005	Previous accounting period ended 30 th Sept. 2005 (15 months) Audited
1	Segment Revenue					
	a) Agri Machinery Products	392.27	182.94	677.50	487.30	1064.96
	b) Auto Ancillary Products	23.43	21.88	44.96	45.71	109.81
	c) Railway Equipments	26.53	26.67	49.57	54.92	130.90
	d) Others	0.10	0.11	0.10	0.83	1.45
	Total	442.33	231.60	772.13	588.76	1307.12
	Less: Inter Segment Revenue	1.60	0.95	3.10	2.26	10.43
	Net Sales & Income from Operations	440.73	230.65	769.03	586.50	1296.69
2	Segment Results					
	a) Agri Machinery Products	24.76	(22.88)	31.51	(7.78)	(128.57)
	b) Auto Ancillary Products	(2.98)	(2.67)	(6.15)	(4.90)	(10.97)
	c) Railway Equipments	5.13	4.94	8.83	10.17	18.68
	d) Others	(0.03)	(0.02)	(0.09)	0.60	(0.50)
	Total	26.88	(20.03)	34.10	(1.91)	(121.36)
	Less:					
	- Interest	16.29	25.48	34.47	48.14	141.79
	- Loss on sale of investments/Provision for diminution in investments, current assets, loans & advances and write offs	8.87	7.50	8.87	7.50	176.15
	- Provision for Loans & Advances written back	(6.79)	-	(6.79)	-	-
	- (Profit) on Healthcare Divestment	-	-	-	-	(505.51)
	- Other unallocable expenditure (Net of unallocable income)	7.94	10.24	15.30	17.27	35.19
	Profit/(Loss) Before Tax	0.57	(63.25)	(17.75)	(74.82)	31.02
3	Capital Employed: (Segment Assets – Segment Liabilities)					
	a) Agri Machinery Products	337.17	472.00	337.17	472.00	379.11
	b) Auto Ancillary Products	34.37	42.38	34.37	42.38	39.60
	c) Railway Equipments	57.93	49.52	57.93	49.52	55.01
	d) Others	(0.29)	0.18	(0.29)	0.18	(0.21)
	Total	429.18	564.08	429.18	564.08	473.51



Notes:

1. Business segments have been defined as below:
 - a) Agri Machinery Products: Agricultural Tractors, Harvester Combines and their Spare Parts.
 - b) Auto Ancillary Products: Shock Absorbers, Telescopic Front Forks and McPherson Struts.
 - c) Railway Equipments: Shock Absorbers, Couplers and Brake Blocks.
2. The segment wise revenue, results and capital employed figures relate to the respective amounts directly identifiable to each of the segments. Unallocable expenditure includes expenses incurred on common services at the Corporate Office and relate to the Company as a whole. Unallocable income of Corporate Office comprise dividend income and other incomes.

For ESCORTS LIMITED

**Sd/-
(RAJAN NANDA)
CHAIRMAN**