



Escorts Limited

Statement of Standalone Unaudited Financial Results for the quarter and nine months ended December 31, 2021

Particulars	₹ in Crores					
	Standalone results					
	3 Months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the Nine Months ended		For the year ended
	31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
Revenue from operations	1,957.49	1,662.26	2,017.43	5,291.24	4,718.76	6,929.29
Other income	39.97	63.86	47.22	151.05	114.62	154.56
Total income	1,997.46	1,726.12	2,064.65	5,442.29	4,833.38	7,083.85
Expenses						
Cost of materials consumed	1,002.24	1,314.40	1,234.51	3,431.49	2,617.19	4,026.19
Purchases of stock-in-trade	128.49	140.80	117.89	382.70	317.29	440.08
Changes in inventories of finished goods, work-in-progress and stock-in-trade	244.06	(348.99)	(27.91)	(192.13)	144.98	127.40
Employee benefits expense	132.34	139.59	135.84	409.04	387.59	534.55
Finance costs	3.25	3.61	3.27	9.81	8.41	10.98
Depreciation & amortisation expense	32.52	32.91	31.47	96.79	85.26	115.70
Other expenses	185.74	206.36	193.04	552.19	467.19	671.84
Total expenses	1,728.64	1,488.68	1,688.11	4,689.89	4,027.91	5,926.74
Profit before tax	268.82	237.44	376.54	752.40	805.47	1,157.11
Tax expense						
Current tax	62.72	58.60	97.37	183.85	204.33	286.90
Deferred tax charge /(credit)	4.58	2.12	(1.48)	5.11	(1.58)	(3.85)
Total tax expense	67.30	60.72	95.89	188.96	202.75	283.05
Net profit for the period	201.52	176.72	280.65	563.44	602.72	874.06
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Net changes in fair values of equity instruments carried at fair value through other comprehensive income	0.21	0.11	0.13	0.42	0.27	0.36
Re-measurements of defined employee benefit plans	3.53	(2.47)	(1.19)	0.21	(17.81)	(13.95)
Income tax relating to items that will not be reclassified to profit or loss	(0.91)	0.61	0.28	(0.10)	4.45	3.47
Total other comprehensive income	2.83	(1.75)	(0.78)	0.53	(13.09)	(10.12)
Total comprehensive income	204.35	174.97	279.87	563.97	589.63	863.94
Earnings per share of ₹ 10 each :	Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	
a) Basic (₹)	15.33	13.39	21.28	42.75	47.43	68.14
b) Diluted (₹)	15.30	13.37	21.26	42.67	47.38	68.05
Paidup equity share capital, equity share of ₹ 10 each	122.58	134.83	134.83	122.58	134.83	134.83
Other equity						5,256.76



Escorts Limited
Segment wise revenue, results and capital employed for the quarter and nine months ended December 31, 2021

₹ in Crores

Sl. No.	Particulars	Standalone				
		3 Months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the nine months ended	
		31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment revenue:					
	a) Agri machinery products	1,505.62	1,240.94	1,652.72	4,157.99	3,928.43
	b) Construction equipments	276.18	249.20	244.73	666.20	454.14
	c) Railway equipments	173.05	170.16	117.38	463.41	332.50
	d) Unallocated	1.84	1.96	2.60	3.64	3.69
	Total	1,957.49	1,662.26	2,017.43	5,291.24	4,718.76
	Less: Inter segment revenue	-	-	-	-	-
	Net segment revenue	1,957.49	1,662.26	2,017.43	5,291.24	4,718.76
2	Segment results:					
	a) Agri machinery products	238.16	186.89	332.80	644.90	735.44
	b) Construction equipments	6.78	8.95	18.46	12.44	4.40
	c) Railway equipments	24.86	29.37	14.96	71.63	49.78
	Total	269.80	225.21	366.12	728.97	788.62
	Less :					
	- Finance costs	3.25	3.61	3.27	9.81	8.41
	- Other unallocable expenditure (Net of unallocable income)	(2.27)	(15.84)	(13.69)	(33.24)	(25.26)
	Total profit before tax	268.82	237.44	376.54	752.40	805.47
3	Segment assets					
	a) Agri machinery products	3,123.36	3,483.68	2,572.13	3,123.36	2,572.13
	b) Construction equipments	389.63	375.76	358.92	389.63	358.92
	c) Railway equipments	365.17	259.68	235.11	365.17	235.11
	d) Auto ancillary products (discontinued operation)	0.64	0.68	0.66	0.64	0.66
	e) Unallocated	3,431.52	3,382.51	3,753.65	3,431.52	3,753.65
	Total	7,310.32	7,502.31	6,920.47	7,310.32	6,920.47
4	Segment liabilities					
	a) Agri machinery products	1,017.37	1,296.23	1,355.56	1,017.37	1,355.56
	b) Construction equipments	217.19	224.87	252.11	217.19	252.11
	c) Railway equipments	97.90	94.13	48.50	97.90	48.50
	d) Auto ancillary products (discontinued operation)	6.79	6.82	7.40	6.79	7.40
	e) Unallocated	177.84	187.69	146.09	177.84	146.09
	Total	1,517.09	1,809.74	1,809.66	1,517.09	1,809.66
	Total	1,517.09	1,809.74	1,809.66	1,517.09	1,811.64

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Notes :

- 1 The above Standalone financial results for the quarter and nine months ended December 31, 2021 were reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on February 08, 2022.
- 2 Subsequent to approval of the Board of Directors on July 15, 2020 for selective reduction of share capital of the Company by cancelling and extinguishing 1,22,57,688 Equity Shares, held by the Escorts Benefit and Welfare Trust, the Company filed a Scheme for reduction of share capital ("the Scheme") between the Company and its shareholders, under Section 66 read with Section 52 and other applicable sections of the Companies Act, 2013 and National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, with the Hon'ble NCLT of Chandigarh ("the Tribunal") on March 13, 2021. During the current quarter, the Scheme has been approved by the Hon'ble NCLT Bench, Chandigarh ("NCLT") vide its order dated December 23, 2021 ("Order"). The scheme became effective upon filing of the certified copy of the order of the Tribunal sanctioning this Scheme and the minute of reduction with the RoC on December 27, 2021. Accordingly, the impact of the scheme has been considered in these results.
- 3 The Board of the Directors of the Company on February 2, 2021 had approved for sale of 54,60,000 shares of ₹10/- each in Escorts Securities Limited (ESL), a subsidiary company. On April 8, 2021, the Company had entered into a Share Purchase Agreement, to sell the aforesaid shares to M/s Choice Equity Broking Private Limited ("purchaser"), subject to obtaining all applicable regulatory approvals. In terms of the agreement, upon necessary regulatory approvals and on the Closing date, the aforesaid shares will be transferred to the purchaser, at agreed consideration and thereafter ESL will cease to be a subsidiary of the Company.
- 4 On November 1, 2021, the Company has acquired 40,500 equity shares of face value of ₹ 10/- each, of Escorts Skill Development (ESD), a section 8 Company, consequently, effective November 1, 2021, the Company holds entire equity share capital (50,000 equity shares of face value ₹ 10/- each) of ESD and ESD has become wholly owned subsidiary of the Company.
- 5 The Board, on November 18, 2021, had approved the raising of equity capital through a preferential issue of 93,63,726 equity shares ("Proposed Issue") of face value ₹ 10 at ₹ 2,000 per share (including a premium of ₹ 1,990 for each equity share), to Kubota Corporation, Japan, a company incorporated under the laws of Japan ("Investor"), subject to approval of the shareholders of the Company and receipt of requisite statutory and regulatory approvals, including, compliance with applicable pricing regulations and in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations") and applicable provisions of the Companies Act, 2013 and rules made thereunder ("Companies Act"). A Share Subscription Agreement ("SSA"), a Shareholders' Agreement ("SHA") and other ancillary agreement have also been executed among the Investor, the Company, certain Existing Promoters, in this regard.

The Proposed Issue is subject to customary conditions precedent, including the approval and adoption of the restated and amended articles of association of the Company, increase in the limit on the maximum number of directors on the Board, and receipt of related necessary regulatory approvals.

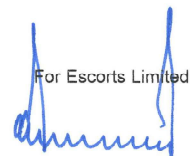
Pursuant to the execution of the above SSA and SHA (wherein it is proposed that the Investor will become a joint promoter of the Company along with the existing promoters, upon the SHA becoming effective), the obligation to make a mandatory open offer by the Investor to the public shareholders of the Company has been triggered ("Open Offer") in accordance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto.

The Board of the Company has also taken note that the proposed preferential allotment to the Investor to become a joint promoter of the Company has triggered an obligation on the Investor to make an open offer to the public shareholders of the listed subsidiary of the Company i.e., Escorts Finance Limited, in terms of Regulation 5 and other applicable regulations of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and subsequent amendments thereto.

The Shareholders of the Company on December 18, 2021, by way of Postal Ballot through voting by electronic means ("E-voting"), approved the proposed issue, including the alteration to the article of association of the Company and increase in the limit on the maximum number of directors on the Board. The Company is in the process of obtaining necessary regulatory approvals.

Place : Faridabad
Date : 08-02-2022

For Escorts Limited



Nikhil Nanda
(Chairman and Managing Director)



Escorts Limited

Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2021

Particulars	Consolidated results					
	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the nine months ended		For the year ended
	31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	₹ in Crores					
Income						
Revenue from operations	1,984.28	1,673.85	2,042.23	5,359.92	4,785.67	7,014.42
Other income	40.72	65.51	48.70	155.05	118.48	160.38
Total income	2,025.00	1,739.36	2,090.93	5,514.97	4,904.15	7,174.80
Expenses						
Cost of materials consumed	1,019.25	1,314.43	1,248.95	3,462.84	2,654.55	4,073.07
Purchases of stock-in-trade	128.30	142.51	117.89	384.66	317.29	441.65
Changes in inventories of finished goods, work-in-progress and stock-in-trade	241.48	(347.72)	(29.43)	(189.71)	146.78	129.92
Employee benefits expense	136.66	142.72	138.98	419.51	396.51	546.91
Finance costs	3.83	4.10	3.94	11.41	10.12	13.34
Depreciation and amortisation expense	33.10	33.49	32.12	98.54	87.20	118.28
Other expenses	194.08	211.65	202.95	571.45	487.61	696.11
Total expenses	1,756.70	1,501.18	1,715.40	4,758.70	4,100.06	6,019.28
Profit before share of net profit of investment accounted for using the equity method and tax	268.30	238.18	375.53	756.27	804.09	1,155.52
Share of (loss) / profit of investments accounted for using equity method	(6.68)	(3.83)	6.96	(20.90)	4.50	(0.74)
Profit before tax	261.62	234.35	382.49	735.37	808.59	1,154.78
Tax expense						
Current tax	63.01	58.70	97.37	184.69	204.33	287.14
Deferred tax charge / (credit)	4.90	2.18	(1.30)	5.05	(1.96)	(3.99)
Total tax expense	67.91	60.88	96.07	189.74	202.37	283.15
Net profit for the period	193.71	173.47	286.42	545.63	606.22	871.63
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Net changes in fair values of equity instruments carried at fair value through other comprehensive income	0.21	0.11	0.13	0.42	0.27	0.36
Re-measurements of defined employee benefit plans	3.53	(2.47)	(1.19)	0.21	(17.81)	(13.87)
Income tax relating to items that will not be reclassified to profit or loss	(0.91)	0.61	0.28	(0.10)	4.45	3.47
Items that will be reclassified to profit or loss						
Exchange differences on translation of foreign operations	(0.05)	(0.14)	-	(0.03)	0.08	0.01
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total other comprehensive income	2.78	(1.89)	(0.78)	0.50	(13.01)	(10.03)
Total comprehensive income	196.49	171.58	285.64	546.13	593.21	861.60
Profit attributable to:						
a) Owners of the parent	194.19	173.17	286.71	545.55	606.04	871.46
b) Non-controlling interests	(0.48)	0.30	(0.29)	0.08	0.18	0.17
Other comprehensive income attributable to:						
a) Owners of the parent	2.78	(1.89)	(0.78)	0.50	(13.01)	(10.07)
b) Non-controlling interests	-	-	-	-	-	0.04
Total comprehensive income attributable to:						
a) Owners of the parent	196.97	171.28	285.93	546.05	593.03	861.39
b) Non-controlling interests	(0.48)	0.30	(0.29)	0.08	0.18	0.21
Earnings per share of ₹ 10 each :	Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	
a) Basic (₹)	19.74	17.62	29.21	55.48	64.90	92.15
b) Diluted (₹)	19.67	17.59	29.17	55.35	64.81	91.98
Paid up equity share capital, equity share of ₹ 10 each	122.58	134.83	134.83	122.58	134.83	134.83
Other equity						4,891.30



Escorts Limited

Segment wise revenue, results and capital employed for the quarter and nine months ended December 31, 2021

Sl. No.	Particulars	Consolidated					₹ in Crores
		3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the nine months ended		For the year ended
		31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment revenue:						
	a) Agri machinery products	1,526.85	1,246.13	1,670.00	4,209.28	3,979.21	5,732.26
	b) Construction equipments	276.18	249.20	244.73	666.20	454.14	776.11
	c) Railway equipments	173.85	170.16	117.38	463.41	332.50	478.96
	d) Unallocated	10.96	10.85	10.12	27.08	19.82	27.09
	Total	1,987.84	1,676.34	2,042.23	5,365.97	4,785.67	7,014.42
	Less: Inter segment revenue	3.56	2.49	-	6.05	-	-
	Net segment revenue	1,984.28	1,673.85	2,042.23	5,359.92	4,785.67	7,014.42
2	Segment results:						
	a) Agri machinery products	238.66	186.90	333.22	648.88	736.91	1,032.55
	b) Construction equipments	6.78	8.95	18.46	12.44	4.40	27.81
	c) Railway equipments	24.86	29.37	14.86	71.63	48.78	76.75
	Total	270.30	225.22	366.54	732.95	790.09	1,137.11
	Less :						
	- Finance costs	3.83	4.10	3.94	11.41	10.12	13.34
	- Other unallocable expenditure (Net of unallocable income)	4.85	(13.23)	(19.89)	(13.83)	(28.62)	(31.01)
	Total profit before tax	261.62	234.35	382.49	735.37	808.59	1,154.78
3	Segment assets						
	a) Agri machinery products	3,138.33	3,488.40	2,585.90	3,138.33	2,585.90	2,648.22
	b) Construction equipments	389.63	375.76	358.92	389.63	358.92	361.16
	c) Railway equipments	365.17	259.68	235.11	365.17	235.11	271.45
	d) Auto ancillary products (discontinued operation)	0.64	0.68	0.66	0.64	0.66	0.69
	e) Unallocated	3,199.71	3,044.63	3,434.29	3,199.71	3,434.29	3,596.65
	Total	7,093.48	7,169.15	6,614.88	7,093.48	6,614.88	6,878.17
4	Segment liabilities						
	a) Agri machinery products	1,032.47	1,299.35	1,369.54	1,032.47	1,369.54	1,315.07
	b) Construction equipments	217.19	224.87	252.11	217.19	252.11	267.50
	c) Railway equipments	97.90	94.13	48.50	97.90	48.50	66.07
	d) Auto ancillary products (discontinued operation)	6.79	6.82	7.40	6.79	7.40	6.84
	e) Unallocated	217.24	228.60	180.74	217.24	180.74	197.47
	Total	1,571.59	1,853.77	1,858.29	1,571.59	1,858.29	1,852.95

Notes :

- 1 The above consolidated financial results for the quarter and nine months ended December 31, 2021 were reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on February 08, 2022.
- 2 Subsequent to approval of the Board of Directors on July 15, 2020 for selective reduction of share capital of the Company by cancelling and extinguishing 1,22,57,688 equity shares, held by the Escorts Benefit and Welfare Trust, the Company filed a Scheme for reduction of share capital ("the Scheme") between the Company and its shareholders, under Section 66 read with Section 52 and other applicable sections of the Companies Act, 2013 and National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, with the Hon'ble NCLT of Chandigarh ("the Tribunal") on March 13, 2021. During the current quarter, the Scheme has been approved by the Hon'ble NCLT Bench, Chandigarh ("NCLT") vide its order dated December 23, 2021 ("Order"). The scheme became effective upon filing of the certified copy of the order of the Tribunal sanctioning this Scheme and the minute of reduction with the RoC on December 27, 2021. Accordingly, the impact of the scheme has been considered in these results.
- 3 The Board of the Directors of the Company on February 02, 2021 had approved for sale of 54,60,000 shares of ₹ 10/- each in Escorts Securities Limited (ESL), a subsidiary company. On April 08, 2021, the Company and its subsidiary, Escorts Finance Limited holding 14,60,000 equity shares in ESL, had entered into a Share Purchase Agreement, to sell the aforesaid shares to M/s Choice Equity Broking Private Limited ("purchaser") subject to obtaining all applicable regulatory approvals. In terms of the agreement, upon necessary regulatory approvals and on the Closing date, the aforesaid shares will be transferred to the purchaser, at an agreed consideration. Upon necessary approvals and transfer of the shares to the purchaser, ESL will cease to be a subsidiary of the Company.
- 4 On November 01, 2021, the Company has acquired 40,500 equity shares of face value of ₹ 10/- each, of Escorts Skill Development (ESD), a section 8 Company, consequently, effective November 01, 2021, the Company holds entire equity share capital (50,000 equity shares of face value ₹ 10/- each) of ESD and ESD has become wholly owned subsidiary of the Company. Based on the control assessment carried out by management in terms of Ind AS 110, ESD has not been consolidated in these results.
- 5 The Board, on November 18, 2021, had approved the raising of equity capital through a preferential issue of 93,63,726 equity shares ("Proposed Issue") of face value ₹ 10 at ₹ 2,000 per share (including a premium of ₹ 1,990 for each equity share), to Kubota Corporation, Japan, a company incorporated under the laws of Japan ("Investor"), subject to approval of the shareholders of the Company and receipt of requisite statutory and regulatory approvals, including, compliance with applicable pricing regulations and in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations") and applicable provisions of the Companies Act, 2013 and rules made thereunder ("Companies Act"). A Share Subscription Agreement ("SSA"), a Shareholders' Agreement ("SHA") and other ancillary agreement have also been executed among the Investor, the Company, certain Existing Promoters, in this regard.

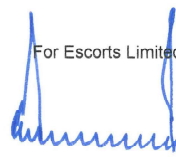
The Proposed Issue is subject to customary conditions precedent, including the approval and adoption of the restated and amended articles of association of the Company, increase in the limit on the maximum number of directors on the Board, and receipt of related necessary regulatory approvals.

Pursuant to the execution of the above SSA and SHA (wherein it is proposed that the Investor will become a joint promoter of the Company along with the existing promoters, upon the SHA becoming effective), the obligation to make a mandatory open offer by the Investor to the public shareholders of the Company has been triggered ("Open Offer") in accordance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto.

The Board of the Company has also taken note that the proposed preferential allotment to the Investor to become a joint promoter of the Company has triggered an obligation on the Investor to make an open offer to the public shareholders of the listed subsidiary of the Company i.e., Escorts Finance Limited, in terms of Regulation 5 and other applicable regulations of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and subsequent amendments thereto.

The Shareholders of the Company on December 18, 2021, by way of Postal Ballot through voting by electronic means ("E-voting"), approved the proposed issue, including the alteration to the article of association of the Company and increase in the limit on the maximum number of directors on the Board. The Company is in the process of obtaining necessary regulatory approvals.

Place : Faridabad
Date : 08/02/2022

For Escorts Limited

Nikhil Nanda
(Chairman and Managing Director)