



F.R.N. 022743N

KAPISH JAIN & ASSOCIATES

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To
The Trustee
Escorts Benefit Trust
15/5, Mathura Road, Faridabad

Report on the Financial Statements

We have audited the financial Statements of **Escorts Benefit Trust** (the 'Trust') which comprises the Balance Sheet as at 31st March 2022 and the Income & Expenditure account for the year then ended and a summary of significant accounting policies and other explanatory information on that date annexed thereto.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the entity as at 31st March 2022 and of its financial performance for the year then ended in accordance with the Accounting standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Trustees and Those Charged with Governance for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Accounting Standards, and for such internal control as trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, trustees are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless trustees either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.



Auditor's Responsibilities for the Audit of the Financials Statements

Our objectives are to obtain reasonable assurance about whether the financials statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonable be expected to influence the economic decisions of users taken on the basis of these financial statements.

For **Kapish Jain & Associates**
Chartered Accountants
Firm Reg. No. 022743N



CA Kapish Jain
Partner
M.No. 514162
UDIN 22514162AIUOMI5959



Dated: New Delhi
Place: 10 May 2022

ESCORTS BENEFIT TRUST
Balance Sheet as at March 31, 2022

(Amount in Rs.)

LIABILITIES	As at March 31, 2022	As at March 31, 2021	ASSETS	As at March 31, 2022	As at March 31, 2021
RESERVE FUND			INVESTMENTS		
Balance as per last Balance Sheet	10,83,66,966	10,83,75,480	Quoted Investment (At Cost)	-	-
Add: Surplus/(Deficit) of Income Over	2,81,52,983	(8,514)	- In Equity Shares	-	-
Expenditure as per Income & Expenditure	13,65,19,949	10,83,66,966	- In Mutual Funds	30,16,075	3,99,36,603
Less: Amount paid to Investor Education And Protection Fund	10,56,22,363	-	Aditya Birla Sun Life M Term Plan Growth	12,40,232	3,36,10,381
	3,08,97,586	10,83,66,966	ABSL Credit Risk Fund - Growth Regular	-	-
			(Formerly known as Aditya Biral Sun Life Corp	2,65,78,503	3,48,26,673
CURRENT LIABILITIES & PROVISIONS			Bond Fund Growth)	-	-
Payable to Kapish Jain & Associates	14,160	14,160	Nippon India Floating Rate Fund-Direct Growth	-	-
Provision for Tax	19,705	1,538	HDPC Corp Debt Opportunities Fund Growth	-	-
Other Liabilities	1,000	1,15,400	CASH & BANK BALANCE	87,410	1,24,407
			Balance with Bank in Current Account	-	-
			CURRENT ASSETS		
			Amount recoverable in cash or kind	10,231	-
	3,09,32,451	10,84,98,064		3,09,32,451	10,84,98,064

Significant accounting policies and notes to accounts are the integral part of Financial Statements

As per our report of even date attached
For **KAPISH JAIN AND ASSOCIATES**
Chartered Accountants

Firm Regn no. 022743N

CA Kapish Jain
Partner

Membership No. 514162

Date : 10th May 2022
Place : New Delhi



Bharat Madan
Trustee
Place:- Faridabad

Satyendra Chauhan
Trustee
Place:- Faridabad

For and on behalf of the Escorts Benefit Trust

ESCORTS BENEFIT TRUST
Income & Expenditure Account for the period ended March 31, 2022

EXPENDITURE	(Amount in Rs.)	
	As at March 31, 2022	As at March 31, 2021
Audit Fee	14,160	14,160
Bank Charges	708	649
Income tax for earlier year	-	6,320
Income tax for current year	38,71,851	1,538
Surplus / (Deficit) for the year transferred to Reserve Fund	2,81,52,983	(8,514)
	3,20,39,702	14,153
		3,20,39,702
		14,153

Significant accounting policies and notes to accounts are the integral part of Financial Statements

As per our report of even date attached
For KAPISH JAIN AND ASSOCIATES

Chartered Accountants
Firm Regn no. 022743N

Kapish Jain

CA Kapish Jain
Partner
Membership No. 514162

Date : 10th May 2022
Place : New Delhi



For and on behalf of the Escorts Benefit Trust

Bharat Madan

Bharat Madan
Trustee
Place :- Faridabad

Satyendra Chauhan

Satyendra Chauhan
Trustee
Place :- Faridabad

ESCORTS BENEFIT TRUST

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

(a) Trust Information

Escorts Benefit Trust (the 'Trust') is a trust created on December 01, 2010 having its registered office 15/5, Mathura Road, Faridabad. This trust has been created pursuant to the order of the Hon'ble High Court of Delhi vide order dated May 24, 2010 to pay to unpaid fixed deposit holder(s) of Escorts Finance Limited (EFL). Further, pursuant to the order of Hon'ble High Court, Delhi vide order dated March 04, 2011; 24,01,050 equity shares of Escorts Limited transferred to the Trust under the scheme of Arrangement and Compromise u/s 391 and 394 of the Companies Act, 1956 for making payment to the unpaid fixed deposit holder(s) of EFL to the extent of its maturity value.

(b) Basis of Preparation

The Financial Statements are prepared under the historical cost convention on accrual basis and in accordance with the generally accepted accounting principles and the applicable Accounting Standards issued by the Institute of Chartered Accountants of India.

(c) Use of Estimates

The preparation of financial statements is in conformity with the generally accepted accounting principles which require the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements. Actual results if they differ from those estimates are recognized in the current and future accounting periods.

(d) Revenue Recognition

Contribution to Trust Fund is recognized as income on receipt basis. Dividend income on investment is accounted for when the right to receive the dividend is established. Sales proceed from shares is recognized on accrual basis.

(e) Investments

All investments are stated at cost. Provision for diminution, if any, in the value of investments, other than temporary, is made in the books of accounts.

(f) Employee Benefits

The provisions of the Payment of Gratuity Act, 1972, the Employee State Insurance Act, 1948 and Employees Provident Fund and Miscellaneous Provision Act, 1952 are not applicable since there is no employee on roll of the Trust.

(g) The figures have been rounded off to the nearest rupee.



ESCORTS BENEFIT TRUST

B. NOTES ON ACCOUNTS

- (1) The shares of Escorts Limited, which had been transferred to Trust, are without consideration as per order of the Court, hence cost of investment is Zero. Since all the shares have been sold in the open market hence no shares are held as the date of Balance Sheet.
- (2) As per the order of the Hon'ble High Court, Delhi vide order dated May 24, 2010, the Trust was bound to pay to unpaid fixed deposit holder(s) for the period of two years from the date of Order. The trustees had decided to make the payment continuously to unpaid fixed deposit holder(s) beyond the period specified in the order. Accordingly, during the year, the Trust was making payment to the unpaid fixed deposit holder(s) through the bank of account of Hardship Committee.
- Further, entire outstanding liability towards unclaimed fixed deposits and interest thereon of Rs. 10,56,22,363 (INR Ten Crores Fifty Six Lacs Twenty Two Thousand Three Hundred Sixty Three Only) has been deposited with the Investor Education & Protection Fund by Escorts Benefit Trust on behalf of Escorts Finance Limited on 2 February 2022 through demand draft payable to Investor Education & Protection Fund (IEPF) vide DD No. 151443 and accordingly challan in form IEPF-1 has been submitted to Ministry of Corporate Affairs vide SRN T75819110 dated 2 February 2022. The aforesaid demand draft has been deposited to Punjab National Bank, Connaught Place Branch, New Delhi on 2 February 2022 vide SRN X06510960. Therefore, the Trust has reduced its Reserve Funds to that extent.
- (3) As per clause 1(d)(ii) of trust deed, Escorts Limited shall be the sole beneficiary of the Trust after the lapse of one year from the date of formation.
- (4) Market value of Investment (mutual funds) is Rs. 2,90,05,606/- (Previous year: Rs. 13,51,31,734/-) as on Balance Sheet date.
- (5) Figures for the previous year have been regrouped/reclassified/reinstated, wherever considered necessary.

For Kapish Jain & Associates
Chartered Accountants
Firm Reg. No. 022743N

CA Kapish Jain
Partner
M.No. 514162

Date :- 10th May 2022
Place:- New Delhi



For and on behalf of Escorts Benefit Trust

Bharat Madan
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