

October 23, 2018

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 051
BSE – 511716

Subject: Outcome of the Board Meeting of Escorts Finance 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. October 23, 2018 has approved the Unaudited Financial Results (Standalone) of the Company for the quarter and Half year ended September 30, 2018 and Limited Review Report thereon which is attached as Annexure-I.

We further wish to inform you that the Board Meeting held today commenced at 4:00 p.m. and concluded at 5:20 p.m.

Kindly take the same on record.

Thanking you.

Yours faithfully,

For **Escorts Finance Limited**


Vicky Chauhan
Company Secretary



Encl: A/a

ESCORTS FINANCE LIMITED

Regd. Office : SCO 64-65, Third Floor, Sector-17A, Chandigarh-160017 CIN : L65910CH1987PLC033652
 Website: www.escortsfinance.com, Email:escortsfinance@escorts.co.in; Phone: 0129-2564116
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2018

Rs. In Lakhs

Sl. No.	Particulars	Quarter ended			Six Months ended		Year ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
a)	Revenue from operations	1.39	1.89	2.58	3.28	10.59	15.90
b)	Other income	0.14	0.13	0.12	0.27	0.18	0.52
	Total income	1.53	2.02	2.70	3.55	10.77	16.42
2	Expenses						
a)	Employee benefits expense	4.19	3.21	2.71	7.40	6.15	13.31
b)	Finance costs	-	-	-	-	-	0.01
c)	Depreciation and amortisation expense	-	-	0.01	-	0.01	-
d)	Other expenses	5.55	4.86	8.52	10.41	13.31	279.37
	Total expenses	9.74	8.07	11.24	17.81	19.47	292.69
3	Profit/(loss) before exceptional item & tax (1-2)	(8.21)	(6.05)	(8.54)	(14.26)	(8.70)	(276.27)
4	Exceptional Items	0.00	-	-	-	-	-
5	Profit/(loss) before tax (3-4)	(8.21)	(6.05)	(8.54)	(14.26)	(8.70)	(276.27)
6	Tax expense (*)	-	-	-	-	-	178.80
7	Net Profit/(Loss) before tax (5-6)	(8.21)	(6.05)	(8.54)	(14.26)	(8.70)	(97.47)
8	Other comprehensive income (OCI)	-	-	-	-	-	-
9	Total comprehensive income for the period (7+8)	(8.21)	(6.05)	(8.54)	(14.26)	(8.70)	(97.47)
10	Paid-up Equity Share Capital (Face value of Rs.10/- each)	4,017.25	4,017.25	4,017.25	4,017.25	4,017.25	4,017.25
11	Other Equity (excluding revaluation reserve)	-	-	-	-	-	(21,835.16)
12	Earnings per share (of Rs.10/- each)	(0.0204)	(0.0151)	(0.0213)	(0.0355)	(0.0217)	(0.2426)
	Basic & Diluted (Rs.)						

Notes:-

- The above Standalone Financial Results were reviewed by the Audit committee and approved and taken on record by the Board of Directors in their meeting held on 23 October 2018.
- The above results are in compliance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs.
- The Company has a single reportable segment namely financial services (limited to recovery of loan assets) for the purpose of Ind AS-108.
- M/s Escorts Benefit Trust (EBT) created by Escorts Limited maintains adequate funds to repay the matured unpaid fixed deposit liability, in terms of the directions of Hon'ble Delhi High Court. During the quarter ended on 30 September 2018, EBT has settled the claims to the extent of Rs. 0.21 lacs by payment to respective fixed deposit holders. The remaining liability towards unclaimed fixed deposits and interest thereon is Rs. 1094.92 lacs as on 30 September 2018 (Rs.1095.13 lacs as on 30 June 2018) and is pending for deposit in Investor Education & Protection Fund.

5 Statement of assets and liabilities

Rs. In Lakhs

	Standalone	
	Unaudited	Audited
	As at 30/09/2018	As at 31/03/2018
ASSETS		
1 Non-current assets		
a) Property, plant and equipment	0.11	0.11
b) Other Intangible assets	0.09	0.09
c) Financial assets		
(i) Investments	277.67	271.37
(ii) Other financial assets	-	-
d) Other non-current assets	125.35	132.28
e) Income tax assets	60.19	60.19
Total non-current assets	463.41	464.04
2 Current assets		
a) Inventories	-	-
b) Financial assets		
(i) Trade receivables	-	-
(ii) Cash and cash equivalents	12.60	31.21
(iii) Other financial assets	4.19	4.07
c) Other current assets	16.88	13.36
Total current assets	33.67	48.64
Total assets	497.08	512.68
EQUITY AND LIABILITIES		
1 Equity		
a) Equity share capital	4,017.25	4,017.25
b) Other equity		
(i) Retained earning	(21,849.42)	(21,835.16)
Total Equity	(17,832.17)	(17,817.91)
2 Non-current liabilities		
a) Financial liabilities		
(i) Borrowings	-	-
(ii) Other financial liabilities	14,767.18	14,766.97
b) Provisions	3.65	3.16
Total non-current liabilities	14,770.83	14,770.13
3 Current liabilities		
a) Financial liabilities		
(i) Borrowings	950.00	950.00
(iii) Other financial liabilities	2,596.29	2,597.87
b) Provisions	0.65	0.59
c) Current tax liabilities	9.73	9.73
d) Other current liabilities	1.75	2.27
Total current liabilities	3,558.42	3,560.46
Total equity and liabilities	497.08	512.68



6* Deferred Tax Assets has not been recognised in the books of account as there is no virtual certainty of future taxable income.

7 Response to auditor's qualifications on the financial results for the quarter ended 30 September 2018:

(a) Remaining liabilities towards unpaid/unclaimed matured fixed deposit and interest thereon is Rs.1094.92 lacs as on 30 September 2018 and is pending for deposit in Investor Education & Protection Fund.

Complete facts have been disclosed in Note 4 above which is self explanatory and does not call for any further comments.

(b) The Company has not obtained Actuarial Valuation with regards to Employee's terminal benefits i.e. Gratuity & Leave Encashment as mandated by Ind AS -19 issued by the ICAI.

In view of only three numbers of employees on rolls, the Company has made full provision for these benefits on actual basis.

8 The Company had accumulated losses as at the close of the financial year with its net worth continuing to stand fully eroded. However the Company continues to focus on recovery of old delinquent loan assets through settlement/ compromise /legal action etc. arising out of it's earlier business of the NBF1. The management is considering various ways and means to enter into suitable business(s) and therefore the accounts have been prepared on Going Concern Basis.

9 The figures for the previous period have been regrouped / rearranged / reclassified wherever necessary.

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

CA Kapish Jain
Partner
Membership No. 514162

Place: Faridabad
Date: 23 October 2018



By Order of the Board
For Escorts Finance Limited

Pritam Narang
Whole Time Director
DIN 00982418



F.R.N. 022743N

KAPISH JAIN & ASSOCIATES

CHARTERED ACCOUNTANTS

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Mobile : +91 9971 921466 | Email : ca.kapish@gmail.com | Website : www.kapishjainassociates.com; www.cakja.com

Independent Auditor's Review Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Escorts Finance Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results ("Statement") of **Escorts Finance Limited** ("the Company") for the quarter ended September 30, 2018 ("the Statement") and the year to date results for the period April 01, 2018 to September 30, 2018, being submitted by the Company pursuant to the requirements 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. 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.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 financial statements are free of material misstatements. 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.
3. *Notwithstanding the fact that the net worth of the company is fully eroded, in the opinion of the management, in view of the future business plans of the Company, the going concern concept is not vitiated.*
4. *M/s Escorts Benefit Trust (EBT) created by Escorts Limited maintains adequate funds to repay the matured unpaid fixed deposit liability, in terms of the directions of Hon'ble Delhi High Court. During the quarter ended on September 30, 2018, EBT has settled the claims to the extent of Rs. 0.21 lacs by payment to respective fixed deposit holders. The remaining liability towards unclaimed fixed deposits and interest thereon is Rs. 1094.92 lacs as on September 30, 2018 (Rs.1095.13 lacs as on June 30, 2018) and is pending for deposit in Investor Education & Protection Fund.*
5. *There is considerable delay/difficulty in collection of instalments due and recovery of advances, consequently, the Company has, as a matter of prudence, continued with the provisions created earlier amounting to Rs. 703.18 lacs for doubtful trade receivables and Rs. 253.82 lacs for doubtful advances, wherever applicable.*



6. ***The Company has not obtained Actuarial Valuation with regards to Employee's terminal benefits i.e., Gratuity and Leave Encashment as mandated by Indian Accounting Standard 19 issued by the Institute of Chartered Accountants of India. In the absence of the Actuarial Valuation, the impact thereof on the profit and liabilities of the company cannot be ascertainable.***
7. The Company is no longer registered with Reserve Bank of India (RBI) as Non Banking Financial Institution (NBFI) after cancellation of it's earlier registration vide RBI letter no DNBS(NDI) S.3242/MSA/06.05.001/2015-16 dated 6th May 2016. Accordingly, the related provisions pertaining to NBFI are currently not applicable to the Company.
8. Based on our review conducted as stated above, ***except the effect of the matter described in paragraph 4 & 6 above and possible effects of the matter described in paragraph 3 above,*** nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with the applicable Indian Accounting Standards specified under section 133 of the Companies Act, 2013 and SEBI Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015 and CIR/CFD/FAC/62/2016 dated July 05, 2016 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Kapish Jain

CA Kapish Jain
Partner
Membership No. 514162



Place: Faridabad
Date: October 23, 2018