

November 24, 2016

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 & Unaudited 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. November 24, 2016 has approved the Unaudited Financial Results for the quarter and half year ended September 30, 2016 and Limited Review Report thereon.

Please find enclosed herewith the following:

1. Unaudited Financial Results for the quarter and Half year ended September 30, 2016.
2. Limited Review Report.

We further wish to inform you that the Board Meeting held today commenced at 4:00 p.m. and concluded at 6:00 p.m.

Kindly take the same on record.

Thanking you.

Yours faithfully,
For Escorts Finance Limited


Vicky Chauhan
Company Secretary
Encl: A/a



LIMITED REVIEW REPORT

Review Report to
The Board of Directors,
Escorts Finance Limited,
Chandigarh

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Escorts Finance Limited** ("the Company") for the quarter ended September 30, 2016 ("the Statement"), 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 these financial statements 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. ***In accordance with the Hon'ble Delhi High Court's Order / Direction dated 4th March, 2011, Escorts Benefit Trust ('EBT') created by Escorts Limited, repaid matured Fixed Deposit Liability against the claims received till 03rd March 2013. Claims received subsequently have also been entertained and settled after due verification. Accordingly, during the quarter ended on 30th September, 2016 claims to the extent of Rs. 3.40 lacs have been settled by payment to fixed deposit holders. As at 30th September, 2016, unclaimed fixed deposits liability including interest is Rs. 1257.11 lacs which is pending to be deposited in Investor Education & Protection Fund.***



N. M. RAIJI & CO.

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 provision of Rs. 783.52 lacs for doubtful trade receivables and Rs. 1357.57 lacs for advances created earlier, wherever applicable.*
6. The 10% Redeemable Cumulative Preference Shares issued by the Company and which were due for redemption on 27.06.2012 have been rolled over for a further period of 5 years i.e. upto 27th June 2017. On applicability of Ind-AS, said preference shares are treated as Financial Liability of the Company. ***The Company has not made any provision towards interest payable on these redeemable cumulative preference shares.***
7. The Company was registered under section 45-IA of the Reserve Bank of India Act, 1934. The approval for cancellation of its NBFC registration was received vide letter no. DNBS(NDI)S.3242/MSA/06.05.001/2015-16 dated May 06, 2016.
8. Based on our review conducted as stated above, ***except the effect of the matter described in paragraph 3 & 6 above and possible effects of the matter described in paragraph 4 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 N.M. Raiji & Co.,
Chartered Accountants
Firm Regn.No. 108296W

S.N. Shivakumar

CA. S.N. Shivakumar
Partner
M.No.088113



Place: Faridabad
Dated: November 24, 2016

ESCORTS FINANCE LIMITED
 Regd. Office : SCO-198-200, Second Floor, Sector-34A, Chandigarh-160022 CIN : L65910CH1987PLC033652
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2016

Rs. in Lakhs

Sl. No.	Particulars	STANDALONE				
		3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended in the Previous Year	For the Six Months ended	
		30/09/2016 (Unaudited)	30/06/2016 (Unaudited)	30/09/2015 (Unaudited)	30/09/2016 (Unaudited)	30/09/2015 (Unaudited)
1	Income from Operations	-	-	-	-	-
	a. Income from Operations	-	-	-	-	-
	b Other Operating Income	10.34	0.57	35.36	10.91	53.98
	Total Income from Operations (Net)	10.34	0.57	35.36	10.91	53.98
2	Expenses					
	a Employee Benefits Expenses	3.30	2.89	2.46	6.19	4.98
	b Depreciation and Amortisation Expenses	-	-	-	-	-
	c Other Expenses	8.77	3.09	8.99	11.86	16.21
	Total Expenses	12.07	5.98	11.45	18.05	21.19
3	Profit/(Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	(1.73)	(5.41)	23.91	(7.14)	32.79
4	Other Income	-	-	-	-	-
5	Profit/(Loss) from Ordinary Activities before Finance Costs & Exceptional Items (3+4)	(1.73)	(5.41)	23.91	(7.14)	32.79
6	Finance Costs	-	-	0.01	-	0.01
7	Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	(1.73)	(5.41)	23.90	(7.14)	32.78
8	Exceptional Items	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before Tax (7+8)	(1.73)	(5.41)	23.90	(7.14)	32.78
10	Tax Expense	-	-	-	-	-
11	Net Profit/(Loss) from Ordinary Activities after Tax (9-10)	(1.73)	(5.41)	23.90	(7.14)	32.78
12	Extraordinary Items	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(1.73)	(5.41)	23.90	(7.14)	32.78
14	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
15	Earnings Per Share (before and after Extraordinary Items) of Rs. 10/- each for the period					
	Basic & Diluted (in Rs.) (not annualised)	(0.004)	(0.013)	0.06	(0.02)	0.08

Notes:-

- The above Standalone Unaudited Financial Results were reviewed by the Audit committee and approved and taken on record by the Board of Directors in their meeting held on November 24, 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, 2016 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 and six months ended September 30, 2016 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.
- Since the company has decided to submit the consolidated financials along with the annual audited results, for the quarter and six months ended September 30, 2016 only the standalone financial result are submitted.
- Reconciliation of standalone financial results to those reported under previous Generally Accepted Accounting Principles (GAPP) are summarised as follows.

Particulars	For quarter ended September 30, 2015	For six months ended September 30, 2015
Profit after tax as reported under previous GAAP		
Adjustments	23.90	32.78
Profit after tax as reported under Ind AS	23.90	32.78
Other comprehensive income (net of tax)	-	-
Total comprehensive income as reported under Ind AS	23.90	32.78

Particulars	Rs. in Lakhs	
	As at 30/09/2016	
7 Statement of Assets and Liabilities		
ASSETS		
1 Non-Current Assets		
(a) Property, Plant and Equipment		0.11
(b) Intangible Assets		0.09
(c) Financial Assets		
- Investments		
Total- Non Current Assets		489.93
2 Current Assets		
(a) Inventories		0.01
(b) Financial Assets		
- Investments		0.01
- Trade Receivables		
- Cash and Cash Equivalents and Bank Balances		27.03
- Others		4.78
(c) Other Current Assets		
Total- Current Assets		318.56
TOTAL ASSETS		840.52
EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share Capital		4017.25
(b) Other Equity		(21,739.01)
Total Equity		(17,721.76)
2 Non-current liabilities		
(a) Provisions		2.80
Total Non Current Liabilities		2.80
3 Current Liabilities		
(a) Financial Liabilities		
- Borrowings		950.00
- Other Financial Liabilities		17,420.27
(b) Provisions		0.87
(a) Other Current Liabilities		188.54
Total Current Liabilities		18,559.48
TOTAL EQUITY AND LIABILITIES		840.52

- The Company has a single reportable segment namely financial services for the purpose of Ind AS-108
- Deferred Tax Asset has not been recognised in the accounts as there is no virtual certainty of future taxable income
- Pursuant to the Order of The Hon'ble High Court of Delhi dated March 04, 2011, an amount of Rs 3.40 lacs has been paid to the FD Holders by the trust created for the purpose during the quarter ended September 30, 2016. As on the said date, the unclaimed/unpaid fixed deposit liability is Rs 1257.11 lacs. The Board is of the opinion that said liability is not required to be deposited in Investor Education & Protection Fund in view of the fact that the repayment is being made by a specially created trust under the order of the court.
- Response to auditor's qualifications on the financials result for the quarter ended September 30, 2016.
 - Unpaid/unclaimed matured fixed deposit liability aggregating to Rs. 1257.11 lacs as on September 30, 2016. Complete facts have been disclosed in Note 10 above which is self explanatory and does not call for any further comments.
 - Non-provision of interest on redeemable cumulative preference shares. In view of accumulated losses no provision has been made in the books of accounts for interest on redeemable cumulative preference shares.
- The Company continues to focus on recovery of delinquent loan assets through settlement / compromise/legal action etc. Besides the efforts on recovery of loan assets, the possibilities of venturing into newer business areas shall be examined. The accounts of the company have been prepared on going concern basis.
- The Company was registered under section 45-IA of the Reserve Bank of India Act, 1934. The approval for cancellation of its NBFC registration was received vide letter no. DNBS(ND)S 3242/MSA/06 05 001/2015-16 dated May 06, 2016.

For N.M. Raiji & Co.
Chartered Accountants
Firm Regn No 108296W

S. N. Shivakumar

CA S.N. Shivakumar
Partner
Membership No. 088113

Place: Gandabad
Date: November 24, 2016



By Order of the Board
For Escorts Finance Limited

Pritam Narang
Pritam Narang
Director