

**ESCORTS FINANCE LIMITED**

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**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED 30 JUNE 2019**

Sl. No	Particulars	Rs. In Lakhs			
		Quarter ended			Year ended
		30.06.2019 (Unaudited)	31.03.2019 (Audited)	30.06.2018 (Unaudited)	31.03.2019 (Audited)
1	<b>Income</b>				
	a) Revenue from operations	-	1.32	1.89	4.71
	b) Other income	20.12	39.28	0.13	39.65
	<b>Total income</b>	<b>20.12</b>	<b>40.60</b>	<b>2.02</b>	<b>44.36</b>
2	<b>Expenses</b>				
	a) Employee benefits expense	3.43	3.73	3.21	14.61
	b) Finance costs	-	0.01	-	0.01
	c) Depreciation and amortisation expense	-	-	-	-
	d) Other expenses	4.05	3.57	4.86	22.94
	<b>Total expenses</b>	<b>7.48</b>	<b>7.31</b>	<b>8.07</b>	<b>37.56</b>
3	<b>Profit/(loss) before exceptional item &amp; tax (1-2)</b>	<b>12.64</b>	<b>33.29</b>	<b>(6.05)</b>	<b>6.80</b>
4	Exceptional Items	-	-	-	-
5	<b>Profit/(loss) before tax (3-4)</b>	<b>12.64</b>	<b>33.29</b>	<b>(6.05)</b>	<b>6.80</b>
6	Tax expense (*)	-	-	-	-
7	<b>Net Profit/(Loss) after tax (5-6)</b>	<b>12.64</b>	<b>33.29</b>	<b>(6.05)</b>	<b>6.80</b>
8	Other comprehensive income (OCI)				
	Items that will not be reclassified to profit and loss	(2.33)	(38.98)	-	(38.98)
	Income Tax relating to Items that will not be reclassified to profit and loss	-	-	-	-
9	<b>Total comprehensive income for the period (7+8)</b>	<b>10.31</b>	<b>(5.69)</b>	<b>(6.05)</b>	<b>(32.18)</b>
10	Paid-up Equity Share Capital (Face value of Rs.10/- each)	4,017.25	4,017.25	4,017.25	4,017.25
11	Other Equity (excluding revaluation reserve)				(21,867.34)
12	Earnings per share (of Rs.10/- each) Basic & Diluted (Rs.)	0.0315	0.0829	(0.0151)	0.0169

**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 26 July 2019.
- 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) in terms of the directions of Hon'ble Delhi High Court to repay the unpaid fixed deposit liability, maintains adequate funds to repay the matured unpaid fixed deposit liability. During the quarter ended on 30 June 2019, EBT has settled the claims to the extent of Rs.8.20 lacs by repayment to respective fixed deposit holders. The remaining liability towards unclaimed fixed deposits and interest thereon is Rs. 1076.80 lacs as on 30 June 2019 (Rs.1085.00 lacs as on 31 March 2019).
- Deferred Tax Assets has not been recognised in the books of account as there is no virtual certainty of future taxable income.
- Response to auditor's qualifications on the financial results for the quarter ended 30 June 2019:
  - Remaining liabilities towards unclaimed matured fixed deposit and interest thereon is Rs.1076.80 lacs as on 30 June 2019 and the same 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.
  - The Company had accumulated losses as at the close of the financial year ended on 31 March 2019 with its net worth continuing to stand fully eroded. The Company continues to focus on recovery of old delinquent loan assets through settlement/ compromise /legal action etc. arising out of it's earlier NBFC business. The management is also considering various options to undertake suitable business(s) and therefore the accounts have been prepared on a Going Concern Basis.
  - The Company had issued 10% Cumulative Redeemable Preference Shares of Rs. 10 each maturing on 30 March 2019. Due to liquidity crunch, the discharge of the said liability before or on due date of redemption has not been done. The Company has received a No Objection Certificate from the preference share holder extending the maturity period of said Preference Shares for a further period of 20 years. Accordingly, the Company has filed a petition before National Company Law Tribunal (NCLT) on 29 March 2019 seeking issuance of 1% Cumulative Redeemable Preference Shares in place of said Preference Shares with new terms and conditions. This aforesaid matter is pending for hearing before NCLT.
  - 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: 26 July 2019



By Order of the Board  
For Escorts Finance Limited

Rajeev Khanna  
Whole Time Director  
DIN 08471497



F.R.N. 022743N

# KAPISH JAIN & ASSOCIATES

CHARTERED ACCOUNTANTS

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



### Review Report to The Board of Directors 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 30 June 2019 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI ((Listing Obligations and Disclosure Requirements) Regulation, 2015 (the "Regulation") as amended, read with SEBI Circular No. CIR/CFD/CMD/44/2019 dated 29 March 2019.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited interim standalone financial information which has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our review.
3. 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 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.
4. ***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.***
5. ***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 direction of Hon'ble Delhi High Court. During the quarter ended 30 June 2019, EBT has settled the claims to the extent of Rs. 8.20 lacs by repayment to respective fixed deposit holders. The remaining liability towards unclaimed fixed deposits and interest thereon is Rs. 1076.80 lacs as on 30 June 2019 (Rs. 1085.00 lacs as on 31 March 2019) and the same is pending for deposit in Investor Education & Protection Fund.***



6. *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. 703.14 lacs for doubtful trade receivables and Rs. 253.82 lacs for doubtful advances, wherever applicable.*
7. *The Company had issued 10% Cumulative Redeemable Preference Shares of Rs. 10 each maturing on 30 March 2019. Due to liquidity crunch, the discharge of the said liability before or on due date of redemption has not been done. The Company has received a No Objection Certificate from the preference share holder extending the maturity period of said Preference Shares for a further period of 20 years. Accordingly, the Company has filed a petition before National Company Law Tribunal (NCLT) on 29 March 2019 seeking issuance of 1% Cumulative Redeemable Preference Shares in place of said Preference Shares with new terms and conditions. This aforesaid matter is pending for hearing before NCLT.*
8. The Company is no longer registered with Reserve Bank of India (RBI) as Non Banking Financial Institution (NBFI) after cancellation of its 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.
9. Based on our review conducted as stated above, *except the effects of the matter described in paragraph 5 above and possible effects of the matter described in paragraph 4 & 7 above*, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with Circular, 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**  
Partner  
Membership No. 514162

Place: Faridabad  
Date: 26 July 2019