

F.R.N. 022743N

KAPISH JAIN & ASSOCIATES

CHARTERED ACCOUNTANTS

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

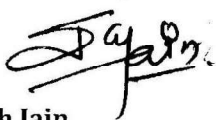
Review Report to
The Board of Directors
Escorts Finance Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results ("Statement") of **Escorts Finance Limited** ("the Company") for the quarter ended 30 September 2022 and the Standalone Unaudited Year to Date Results for the period 1 April 2022 to 30 September 2022 ("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, including relevant circulars issued by the SEBI from time to time.
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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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 on behalf of the Company had deposited entire outstanding liability towards unclaimed fixed deposits and interest thereon of Rs. 1056.22 lacs with the Investor Education & Protection Fund on 2 February 2022 through demand draft and accordingly challan in form IEPF-1 has been submitted to Ministry of Corporate Affairs.*



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. 699.70 lacs for doubtful trade receivables and Rs. 253.82 lacs for doubtful advances, wherever applicable.
7. 95,00,000 - 1% Cumulative Redeemable Preference Shares (CRPS) have been allotted, by the Board of Directors of the Company at its meeting held on November 03, 2022, to Escorts Kubota Limited (formerly Escorts Limited), at par, for consideration other than cash i.e. in lieu of redemption of 95,00,000 - 10% CRPS in compliance of NCLT Order dated May 13, 2022.
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. The Company by special resolutions passed at the Annual General Meeting held on September 30, 2022, changed the Object Clauses of the Memorandum of Association of the Company by deleting all the sub-clauses related to non-banking finance activities in accordance with directions of the Reserve Bank of India (RBI) issued vide its letter dated May 12, 2022. In terms of the said directions, the Company is also in process of changing its name.
10. Based on our review conducted as stated above, *except the 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 recognition and measurement principles laid down in the Indian Accounting Standards 34 (Ind AS-34) 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
UDIN 22514162BBYZK04637



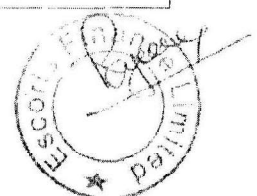
Place: Faridabad
Date: 3 November 2022

ESCORTS FINANCE LIMITED							
Regd. Office : Plot No.19, Industrial Area,Phase-2 Chandigarh-160002 CIN : L65910CH1987PLC033662							
Website: www.escortsfinance.com, Email:escortsfinance@escorts.co.in; Phone: 0129-2554118							
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS							
FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022							
Rs. In Lakhs							
Sl.No	Particulars	Quarter ended			Six Months ended		Year ended
		30.09.2022 (Unaudited)	30.06.2022 (Audited)	30.09.2021 (Unaudited)	30.09.2022 (Unaudited)	30.09.2021 (Unaudited)	31.03.2022 (Audited)
1	Income						
	a) Revenue from operations	-	-	-	-	-	12.26
	b) Other income	4.50	4.94	0.08	9.44	15.15	17.69
	Total Income	4.50	4.94	0.08	9.44	15.15	29.96
2	Expenses						
	a) Employee benefits expense	2.00	1.74	1.85	3.74	3.33	7.01
	b) Finance costs	-	-	-	-	-	-
	c) Depreciation and amortisation expense	0.01	-	-	0.01	-	-
	d) Other expenses	10.35	19.07	5.29	29.42	9.69	35.50
	Total expenses	12.36	20.81	6.94	33.17	13.02	42.51
3	Profit/(loss) before exceptional item & tax (1-2)	(7.86)	(15.87)	(6.86)	(23.73)	2.13	(12.56)
4	Exceptional Items						
5	Profit/(loss) before tax (3-4)	(7.86)	(15.87)	(6.86)	(23.73)	2.13	(12.56)
6	Tax expense (*)						
7	Net Profit/(Loss) after tax (5-6)	(7.86)	(15.87)	(6.86)	(23.73)	2.13	(12.56)
8	Other comprehensive income (OCI)						
	Items that will not be reclassified to profit and loss	-	-	-	-	-	0.08
	Income Tax relating to Items that will not be reclassified to profit and loss	-	-	-	-	-	-
9	Total comprehensive Income for the period (7+8)	(7.86)	(15.87)	(6.86)	(23.73)	2.13	(12.48)
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)						(21,876.88)
12	Earnings per share (of Rs.10/- each) Basic & Diluted (Rs.)	(0.0196)	(0.0395)	(0.0171)	(0.0591)	0.0053	(0.0313)

Notes:-

- The above Standalone Financial Results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their meeting held on 03 November 2022.
- The above results are in compliance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs.
- Statement of Assets and Liabilities

Particulars	Rs. In Lakhs	
	Standalone	
	As at 30.09.2022	As at 30.09.2021
ASSETS		
1 Non-current assets		
a) Property, plant and equipment	0.11	0.11
b) Other Intangible assets	0.68	0.09
c) Financial assets		
(i) Investments		193.13
(ii) Other financial assets		-
d) Other non-current assets		57.71
e) Income tax assets	65.15	53.97
Total non-current assets	65.94	315.91
2 Current assets		
a) Financial assets		
(i) Trade receivables	-	-
(ii) Cash and cash equivalents	353.74	3.42
(iii) Other financial assets	10.90	4.97
b) Other current assets	10.18	22.41
Total current assets	374.82	30.80
3 Assets held for sales		137.09
Total assets	440.76	482.90
EQUITY AND LIABILITIES		
1 Equity		
a) Equity share capital	4,017.25	4,017.25
b) Other equity	(21,800.61)	(21,862.27)
(i) Retained earning		
Total Equity	(17,883.36)	(17,845.02)
2 Non-current liabilities		
a) Financial liabilities		
(i) Borrowings		
(ii) Other financial liabilities	15,862.04	14,805.17
b) Provisions	2.70	2.55
Total non-current liabilities	15,864.74	14,807.72
3 Current liabilities		
a) Financial liabilities		
(i) Borrowings	950.00	950.00
(ii) Other financial liabilities	1,497.83	2,558.74
b) Provisions	0.06	0.05
c) Current tax liabilities	9.73	9.73
d) Other current liabilities	1.76	1.68
Total current liabilities	2,459.38	3,520.20
Total Liabilities	18,324.12	18,327.62
Total equity and liabilities	440.76	482.90



4	STANDALONE STATEMENT OF CASH FLOWS	Rs. In Lakhs		
		Particulars	For the six month ended	
			30.09.2022	30.09.2021
A. Cash flow from operating activities				
Profit/(loss) after tax		(23.73)	2.13	
Adjustments for :				
Depreciation of plant, property and equipment		0.01	-	
Excess provision/liability written back		-	-	
Provision for Gratuity & Leave Encashment		-	-	
Finance cost		-	-	
		(23.72)	2.13	
Changes in assets and liabilities				
(Increase)/decrease in other financial assets and inventory		(3.46)	(0.15)	
(Increase)/decrease in trade receivables		-	8.00	
(Increase)/decrease in current tax assets		(1.17)	(0.75)	
(Increase)/decrease in other assets		(6.76)	(1.75)	
Increase/(decrease) in trade payable		-	-	
Increase/(decrease) in other liabilities		(0.40)	(1.31)	
Cash generated from operating activities		(35.51)	6.17	
Financial Expenses		-	-	
Net cash generated from operating activities		(35.51)	6.17	
B. Cash Flow from Investing Activities				
Purchase/ Sales of property, plant and equipment		(0.60)	-	
Sale of Investment		-	-	
Net cash generated from/(used in) investing activities		(0.60)		
C. Cash flows from financing activities				
Increase/(Decrease) in Fixed Deposits (matured/unclaimed)		-	(3.31)	
Net cash generated from/(used in) financing activities			(3.31)	
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(36.11)	2.86	
Cash and cash equivalents at the beginning of year		389.85	0.58	
Cash and cash equivalents at the end of the period		353.74	3.42	

The above statement of cash flow has been prepared under the 'indirect Method'

- 5 The Company has a single reportable segment namely Consultancy/ Advisory Services for the purpose of Ind AS-108
- 6* Deferred Tax Assets has not been recognised in the books of account as there is no virtual certainty of future taxable income.
- 7 The Company had accumulated losses as at the close of the six months ended 30 September 2022 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(es) and therefore the accounts have been prepared on a Going Concern Basis.
- 8 95,00,000 - 1% Cumulative Redeemable Preference Shares (CRPS) have been allotted, by the Board of Directors of the Company at its meeting held on November 03, 2022, to Escorts Kubota Limited (formerly Escorts Limited), at par, for consideration other than cash i.e. In lieu of redemption of 95,00,000 - 10% CRPS in compliance of NCLT Order dated May 13, 2022.
- 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: 03 November 2022



By Order of the Board
For Escorts Finance Limited

Rajgar Khanna
Whole Time Director
DIN 08471487

