ESCORTS LIMITED

Registered Office: 11, Scindia House, Connaught Circus, New Delhi - 110001

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2005

Rs. in crores

Sl No.	Particulars	3 Months ended 31st December 2005	Corresponding 3 Months in the previous year ended 31st December 2004	Year to date figures for the current period ended 31st December 2005	Year to date figures for the previous period ended 31st December 2004	Previous accounting period ended 30th Sept. 2005 (15 months) Audited
1	Net Sales & Income from Operations	329.29	356.77	329.29	356.77	1307.93
2	Income from Investments/Other Income	-	0.19	-	0.19	505.73
	Total	**329.29**	**356.96**	**329.29**	**356.96**	**1813.66**
3	Total Expenditure					
	a) (Increase)/Decrease in stock-in-trade	(14.20)	(0.37)	(14.20)	(0.37)	2.74
	b) Consumption of raw materials	243.33	252.96	243.33	252.96	907.75
	c) Manufacturing expenses	12.41	12.75	12.41	12.75	58.39
	d) Staff Cost	38.87	36.79	38.87	36.79	185.79
	e) Other expenditure	37.25	30.93	37.25	30.93	181.21
	Total	**317.66**	**333.06**	**317.66**	**333.06**	**1335.88**
4	Interest (Net)	18.18	22.66	18.18	22.66	141.79
5	Cash Profit/(Loss) Before Depreciation & Amortisation	**(6.55)**	**1.24**	**(6.55)**	**1.24**	**335.99**
6	Depreciation	9.89	9.75	9.89	9.75	52.86
7	Amortisation	1.88	3.06	1.88	3.06	9.09
		(18.32)	**(11.57)**	**(18.32)**	**(11.57)**	**274.04**
8	Loss/Provision for diminution in investments, current assets, loans & advances and write offs					243.02
9	**Profit/(Loss) Before Tax**	**(18.32)**	**(11.57)**	**(18.32)**	**(11.57)**	**31.02**
10	Provision for taxation	(21.24)	(17.29)	(21.24)	(17.29)	(8.07)
11	**Profit/(Loss) After Tax**	**2.92**	**5.72**	**2.92**	**5.72**	**39.09**
12	Paid-up equity share capital (Face value Rs.10/- each)	72.23	72.23	72.23	72.23	72.23
13	Reserves excluding Revaluation Reserve	-	-	-	-	448.76
14	**Basic and Diluted EPS (Rs.) (Not annualised)**	**0.40**	**0.79**	**0.40**	**0.79**	**5.41**
15	Aggregate of Non-Promoter Shareholding - Nos	50,461,190	47,479,786	50,461,190	47,479,786	50,726,142
	- %age	69.86%	65.73%	69.86%	65.73%	70.23%

Notes:

1. The results for the quarter ended 31st December 2005 are subjected to Limited Review by Auditors.
2. The Directors noted that the Profit/(Loss) Before Tax (PBT) from business operations [excluding extra-ordinary income/(expenses)] has shown an improving trend in the trailing 4 quarters which is a clear sign of turnaround in the business performance of the Company as evident from the figures of PBT given below:

	Rs. in crores
-Oct-Dec ’05	-18.32
-Jul-Sep ’05	-54.86
- Apr-Jun ’05	-77.29
-Jan-Mar ’05	-55.75

3. In view of the turnaround in the business performance of the Company and strong probability of future profitability, the Company has been recognising the deferred tax income in its results and the provision for tax stated above is net of such deferred tax credits computed and created during the quarter.
4. At the beginning of the quarter no investor complaint was pending for disposal. During the quarter, the Company received nine complaints from investors, which were disposed off within the quarter itself. Hence, at the end of the quarter, no complaint was pending unresolved.
5. The above results have been taken on record by the Committee of Directors at their meeting held on 27th January 2006.

SEGMENT WISE REVENUE AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT FOR THE QUARTER ENDED 31ST DECEMBER 2005

Rs. in crores

Sl No.	Particulars	3 Months ended 31st December 2005	Corresponding 3 Months in the previous year ended 31st December 2004	Year to date figures for the current period ended 31st December 2005	Year to date figures for the previous period ended 31st December 2004	Previous accounting period ended 30th Sept. 2005 (15 months) Audited
1	Segment Revenue					
	a) Agri Machinery Products	285.23	304.36	285.23	304.36	1064.96
	b) Auto Ancillary Products	21.53	23.83	21.53	23.83	109.81
	c) Railway Equipments	23.04	28.25	23.04	28.25	130.90
	d) Traded Products	-	-	-	-	-
	e) Others		0.72		0.72	1.45
	Total	**329.80**	**357.16**	**329.80**	**357.16**	**1307.12**
	Less: Inter Segment Revenue	1.50	1.31	1.50	1.31	10.43
	Net Sales & Income from Operations	328.30	355.85	328.30	355.85	1296.69
2	Segment Results					
	a) Agri Machinery Products	6.75	14.50	6.75	14.50	(128.57)
	b) Auto Ancillary Products	(3.17)	(2.23)	(3.17)	(2.23)	(10.97)
	c) Railway Equipments	3.70	5.23	3.70	5.23	18.68
	d) Traded Products	-	-	-	-	-
	e) Others	(0.06)	0.62	(0.06)	0.62	(0.50)
	Total	**7.22**	**18.12**	**7.22**	**18.12**	**(121.36)**
	Less:					
	- Interest	18.18	22.66	18.18	22.66	141.79
	- Loss on sale/ Provision for diminution in investments, current assets, loans & advances and write offs			-	-	176.15
	- (Profit) on Healthcare Divestment			-	-	(505.51)
	- Other unallocable expenditure (Net of unallocable income)	7.36	7.03	7.36	7.03	35.19
	(Loss) Before Tax	(18.32)	(11.57)	(18.32)	(11.57)	31.02
3	Capital Employed: (Segment Assets – Segment Liabilities)					
	a) Agri Machinery Products	345.93	500.00	345.93	500.00	379.11
	b) Auto Ancillary Products	35.86	41.38	35.86	41.38	39.60
	c) Railway Equipments	52.29	53.10	52.29	53.10	55.01
	d) Traded Products	-	-	-	-	-
	e) Others	(0.22)	0.13	(0.22)	0.13	(0.21)
	Total	**433.86**	**594.61**	**433.86**	**594.61**	**473.51**

Notes:

1. Business segments have been defined as below:
   a) Agri Machinery Products: Agricultural Tractors, Harvester Combines and their Spare Parts.
   b) Auto Ancillary Products: Shock Absorbers, Telescopic Front Forks and McPherson Struts.
   c) Railway Equipments: Shock Absorbers, Couplers and Brake Blocks.
   d) Traded Products: Agricultural Commodities

2. The segment wise revenue, results and capital employed figures relate to the respective amounts directly identifiable to each of the segments. Unallocable expenditure includes expenses incurred on common services at the Corporate Office and relate to the Company as a whole. Unallocable income of Corporate Office comprise dividend income and other incomes.

For ESCORTS LIMITED

Sd/-
(RAJAN NANDA)
CHAIRMAN