



PRESS RELEASE

ESCORTS TURNOVER AT ₹ 3,985.8 CRORE IN FY15

FY 2015 HIGHLIGHTS

Tractor volumes at 59,779 units for the year.

Escorts turnover for FY 2015 at Rs 3,985.8 crore

EBIDTA at Rs 161.4 crore for the year ended March 2015

Material cost flat at 71.5% in year ended March 2015 as against 71.4% in the previous fiscal.

Financial charges down by Rs 10.4 crore to 57.1 crore as against Rs 67.5 crore in year ended March 2014

PBT at Rs. 68.3 crore.

- Profit for FY 2015 at ₹74.7 crore
- Q4 turnover at ₹817.7 crore
- Q4 profit at ₹12.8 crore
- Tractor volumes at 59,779 units in FY15
- Construction Equipment volume up by 7.7% in FY15
- Construction Equipment income up 10.5%

New Delhi, May 28, 2015: Escorts Limited today reported a turnover of ₹ 3,985.8 crore in the year ended March 31, 2015 with a profit of ₹ 74.7 crore. In the fourth quarter, the company recorded a turnover of ₹ 817.7 crore and net profit of ₹ 12.8 crore.

Tractor volumes in the quarter ended March 2015 was at 11,036 units while the full fiscal recorded sales of 59,779 tractors. Construction equipment volume was up by 7.7% at 3,007 units in the year as against 2,793 units in the preceding year while income went up by 10.5% in the same period. The Railway Products division also saw an upswing with income up by 21 % over the corresponding quarter.

The company saw a drop of 30.5% in tractor volumes in the fourth quarter of FY 2014-15 as against the preceding quarter and a 29% drop in volumes against the corresponding quarter in the last fiscal as a result of untimely rains prior to harvest preceded by delayed and

below normal monsoons. Tractor sales have also been affected by the industry cyclical effect.

Speaking on the results, Chairman Mr. Rajan Nanda said, "The tractor industry has now been impacted for three consecutive quarters by adverse weather conditions. Poor and delayed monsoons have been followed by unseasonal rain that has affected standing crops. This has now happened for two years in a row. It is important for the government to find ways to protect the farmer through a strong and effective crop insurance regime as well as further easing of loans for seeds and inputs. Though government policies aims to support infrastructure and construction business we anticipate the industry will continue to face challenges and any recovery is expected towards the second half of this fiscal. We have seen improvement in the Railways business as the government has started clearing logjams that had slowed the process of modernization."

Says Mr. Nikhil Nanda, Managing Director, Escorts Ltd, “Despite the tough market conditions, we are continuously enhancing the product proposition for our customers. In line with our strategy, significant efforts are made in fiscal 2015 to introduce new products, drive innovation and increase market coverage. We have more than doubled our exports in tractors. We have seen a positive momentum in the higher HP

Q4 HIGHLIGHTS

Tractor volumes at 11,036 units

EBIDTA at ₹ 22 crore

Material cost down by 109 bps at 70.9% as against 72.0% in the corresponding quarter

PBT at ₹ 10.4 crore

segment in the tractors business. In Escorts Construction Equipment & Escorts Auto Products we have started making considerable progress in curtailing our losses. In the next fiscal, we expect further strengthening of the construction equipment, railways and auto products business. In tractors, we will continue to strengthen our premium offerings and market world class products in India and abroad. We are also opening up new market segments by manufacturing specialty tractors. Apart from that, we have undertaken internal restructuring by reducing headcount through a successful VRS”

SEGMENT WISE PERFORMANCE

Escorts Agri Machinery

Tractor volumes in the fiscal year ended March 2015 stood at 59,779. The last quarter saw sales of 11,036 units. Revenues for the year was at ₹ 3,210.8 crore while the last quarter of the fiscal recorded sales of ₹ 613.6 crore. Domestic market share went up to 11.05% for the quarter ended March 2015 as against 10.9 per cent in the preceding quarter.

Escorts Construction Equipment

Construction Equipment volumes were up by 7.7% at 3,007 units as against 2,793 units in the year ended March 2014. The division saw a growth in income of 10.5% from ₹ 466.8 crore in the previous fiscal to ₹ 515.8 crore in the fiscal ended March 2015. Quarterly sales were up at ₹ 131.9 crore for the fourth quarter as against ₹ 110.5 crore in the corresponding quarter last year.

Escorts Auto Products

Escorts Auto Products recorded revenue of ₹ 28.4 crore in the quarter ended March 2015. Revenues for the fiscal year ending March 2015 stood at ₹ 103.6 crore. EBIT losses have gone down on a full year basis and also on the quarterly basis At EBIT level positive swing of 1366 bps at (9.6)% in Q ended Mar'15 against (23.2)% in Q ended Mar'14 and sequentially positive swing of 903 bps against (18.6)% in Q ended Dec'14.

Escorts Railway Products

Escorts Railway Products recorded a rise in income for the fiscal at ₹ 183.8 crore against ₹ 182.5 crore in the preceding year. Sales for the fourth quarter was up by 21% at ₹ 54.6 crore as against ₹ 45.1 crore in the corresponding quarter last year. Sales was also up sequentially by 39.6% against ₹ 39.1 crore in the quarter ended December 2014.

The audited accounts for the year ended March, 2015 has been approved by the Board of Escorts Limited.



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