ESCORTS

Ref /EL/SEC/DISC//2016 Date: March 16, 2016

The Manager
Listing Department
National Stock Exchange of India Limited
5th Floor Exchange Plaza
Bandra Kurla Complex, Bandra East
Mumbai -400051

NSE Code: Escorts
BSE Code: 500495
DSE Code: 00012

Dear Sir

Sub: Up-gradation of Credit Rating by ICRA

In compliance of the *Regulation 30 (6)* of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that M/s ICRA Ltd.(ICRA) has upgraded the **Long term rating** to **A-** and **Short term rating** to **A1** in respect of credit facilities for Rs 1421.00 crore of the Company. A copy of ICRA letter dated March 7, 2016, released today i.e. March 16, 2016 is annexed herewith for your reference and record.

This is for your information & record.

Thanking you,

Yours Faithfully
For **ESCORTS LIMITED**

Ajay Sharma
Group General Counsel
& Company Secretary

Copy To:

The Manager Listing Department BSE Limited 25th Floor P J Towers Dalal Street Fort **Mumbai -400001**	The Manager Listing Department The Delhi Stock exchange Association Limited DSE House, 3/1 Asaf Ali Road **New Delhi -110002**

Ref: D/RAT/2015-16/E-8/2

March 07, 2016

Ms. Jyoti Khatuka
Corporate Treasury
Escorts Limited
Corporate Centre, 15/5, Mathura Road
Faridabad - 121003

Dear Madam,

Re: ICRA Credit Rating for Rs. 1421.00 crore (enhanced from Rs. 1356.26 crore) Line(s) of Credit facilities of Escorts Limited as per Annexure 1

As you are aware that in terms of the Rating Agreement with its clients, ICRA is required to review all its ratings, on an annual basis, or as and when the circumstances so warrant. Also, please refer to the Rating Requisition dated March 01, 2016 and the subsequent Rating Agreement dated March 02, 2016 seeking an enhancement of the captioned Line(s) of Credit (LOC) of your company from Rs. 1356.26 crore to Rs. 1421.00 crore.

Please note that the Rating Committee of ICRA, after due consideration, has upgraded the long-term rating for the captioned LOC to **[ICRA]A-** (pronounced ICRA A minus) from [ICRA]BBB+ (pronounced ICRA triple B plus)[$]. Outlook on the long-term rating is "**Stable**". ICRA has also upgraded the short-term rating for the captioned LOC to **[ICRA]A1** (pronounced ICRA A one) from [ICRA]A2 (pronounced ICRA A two). The aforesaid ratings are valid till October 31, 2016.

This rating is specific to the terms and conditions of the LOC as was indicated to us by you and any change in the terms or size of the same would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the LOC rated, as above, the same must be brought to our notice before the utilisation of the same. If there is any such change after the rating is assigned by us and confirmed for use by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to suspend, withdraw or revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

You are required to furnish a quarterly statement (in the format enclosed) confirming the timeliness of payment of all obligations against the rated debt programme [interest and principal obligations for fund based as well as obligations under LOC/BG for non-fund based facility].

Sabyasachi Mazumdar Anupama Arora

[$] For complete rating definition please refer to ICRA Website www.icra.in or any of the ICRA Rating Publications

Building No. 8, 2nd Floor
Tower A, DLF Cyber City
Phase II, Gurgaon - 122002
Tel. : + 91 - 124 - 4545300
Fax : + 91 - 124 - 4050424
CIN : L74999DL1991PLC042749
website : www.icra.in
email : info@icraindia.com
Registered Office : 1105, Kailash Building, 11th Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel. : +(91-11) 23357940-50 Fax : +(91-11) 23357014

You are also required to inform us forthwith of any default or delay in the payment of interest and/or principal against the rated debt programme, or any other debt instruments and/or borrowings of your company. Further, you are requested to keep us informed of any other developments that could have a direct or indirect impact on the debt servicing capability of your company, with such developments including, but not limited to, any proposal for re-schedulement or postponement of repayment against any dues and/or debts of your company with any lender(s) and/or investor(s).

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

With kind regards,

Yours sincerely,
for ICRA Limited

Sabyasachi Majumdar
(Senior Vice President)

Anupama Arora
(Vice President)

Annexure 1: Details of Rs. 1421.0 crore limits of Escorts Limited rated by ICRA

Name of Bank	Facilities Rs. Crore	Rating	Ratings assigned on
Cash Credit/ WCDL			
IDBI Bank	118.00	[ICRA]A-, Stable, [ICRA]A1	March 7, 2016
Punjab National Bank	35.00	[ICRA]A-, Stable, [ICRA]A1	March 7, 2016
State Bank of India	40.00	[ICRA]A-, Stable, [ICRA]A1	March 7, 2016
State Bank of Patiala	80.00	[ICRA]A-, Stable, [ICRA]A1	March 7, 2016
Axis Bank	67.00	[ICRA]A-, Stable, [ICRA]A1	March 7, 2016
Oriental Bank of Commerce	44.00	[ICRA]A-, Stable, [ICRA]A1	March 7, 2016
ICICI Bank	25.00	[ICRA]A-, Stable, [ICRA]A1	March 7, 2016
Indusind Bank	29.00	[ICRA]A-, Stable, [ICRA]A1	March 7, 2016
HSBC Bank	40.00	[ICRA]A-, Stable, [ICRA]A1	March 7, 2016
Unallocated	28.00	[ICRA]A-, Stable, [ICRA]A1	March 7, 2016
Total (1)	**506.00**		
Term Loans			
IDBI Bank	80.00	[ICRA]A-, Stable	March 7, 2016
State Bank of India	155.00	[ICRA]A-, Stable	March 7, 2016
Oriental Bank of Commerce	22.00	[ICRA]A-, Stable	March 7, 2016
Total (2)	**257.00**		
LC/ BG			
IDBI Bank	241.00	[ICRA]A1	March 7, 2016
Punjab National Bank	40.00	[ICRA]A1	March 7, 2016
State Bank of India	55.00	[ICRA]A1	March 7, 2016
State Bank of Patiala	100.00	[ICRA]A1	March 7, 2016
Axis Bank	63.00	[ICRA]A1	March 7, 2016
Oriental Bank of Commerce	39.00	[ICRA]A1	March 7, 2016
ICICI Bank	30.00	[ICRA]A1	March 7, 2016
Indusind Bank	25.00	[ICRA]A1	March 7, 2016
HSBC Bank	20.0	[ICRA]A1	March 7, 2016
Unallocated	45.0	[ICRA]A1	March 7, 2016
Total (3)	**658.00**		
Grand Total (1)+(2)+(3)	**1421.00**		