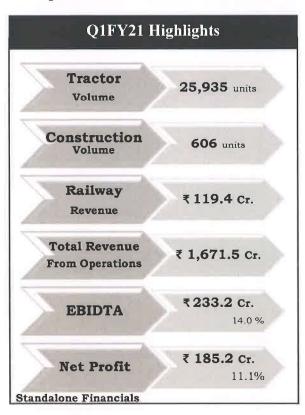


# Escorts Ltd. Q1 Standalone Profit more than doubled to ₹ 185.2 cr

- Tractor volumes up by 42.9% at 25,935 units
- Construction Equipment volumes up by 159 % at 606 units
- Standalone EBIDTA up by 95.0% at ₹ 233.2 crores
  - o Margin up by **269 bps** to 14.0%
- Standalone Net Profit up by 101.0% to ₹ 185.2 crores
  - o Margin up by **240 bps** to 11.1%

**New Delhi, August 5, 2021**: Escorts Limited today reported net profit of  $\ref{totaleq}$  185.2 crore in quarter ended June 30, 2021, up by 101%, as against a profit of  $\ref{totaleq}$  92.2 crore in corresponding quarter of the previous fiscal and as against  $\ref{totaleq}$  271.3 crore in sequential quarter.



Revenue from operations at ₹ 1,671.5 crores in quarter ended June 2021, went up by 57.4% as against ₹ 1,061.6 cores in corresponding quarter and ₹ 2,210.5 crore in sequential quarter. EBIDTA for the quarter ended June 30, 2021 at ₹ 233.2 crore up by 95.0%, as against ₹ 119.6 crore in quarter ending June 2020.

#### At consolidated level

Revenue from operations at ₹ 1,701.8 crores in quarter ended June 2021, up by 56.2% as against ₹ 1,089.3 cores in corresponding quarter. Consolidated net profit recorded at ₹ 178.5 crore in quarter ended June 30, 2021, up by 92.8%, as against a profit of ₹ 92.6 crore in corresponding period last fiscal. **EPS reported at ₹ 18.13 was up by 68.2**% as against ₹ 10.78 in corresponding quarter and ₹ 27.03 in sequential quarter.

Please note: - Due to COVID-19 impact in previous year and partially this year, the figures do not represent normal quarter/operations and to

that extent are not strictly comparable and growth figures may be skewed.

## Speaking on the results, Mr. Nikhil Nanda, Chairman and Managing Director, said,

"While respective states are gradually activating controlled unlocks, we at Escorts, are extremely careful and adhering to all safety guidelines. Well-being & safety of our customers, dealers, suppliers, and our employees remain our topmost priority. We have facilitated vaccination for all our employees and working closely with our distribution base to support vaccinations across dealerships and customers and also in local communities.

#### **ESCORTS LIMITED**

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Unlocking has helped in building demand, easing transport & logistics and improved supply chain across farming community to create a positive industry momentum and we certainly hope that with sustained government efforts, tractor and Agri equipment industry and construction equipment industry will be back on a growth path. While we are witnessing some encouraging developments in the railway equipment space too, it may take some time to come out of the impact of the current environment and regain the pre-Covid business levels.

We still need to be well prepared and firm up readiness for any further pandemic hit backs. We are aligned and fully supportive to all national efforts to fight the pandemic, and believe, this shall pass soon."

## SEGMENT WISE PERFORMANCE

## Escorts Agri Machinery (EAM)

Tractor sales volume at 25,935 tractors for the quarter ended June 2021 went up by 42.9% as against 18,150 tractors in the corresponding period last fiscal. Segmental revenues was up by 48.0% to ₹ 1,411.4 crore in quarter ending June 2021 as against ₹ 953.5 crore in the corresponding period last fiscal. This quarter despite Commodity price inflation, with various cost reduction initiatives and operating leverage, EBIT margins improved by 112 bps to 15.6% in quarter ended June 2021 as against 14.5 % in corresponding period last fiscal.

#### **Escorts Construction Equipment (ECE)**

Construction equipment sales volume at 606 machines for the quarter ended June 2021 up by 159% as against 234 machines in the corresponding period last fiscal. Segmental revenues was up by 168.3% to ₹ 140.8 crore in quarter ending June 2021 as against ₹ 52.5 crore in the corresponding period last fiscal. EBIT margin for first quarter ended June 2021 were negative 2.3% as against negative 32.0% in the corresponding period last fiscal. Going forward with improved funding availability and government thrust on infrastructure projects, demand is expected to recover to its full potential from Oct'21 onwards post the monsoon season.

#### Railway Equipment Division (RED)

Segment revenue for the first quarter went up by 117.5 % at ₹ 119.4 crore in quarter ending June 2021 as against ₹ 54.9 crore in the corresponding quarter. Sales from New products more than doubled and now contribute 63% to total division sales as against 43% last year corresponding quarter. EBIT margin for quarter ended June 2021 stood at 14.6 % as against 2.6 % in the previous year.

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Indian railways is still not running its full operations, due to unprecedented COVID-19 pandemic and have cut down their annual production rate, affecting fresh order tendering and order inflow. Order book for the division, at end of June 2021, was more than ₹ 300 crore and going forward with Government safety measures and vaccination drive picking up at fast pace, we expect that tendering process will get back to pre-Covid level with in current fiscal.

The reviewed accounts for the quarter ended June 2021 have been approved by the Board of Directors of Escorts Limited.

For further information, kindly contact:

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