



I. Company's Philosophy on Corporate Governance

Corporate Governance may be defined as a set of systems, processes and principles, which ensure that a Company is governed in the best interest of all stakeholders. It is the system that directs and controls respective companies. It is about promoting corporate fairness, transparency and accountability. In other words, 'Good Corporate Governance' is simply 'good business'.

In India, the question of Corporate Governance has emerged mainly in the wake of economic liberalization and de-regularization of industry and business. The objective of any Corporate Governance system is to simultaneously improve corporate performance and accountability. These, in turn, help to attract financial and human resources on the best possible terms and prevent corporate failure.

Corporate Governance consists of procedures and processes, according to which an organisation is directed and controlled. Its structure specifies the distribution of rights and responsibilities among different pan-organisational participants, such as the Board, managers, shareholders, and other stakeholders. The system helps to lay down the rules and procedures for decision making.

The objective of Good Corporate Governance is to ensure the Board's commitment towards transparent management to maximise long-term value for the Company's shareholders and other partners. It integrates all the participants involved in a process, which is economic and at the same time, social.

A well-defined and enforced Corporate Governance benefits everyone concerned by ensuring that the enterprise adheres to accepted ethical standards and best practices, as well as to applicable laws.

Corporate Governance goes beyond the practices enshrined in the laws and is imbibed in the basic business ethics and values that needs to be adhered to in letter and spirit. However a transparent, ethical and responsible Corporate Governance framework essentially emanates from the intrinsic will and passion for good governance ingrained in the organisation.

Good Corporate Governance practices are also essential for a sustainable business model for generating long term value for all its stakeholders.

At Escorts Finance Limited, Corporate Governance practices aim to adhere to the highest governance standards through continuous evaluation and benchmarking.

II. Board of Directors

(i) Composition and Category of Directors

The composition of the Board of Directors is in conformity with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations"), as amended from time to time. The Board of Directors alongwith its Committees provide leadership and guidance to the Company's management and direct, supervises and controls the performance of the Company. As on March 31, 2018, the Company's Board comprised of Three (3) Directors out of which two (2) are Independent Non-Executive Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 ("the Act"). The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act.

The details of Directors with regard to their directorships and committee positions as on 31.03.2018 are as follows:

Name	Designation	Category	No. of Board meetings attended during the year	Whether attended the last AGM	No. of Directorships in Public Companies*	Committee Positions held**	
						Membership	Chairmanship
Mr. Pritam Narang	Whole-time Director	Non-Executive & Non Independent	7	Yes	2	NIL	NIL
Mr. Rochak Puri	Director	Non-Executive & Independent	7	Yes	1	NIL	NIL
Ms. Preeti Chauhan	Director	Non-Executive & Independent	7	No	1	NIL	NIL

* Including Escorts Finance Limited.

** In accordance with Regulation 26, Membership/ Chairmanship of Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies (excluding Escorts Finance Limited) have been considered.

Notes: 1) None of the Directors is representing a Lender or Equity Investor.
2) None of the Directors hold any shares in the Company.



(ii) Board Meetings

During the year ended on March 31, 2018 the Board of Directors met Seven (7) times on April 26, 2017, May 24, 2017, July 25, 2017, November 7, 2017, February 6, 2018, February 28, 2018 and March 30, 2018.

The gap between any two Board meetings did not exceed 120 days.

Board Meeting Procedures

Escorts Finance Limited's Board is presented with detailed notes, along with the agenda papers, well in advance of the meeting. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practical to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary items on the agenda are permitted. The required information as enumerated in Part A of Schedule II of the Listing Regulations are regularly made available to the Board of Directors for discussion and consideration at Board Meetings.

Information supplied to the Board

Regular presentations are made to the Board of Directors covering Business Operations, Finance, Sales, Accounts, Marketing, Compliances and other important business issues. The Annual Operating and Capital Budget(s) are approved by the Board of Directors. The Board spends considerable time in reviewing the actual performance of the Company vis-à-vis the approved budget.

(iii) Code of Conduct

The Company has adopted a Code of Conduct for Directors and Senior Management of the Company. The Code has been circulated to all the members of the Board and Senior Management and the same is available on the Company's website: www.escortsfinance.com.

The Board members and Senior Management personnel of the Company have affirmed their compliance with the code. A declaration to this effect signed by Mr. Pritam Narang, Whole time Director of the Company is contained hereinafter in this Report.

Declaration by C.E.O.

The Board of Directors,
Escorts Finance Limited

Dear Sir,

I hereby confirm that:

The Company has received from the members of the Board and Senior Management, a declaration of Compliance with the Code of Conduct for Directors and Senior Management during the Financial Year ended on March 31, 2018.

Place: Faridabad

Dated: August 9, 2018

Pritam Narang
Whole-time Director

Whistle Blower Policy

The Company has adopted a Whistle Blower Policy to report instances of unethical behavior, fraud or violation of the Ethic Policy of the Company. The Whistle Blower Policy has been circulated to all the employees and directors of the Company and the same is available on the Company's website: www.escortsfinance.com.

III. Audit Committee

(i) Constitution

As on March 31, 2018 the Audit Committee comprises of the following Directors:

Director	Designation	Category
Mr. Rochak Puri	Chairman	Non-Executive Independent Director
Ms. Preeti Chauhan	Member	Non-Executive Independent Director
Mr. Pritam Narang	Member	Non-Executive Non Independent Director

All the members of the Audit Committee have accounting, economic and financial management expertise. The composition of the Audit Committee meets with requirements of Section 177 of the Companies Act, 2013 and Listing Regulations.



The Audit Committee assists the Board in its responsibility to oversee the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal & regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting statements, the appointment, independence, performance and remuneration of the Statutory Auditors, including the Cost Auditors and the performance of Internal Auditors of the Company.

Terms of Reference

The Charter of the Committee is as prescribed under Section 177 of the Companies Act, 2013 read with Listing Regulations:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement forming part of Board's Report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditors independence & performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory & internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. Investigating the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism.
19. Approving the appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.



20. Reviewing any changes in the accounting policies or practices as compared to the last completed financial year and commenting on any deviation from the Accounting Standards.
21. Carrying out any other function as may be referred to the committee by the Company's Board of Directors and/ or other Committees of Directors of the Company from time to time.
22. Recommending to the Board, the terms of appointment, re-appointment and, if required, the replacement or removal of the Cost Auditors.
23. The Committee has systems and procedures in place to ensure that the Audit Committee immediately reviews:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - c. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses, if any;
 - e. Appointment, removal and terms of remuneration of the Chief Internal Auditor;
 - f. The Financial Statements, in particular, the investments made by the unlisted subsidiaries of the Company, in view of the requirements under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015;
 - g. Details of material individual transactions with related parties, which are not in the normal course of business; and
 - h. Details of material individual transactions with related parties or others, if any, which are not on arm's length basis, along with management's justification for the same.

The Audit Committee is endowed with the following powers:

- a) To investigate any activity within its terms of reference.
- b) To seek information from any employee.
- c) To obtain outside legal or other professional advice.
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.
- e) To invite such of the executives, as it considers appropriate (and particularly the head of the finance) to be present at the meetings of the committee.

(ii) Meeting & Attendance

During the financial year 2017-18, Audit Committee met five (5) times on May 24, 2017, July 25, 2017, November 7, 2017, February 6, 2018 and March 30, 2018.

The details of members' attendance at the Audit Committee Meetings are as follows:

Name of Member	Number of meeting	
	Held	Attended
Mr. Rochak Puri (Chairman)	5	5
Ms. Preeti Chauhan	5	5
Mr. Pritam Narang	5	5

Mr. Vicky Chauhan, Company Secretary is acting as Secretary to the Audit Committee.

IV. Nomination & Remuneration Committee

Constitution

The Nomination and Remuneration Committee comprises of following Directors:

1. Mr. Rochak Puri – Independent Director – Chairman
2. Ms. Preeti Chauhan – Independent Director
3. Mr. Pritam Narang – Non Independent Director

Terms of Reference

The Charter of the Committee is as prescribed under Section 178 of the Companies Act, 2013 read with Listing Regulations:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;



2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

The Nomination and Remuneration Committee has been constituted to recommend/ review remuneration of the directors, key managerial personal and other employees, based on their performance and defined assessment criteria.

The remuneration policy is placed on the Company's website www.escortsfinance.com.

During the period under review there are no pecuniary relationships or transactions of the Non-Executive Directors viz-a-viz the Company.

Meetings and Attendance

During the financial year 2017-18, three (3) meeting of the Nomination and Remuneration Committee were held on April 26, 2017, July 25, 2017 and February 6, 2018, which was attended by all the members.

Remuneration of Directors

The Company has not paid any remuneration to any of its Directors, except sitting fees for attending Board and Audit Committee Meetings for which Rs. 2,000 per meeting had been paid.

The details of sitting fees paid to Directors during the period April 1, 2017 to March 31, 2018 are as under:

S.No.	Name of Member	Relationship with other Directors	Sitting Fees (in Rs.)
1.	Mr. Pritam Narang	*	24,000
2.	Mr. Rochak Puri	*	24,000
3.	Ms. Preeti Chauhan	*	24,000
Total			72,000

* None of the Directors are related to any other Director.

(i) Shareholding of Non-Executive Directors of Company

As on March 31, 2018, none of the Directors of the Company held any share in the Company

V. Stakeholders' Relationship Committee

(i) Constitution

As on March 31, 2018, the Committee comprises of the following Directors:

Name of Member	Designation	Category
Mr. Rochak Puri	Chairman	Non-Executive Independent Director
Mr. Pritam Narang	Member	Non-Executive Non Independent Director
Ms. Preeti Chauhan	Member	Non-Executive Independent Director

(ii) Terms of Reference

The Committee look to redress shareholders and investors complaints relating to share transfer, Demat, Remat, non-receipt of declared dividends or Annual Reports etc.

The Committee additionally oversees the performance of in-house Share Registry and recommends measures for overall improvement in the quality and promptness in investors services.

(iii) Meetings and Attendance

During the financial year 2017-18, 4 (Four) meetings of the Stakeholders' Relationship Committee were held on May 24, 2017, July 25, 2017, November 7, 2017 and February 6, 2018.



The details of members' attendance at the Shareholders' Grievance Committee Meetings are as follows:

Name of Member	Number of meeting	
	Held	Attended
Mr. Rochak Puri	4	4
Mr. Pritam Narang	4	4
Ms. Preeti Chauhan	4	4

(iv) Compliance Officer

Mr. Vicky Chauhan, Company Secretary is acting as the Compliance Officer of the Company as per the requirements of the provisions of Listing Regulations.

(v) Whole-time Director

Mr. Pritam Narang is the Whole-time Director of the Company as per Section 203 of the Companies Act, 2013.

(vi) Complaints received/ resolved

During the year under review, Five (5) complaints were received from investors, which were replied/ resolved to the satisfaction of the investors. No complaint(s) are pending for redressal for the year 2017-18 as on the date of this report.

(vii) Pending Share Transfer

No request for transfer and/ or dematerialization was pending for redressal as on March 31, 2018.

VI. Functional Committee

The Board is authorised to constitute one or more functional committees delegating thereto powers and duties with respect to specific purposes. Meeting of such committees are held, as and when the need arises. Time schedule for holding such functional committee meetings are finalised in consultation with the Committee members.

Procedure of Committee Meetings

The Company's guidelines relating to Board Meetings are applicable to Committee Meetings, as far as may be practicable. Each Committee has the authority to engage outside experts, advisors and counsels, to the extent it considers appropriate, to assist in its work. Minutes of the proceedings of the Committee Meetings are placed before the Board Meeting for perusal and noting.

VII. GENERAL BODY MEETINGS

Location, day and time of Annual General Meetings held during the last three years and special resolution passed thereat are given below:

Financial Year	Venue	Date	Time	No. of Special Resolution passed at AGM
2016-17	Hotel KC Residency, SCO-377-380, Sector-35B, Chandigarh-160022	Tuesday, September 26, 2017	3:00 P.M.	Two
2015-16	Hotel KC Residency, SCO-377-380, Sector-35B, Chandigarh-160022	Friday, September 30, 2016	3:00 P.M.	None
2014-15	Hotel KC Residency, SCO-377-380, Sector-35B, Chandigarh-160022	Tuesday, September 29, 2015	3:00 P.M.	None

An Extra-Ordinary General Meeting was held during the year for transacting the business with the approval of shareholders. The details of the meeting is as follows:

Financial Year	Venue	Date	Time	No. of Special Resolution passed at AGM
2017-18	Hotel KC Residency, SCO-377-380, Sector-35B, Chandigarh-160022	Wednesday, March 28, 2018	10:30 A.M.	Three



Special Resolution passed through Postal Ballot

During the financial year 2017-18, the Company has not passed any Special Resolution through Postal Ballot.

None of the business proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

VIII. DISCLOSURES

- a. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

All the related party transactions during the financial year ended on March 31, 2018 were as per the "Policy on Materiality of Related Party Transactions and dealing with Related Parties

- b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: NIL

The Company has complied with the statutory rules and regulations of SEBI and Stock Exchanges. However, the Company has not been able to comply with the Prudential Norms Direction relating to maintenance of liquid assets and Capital Adequacy Ratio, provision for doubtful trade receivable and advances as required by the Reserve Bank of India's Rules and Regulations.

- c. Whistle Blower policy and affirmation that no personnel has been denied access to the Audit Committee:

The Ethics Counsellor or the Chairman of the Audit Committee has not received any complaint/ report during the period under review and no employee was denied access to the Audit Committee.

- d. Details of the compliance with mandatory requirement of and adoption of the non-mandatory requirement of this clause.

The details of mandatory requirements along with status of adoption of the non-mandatory requirement are mentioned in this Report.

IX. Means of Communication

Key Financial reporting dates during the financial year 2017-18.

The Company has published its Financial results in the following national newspapers:

- For Quarter ended 30.06.17: Financial Express (English), Jansatta (Hindi).
- For Quarter ended 30.09.17: Financial Express (English), Jansatta (Hindi).
- For Quarter ended 31.12.17: Financial Express (English), Jansatta (Hindi).
- For Quarter/ Year ended 31.03.18: Financial Express (English), Jansatta (Hindi).

The Quarterly Results were displayed on Company's website viz. **www.escortsfinance.com** in accordance with the requirement of SEBI Listing Regulations.

X. General Shareholder Information

(i) Company Registration Details

The Company is registered in the Union Territory of Chandigarh, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65910CH1987PLC033652.

(ii) Annual General Meeting

Day & Date	:	Friday, September 28, 2018
Time	:	3:00 P.M.
Venue	:	Hotel KC Residency, SCO 377-380, Sector – 35B, Chandigarh – 160 035

(iii) Financial year : April 1 to March 31

(iv) Appointment/ Reappointment of Directors

In accordance with the provisions of Companies Act, 2013 and Articles of Association of the Company, Mr. Pritam Narang, Director retires by rotation at the ensuing Annual General Meeting of your Company and being eligible, offers himself for re-appointment.

The brief resume and other details relating to the directors appointment as required to be disclosed under Listing Regulations are provided in the directors report.

**(v) Financial Calendar 2018-19 (tentative)**

Meetings of Board/ Committee thereof to take on record:

Financial results for quarter ended June 30, 2018	:	By August 14, 2018
Financial results for quarter ended September 30, 2018	:	By November 14, 2018
Financial results for quarter ended December 31, 2018	:	By February 14, 2019
Financial results for quarter/ year ended March 31, 2019	:	By May 30, 2019

(vi) Annual General Meeting for the Financial Year ending March, 2019: By September 30, 2019.

(vii) Book Closure

The members register will be closed from September 21, 2018 to September 28, 2018 (both days inclusive) for the purpose of Annual General Meeting.

(viii) Dividend

The Board does not recommend any dividend for the year.

(ix) Cut-off Date for e-voting

September 21, 2018 has been fixed as the cut-off date to record entitlement of the shareholder to cast their vote electronically.

(x) Listing:

The Securities of the Company are listed on the following Stock Exchange:

Stock Exchange	Stock Code
BSE Limited	511716
Demat ISIN no. in NSDL & CDSL	INE359A01012

The Company has paid the Annual Listing Fees till date.

(xi) Registrar & Share Transfer Agent

In terms of SEBI circular dated December 27, 2002, the share transfer work in both physical as well as electronic modes has been carried on by Alankit Assignments Ltd., Category I Registrar and Transfer Agents having office at Alankit House, 1E/13, Jhandewalan Extension, New Delhi – 110 055.

(xii) Share Transfer System

The Company has appointed Alankit Assignments Ltd. as Share Transfer Agents and all work relating to share transfers is executed by them. The authority relating to share transfer has been delegated to Share Transfer Committee of the Board of Directors for the approval of Transfer, Transmission, Remat, Split & Consolidation of share certificates etc., which periodically meets to approve the requests of the Investors.

Share Transfer Committee ensures the approval of share transfer/ transmission/ splitting and consolidation of valid request within a period of 15 days from their receipt

(xiii) Monthly Stock Market Data

Monthly high and low prices (based on daily closing prices) of Company's Shares at BSE for the financial year ended on March 31, 2018 were as follows:

Month	High		Low	
	BSE Sensex	Share price (in Rs.)	BSE Sensex	Share price (in Rs.)
April 2017	30184.22	12.48	29241.48	10.70
May 2017	31255.28	11.54	29804.12	9.25
June 2017	31522.87	11.42	30680.66	7.51
July 2017	32672.66	8.40	31017.11	6.70
August 2017*	32686.48	-	31128.02	-
September 2017	32524.11	7.79	31081.83	7.79
October 2017	33340.17	7.41	31440.48	4.25
November 2017	33865.95	6.24	32683.59	4.24
December 2017	34137.97	5.11	32565.16	4.39
January 2018	36443.98	4.55	33703.37	3.77
February 2018	36256.83	4.14	33482.81	3.58
March 2018	34278.63	4.63	32483.84	3.40

* Price not available on Stock Exchange Website



(xiv) Distribution of Shareholding as on March 31, 2018: -

No. of shares	No. of shareholders	No. of shares held	% of Total
Upto 100	20046	1745237	4.336
101 to 500	3671	1128422	2.804
501 to 1000	1073	954350	2.371
1001 to 5000	985	2394077	5.948
5001 to 10000	175	1374757	3.416
10001 to 20000	49	695799	1.729
20001 to 30000	16	396815	0.986
30001 to 40000	10	363621	0.903
40001 to 50000	6	267334	0.664
50001 to 100000	9	711502	1.768
100001 to 500000	2	354440	0.881
500001 and above	4	29863646	74.195
TOTAL	26046	40250000	100.00

(xv) Shareholding Pattern as on March 31, 2018:

Category	No. of Share-holders	No. of Shares held	% to the Capital
Promoter & Promoter Group:			
a) Indian	6	28023178	69.62
b) Foreign	NIL	NIL	NIL
Public Shareholding Institutions:			
a) Mutual Funds & UTI	NIL	NIL	NIL
b) Banks/ FIs	3	11300	0.03
c) FIIs/ VCs etc.	NIL	NIL	NIL
Non Institutions:			
a) Private Bodies Corporate	151	2639904	6.56
b) Indian Public	25142	9053162	22.49
c) NRIs/ OCBs etc.	37	152356	0.38
d) Others	212	370100	0.92
TOTAL	25551	40250000	100.00

(xvi) Dematerialisation

As on March 31, 2018, dematerialized shares accounted for 95.67% (95.62% up to March 31, 2017) of the total equity shares.

(xvii) Outstanding GDRs/ ADRs/ Warrants etc.

The Company has not issued any GDRs/ ADRs/ Warrants.

(xviii) Plant Location

There is no manufacturing location for the Company.

(xix) Address for correspondence:

Company Secretary
Escorts Finance Limited
Escorts Corporate Centre
15/5, Mathura Road
Faridabad – 121 003
Tel: (0129) 2564116
Fax: (0129) 2250060



(xx) Registrar and Transfer Agents:

Alankit Assignments Limited
Alankit House, 1E/13
Jhandewalan Extension
New Delhi – 110055
Tel.- +91-11-42541953,
Fax: +91-11-23552001
Email-id:- rta@alankit.com,

For and on behalf of the Board of Directors

**Place: Faridabad
Dated: August 9, 2018**

**Pritam Narang
Director
DIN: 00982418**

**Sumit Raj
Director
DIN:07171298**

CEO/CFO Certification

The Whole time Director and Chief Financial Officer of the Company certified to the Board on financial reporting and internal controls in terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to CEO and CFO certification for the year ended on March 31, 2018.

To,
The Board of Directors
Escorts Finance Limited

Dear Sir,

We, Pritam Narang, Whole-Time Director and Donald Fernandez, Chief Financial Officer certify to the Board of Directors that:

- a. We have reviewed financial statements and the cash flow statement of Escorts Finance Limited for the financial year ended March 31, 2018 and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violate the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
 - i. significant changes in internal control over financial reporting during the financial year;
 - ii. significant changes in accounting policies during the financial year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Faridabad
Dated: May 16, 2018

Donald Fernandez
Chief Financial Officer

Pritam Narang
Whole-time Director



Independent Auditors' Certificate regarding compliance with the conditions of Corporate Governance

To,
The Members
Escorts Finance Limited

- (1) We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 42(2) and para C, D and E of Schedule V of the SEBI ('Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Management Responsibility

- (2) The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

- (3) Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- (4) We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- (5) We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- (6) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

- (7) Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2018.
- (8) We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

- (9) This certificate is issued solely for the purpose complying with the aforesaid Listing Regulations, and may not be suitable for any other purpose.

For Kapish Jain & Associates
Chartered Accountants
Firm Registration No. 022743N

Place: Faridabad
Dated: August 9, 2018

Sd/-
CA Kapish Jain
Partner
M.No. 514162