



Escorts Kubota Limited

August 1, 2022

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001
BSE – 500495

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai – 400051
NSE – ESCORTS

Sub: Outcome of the Board Meeting of Escorts Kubota Limited pursuant to Regulation 30 and Unaudited Financial Results pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Dear Sir/ Madam,

Pursuant to Regulations 30 and 33 of the SEBI Listing Regulations, please note that the Board in its meeting held today i.e. August 1, 2022 has approved the Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2022 and Limited Review Report thereon.

Please find enclosed herewith the following:

1. Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2022
2. Limited Review Report
3. Press Release
4. Earning Presentation

We further wish to inform you that the Board Meeting held today commenced at 1:00 PM concluded at 3:35p.m..

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Escorts Kubota Limited


Satyendra Chauhan

Company Secretary and Compliance Officer



Encl.: As above

Note: The Equity Shares of the Company were listed on the Delhi Stock Exchange Limited (DSE). However, DSE has been de-recognised and allowed to exit as a stock exchange by SEBI by way of SEBI's Order No. WTM/ SR/ SEBI/ MRD-DSA/ 04/ 01/ 2017 dated 23 January 2017. For avoidance of doubt, the securities of the Company are not listed on DSE owing to DSE having been de-recognised by SEBI.

ESCORTS KUBOTA LIMITED

(Formerly Escorts Limited)

Registered Office: 15/5, Mathura Road, Faridabad 121 003, India

Tel.: +91-129-2250222

E-mail: escortsgroup@escorts.co.in Website: www.escortsgroup.com

Corporate Identification Number L74899HR1944PLC039088



Escorts Kubota Limited (Formerly Escorts Limited)

Statement of Standalone Unaudited Financial Results for the quarter ended June 30, 2022

Particulars	₹ in Crores			
	Standalone results			
	3 Months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the year ended
	30-06-2022	31-03-2022	30-06-2021	31-03-2022
	Unaudited	Audited*	Unaudited	Audited
Income				
Revenue from operations	2,014.85	1,869.57	1,677.02	7,196.90
Other income	35.44	53.84	41.69	168.80
Total income	2,050.29	1,923.41	1,718.71	7,365.70
Expenses				
Cost of materials consumed	1,429.06	1,060.94	1,114.85	4,492.43
Purchases of stock-in-trade	125.84	126.04	113.41	508.74
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(100.29)	123.76	(87.20)	(68.37)
Employee benefits expense	136.90	119.23	137.11	528.27
Finance costs	2.59	2.89	2.95	12.70
Depreciation & amortisation expense	36.37	32.96	31.36	129.75
Other expenses	221.74	188.11	160.09	740.30
Total expenses	1,852.21	1,653.93	1,472.57	6,343.82
Profit before tax	198.08	269.48	246.14	1,021.88
Tax expense				
Current tax	49.18	58.15	62.53	242.00
Deferred tax charge /(credit)	1.45	9.16	(1.59)	14.27
Total tax expense	50.63	67.31	60.94	256.27
Net profit for the period	147.45	202.17	185.20	765.61
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Net changes in fair values of equity instruments carried at fair value through other comprehensive income	0.20	(0.18)	0.10	0.24
Re-measurements of defined employee benefit plans	2.44	2.35	(0.85)	2.56
Income tax relating to items that will not be reclassified to profit or loss	(0.64)	(0.57)	0.20	(0.67)
Total other comprehensive income	2.00	1.60	(0.55)	2.13
Total comprehensive income	149.45	203.77	184.65	767.74
Earnings per share of ₹ 10 each :	Not annualised	Not annualised	Not annualised	
a) Basic (₹)	11.38	16.26	14.03	58.91
b) Diluted (₹)	11.37	16.22	14.02	58.71
Paidup equity share capital, equity share of ₹ 10 each	131.94	131.94	134.83	131.94
Other equity				7,746.24

* Refer note 2

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Escorts Kubota Limited (Formerly Escorts Limited)

Segment wise revenue, results and capital employed for the quarter ended June 30, 2022

₹ in Crores

Sl. No.	Particulars	Standalone			
		3 Months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the year ended
		30-06-2022	31-03-2022	30-06-2021	31-03-2022
		Unaudited	Audited*	Unaudited	Audited
1	Segment revenue:				
	a) Agri machinery products	1,595.76	1,370.75	1,416.71	5,563.74
	b) Construction equipments	246.14	319.50	141.07	986.79
	c) Railway equipments	173.35	172.80	119.40	636.21
	d) Unallocated	(0.40)	6.52	(0.16)	10.16
	Total	2,014.85	1,869.57	1,677.02	7,196.90
	Less: Inter segment revenue	-	-	-	-
	Net segment revenue	2,014.85	1,869.57	1,677.02	7,196.90
2	Segment results:				
	a) Agri machinery products	168.52	211.08	219.85	855.98
	b) Construction equipments	2.44	11.43	(3.29)	23.87
	c) Railway equipments	23.49	22.69	17.40	94.32
	Total	194.45	245.20	233.96	974.17
	Less :				
	- Finance costs	2.59	2.89	2.95	12.70
	- Other unallocable expenditure (Net of unallocable income)	(6.22)	(27.17)	(15.13)	(60.41)
	Total profit before tax	198.08	269.48	246.14	1,021.88
3	Segment assets				
	a) Agri machinery products	3,276.71	3,009.91	2,959.66	3,009.91
	b) Construction equipments	332.79	376.49	344.77	376.49
	c) Railway equipments	407.44	374.77	250.60	374.77
	d) Auto ancillary products (discontinued operation)	0.12	0.55	0.82	0.55
	e) Unallocated	5,942.92	5,610.02	3,805.73	5,610.02
	Total	9,959.98	9,371.74	7,361.58	9,371.74
4	Segment liabilities				
	a) Agri machinery products	1,363.70	947.78	1,277.13	947.78
	b) Construction equipments	207.58	236.18	214.25	236.18
	c) Railway equipments	122.14	92.85	76.35	92.85
	d) Auto ancillary products (discontinued operation)	5.15	6.83	6.82	6.83
	e) Unallocated	231.99	209.92	203.81	209.92
	Total	1,930.56	1,493.56	1,778.36	1,493.56

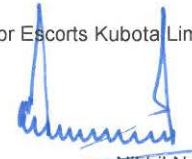
* Refer note 2

Notes :

- The above Standalone financial results for the quarter ended June 30, 2022 were reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on August 1, 2022.
- The figures for the quarter ended March 31, 2022 are the balancing figures between audited figures in respect of the full financial year and published year to date figures up to the third quarter of the year ended March 31, 2022.
- The Board of the Directors of the Company on February 18, 2022 had approved a draft Scheme for Selective Capital Reduction ("Scheme") , under Section 66, Section 52 and other applicable provisions of the Companies Act, 2013, read with the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 ("NCLT Rules"). The Scheme provides for selective reduction of the share capital of the Company by cancelling and extinguishing 2,14,42,343 Equity Shares, held by the Escorts Benefit and Welfare Trust. The Scheme is subject to the approval of the shareholders of the Company by way of the requisite majority, National Company Law Tribunal ("NCLT") and all other applicable regulatory authorities. The scheme has been cleared by the stock exchanges vide their no observation letters dated June 29, 2022 and postal ballot notice seeking approval of members have been sent on July 6, 2022.
- Pursuant to the approval of the Board of Directors of the Company, approval of the shareholders of the Company and Registrar of Companies, NCT of Delhi and Haryana on November 18, 2021, December 18, 2021 and June 9, 2022, respectively, the name of the Company has changed to "Escorts Kubota Limited" effective June 9, 2022.
- Previous period figures have been re-grouped/ reclassified wherever necessary, to conform to current period's classification.



For Escorts Kubota Limited


Nikhil Nanda
(Chairman and Managing Director)

Place : Faridabad
Date : 01-08-2022

Escorts Kubota Limited (Formerly Escorts Limited)
Phone: 0129-2250222, Fax: 0129-2250060
E-mail: corpsect@ndb.vsnl.net.in, Website: www.escortsgroup.com
Registered Office : 15/5, Mathura Road, Faridabad – 121 003, Haryana
CIN - L74899HR1944PLC039088

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Escorts Kubota Limited (formerly known as Escorts Limited)

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Escorts Kubota Limited ('the Company') for the quarter ended 30 June 2022, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Walker Chandiok & Co LLP

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Ashish Digitally signed
by Ashish Gupta
Date:
Gupta 2022.08.01
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Ashish Gupta

Partner

Membership No.: 504662

UDIN: 22504662ANZFCR7532

Place: New Delhi

Date: 1 August 2022



Escorts Kubota Limited (Formerly Escorts Limited)
Statement of Consolidated Unaudited Financial Results for the quarter ended June 30, 2022

Particulars	₹ in Crores			
	Consolidated results			
	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the year ended
	30-06-2022	31-03-2022	30-06-2021	31-03-2022
	Unaudited	Refer note 2	Unaudited	Audited
Income				
Revenue from operations	2,032.06	1,886.64	1,707.32	7,282.65
Other income	35.52	54.84	43.29	173.80
Total income	2,067.58	1,941.48	1,750.61	7,456.45
Expenses				
Cost of materials consumed	1,435.89	1,071.79	1,129.16	4,534.63
Purchases of stock-in-trade	126.25	126.16	113.85	510.82
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(99.77)	122.77	(83.47)	(66.94)
Employee benefits expense	139.69	122.39	140.13	541.90
Finance costs	3.20	3.56	3.48	14.97
Depreciation and amortisation expense	36.82	33.52	31.95	132.06
Other expenses	226.39	195.38	165.72	766.83
Total expenses	1,868.47	1,675.57	1,500.82	6,434.27
Profit before share of net profit of investment accounted for using the equity method and tax	199.11	265.91	249.79	1,022.18
Share of loss of investments accounted for using equity method	(7.57)	(8.45)	(10.39)	(29.35)
Profit before tax	191.54	257.46	239.40	992.83
Tax expense				
Current tax	49.18	58.12	62.98	242.81
Deferred tax charge / (credit)	1.77	9.36	(2.03)	14.41
Total tax expense	50.95	67.48	60.95	257.22
Net profit for the period	140.59	189.98	178.45	735.61
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Net changes in fair values of equity instruments carried at fair value through other comprehensive income	0.20	(0.18)	0.10	0.24
Re-measurements of defined employee benefit plans	2.44	2.37	(0.85)	2.58
Income tax relating to items that will not be reclassified to profit or loss	(0.64)	(0.57)	0.20	(0.67)
Items that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	(0.14)	(0.04)	0.16	(0.07)
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total other comprehensive income	1.86	1.58	(0.39)	2.08
Total comprehensive income	142.45	191.56	178.06	737.69
Profit attributable to:				
a) Owners of the parent	140.64	190.92	178.19	736.47
b) Non-controlling interests	(0.05)	(0.94)	0.26	(0.86)
Other comprehensive income attributable to:				
a) Owners of the parent	1.86	1.58	(0.39)	2.08
b) Non-controlling interests	-	-	-	-
Total comprehensive income attributable to:				
a) Owners of the parent	142.50	192.50	177.80	738.55
b) Non-controlling interests	(0.05)	(0.94)	0.26	(0.86)
Earnings per share of ₹ 10 each :	Not annualised	Not annualised	Not annualised	
a) Basic (₹)	13.01	18.56	18.13	74.06
b) Diluted (₹)	12.99	18.51	18.10	73.73
Paid up equity share capital, equity share of ₹ 10 each	131.94	131.94	134.83	131.94
Other equity				7,467.96



Escorts Kubota Limited (Formerly Escorts Limited)
Segment wise revenue, results and capital employed for the quarter ended June 30, 2022

Sl. No.	Particulars	Consolidated			
		3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the year ended
		30-06-2022	31-03-2022	30-06-2021	31-03-2022
		Unaudited	Refer note 2	Unaudited	Audited
₹ in Crores					
1	Segment revenue:				
	a) Agri machinery products	1,610.91	1,385.06	1,441.58	5,629.34
	b) Construction equipments	246.14	319.50	141.07	986.79
	c) Railway equipments	173.35	172.80	119.40	636.21
	d) Unallocated	3.48	10.71	5.27	37.79
	Total	2,033.88	1,888.07	1,707.32	7,290.13
	Less: Inter segment revenue	1.82	1.43	-	7.48
	Net segment revenue	2,032.06	1,886.64	1,707.32	7,282.65
2	Segment results:				
	a) Agri machinery products	171.38	210.67	223.32	859.55
	b) Construction equipments	2.44	11.43	(3.29)	23.87
	c) Railway equipments	23.49	22.69	17.40	94.32
	Total	197.31	244.79	237.43	977.74
	Less :				
	- Finance costs	3.20	3.56	3.48	14.97
	- Other unallocable expenditure (Net of unallocable income)	2.57	(16.23)	(5.45)	(30.06)
	Total profit before tax	191.54	257.46	239.40	992.83
3	Segment assets				
	a) Agri machinery products	3,299.04	3,025.15	2,974.88	3,025.15
	b) Construction equipments	332.79	376.49	344.55	376.49
	c) Railway equipments	407.44	374.77	250.60	374.77
	d) Auto ancillary products (discontinued operation)	0.12	0.55	0.82	0.55
	e) Unallocated	5,654.81	5,330.78	3,473.97	5,330.78
	Total	9,694.20	9,107.74	7,044.82	9,107.74
4	Segment liabilities				
	a) Agri machinery products	1,385.94	964.30	1,290.31	964.30
	b) Construction equipments	207.58	236.18	214.25	236.18
	c) Railway equipments	122.14	92.85	76.35	92.85
	d) Auto ancillary products (discontinued operation)	5.15	6.83	6.82	6.83
	e) Unallocated	233.03	211.43	247.08	211.43
	Total	1,953.84	1,511.59	1,834.81	1,511.59

Notes :

- The above consolidated financial results for the quarter ended June 30, 2022 were reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on August 01, 2022.
- The figures for the quarter ended March 31, 2022 are the balancing figures between audited figures in respect of the full financial year and published year to date figures up to the third quarter of years ended March 31, 2022.
- The Board of the Directors of the Company on February 18, 2022 had approved a draft Scheme for Selective Capital Reduction ("Scheme") under Section 66, Section 52 and other applicable provisions of the Companies Act, 2013, read with the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 ("NCLT Rules"). The Scheme provides for selective reduction of the share capital of the Company by cancelling and extinguishing 2,14,42,343 Equity Shares, held by the Escorts Benefit and Welfare Trust. The Scheme is subject to the approval of the shareholders of the Company by way of the requisite majority, National Company Law Tribunal ("NCLT") and all other applicable regulatory authorities. The scheme has been cleared by the stock exchanges vide their no observation letters dated June 29, 2022 and postal ballot notice seeking approval of members have been sent on July 06, 2022.
- Pursuant to the approval of the Board of Directors of the Company, approval of the shareholders of the Company and Registrar of Companies, NCT of Delhi and Haryana, on November 18, 2021, December 18, 2021 and June 9, 2022, respectively, the name of the Company has changed to "Escorts Kubota Limited" effective June 09, 2022.
- Previous period figures have been re-grouped/ reclassified wherever necessary, to conform to current period's classification.

Place : Faridabad
Date : 01/08/2022



For Escorts Kubota Limited

Nikhil Nanda
(Chairman and Managing Director)

Escorts Kubota Limited (Formerly Escorts Limited)
Phone: 0129-2250222, Fax: 0129-2250060
E-mail: corpsect@ndb.vsnl.net.in, Website: www.escortsgroup.com
Registered Office : 15/5, Mathura Road, Faridabad – 121003, Haryana
CIN - L74899HR1944PLC039088

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Escorts Kubota Limited (formerly known as Escorts Limited)

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Escorts Kubota Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures (refer Annexure 1 for the list of subsidiaries, associates and joint ventures included in the Statement) for the quarter ended 30 June 2022, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the interim financial results of three subsidiaries included in the Statement, whose financial information reflect(s) total revenues of ₹ 38.76 crores, total net loss after tax of ₹ 0.45 crores, total comprehensive loss of ₹ 0.60, for the quarter ended on 30 June 2022, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of ₹ 7.56 crores and total comprehensive loss of ₹ 7.57 crores, for the quarter ended on 30 June 2022, as considered in the Statement, in respect of one associate and four joint ventures, whose interim financial results have not been reviewed by us. These interim financial statements/ financial information/ financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint ventures is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Further, of these subsidiaries, associate and joint ventures, one subsidiary is located outside India, whose interim financial results have been prepared in accordance with accounting principles generally accepted in their respective country and which have been reviewed by other auditors. The Holding Company's management has converted the financial results of such subsidiary from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the balances and affairs of this subsidiary is based on the review report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

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6. The Statement includes the interim financial results of two subsidiaries which have not been reviewed/audited by their auditors, whose interim financial results reflects total revenues of NIL, net profit after tax of ₹ 0.02 crores, total comprehensive income of ₹ 0.02 crores for the quarter ended 30 June 2022 as considered in the Statement and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries are based solely on such unaudited/unreviewed interim financial information. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Ashish
Gupta

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by Ashish Gupta
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Ashish Gupta

Partner

Membership No. 504662

UDIN: 22504662ANZFHI3077

Place: New Delhi

Date: 1 August 2022

Annexure 1

List of entities included in the Statement

Subsidiaries:

1. Farmtrac Tractors Europe Sp. Z.o.o.
2. Escorts Crop Solutions Limited
3. Escorts Finance Limited
4. Escorts Benefit and Welfare Trust
5. Escorts Benefit Trust

Associate:

1. Escorts Consumer Credit Limited

Joint ventures:

1. Adico Escorts Agri Equipment Private Limited
2. Tadano Escorts India Private Limited
3. Escorts Kubota India Private Limited
4. Kubota Agricultural Machinery India Private Limited





Escorts Kubota Limited

Escorts Kubota Ltd. Q1 Standalone Profit at ₹ 147.5 crore.

- **Tractor volumes up by 3.3% at 26,797 units**
 - Domestic tractor volume up by 0.4% at 24,608 units
 - Export tractor volumes up by 52.5% at 2,189 units, highest ever in any quarter
- **Construction Equipment volumes up by 59.4 % at 966 units**
- **Standalone EBIDTA at ₹ 201.6 crore**
- **Standalone Net Profit at ₹ 147.5 crore**

New Delhi, August 1, 2022: Escorts Kubota Limited today reported net profit of ₹ 147.5 crore in quarter ended June 30, 2022, as against a profit of ₹ 185.2 crore in corresponding quarter of the previous fiscal.

Revenue from operations was at ₹ 2,014.9 crores in quarter ended June 2022 as against ₹ 1,677.0

cores in corresponding quarter of the previous fiscal. EBIDTA for the quarter ended June 30, 2022 came at ₹ 201.6 crore as against ₹ 238.8 crore in corresponding quarter of the previous fiscal. Although the company took price increase across its product portfolio along with cost reduction efforts, but steep inflation in commodity prices coupled with adverse product mix impact due to industry shift towards lower horsepower segment adversely impacted operating profit for the quarter ended June 2022. During the quarter profit before tax was also impacted due to lower other income due to temporary mark-to-market losses on treasury Investments.

Q1FY23 Highlights



At consolidated level

Revenue from operations was at ₹ 2,032.1 crore in quarter ended June 2022, up by 19.0% as against ₹ 1,707.3 crore in corresponding quarter of the previous fiscal. Consolidated net profit recorded at ₹ 140.6 crore in quarter ended June 30, 2022 as against a profit of ₹ 178.5 crore in corresponding quarter of the previous fiscal. EPS for quarter ended June 2022 was reported at

₹ 13.01 as against ₹ 18.13 in corresponding quarter and ₹ 18.56 in sequential quarter.

Speaking on the results, Mr. Nikhil Nanda, Chairman and Managing Director, said, “We are excited to be Escorts Kubota Limited (EKL) now. During the first quarter of current fiscal industry in Agri sector has witnessed positive trend, after 3 quarter of degrowth. With onset of monsoon, and

ESCORTS KUBOTA LIMITED (Formerly Escorts Limited)

Registered Office: 15/5, Mathura Road, Faridabad 121 003, India
Tel.: +91-129-2250222

E-mail: escortsgroup@escorts.co.in Website: www.escortsgroup.com
Corporate Identification Number L74899HR1944PLC039088

likely record kharif crop production, rural liquidity and farmer sentiments are expected to gradually improve. In our construction business, we have outperformed the industry in our served markets and expect growth momentum to continue with Government's thrust on infrastructure development. We are witnessing good order booking in our Railway Business and expect a strong fiscal going ahead. With recent Government actions, Inflation may stabilise in near term and operating leverage may further possibly help in partially diluting the impact on margins in coming quarters."

SEGMENT WISE PERFORMANCE

Agri Machinery Products

Tractor sales volume at 26,797 tractors for the quarter ended June 2022 went up by 3.3% as against 25,935 tractors in corresponding quarter of the previous fiscal. Segmental revenues was up by 12.6% to ₹ 1,595.8 crore in quarter ending June 2022 as against ₹ 1,416.7 crore in corresponding quarter of the previous fiscal. EBIT margin for first quarter ended June 2022 came at 10.6% as against 15.5% in the corresponding period last fiscal.

Construction Equipment

Construction equipment sales volume at 966 machines for the quarter ended June 2022 up by 59% as against 606 machines in corresponding quarter of the previous fiscal. Segmental revenues was up by 74.5% to ₹ 246.1 crore in quarter ending June 2022 as against ₹ 141.1 crore in corresponding quarter of the previous fiscal. EBIT margin for first quarter ended June 2022 at 1.0% as against negative 2.3% in corresponding quarter of the previous fiscal.

Railway Equipment

Segment revenue for the first quarter went up by 45.2 % at ₹ 173.4 crore in quarter ending June 2022 as against ₹ 119.4 crore in corresponding quarter of the previous fiscal. EBIT margin for quarter ended June 2022 stood at 13.6 % as against 14.6 % in the previous year.

Order book for the division, at end of June 2022, was more than ₹ 850 crore.

The reviewed accounts for the quarter ended June 2022 have been approved by the Board of Directors of Escorts Kubota Limited.

For further information, kindly contact:



Bharat Madan

President Finance, Group Chief Financial Officer & Corporate Head

E-mail: bharat.madan@escorts.co.in

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Escorts Kubota Limited

(Formerly Escorts Limited)

Q1 FY23 | EARNING PRESENTATION

1st August 2022

BSE: 500495 | NSE: ESCORTS



CONTENTS

01

**Company
Overview**

02

**Q1 FY23
Standalone
Highlights**

03

**Credit Rating &
Debt Profile**

04

**Management
Message**

05

**Segmental
Performance**

06

**Shareholding
Pattern**

07

**Q1 FY23
Consolidated
Highlights**

08

**Annexure &
Narrations**



Escorts Kubota Limited: Overview

(Formerly Escorts Limited)

Escorts Kubota Limited (EKL) A leading engineering conglomerate with a history of over seven decades, steering India's socio-economic growth through pioneering contribution in critical industrial sectors.

Three Business Divisions:

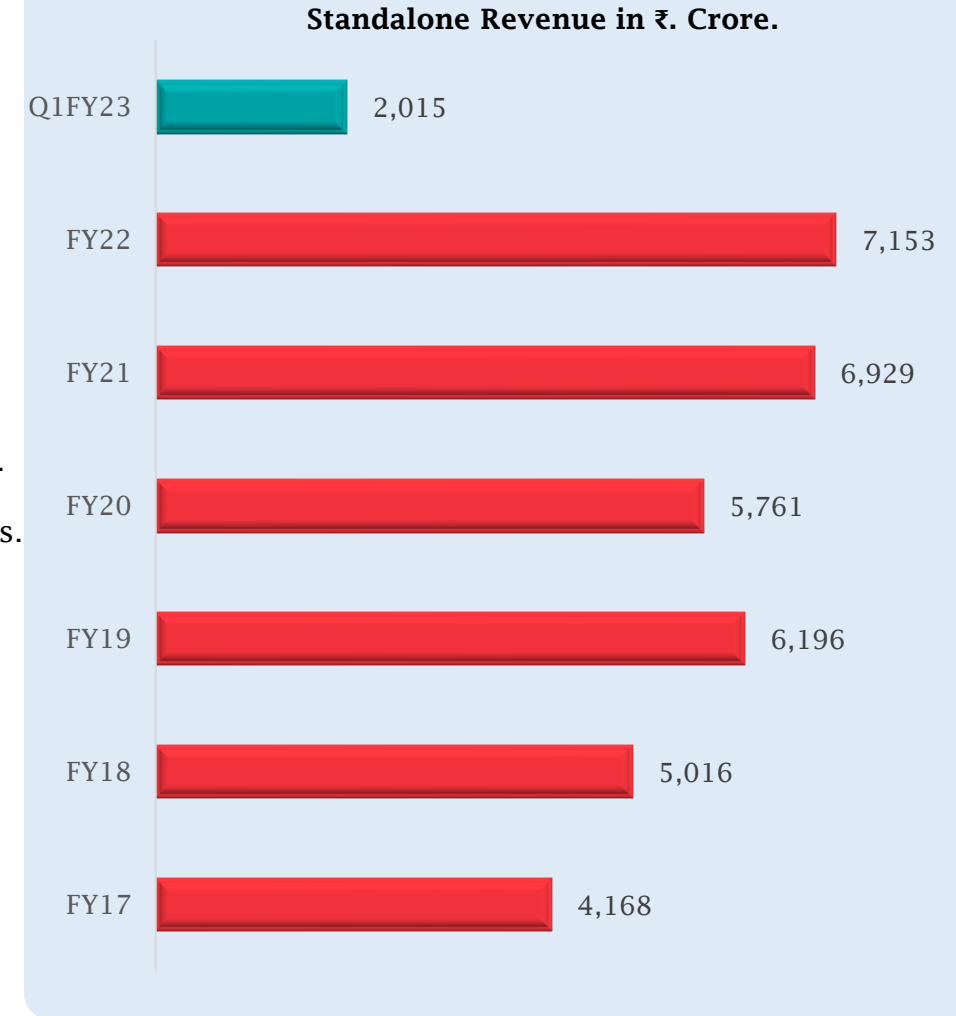
1. **Agri Machinery** - Tractors, Engine, Spare parts and Lubes
2. **Construction Equipment** - Material handing, Road compaction and Earth Moving Equipment.
3. **Railway Equipment** - Brake System, Couplers, Suspension System, Friction & rubber Products.

Headquartered In: Faridabad, Haryana, India

Manufacturing Facilities: 6 Plants* located in Faridabad, Haryana, India

Exchange Listing# : Listed on NSE and BSE

Market Capitalization: ~ Rs22,900 Crores as on 31st July 2022



Q1FY23 YoY Highlights

Particulars	Industry Growth	EKL Growth	Variance
Domestic Tractor Volume	15.8%	0.4%	● -15.3%
Export Tractor Volume	31.8%	52.5%	● 20.7%
Total Tractor Volume	17.4%	3.3%	● -14.1%
PNC Volume	40.1%	81.7%	● 41.6%
BHL Volume	55.4%	20.2%	● -35.3%
Compactor Volume	-0.4%	-21.4%	● -21.1%
Served Construction Equipment Volume*	46.7%	61.3%	● 14.6%
Railway Segment Revenue		45.2%	

● Positive ● Neutral ● Negative



*Served Construction Equipment include- PNC Cranes, Backhoe loaders and Compactors

% rounded off to nearest single decimal

Q1FY23 YoY at a Glance

Particulars	Unit	Q1FY23	Q1FY22	Variance
Domestic Tractor Market Share	%	9.3%	10.7%	● -141 bps
Revenue from operations	₹ Cr.	2,014.9	1,677.0	● 20.1%
Material Cost	%	72.2	68.0	● 415 bps
Manpower Cost	%	6.8	8.2	● -138 bps
EBIDTA	₹ Cr.	201.6	238.8	● -15.6%
EBIDTA Margin	%	10.0	14.2	● -423 bps
PAT	₹ Cr.	147.5	185.2	● -20.4%
EPS	₹	11.38	14.03	● -18.9%

● Positive ● Neutral ● Negative



Q1FY23 YoY at a Glance

26,797
Tractors Volumes

 3.3%

966
Construction Equipment's

 59.4%

₹ 173.4 Crore
Revenue from Railway Equipment

 45.2%

₹ 2,014.9 Crore
Revenue From Operations

 20.1%

₹ 201.6 Crore
EBIDTA

 -15.6%

Adversely impacted due to **steep inflation in commodity prices** coupled with **adverse product mix impact** due to industry shift towards lower horsepower segment.



₹ 147.5 Crore
Profit After Tax

 -20.4%

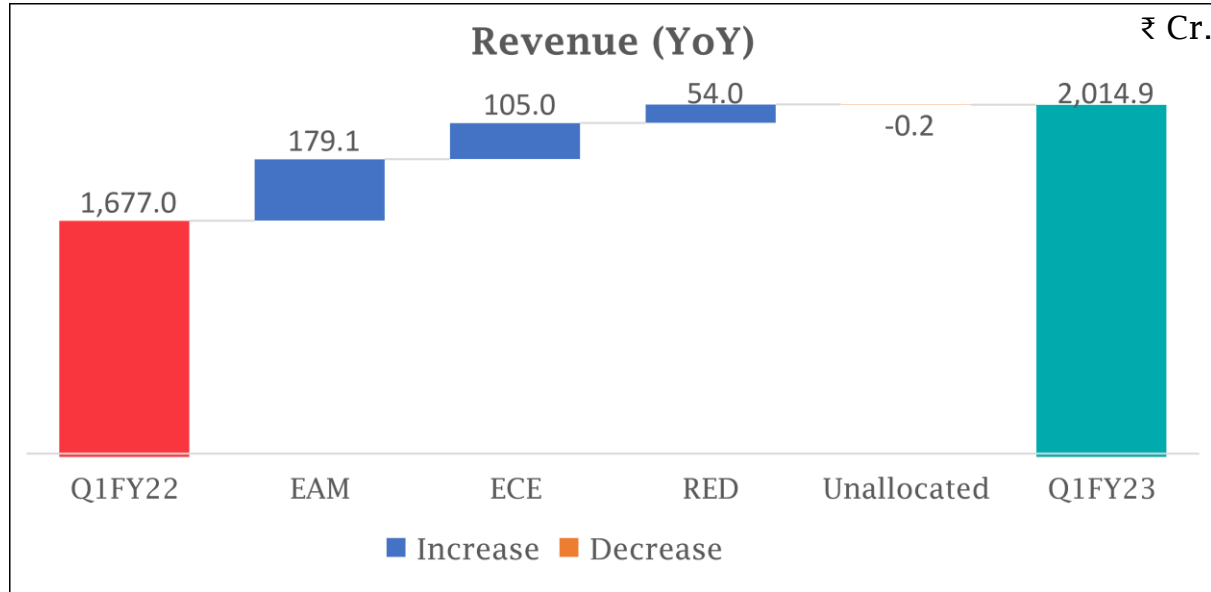
Further Impacted due to lower other income due to temporary **mark-to-market losses** on treasury Investments



% rounded off to nearest single decimal

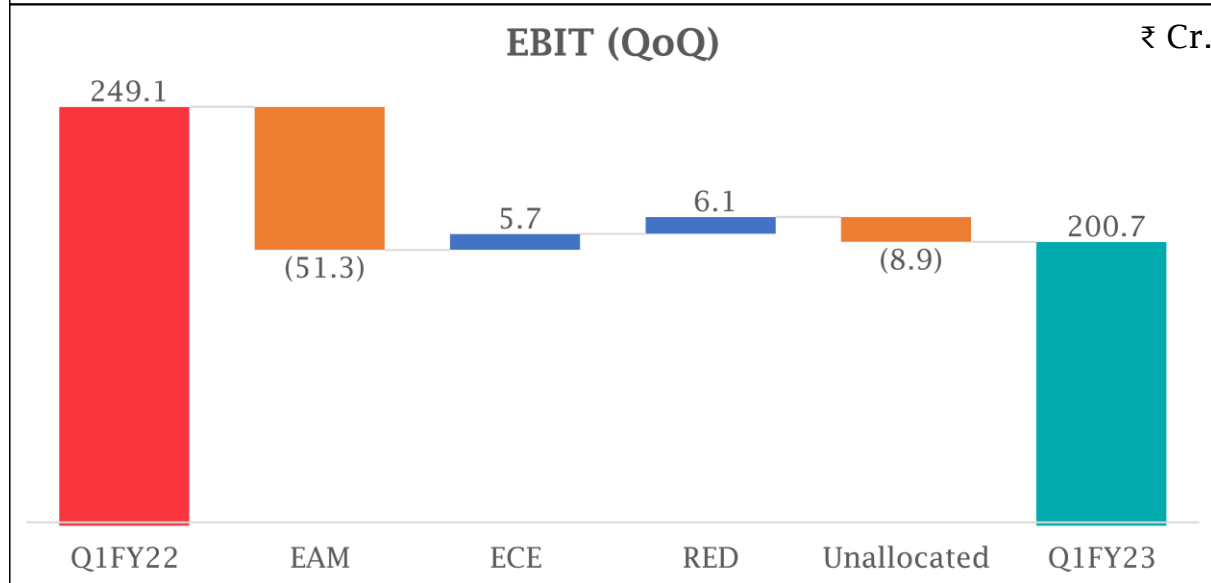
 Up Year on Year
 Down Year on Year

Q1 - YoY Revenue up by 20.1%; EBIT down by 19.4%



Revenue Key Highlights

- Tractor Sales up by 3.3% at 26,797 units
- Construction Equipment Sales up by 59.4% at 966 units
- Railway Equipment revenue up by 45.2% at ₹ 173.4 Crore.



EBIT Key Highlights

- Adversely impacted due to **steep inflation in commodity prices** coupled with **adverse product mix impact** due to industry shift towards lower horsepower segment.
- Further Impacted due to lower other income due to temporary **mark-to-market losses** on treasury Investments.



Q1FY23 QoQ at a Glance

Particulars	Unit	Q1FY23	Q4FY22	Variance
Domestic Tractor Market Share	%	9.3%	11.4%	● -215 bps
Revenue from operations	₹ Cr.	2,014.9	1,869.6	● 7.8%
Material Cost	%	72.2	70.1	● 209 bps
Manpower Cost	%	6.8	6.4	● 42 bps
EBIDTA	₹ Cr.	201.6	251.5	● -19.8%
EBIDTA Margin	%	10.0	13.5	● -345 bps
PAT	₹ Cr.	147.5	202.2	● -27.1%
EPS	₹	11.38	16.26	● -30.0%

● Positive ● Neutral ● Negative



Q1FY23 QoQ at a Glance

26,797
Tractors Volumes

 22.4%

966
Construction Equipment's

 -24.9%

₹ 173.4 Crore
Revenue from Railway Equipment

 0.3%

₹ 2,014.9 Crore
Revenue From Operations

 7.8%

₹ 201.6 Crore
EBIDTA

 -19.8%

Adversely impacted due to **steep inflation in commodity prices** coupled with **adverse product mix impact** due to industry shift towards lower horsepower segment.



₹ 147.5 Crore
Profit After Tax

 -27.1%

Further Impacted due to lower other income due to temporary **mark-to-market losses** on treasury Investments

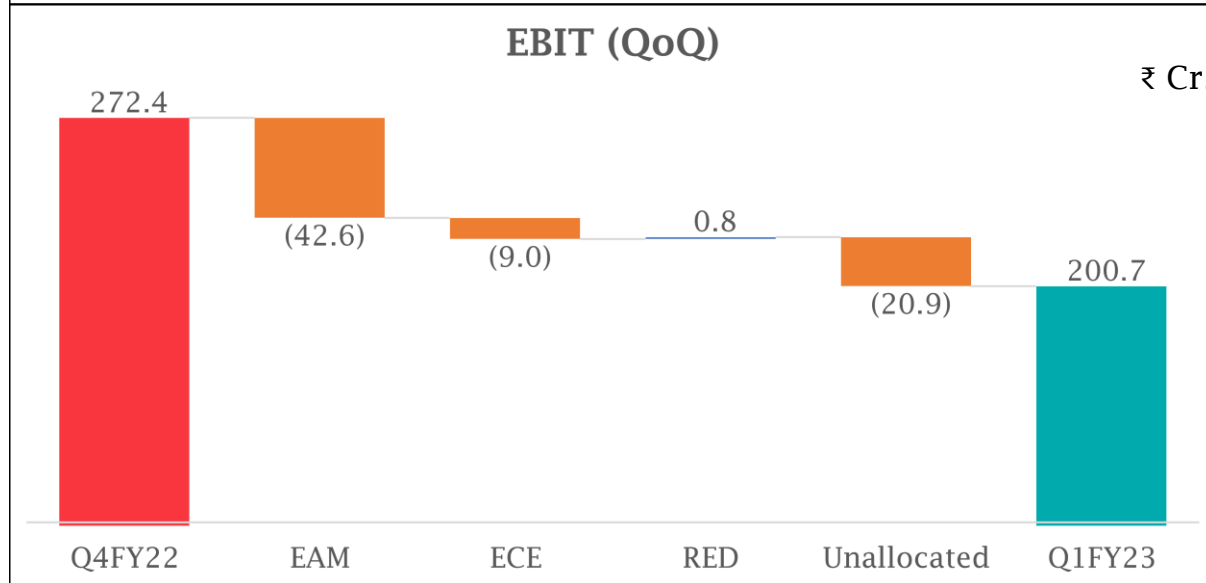
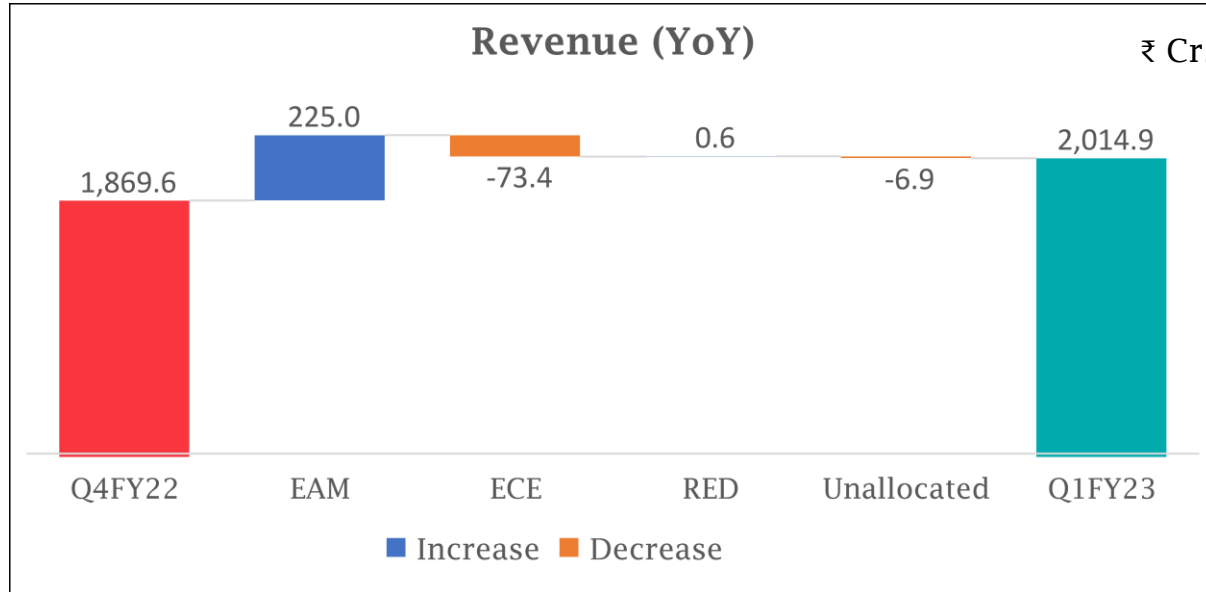


% rounded off to nearest single decimal

 Up Quarter on Quarter
 Down Quarter on Quarter

Standalone Financials

Q1 - QoQ Revenue up by 7.8%; EBIT down by 26.3%



Revenue Key Highlights

- Tractor Sales up by 22.4% at 26,797 units
- Construction Equipment Sales down by 24.9% at 966 units
- Railway Equipment revenue up by 0.3% at ₹ 173.4 Crore

EBIT Key Highlights

- Adversely impacted due to **steep inflation in commodity prices** coupled with **adverse product mix impact** due to industry shift towards lower horsepower segment.
- Further Impacted due to lower other income due to temporary **mark-to-market losses** on treasury Investments



Q1FY23 at a Glance

₹ 11.4

Earning Per Share

10.1%

Return on Capital Employed
(Annualized)

7.4%

Return on Equity
(Annualized)

~90%

Capacity Utilization

Agri Machinery

~40%

Capacity Utilization

Construction Equipment

More than **₹ 850 Crore**
Of Order Book

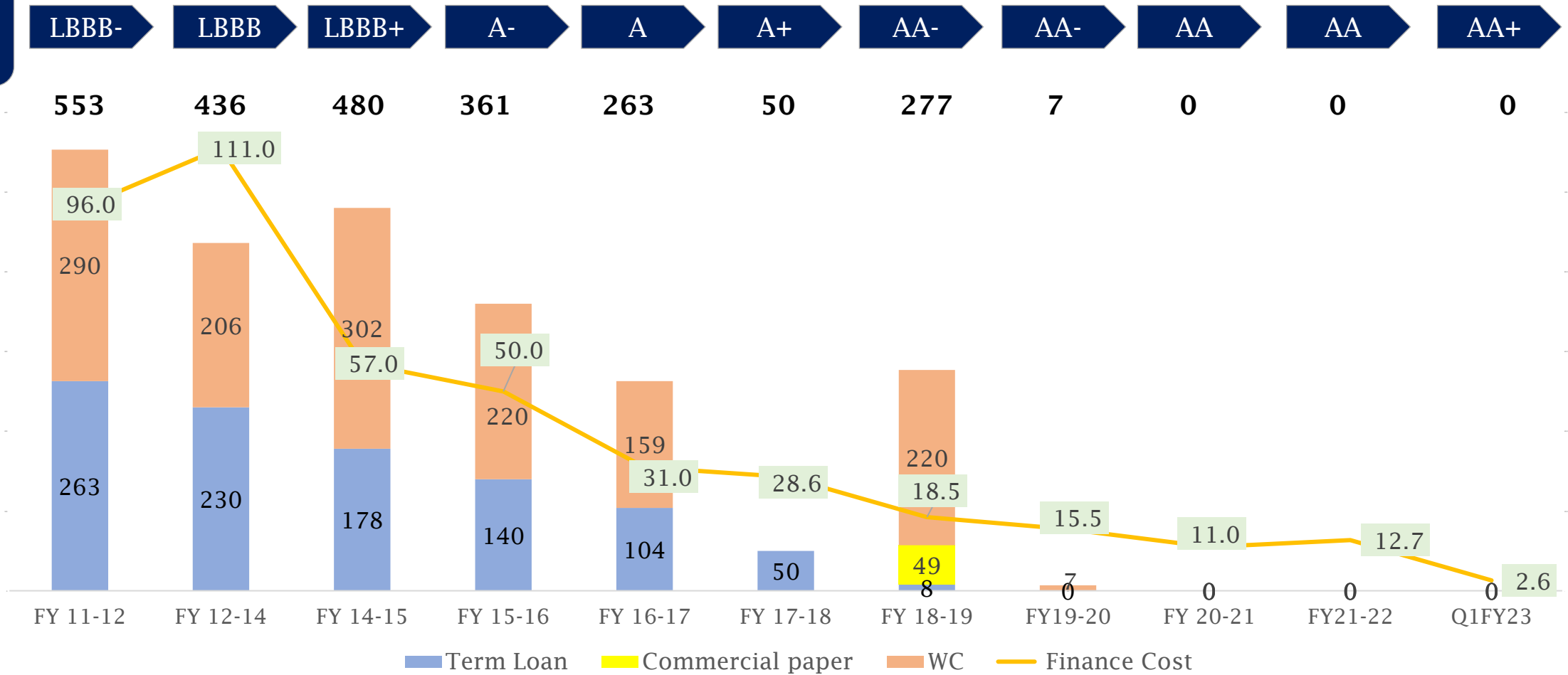
Railway Equipment Division
(as of 30th June 2022)



Credit Rating & Debt Profile

Long Term Credit Rating

(₹ Crs.)



Please note:-

- Nos. from FY 11-12 to FY 14-15 is as per IGAAP.
- Finance Cost for FY 12-14 is for 18 months.





Nikhil Nanda

**Chairman and Managing
Director**

“We are excited to be Escorts Kubota Limited (EKL) now. During the first quarter of current fiscal industry in Agri sector has witnessed positive trend, after 3 quarter of degrowth. With onset of monsoon, and likely record kharif crop production, rural liquidity and farmer sentiments are expected to gradually improve. In our construction business, we have outperformed the industry in our served markets and expect growth momentum to continue with Government’s thrust on infrastructure development. We are witnessing good order booking in our Railway Business and expect a strong fiscal going ahead. With recent Government actions, Inflation may stabilise in near term and operating leverage may further possibly help in partially diluting the impact on margins in coming quarters”



Segmental Performance

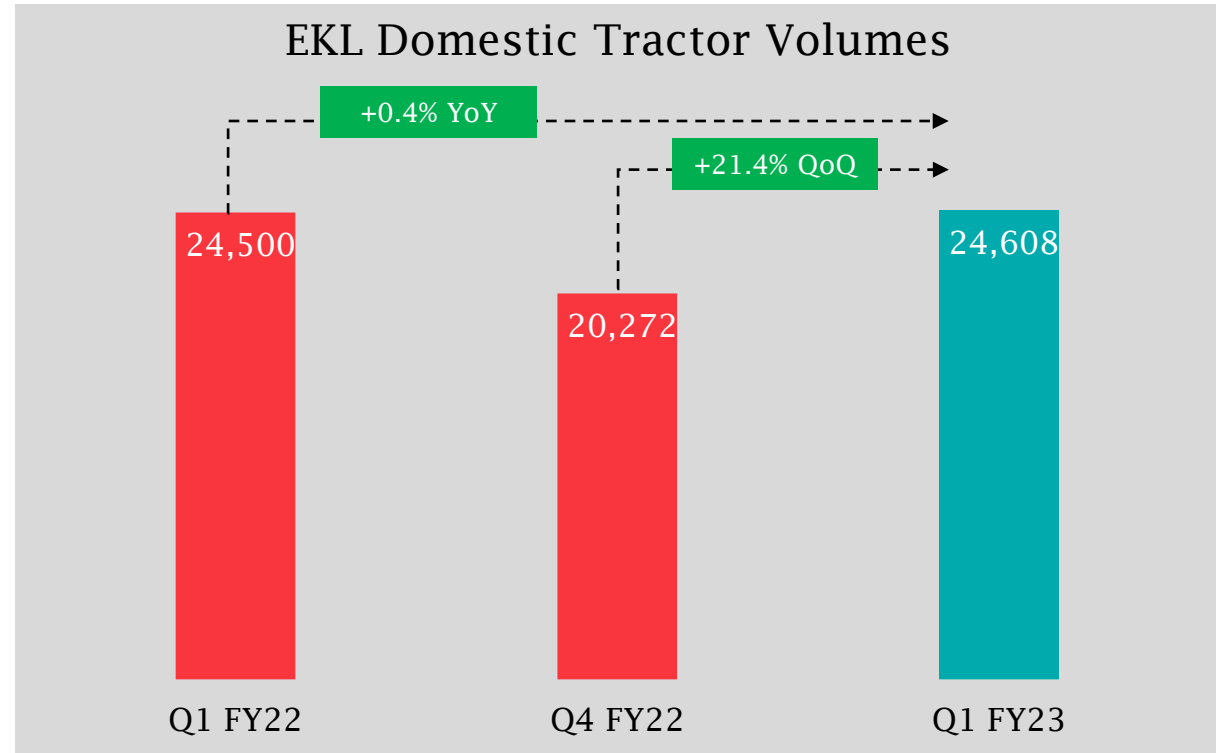
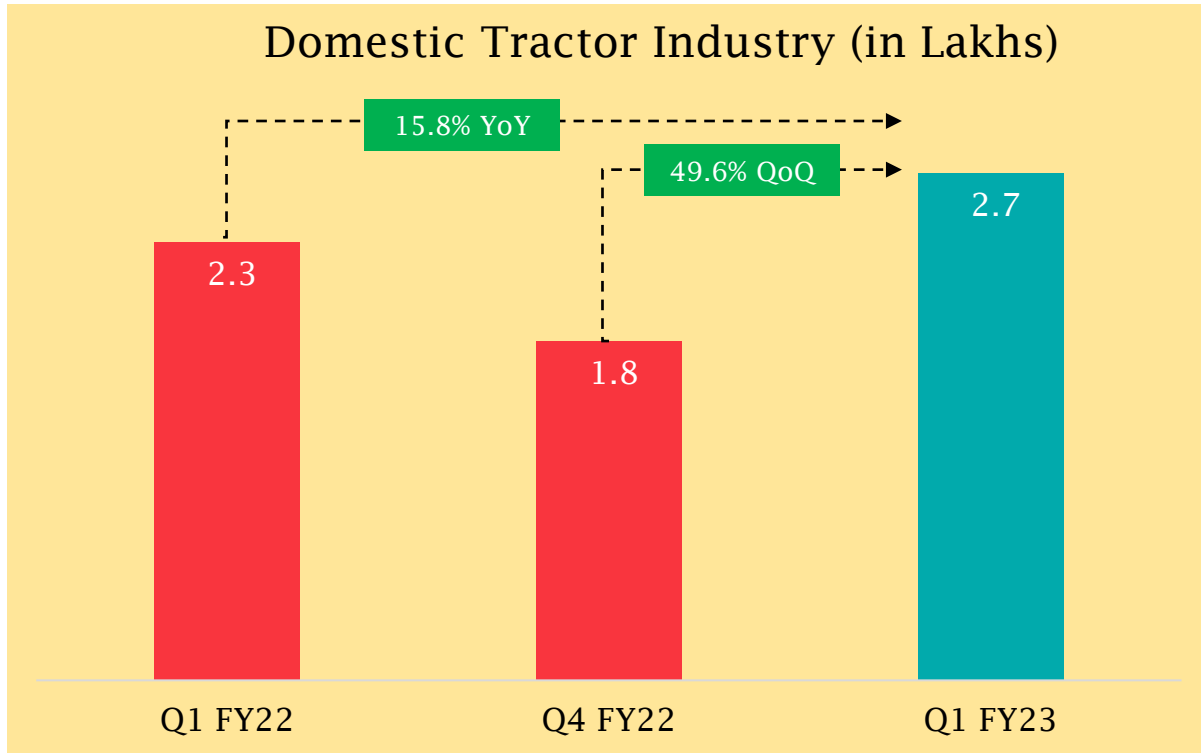


Agri Machinery



Powering The Dreams Of Farmer

Agri Machinery Domestic Performance



Industry in North & Central Regions grew by 22% Y-o-Y

Industry in Rest Region grew by 10% Y-o-Y

EKL-Tractor In North & Central Region grew by 4% Y-o-Y

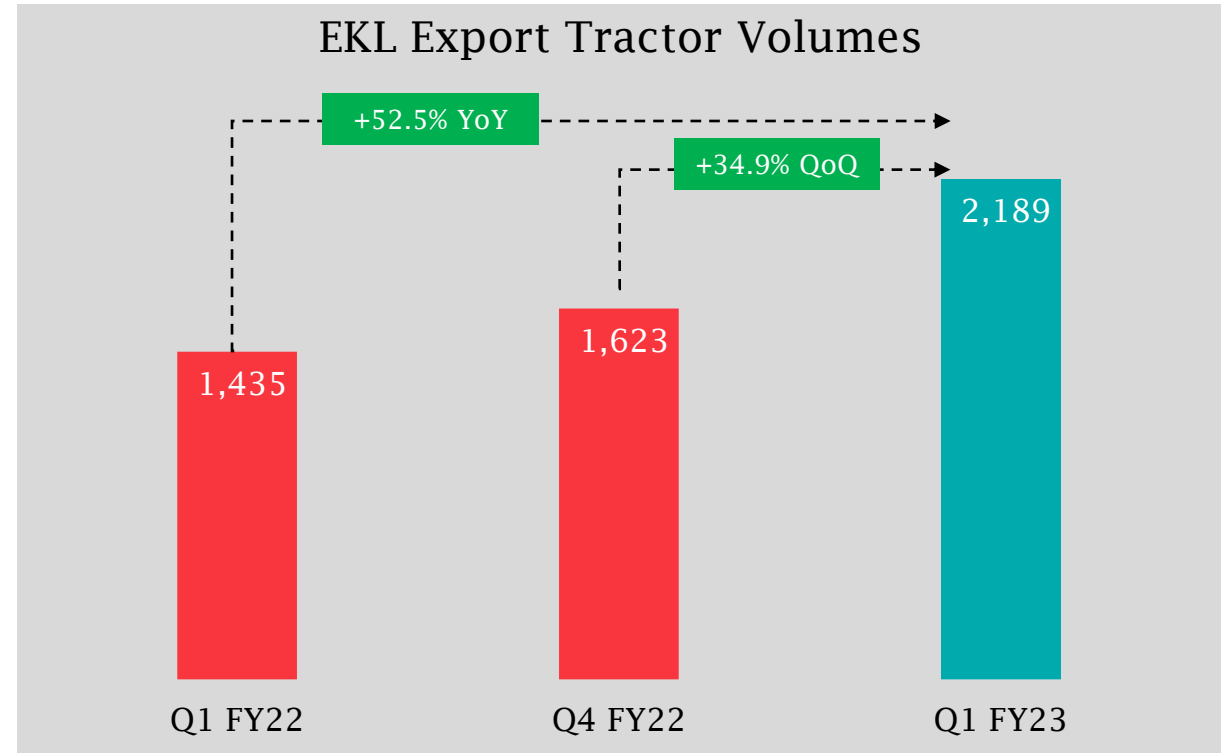
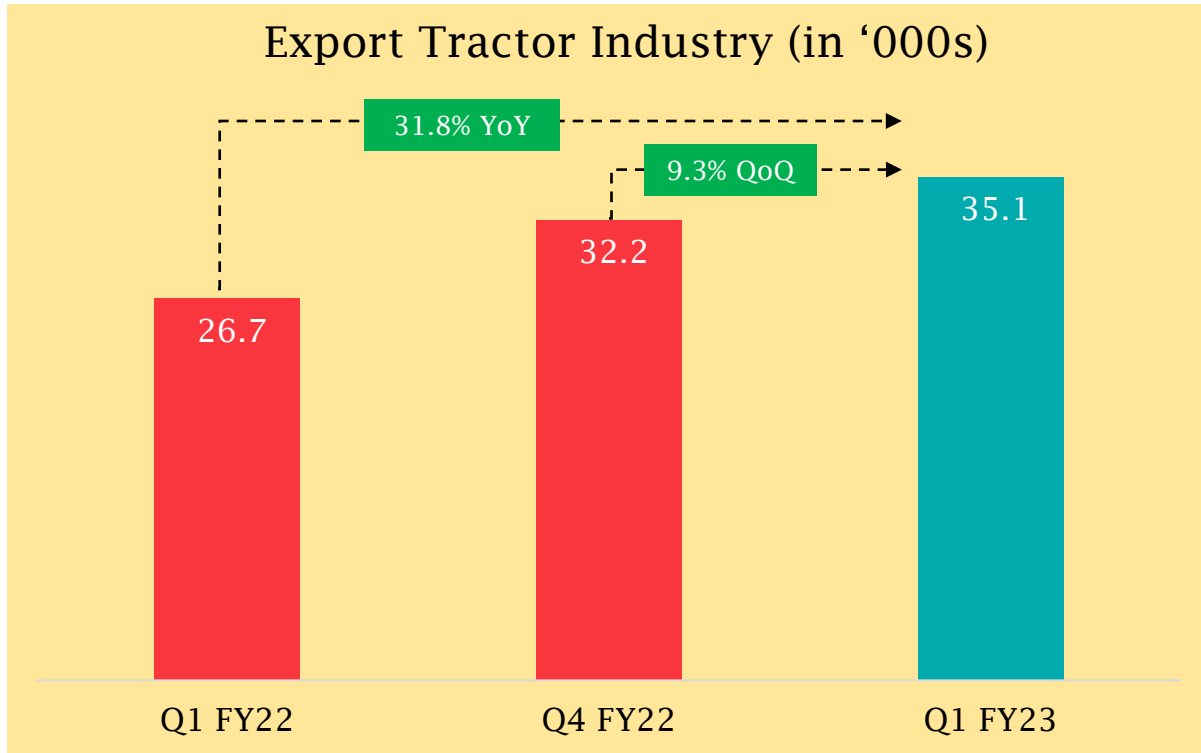
ELK - Tractor In Rest Region down by 4% Y-o-Y

Growth

De-Growth



Agri Machinery Export Performance



Highest Ever Quarterly Export Sales

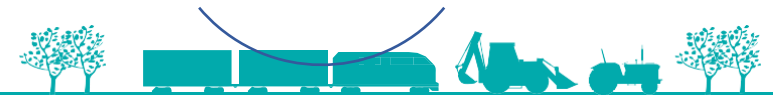
Export through Kubota channel **20%+** of total Export volume

6.2% Share of Market in Q1FY23, up by 85 bps Y-o-Y

Growth

De-Growth

1-08-2022



% rounded off to nearest single decimal


Agri Machinery Performance at Glance in Q1FY23


₹ 1,595.8 Crore
Segmental Revenue

 **12.6%**
(Y-o-Y)

 **16.42%**
(Q-o-Q)

10.6%
EBIT margin

 **-496 bps**
(Y-o-Y)

 **-484 bps**
(Q-o-Q)

~90%

Capacity Utilization

40:60

Farmtrac : Powertrac Sales Ratio*

41:59
(In Q1FY22)

45:55
(In Q4FY22)

40:60

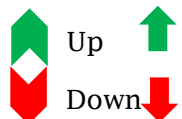
Less than 40 HP : Greater than 40 HP
Sales Ratio*

39:61
(In Q1FY22)

39:61
(In Q4FY22)

33.9%

Return on Capital Employed
(Annualized)



* Domestic



% rounded off to nearest single decimal

Construction Equipment

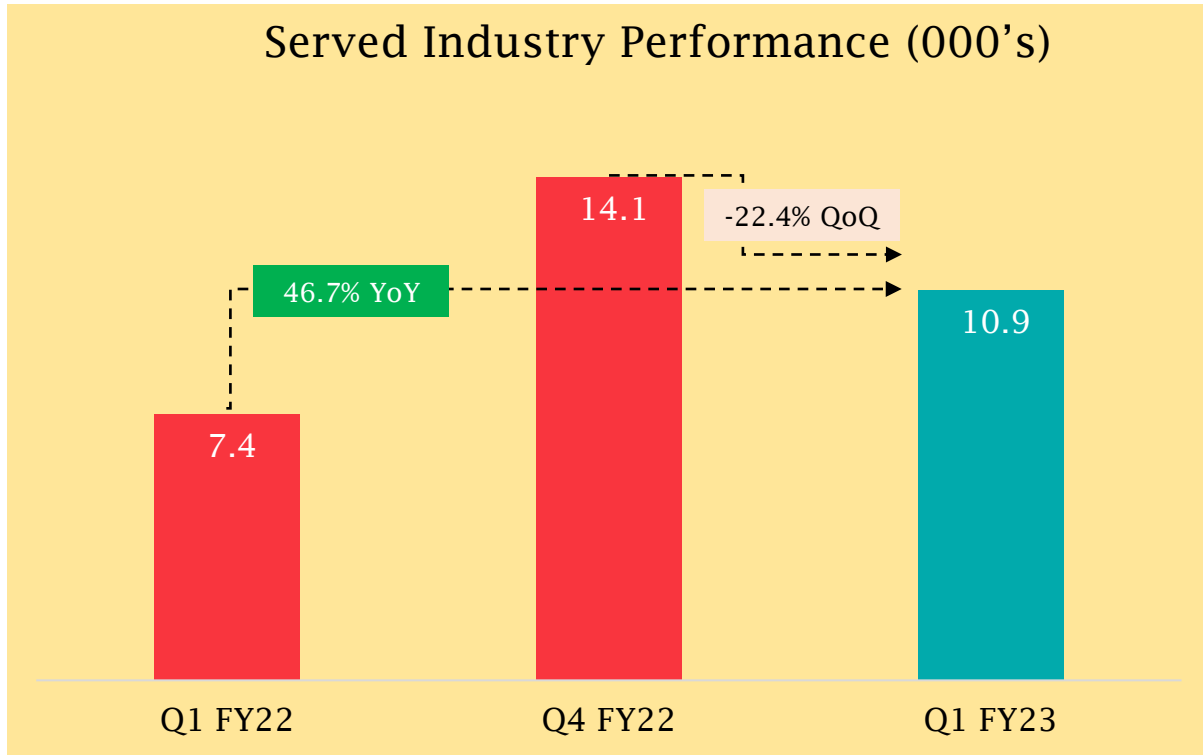
The image features two large construction cranes. On the left is a white crane with a long, articulated boom. On the right is an orange crane with a similar boom, labeled 'TRX 2319' and 'ESCORTS'. The background is dark with several glowing, curved light trails that create a sense of motion and technology. The text 'Building a Better Tomorrow' is centered in the middle of the image.

**Building a
Better Tomorrow**

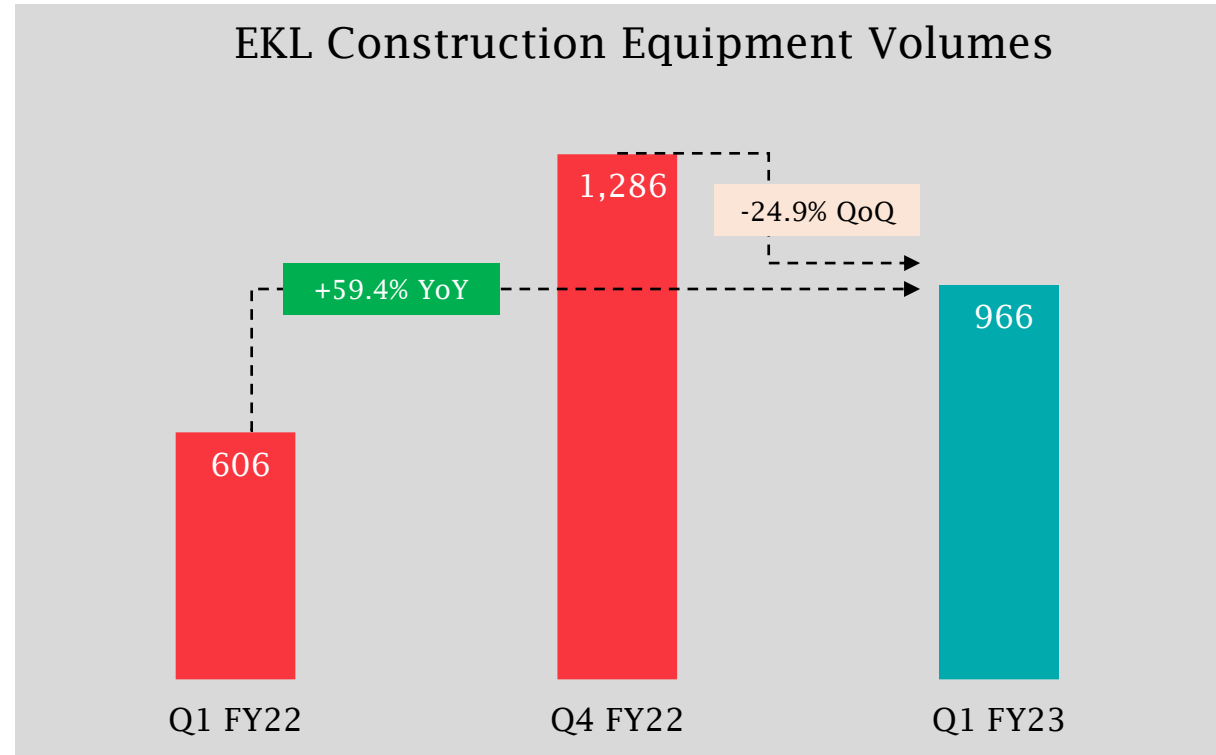
Preferred Partner In Nation Building

Construction Equipment Performance

Served Industry Performance (000's)



EKL Construction Equipment Volumes



BHL Industry up by 55.4% Y-o-Y

PnC Industry up by 40.1% Y-o-Y

Compactors Industry Flat Y-o-Y

Growth

De-Growth



% rounded off to nearest single decimal

Construction Equipment Performance at Glance in Q1FY23

₹ 246.1 Crore
Segmental Revenue



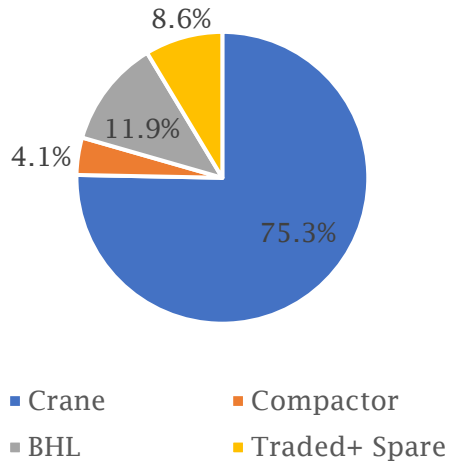
1.0%
EBIT margin



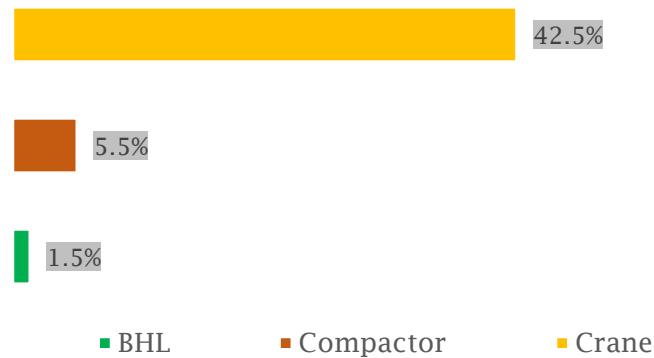
~40%

Capacity Utilization

Revenue Break up

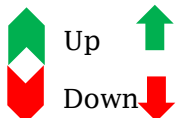


Product wise Market Share



7.4%

Return on Capital Employed
(Annualized)



% rounded off to nearest single decimal

Railway Equipment Division




Mobility Solutions
Of the future

ENSURING SAFETY AND COMFORT IN RAIL TRANSPORT


Railway Equipment Division Performance - Q1FY23


₹ 173.4 Crore
Segmental Revenue

 **45.2%**
(Y-o-Y)

 **0.32%**
(Q-o-Q)

13.6%
EBIT margin

 **-102 bps**
(Y-o-Y)

 **42 bps**
(Q-o-Q)

More than **₹ 850 Crore**
Of Order Book

(as of 30th June 2022)

67:33

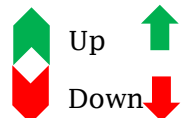
NPD : conventional Sales Ratio

63:37
(In Q1FY22)

70:30
(In Q4FY22)

33.1%

Return on Capital Employed
(Annualized)



% rounded off to nearest single decimal

Shareholding Pattern

Category	June'2021	Sept'2021	Dec'2021	Mar'2022 [^]	June'2022
Promoters	36.6	36.6	30.3	28.1	72.9
Kubota Corporation	9.1	9.1	10.0	16.4	*
Escrow Account (open offer)				39.4	
Institutions#	26.7	29.1	28.7	4.0	10.4
Public	25.5	23.2	28.8	10.3	14.9
Non Promoter Non Public	2.1	2.1	2.2	1.8	1.8
Total	100	100	100	100	100

* Kubota corporation has become a Joint promoter from 11 April 2022.

FPI/Financial Institutions/ Banks/Insurance Companies



rounded off to nearest single decimal

Consolidated Q1FY23 at a Glance

Particulars	Unit	Q1FY23	Q1FY22	YoY (Change)	Q4FY22	QoQ (Change)
Revenue from operations	₹ Cr.	2,032.1	1,707.3	● 19.0%	1,886.6	● 7.7%
Material Cost	%	72.0%	67.9%	● 405 bps	70.0%	● 196 bps
Manpower Cost	%	6.9%	8.2%	● -133 bps	6.5%	● 39 bps
EBIDTA	₹ Cr.	203.6	241.9	● -15.8%	248.2	● -17.9%
EBIDTA Margin	%	10.0%	14.2%	● -415 bps	13.2%	● -313 bps
PBT	₹ Cr.	191.5	239.4	● -20.0%	257.5	● -25.6%
PAT	₹ Cr.	140.6	178.5	● -21.2%	190.0	● -26.0%
EPS	₹	13.01	18.13	● -28.2%	18.56	● -30.0%

● Positive ● Neutral ● Negative



% rounded off to nearest single decimal

Narrations

- **EKL** - Escorts Kubota Limited
- **FY** - Fiscal Year represents the 12 months period from 1st April to 31st March.
- **Q1FY22** - Represents the 3 months period from 1st April 2021 to 30th June 2021.
- **Q4FY22** - Represents the 3 months period from 1st January 2022 to 31st March 2022.
- **Q1FY23** - Represents the 3 months period from 1st April 2022 to 30th June 2022.
- **QoQ** - Represents Quarter on Quarter
- **YoY** - Represents Year on Year
- **LY** - Represents Last Year
- **CY** - Represents Current Year
- **BHL** - Backhoe Loader
- **IndAS** - Indian Accounting Standards
- **NPD** - New Product Developed

- **PnC** - Pick & Carry Crane
- **NSE** - National Stock Exchange of India
- **BSE** - Bombay Stock Exchange
- **DSE** - Delhi Stock Exchange
- **EBIDTA** - Earnings Before Interest, Depreciation & Taxes
- **EBIT** - Earnings Before Interest & Taxes
- **PBT** - Profit Before Tax
- **PAT** - Profit After Tax
- **ROE** - Return on Equity, Calculated as PAT divided by Average capital employed.
- **ROCE** - Return on Capital Employed, calculated as EBIT divided by Average capital Employed for the quarter.



SAFE HARBOR

Certain statements in this document include forward-looking comments and information concerning the company's plans and projections for the future, including estimates and assumptions with respect to economic, political, technological, weather, market acceptance and other factors that impact our businesses and customers. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Escorts Kubota Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Accounting standard: Financials in presentation are as per IndAS.

All numbers are rounded off to nearest decimal

Contact Details

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**THANK
YOU** |

