

July 15, 2022

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

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai – 400051

BSE – 500495

NSE – ESCORTS

Dear Sir/ Madam,

Sub: Proceedings of the 76th Annual General Meeting (AGM) of the Company

Wish to inform that 76th AGM of the Company was held on Thursday, July 14, 2022, through Video Conference.

Pursuant to the Regulation 30, Part A of Schedule III of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith the summary of proceedings of the AGM.

This is for your information and record.

Thanking you,
Yours faithfully,
For Escorts Kubota Limited


Satyendra Chauhan
Company Secretary & 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)

Corporate Centre

Registered Office - 15/5, Mathura Road, Faridabad-121003, Haryana, India
Tel.: +91-129-2250222 | E-mail: escortsgroup@escorts.co.in | Website: www.escortsgroup.com
Corporate Identification Number L74899HR1944PLC039088

Summary of Proceedings of the 76th AGM of the Company held on Thursday, July 14, 2022 from 12:00 HRS to 13:58 HRS (IST)

Present

Sr. No.	Name	Designation
1.	Mr. Nikhil Nanda	Chairman and Managing Director
2.	Mr. Hardeep Singh	Director
3.	Mr. Hayagreeva Ravikumar Puranam	Independent Director
4.	Ms. Vibha Paul Rishi	Independent Director
5.	Dr. Sutanu Behuria	Independent Director
6.	Ms. Nitasha Nanda	Whole Time Director
7.	Mr. Shailendra Agrawal	Executive Director
8.	Mr. Sunil Kant Munjal	Independent Director
9.	Ms. Tanya Arvind Dubash	Independent Director
10.	Mr. Harish Narinder Salve	Independent Director
11.	Mr. Dai Watanabe	Nominee Director
12.	Mr. Yuji Tomiyama	Nominee Director
13.	Mr. Seiji Fukuoka	Nominee Director and Deputy Managing Director
14.	Mr. Shiro Watanabe	Nominee Director
15.	Mr. Ravindra Chandra Bhargava	Independent Director
16.	Mr. Kenichiro Toyofuku	Independent Director
17.	Mr. Bharat Madan	President Finance, Group Chief Financial Officer and Corporate Head
18.	Mr. Satyendra Chauhan	Company Secretary & Compliance Officer
19.	Mr. Vimal Bhandari	Invitee
20.	Ms. Reema Rameshchandra Nanavati	Invitee
21.	Mr. Manish Sharma	Invitee
22.	Mr. Yasukazu Kamada	Invitee

Other than above, the authorised representatives of Statutory Auditors, Secretarial Auditor, Internal Auditor, Cost Auditor were also present at the AGM.

Mr. Nikhil Nanda, Chairman and Managing Director of the Company, welcomed Shareholders to the 76th AGM of the Company and introduced Directors, Key Managerial Personnel (KMP) and other invitees present in the Meeting to the Shareholders. All the Directors and KMP have joined the meeting through Video Conference. The Chairman has given the gratitude to the retiring Directors for their guidance, support and contribution during their tenure.

He has also confirmed that the requisite quorum was present and called the meeting to order.

He has further informed that the 'Register of Directors and Key Managerial Personnel and their Shareholdings' and 'Register of Contracts and Arrangements in which Directors are interested' were available for inspection of Members electronically during the Meeting.

Mr. Satyendra Chauhan, Company Secretary and Compliance Officer of the Company, has briefed about procedure and other statutory requirements pertaining to the AGM to the Members of the Company.



Thereafter, The Chairman has delivered his speech and gave detailed presentation about various initiatives taken, outlook and performance of the Company, during the FY 2021-2022, which is enclosed herewith as 'Annexure I'.

As the AGM notice and the Annual Report was already circulated to all the Shareholders, therefore, AGM notice convening the meeting, Board's Report and Auditor's Report were taken as read.

Thereafter, Speaker Shareholders who had registered with the Company for speaking at the AGM were provided opportunity to express their views and/ or ask their queries about the Company and/ or about agenda items of the AGM. Queries were adequately responded by the Chairman.

The Shareholders appreciated the good performance and efforts of the Chairman, Board of Directors and Management Team during the last financial year.

Thereafter, the following items of business as mentioned in the AGM notice were transacted at the meeting:

Sr. No.	Particulars	Type of Resolution
Ordinary Business:		
1.	To receive, consider and adopt the a. audited standalone financial statement of the Company for the financial year ended March 31, 2022, and the report of Board of Directors and Auditors thereon; and b. audited consolidated financial statement of the Company for the financial year ended March 31, 2022, and the report of auditors thereon.	Ordinary
2.	To declare a dividend on equity shares for the financial year ended March 31, 2022.	Ordinary
3.	To appoint Mr. Hardeep Singh (DIN 00088096), who retires by rotation as a Director.	Ordinary
4.	To appoint Mr. Dai Watanabe (DIN 08736520), who retires by rotation as a Director.	Ordinary
5.	To re-appoint auditors and fix their remuneration.	Ordinary
Special Business:		
6.	To ratify the remuneration of Cost Auditor for the financial year ending March 31, 2023.	Ordinary
7.	To approve the re-appointment of Mr. Nikhil Nanda (DIN: 00043432) as Managing Director of the Company.	Ordinary
8.	To approve the remuneration payable to Mr. Nikhil Nanda (DIN: 00043432) pursuant to his re-appointment as Managing Director of the Company.	Special
9.	To approve the appointment of Mr. Seiji Fukuoka (DIN: 08786470) as a Whole Time Director, designated as Deputy Managing Director.	Special
10.	To approve the remuneration of Mr. Seiji Fukuoka (DIN: 08786470) as a Whole Time Director, designated as Deputy Managing Director.	Special
11.	To appoint Mr. Shiro Watanabe (DIN: 09588547) as a Non-Executive Director.	Ordinary
12.	To appoint Mr. Ravindra Chandra Bhargava (DIN: 00007620) as an Independent Director.	Special
13.	To appoint Mr. Kenichiro Toyofuku (DIN: 08619076), as an Independent Director.	Special
14.	To appoint Mr. Vimal Bhandari (DIN: 00001318), as an Independent Director.	Special
15.	To appoint Ms. Reema Rameshchandra Navati (DIN: 00690270), as an Independent Director.	Special
16.	To appoint Mr. Yasukazu Kamada (DIN: 09634701) as a Non-Executive Director.	Ordinary
17.	To appoint Mr. Manish Sharma (DIN: 06549914), as an Independent Director.	Special



The Chairman informed that the Members who had not cast their vote through remote e-voting were requested to cast their vote, through Insta-poll facility, provided by KFin Technologies Limited ('KFin'), in respect of the items stated in the Notice, which was open for 15 minutes after the proceeding of the AGM.

Scrutinizer, for the remote e-voting process and e-voting (Insta-poll) at the AGM was Mr. Jayant Gupta, Practicing Company Secretary.

Voting Results along with the Scrutinizer's Report would be declared within forty eight hours from the conclusion of AGM and shall be communicated to the Stock Exchanges and also simultaneously be placed on the website of the Company and website of KFin.

The Chairman, thereupon, thanked all for their participation in the Meeting.

On completion of the Insta Poll, the AGM was concluded at 13:58 Hrs (IST).



Dear Shareholders,

Today, we are witnessing challenging times in the world in the wake of Covid pandemic and war.

Inflation has reached the highest level in decades. Prices of various raw materials like steel, rubber and diesel have caused components prices to increase significantly along with logistics cost, with War conflict adding more upward pressure on prices of energy and food.

While the COVID-19 pandemic has still not ended, the world has started reopening and recovering from its impact.

Everybody in the value chain, including dealers and suppliers are equally impacted by this.

While we are learning from this new order of doing business in this new environment or as we call it the new normal, this requires the businesses to become extremely cost efficient, responsive to market dynamics and embrace digital in all its engagements.

In current geopolitical situation, the world has once again known, the biggest challenge to humanity is food security and we are committed to our efforts to enhance our contribution towards food security through our Agri business.

Also, the most important responsibility for us as an organization is to ensure continuity and well-being of our entire ecosystem covering employees, partners, customers, and community at large.

India has emerged stronger in post covid era. As a nation we are on the right path to grow substantially, and India has the potential to become the food basket of the world.

Our core sector's fundamentals are strong, in last five years alone, government has doubled the agriculture budget to 1.24 Lakh Crores and Niti Ayog is working on transforming agriculture sector of the country.

As per World Food and Agriculture organization sources, other high population countries roughly produce 3 to 4 times more food grains and horticulture produce in comparison to India, on lesser hectares which indicates India has huge upside in all areas of agriculture production.

Agri sector is growing decently and tractorization level have improved in last decade and in next few years industry can breach one million tractor unit's mark. Exports from India is also expected to grow significantly.

But In India, complete farm mechanization story is yet to unfold. In comparison to countries which are above 80% mechanization level, their farm equipment industry revenue is roughly three times of tractor units' revenue which presents huge headroom for growth.

To build new infrastructure, government has allocated USD 1.5 Trillion for the period FY2020-25. Most of this investment will get into roads, railway, and related infrastructure.

Escorts Kubota Limited has this opportunity to leverage \$5 Trillion national and global opportunities in agriculture and infrastructure which is further getting bigger.

To participate in this big opportunity, we wanted your company to be in best position to take advantage of this growth alongside our responsibility to institutionalise Escorts, so that it continues to serve the nation for decades and play its due role in nation building.

I am delighted that our partnership with Kubota will help us to achieve our vision. I personally have great admiration for Kubota and our shared values and common goals brought us together to integrate our mission in this win-win partnership.

This partnership is based on the fundamentals of leveraging best of each other to develop world's best technologies to serve our customers and make them prosperous.

I welcome Kubota as joint promoter of your company. Escorts Kubota Limited is a starting point of a very exciting future ahead of us.

It is also the reflection of the ideology of our founder's vision – **to bring the world's best to India – Kubota's technology, Quality and processes and offers India's best – Escorts frugal engineering, Agility and speed to the world through Kubota's global presence. This will serve our aspiration of profitable growth.**

We have initiated the Mid Term Business Plan for the future and we are making plans for next five years period and beyond to significantly enhance the value created for our stakeholders.

This is jointly being created between Escorts Kubota and Kubota Japan and we expect this to be finalized by quarter three of this year, and thereafter we will share the detailed plan with you but some of the key priorities and goals are:

In the long term, your company will work **towards leadership** in domestic and India led exports,

A **global R&D** would be established for innovative and cutting-edge products for Indian and Global markets,

Global sourcing center to come up to serve the global requirements of Kubota around the world,

- **Capacity Expansion** for tractors and farm equipment.
- **Capital allocation strategy** for business growth and expansion for all business of Agri, construction and railway.
- This new construct will offer immense opportunities for our key businesses and our stakeholders to participate globally to cater to broader **customers** and emerge as most respected future ready engineering organization for decades and centuries.

I am thankful to Kitao San, the President and Representative Director & Watanabe san, Director and Senior Managing Executive officer, from Kubota Corporation, for showing the trust in your company's vision, values, and philosophy of serving farming community & other customers in India and Global markets. Our shared values and common goals brought us together to integrate our mission. Kitano san, through his video message would like to share his vision for Escorts Kubota Limited.

{Video Message from Kitao San, Kubota Corporation}

Thank You Kitao San for your message.

Now, through a video I would like to showcase the vision of your company and the culture, and how we bring strengths and competencies of both companies together to create a bright future.

{Video on New company EKL}

Thank you for watching the video.

As you heard his message in the video, I welcome Fukuoka San, Deputy MD of your company. Fukuoka San and I along with executive team, also comprising of Kubota secondments, will jointly work on charting the path of your company for profitable growth and expansion. Our new exciting journey has just begun.

As we move forward to making **Escorts Kubota limited** the exclusive vehicle of business in India and simplifying the corporate structure, Escorts and Kubota have decided to take necessary steps to evaluate and consider the feasibility of merger of Kubota's two Subsidiaries - Kubota Agricultural Machinery India Pvt. Ltd (KAI) & Escorts Kubota India Private Limited (EKI), in India where Escorts is also a partner, into Escorts Kubota Limited, subject to necessary approvals.

Now I will talk about business performance and challenges we are facing:

Against the backdrop of a weak farm equipment market and rising raw material costs and subdued rural demand,

We managed to grow our Consolidated revenues from operations by 4% y-o-y to ₹7,455.2 crores, **our highest ever**.

Margins, however, remained under pressure due to very high material cost which increased to the level of 30% from FY21. We have managed to pass on the large chunk, but we are still carrying forward some of the unabsorbed inflation but still, **this remains the second-best year in terms of operating margins**.

Our consolidated EBITDA was at **951.5 cr**

Our Consolidated net profit was recorded at **₹ 736.1 cr**

I am happy to announce, the board of directors have recommended total dividend of 70% per equity share.

Some other financial highlights you can see on the screen.

Talking about Agri Business which continues to remain fundamentally strong, and we have a belief that in mid to long term business will continue to grow due to government focus on productivity improvement, irrigation infrastructure and crop diversification.

You can see the key highlights on the screen.

In last decade or so, your company has invested heavily in new product platforms for domestic and exports markets. Many products are in the pipeline and many more would further be developed as part of Midterm business plan. I am sharing some of the new products your company has introduced in last one year.

In Farmtrac, new platform is under market testing and due for launch in this year. With this launch we expect customers to experience the superior Framtrac technology and performance with new transmission, 4WD range, comfort and styling.

In Powertrac, Euro Next series has now been commercialised in 50-60 HP range - With this Powertrac brand makes entry into higher HP segments with fuel efficient Powertrac engines and more suitable for commercial applications.

In Exports market also new stage-V engines have been introduced. I am delighted to share that your company is the first from India, to receive European certification for stage V.

Talking about Construction Business, industry has been in slowdown but due to government infra push we believe that next few years will bring better growth prospects and with that the margins will also improve gradually.

You can see the key highlights on the screen.

In Construction business, we launched series of new products and applications like F20 Piling master with lifting capacity of 20 Ton

TRX 15 & F23 for providing higher tonnage capacity to customers for emerging applications.

In addition to these, HD85 Plus compactor with robust, compact design, also along with fuel efficient Escorts engine. And the Backhoe with New cabin, which is designed for better comfort, experience & safety.

In railway business, last year we registered a growth of 32.8% in business revenues.

We are witnessing good traction in tendering process, as Indian Railways has started gradually recovering towards pre-pandemic level and long-term growth drivers remains attractive. You can see the key highlights on the screen.

In Railway business, we launched Indigenously developed dampers for Metro segment for comfortable suspension and maintenance free life.

The Microprocessor Controlled Brake System for three phase electrics, locomotives for efficient braking application.

Air Springs, which is another product for providing comfortable ride.

Brake Disc & Brake pad have also been put into trials with Indian Railways which are Indigenously developed friction products for passenger's coach Brake system

We have started seeing the softening of commodity prices and impact of the same may start getting reflected on our margins from second half of FY23 onwards but given the current environment and global geo-political situation, it is difficult to predict.

Given the cost increases since FY21, we feel that it may take another year's time to get back to normal margins level, the recovery will be gradual and take time.

In next few years, talking about our key areas where your company will bring in a lot of focus to build "Escorts Kubota Limited" of future.

Post-merger, Escorts Kubota Limited will be uniquely positioned to cover all the key segments of the market; with Powertrac, Farmtrac and Kubota brands respectively and in Midterm business plan, we will use three brands for the unique market positioning for meeting our growth aspirations.

Your company will promote range of mechanization solutions like Harvesters for major crops, Rice Transplanters, full range of rotavators for dry and wet land cultivation and spraying solutions.

In construction and railway business as well, our focus on developing advance products will continue.

Rajan Nanda Innovation Lab – with this we made a humble start to establish innovation as a process in the DNA of your company.

In future Rajan Nanda Innovation Lab to closely work with Kubota’s Global Innovation Team and work on solving many problems of farming & other businesses.

Under our carbon neutrality strategy, our focus on alternate fuel technologies will continue and we are working in the direction of sharpening our strategy to expand our electric portfolio.

We have recently established a new organization structure with business leaders from Escorts jointly working along with secondments from Kubota to enable seamless integration of capabilities of both Escorts and Kubota organizations.

This team will work together on short term and mid-term goals along with long term vision of Escorts Kubota Limited.

In our structure, a Culture Officer position is also being created to work with teams across the organizations on jointly developing the new culture of the best of Japan & India.

The most important part of our investment strategy will start from investing on skill set of our people. We will build capabilities required to execute our

Midterm business plan and Vision through development of internal pool of young leaders towards building a workforce which is diverse and inclusive.

We want people to join Escorts Kubota with thoughts of boldness and a mindset of growth and performance in the aspirational journey of your company. Business Strategy along with people strategy would need to be blended well to deliver and execute your company's future.

Your company always committed to give back to society and work for the upliftment of nation and its people.

Last year, Under Various projects which your company undertook can be seen on the screen.

- COWINNER Vaccination program
- COVID support
- Community development
- Road safety
- Healthcare

Escorts Kubota Limited is committed to continue its journey towards wellbeing of planet and people. Your company will embark on aggressive ESG goals and work on system & processes to improve operations to achieve environment goals related to Carbon Emission.

I am happy to share that your CSR committee has decided to establish EAFI, Escorts Advance Farm Mechanization Institute in Haryana to focus on the upliftment of small and marginal farming community through skill set building and knowledge transfer in the areas of farming. This is in addition to similar activity being done at our farm institute at Bengaluru.

With this initiative we want to continue your company's legacy of uplifting farming in the country.

We will collaborate with some of the best universities, institutes and research centers to bring the required infrastructure and knowledge.

Initially we will focus in North India and with time we will explore expansion of our efforts in other areas as well.

I am also pleased to state that this year the Company was rated by one of the India's leading proxy advisor firm on **Corporate Governance practices** and improved your company's rating to "**Leadership**" category, the highest category of evaluation in Indian Corporate Governance Scorecard

The Company's long term financial rating has also recently been upgraded by both leading rating agencies **CRISIL** and **ICRA** to **AA+** and now we are just one notch lower than the highest rating of AAA.

As I conclude, I would like to deeply thank our Board of Director who have guided us and played instrumental role in the growth of your company.

I also express my heartfelt gratitude to all the stakeholders of your company; shareholders, dealer partners, suppliers who stood by us shoulder to shoulder to help and support whenever your company needed it the most.

I am also deeply thankful to all our employees in various offices and union and employees in all the plants for your contribution in making what your company is today.

I am thankful to our customers, who have trusted our brands and gave us an opportunity to serve them. We will continue to create benchmarks of excellence of customer experience.

I am confident that together Escorts Kubota Limited will script an exciting growth journey ahead.

I am excited to embark on this new journey together with all of you and I commit to you that each day that I serve through Escorts Kubota platform, I will put my best efforts to serve our customers, serve the interest of our shareholders and most importantly build a trusting and a respectable organisation, which serves the society and our nation. Looking forward to our great future at Escorts Kubota Limited, thank you.