



Date : September 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: Outcome of the Board meeting held on September 15, 2022 – Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”) read with SEBI Circular bearing reference number CIR/CFD/CMD/4/2015 dated September 9, 2015 (“SEBI Circular”)**

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Listing Regulations**”) read with SEBI Circular bearing reference number CIR/CFD/CMD/4/2015 dated September 9, 2015, we hereby submit the outcome of the meeting of the Board of Directors (“**Board**”) of Escorts Kubota Limited (**‘EKL’ or the ‘Company’**) held on September 15, 2022.

**1. Approval of Scheme of Amalgamation**

Based on recommendations of the Audit Committee and the Committee of Independent Directors, the Board discussed and granted approval to the scheme of amalgamation (the “**Scheme**”) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder. Further, the Board has given authorisation to file the Scheme along with relevant disclosures, documents, certifications, and undertakings with the stock exchanges.

The Scheme, inter alia, provides for amalgamation of Escorts Kubota India Private Limited (the “**Amalgamating Company No. 1**” or “**EKI**”) and Kubota Agricultural Machinery India Private

**ESCORTS KUBOTA LIMITED  
(Formerly Escorts Limited)**

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Tel.: +91-129-2250222

E-mail: [escortsgroup@escorts.co.in](mailto:escortsgroup@escorts.co.in) Website: [www.escortsgroup.com](http://www.escortsgroup.com)  
Corporate Identification Number L74899HR1944PLC039088



## **Escorts Kubota Limited**

Limited (“**Amalgamating Company No. 2**” or “**KAI**”) into and with the **Amalgamated Company** i.e EKL (collectively referred to as the “**Companies**”).

The Scheme is subject to receipt of approvals of requisite majorities of shareholders and creditors of the Companies and approval of regulatory authorities as may be required, including those of the National Stock Exchange of India Limited, BSE Limited, SEBI and the National Company Law Tribunal, Chandigarh bench. Advisor to the proposed Scheme is Transaction Square LLP and legal advisor to the proposed Scheme is DMD Advocates.

At the aforesaid meeting, the Board also approved the execution of the merger agreement between the Amalgamating Company No. 1, Amalgamating Company No. 2, Amalgamated Company and Kubota Corporation, which sets out, *inter-alia*, the manner of effecting the proposed amalgamation contemplated under the Scheme the representations and warranties, and indemnities being provided by each party.

Please find enclosed **Annexure 1** containing details as per Regulation 30 of the SEBI Listing Regulations read with the SEBI Circular.

### **2. In-principle approval for Purchase of Rough Terrain (‘RT’) Crane Business/ Assets and sale of shares of Tadano Escorts India Private Limited (‘TEIPL’) to Tadano Limited, Japan (‘Tadano’)**

The Board of Directors of the Company has in-principally approved, subject to definitive agreements, the following:

- a) Purchase of RT Crane Business/other assets from TEIPL, a Joint Venture Company between Tadano and the Company at fair value price and authorized Company’s officials to negotiate and finalize the requisite agreement(s)/ document(s).
- b) To sell, subject to requisite approvals, 7,27,65,000 fully paid-up equity shares of Rs. 10/- each, which constitute 49% stake held by the Company in Tadano Escorts India Private Limited (TEIPL), a joint venture between the Company and Tadano Limited, Japan (Tadano), to Tadano, at fair value price.

The requisite details as specified in Para A of Part A of Schedule III of the SEBI Listing Regulations read with the SEBI Circular shall be provided at the time of execution of definitive agreement between the Parties.

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## **Escorts Kubota Limited**

Also, please find enclosed the Presentation and the Press Release titled as “Escorts Kubota Limited (EKL) announces amalgamation of Escorts Kubota India Private Limited (EKI) & Kubota Agricultural India Private Limited (KAI) into EKL”.

Also the Press Release titled as “Escorts Kubota Limited to divest its entire 49% stake in Joint Venture Tadano Escorts India Private Limited” is attached.

This is for your information and record.

Thanking you,

For **Escorts Kubota Limited**

**Satyendra Chauhan**  
**Company Secretary & Compliance Officer**

Place : Faridabad

Date : September 15, 2022

**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.**

**Encl- as above**

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## Escorts Kubota Limited

### ANNEXURE 1

S. No.	Particulars	Description												
1)	Name of the entity(ies) forming part of the amalgamation / merger, details in brief such as, size, turnover etc.;	<p>This scheme of amalgamation (“Scheme”) involves:</p> <p>a) Escorts Kubota Limited (“Amalgamated Company” or “EKL”);</p> <p>b) Escorts Kubota India Private Limited (“Amalgamating Company No. 1” or “EKI”); and</p> <p>c) Kubota Agricultural Machinery India Private Limited (“Amalgamating Company No. 2” or “KAI”).</p> <p>Amalgamated Company, Amalgamating Company No. 1, and Amalgamating Company No. 2 are collectively referred to as the “Companies”.</p> <p>Set out below is the net-worth and total income as on March 31, 2022 of the Companies involved in the Scheme –</p> <p style="text-align: right;">(Amount in INR Crores)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Total Turnover / Income</th> <th>Net Worth*</th> </tr> </thead> <tbody> <tr> <td>Escorts Kubota Limited</td> <td>7,365.70</td> <td>7,878.18</td> </tr> <tr> <td>Escorts Kubota India Private Limited</td> <td>689.49</td> <td>167.74</td> </tr> <tr> <td>Kubota Agricultural Machinery India Private Limited</td> <td>1,821.55</td> <td>209.46</td> </tr> </tbody> </table> <p><i>*net worth as per books of accounts</i></p>	Particulars	Total Turnover / Income	Net Worth*	Escorts Kubota Limited	7,365.70	7,878.18	Escorts Kubota India Private Limited	689.49	167.74	Kubota Agricultural Machinery India Private Limited	1,821.55	209.46
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2)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms length”	<p>The proposed Scheme does not fall within the purview of related party transactions in terms of General Circular No. 30/2014 dated July 17, 2014 issued by the Ministry of Corporate Affairs since the same is subject to the sanction of the National Company Law Tribunal and provisions of Section 188 of the Companies Act, 2013 are not applicable.</p> <p>The consideration as set forth in the Scheme will be discharged on “arm’s length basis”. The share exchange ratio for the shares to be allotted to shareholders of EKI and KAI is based on valuation report provided by Mr. Niranjana Kumar, Registered Valuer, Fedex Securities Private Limited, has also issued a fairness opinion on the share exchange ratio and the share entitlement ratio. The aforementioned valuation report</p>												

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## Escorts Kubota Limited

		and fairness opinion have duly been considered by the Audit Committee, Committee of Independent Director and Board of EKL.									
3)	Area of business of the entity(ies)	<table border="1"> <thead> <tr> <th>Company</th> <th>Business</th> </tr> </thead> <tbody> <tr> <td>Escorts Kubota Limited</td> <td>EKL is, inter alia, engaged in the business of manufacturing and sale of various agricultural tractors, construction equipment, railway products, implements and spares thereof.</td> </tr> <tr> <td>Escorts Kubota India Private Limited</td> <td>EKL is engaged in the business of production and sale of tractors for the Indian and global markets.</td> </tr> <tr> <td>Kubota Agricultural Machinery India Private Limited</td> <td>KAI is engaged in the business of assembly, procurement, whether locally or through import, sales, servicing and consultancy within the territory of India, of tractors, combine harvesters and rice transplanters, and other agricultural machineries manufactured or assembled by KBT (including those manufactured or assembled by KBT's subsidiaries), as well as implements, accessories and spare parts of the foregoing.</td> </tr> </tbody> </table>	Company	Business	Escorts Kubota Limited	EKL is, inter alia, engaged in the business of manufacturing and sale of various agricultural tractors, construction equipment, railway products, implements and spares thereof.	Escorts Kubota India Private Limited	EKL is engaged in the business of production and sale of tractors for the Indian and global markets.	Kubota Agricultural Machinery India Private Limited	KAI is engaged in the business of assembly, procurement, whether locally or through import, sales, servicing and consultancy within the territory of India, of tractors, combine harvesters and rice transplanters, and other agricultural machineries manufactured or assembled by KBT (including those manufactured or assembled by KBT's subsidiaries), as well as implements, accessories and spare parts of the foregoing.	
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Kubota Agricultural Machinery India Private Limited	KAI is engaged in the business of assembly, procurement, whether locally or through import, sales, servicing and consultancy within the territory of India, of tractors, combine harvesters and rice transplanters, and other agricultural machineries manufactured or assembled by KBT (including those manufactured or assembled by KBT's subsidiaries), as well as implements, accessories and spare parts of the foregoing.										
4)	Rationale for Scheme	<p>(i) The Amalgamated Company proposes to enter into this Scheme with Amalgamating Company No. 1 and Amalgamating Company No. 2, such that the Amalgamated Company will be the exclusive vehicle for the agri-machinery business in India. Amalgamation is proposed to consolidate their respective manufacturing/service capabilities, thereby increasing efficiencies in operations and use of resources, to consolidate their diversified product and services portfolio for improving overall customer satisfaction, to pool their human resource talent for optimal utilization of their expertise, to integrate the marketing and distribution channels for better efficiency, to have a larger market footprint domestically and globally and to ensure optimization of working capital utilization.</p> <p>(ii) The management of the respective Companies are of the view that the amalgamation proposed in this Scheme is, in particular, expected to have the following benefits:</p>									

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## Escorts Kubota Limited

		<p>(a) Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies.</p> <p>(b) Optimization of the allocated capital and availability of funds which can be deployed more efficiently to pursue the operational growth opportunities.</p> <p>(c) Consolidation of funds and resources will lead to optimization of working capital utilization and stronger financial leverage given the simplified capital structure, improved balance sheet, and optimized management structure.</p> <p>(d) Consolidation of businesses under the amalgamation, would result in the pooling of financial, managerial, technical and human resources, thereby creating a stronger base for future growth and value accretion for the stakeholders.</p> <p>(e) Consolidation of production capabilities, integration and efficiency of operations, economies of scale, to create a larger scale of business and operations to cater to the demand of agro-machinery industry. Consolidation of the complementing strengths will enable the Amalgamated Company to be the exclusive vehicle for the agri-machinery business in India.</p>
5)	In case of cash consideration – amount or otherwise share exchange ratio	<p><b>a) Merger of Amalgamating Company No.1 into and with the Amalgamated Company:</b></p> <p>Following share exchange ratio has been determined for the allotment of the equity shares of the Amalgamated Company having face value of Rs. 10 each to the shareholders of the Amalgamating Company No. 1 as on the Effective Date (as per the Scheme), in consideration for the amalgamation of the Amalgamating Company No. 1 with and into the Amalgamated Company:</p> <p>5 (Five) fully paid-up equity shares of face value of Rs. 10 each of the Amalgamated Company shall be issued and allotted as fully paid-up equity shares to the equity shareholders of the Amalgamating Company No. 1, for every 129 (One Hundred and Twenty Nine) fully paid-up equity shares of face value of Rs. 100 each held by them in the Amalgamating Company No. 1.</p>

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## Escorts Kubota Limited

		<p><b>b) Merger of Amalgamating Company No. 2 into and with the Amalgamated Company:</b></p> <p>Following share exchange ratio has been determined for the allotment of the equity shares of the Amalgamated Company having face value of Rs. 10 each to the shareholders of Amalgamating Company No. 2 as on the Effective Date (as per the Scheme), in consideration for the amalgamation of Amalgamating Company No. 2 with and into the Amalgamated Company:</p> <p>5 (Five) fully paid-up equity shares of face value of Rs. 10 each of the Amalgamated Company shall be issued and allotted as fully paid-up equity shares to the equity shareholders of the Amalgamating Company No. 2, for every 220 (Two Hundred and twenty) fully paid-up equity shares of face value of Rs. 10 each held by them in the Amalgamating Company No. 2.</p>																																									
6)	Brief details of change in shareholding pattern (if any) of entities.	<p>Change in shareholding of EKL</p> <table border="1"> <thead> <tr> <th rowspan="2">Category</th> <th colspan="2">Pre-Scheme as on June 30, 2022</th> <th colspan="2">Pre-Scheme (post capital reduction pursuant to the scheme filed with the National Company Law Tribunal on August 14, 2022)</th> <th colspan="2">Post Scheme</th> </tr> <tr> <th>No. of shares</th> <th>% share holding</th> <th>No. of shares</th> <th>% share holding</th> <th>No. of shares</th> <th>% share holding</th> </tr> </thead> <tbody> <tr> <td>Promoter</td> <td>9,61,88,708</td> <td>72.90</td> <td>7,47,46,365</td> <td>67.64</td> <td>7,61,25,857</td> <td>68.04</td> </tr> <tr> <td>Public</td> <td>3,33,80,700</td> <td>25.30</td> <td>3,33,80,700</td> <td>30.21</td> <td>3,33,80,700</td> <td>29.84</td> </tr> <tr> <td>Non-Promoter Non Public</td> <td>23,71,196</td> <td>1.80</td> <td>23,71,196</td> <td>2.15</td> <td>23,71,196</td> <td>2.12</td> </tr> <tr> <td><b>Total</b></td> <td><b>13,19,40,604</b></td> <td><b>100%</b></td> <td><b>11,04,98,261</b></td> <td><b>100%</b></td> <td><b>11,18,77,753</b></td> <td><b>100%</b></td> </tr> </tbody> </table>	Category	Pre-Scheme as on June 30, 2022		Pre-Scheme (post capital reduction pursuant to the scheme filed with the National Company Law Tribunal on August 14, 2022)		Post Scheme		No. of shares	% share holding	No. of shares	% share holding	No. of shares	% share holding	Promoter	9,61,88,708	72.90	7,47,46,365	67.64	7,61,25,857	68.04	Public	3,33,80,700	25.30	3,33,80,700	30.21	3,33,80,700	29.84	Non-Promoter Non Public	23,71,196	1.80	23,71,196	2.15	23,71,196	2.12	<b>Total</b>	<b>13,19,40,604</b>	<b>100%</b>	<b>11,04,98,261</b>	<b>100%</b>	<b>11,18,77,753</b>	<b>100%</b>
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## Escorts Kubota Limited

Change in shareholding of EKI				
Category	Pre-Scheme		Post Scheme	
	No. of shares	% share holding	No. of shares	% share holding
Promoter	3,00,00,000	100%	-	-
Public	-	-	-	-
Non-Promoter Non Public	-	-	-	-
<b>Total</b>	<b>3,00,00,000</b>	<b>100%</b>	-	-

Change in shareholding of KAI				
Category	Pre-Scheme		Post Scheme	
	No. of shares	% share holding	No. of shares	% share holding
Promoter	5,00,00,000	100%	-	-
Public	-	-	-	-
Non-Promoter Non Public	-	-	-	-
<b>Total</b>	<b>5,00,00,000</b>	<b>100%</b>	-	-

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**Escorts Kubota Limited**

Company Announcement

**Escorts Kubota Limited (“EKL”) announces amalgamation of Escorts Kubota India Private Limited (“EKI”) & Kubota Agriculture India private limited (“KAI”) into EKL**

**Key Highlights:**

- Escorts Kubota Limited (“EKL”) announces amalgamation of exiting JV with Kubota Corporation (“KBT”), namely **Kubota Agriculture India Private Limited and Escorts Kubota India Private Limited into EKL.**
- The appointed date for the amalgamation shall be **1<sup>st</sup> April 2023** or such other date as may be fixed or approved by the NCLT.

**Faridabad, September 15, 2022:** The Board of Directors of Escorts Kubota Limited, Kubota Agriculture India Private Limited (“KAI”) and Escorts Kubota India Private limited (“EKI”) in their respective meetings held today approved Scheme of Amalgamation of KAI (60:40 Joint venture between KBT and EKL) and EKI (60:40 Joint venture between KBT and EKL) into and with Escorts Kubota Limited subject to necessary approvals

Upon the Scheme becoming effective,

- The Shareholders of EKI, as on the Effective date will receive 5 shares of EKL (each of face value of Rs.10/), for 129 shares held in EKI (each of face value of Rs. 100/-), i.e. **Share Exchange Ratio 1 of 5:129**; and
- The Shareholders of KAI, as on the Effective date will receive 5 shares of EKL (each of face value of Rs.10/), for 220 shares held in KAI (each of face value of Rs. 10/-), i.e. **Share Exchange Ratio 2 of 5:220**
- Equity share(s) holding by EKL in KAI and EKI will be extinguished as per the Scheme.
- Post this scheme of amalgamation and scheme of 2<sup>nd</sup> capital reduction under process (already approved by shareholders), EKL joint promoters holding will increase from 67.64% to 68.04%.

**Rational and Benefits**

In continuation to previous announcement dated 18<sup>th</sup> November 2021, post this scheme

- EKL will become **Single Exclusive vehicle** for manufacture and sale of certain Kubota’s products in India and for global sourcing from India.
- EKL will provide advanced farm mechanisation solutions to address global food security & enhanced farm productivity.
- EKL will have **Simplified legal structure.**
  - Optimized management structure and reduction in overlaps and associated costs due to operation of multiple companies.

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- Optimization of working capital utilization and stronger financial leverage given the simplified capital structure and improved balance sheet, thereby creating a stronger base for future growth and value accretion for the stakeholders.
- Seamlessly integrating Kubota's global reach and world class business processes and Escorts' proven capabilities in frugal engineering and manufacturing.
- Merger will create long-term value for all stakeholders, including customers, employees and shareholders as EKL is positioned to become an institution that will serve Indian and global farmers for decades and centuries.

*Advisor to the proposed Scheme is Transaction Square LLP and legal advisor to the proposed Scheme is DMD Advocates.*

### **About Escorts Kubota Limited (EKL):**

*"Escorts Kubota Limited (formerly Escorts Limited) is one of India's leading engineering conglomerate with over seven decades of experience in manufacturing excellence. With Total Income as on 31<sup>st</sup> March 2022 was Rs. 7,365.70 crore Aligned to its purpose led existence of Spreading Prosperity & Impacting Lives, it has helped accelerate India's socio-economic development through its presence across the high growth sectors of agricultural mechanization, modernization of railway technology and transformation of Indian construction. The company has diversified business across three different verticals, Agri Machinery, Construction Equipment & Railway Equipment Division. The Group has earned the trust of over 5 million customers by way of product and process innovations and endeavors to contribute to global food security and smart infrastructure."*

### **About Kubota Agriculture India Private Limited (KAI):**

*"Founded in December 2008 as a subsidiary of Kubota Corporation (Japan), Kubota Agricultural Machinery India Private Limited. With Total Income as on 31<sup>st</sup> March 2022 was Rs. 1,821.55 crore, KAI is Currently 60:40 Joint venture between Kubota corporation Japan and Escorts Kubota Limited (formerly Escorts Limited) and is engaged in the business of assembly, procurement, whether locally or through import, sales, servicing and consultancy within the territory of India, of tractors, combine harvesters and rice transplanter, and other agricultural machineries manufactured or assembled by KBT (including those manufactured or assembled by KBT's subsidiaries), as well as implements, accessories and spare parts of the foregoing."*

### **About Escorts Kubota India Private Limited (EKI):**

*"Founded in February 2019 as 60:40 Manufacturing Joint venture between Kubota Corporation, Japan and Escorts Kubota Limited (formerly Escorts Limited). With Total Income as on 31<sup>st</sup> March 2022 was Rs. 689.49 crore, EKI is engaged in the business of production of tractors."*

*For further information, please contact:*

**Bharat Madan**

President Finance, Group Chief Financial Officer & Corporate Head

E-mail: [bharat.madan@escorts.co.in](mailto:bharat.madan@escorts.co.in)

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**Company Announcement**

**Escorts Kubota Limited to divest its entire 49% stake in Joint Venture Tadano  
Escorts India Private Limited**

- Escorts Kubota Limited (EKL) to purchase back Rough Terrain (RT) Crane Business from Tadano Escorts India Private Limited (TEIPL) on a slump sale basis.
- EKL to divest its entire 49% stake in TEIPL.

**Faridabad, September 15, 2022:** The Board of Directors of EKL has today **in-principally** approved, the following:

- a. Purchase of RT Crane Business / Other Assets from TEIPL, a Joint Venture Company between Tadano Limited, Japan and EKL at a fair value to be determined by the valuer and authorized company officials to negotiate and finalize the requisite agreement(s)/ document(s).
- b. Divestment of EKL's entire 49% stake in Tadano Escorts India Private Limited, a joint venture between Tadano Limited, Japan and EKL to Tadano Limited, Japan at a price which is not less than the fair value to be determined by an independent Valuer and authorized company officials to negotiate and finalize the requisite agreement(s)/ document(s).

TEIPL was established in 2018 as 51:49 joint venture between Tadano Limited, Japan and Escorts Kubota Limited respectively, to manufacture rough terrain cranes and truck mounted cranes. However, due to coronavirus pandemic impacts leading to delays in product development, as well as changes in the market and competitive environment during that time, the decision has been made to discontinue the development and production of Indian market-directed products and accordingly EKL will purchase back RT cranes business from TEIPL and shall continue to produce and service the products. This decision is in line to bring greater focus on our existing businesses and is in line with our capital allocation strategy.

**About Escorts Kubota Limited:**

*"Escorts Kubota Limited (formerly Escorts Limited) is one of India's leading engineering conglomerate with over seven decades of experience in manufacturing excellence. Aligned to its purpose led existence of Spreading Prosperity & Impacting Lives, it has helped accelerate India's socio-economic development through its presence across the high growth sectors of agricultural mechanization, modernization of railway technology and transformation of Indian construction. The company has diversified business across three different verticals, Agri Machinery, Construction Equipment & Railway Equipment Division. The company is committed to excellence in engineering, innovation in products, development of market-relevant technologies and the highest of cost efficiencies to create value for its customers and shareholders. The Group has earned the trust of over 5 million customers by way of product and process innovations and endeavors to contribute to global food security and smart infrastructure."*

*For further information, please contact:*



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**ESCORTS KUBOTA LIMITED  
(Formerly Escorts Limited)**

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Corporate Identification Number L74899HR1944PLC039088



# **Escorts Kubota Limited**

(Formerly Escorts Limited)

**Kubota Agriculture India Private Limited (“KAI”) and  
Escorts Kubota India Private Limited (“EKI”)  
amalgamation into Escorts Kubota Limited (“EKL”)**



# SAFE HARBOR STATEMENT

“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 (“EKL”) 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.”



# Transaction Highlights

EKL will be exclusive vehicle for manufacture and sale of Kubota product in India and for global sourcing.

1

## Amalgamation

**Kubota Agriculture India Private Limited** (60:40 Joint venture between KBT and EKL) and **Escorts Kubota India Private Limited** (60:40 Joint venture between KBT and EKL) amalgamation With **Escorts Kubota Limited**.

2

## Swap Ratio

- The Shareholders of EKI, as on the Effective date will receive 5 shares of EKL (each of face value of Rs.10/), for 129 shares held in EKI (each of face value of Rs. 100/-), i.e. **Share Exchange Ratio 1 of 5:129**; and
- The Shareholders of KAI, as on the Effective date will receive 5 shares of EKL (each of face value of Rs.10/), for 220 shares held in KAI (each of face value of Rs. 10/-), i.e. **Share Exchange Ratio 2 of 5:220**
- Equity share(s) holding by EKL in KAI and EKI will be extinguished as per the Scheme.

The appointed date for the amalgamation shall be 1<sup>st</sup> April 2023.



# EKL - Shareholding

Category /Company	Pre-Scheme*		Post 2 <sup>nd</sup> Capital reduction <sup>^</sup>		Post-Scheme	
	No. of shares	% share holding	No. of shares	% share holding	No. of shares	% share holding
Particulars						
Nanda Family	1,56,33,395	11.85	1,56,33,395	14.15	1,56,33,395	13.97
Kubota Corporation	5,91,12,970	44.80	5,91,12,970	53.50	6,04,92,462	54.07
Trust <sup>^</sup>	2,14,42,343	16.25	-	-	-	-
<b>Promoter group</b>	<b>9,61,88,708</b>	<b>72.90</b>	<b>7,47,46,365</b>	<b>67.64</b>	<b>7,61,25,857</b>	<b>68.04</b>
Public	3,33,80,700	25.30	3,33,80,700	30.21	3,33,80,700	29.84
Non-Promoter Non Public	23,71,196	1.80	23,71,196	2.15	23,71,196	2.12
<b>Total</b>	<b>13,19,40,604</b>	<b>100.00</b>	<b>11,04,98,261</b>	<b>100.00</b>	<b>11,18,77,753</b>	<b>100.00</b>

\* Shareholding as of 30<sup>th</sup> June 2022

<sup>^</sup> 2<sup>nd</sup> capital reduction under process (already approved by shareholders).



% rounded off to nearest Double decimal

# KAI & EKI Shareholding

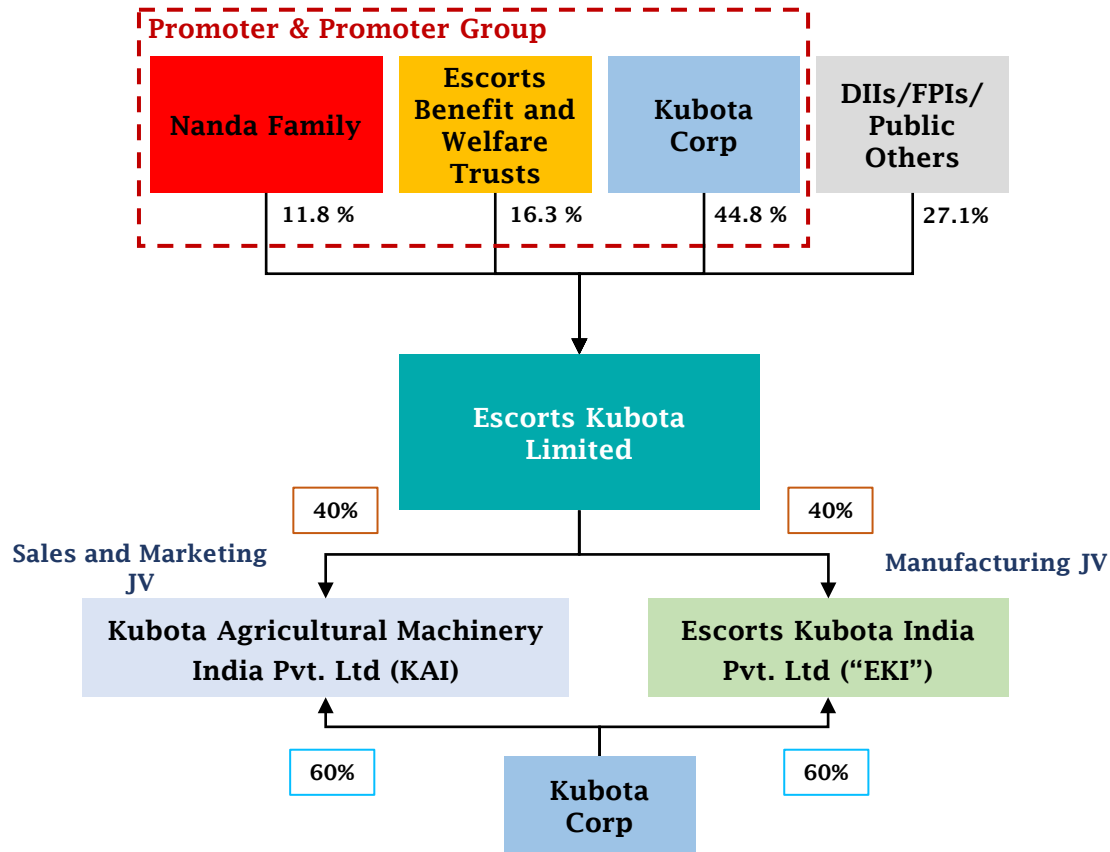
Category /Company	Pre-Scheme				Post-Scheme		
	EKI		KAI				
Particulars	No. of shares	% holding	share	No. of shares	% holding	share	
Nanda Family	-	-		-	-		Merged into EKL
Kubota Corporation	1,80,00,000	60.0		3,00,00,000	60.0		
EKL	1,20,00,000	40.0		2,00,00,000	40.0		
<b>Total</b>	<b>3,00,00,000</b>	<b>100.0</b>		<b>5,00,00,000</b>	<b>100.0</b>		



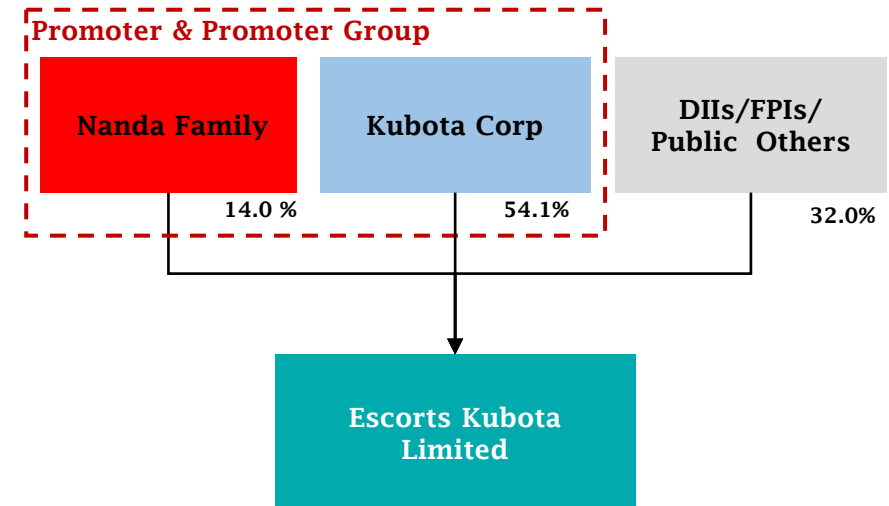


# Simplified Legal Structure

## Current Structure



## Post Scheme of Arrangement (merger of JVs & 2<sup>nd</sup> share reduction)



% rounded off to nearest single decimal

# Benefits & Rational – Win Win for All Stakeholders...

## Escorts Kubota Limited

Cost Efficiency

Frugal Manufacturing

Indian Resources and Reach

## Kubota Agriculture India Pvt. Ltd.

Kubota Process System

Implements Business

Global Leadership in sub 120 HP

## Escorts Kubota India Pvt. Ltd.

Low cost Setup

Resources and Reach

Indo-Japanese Manufacturing



- Bring the world's best to India and take India's best to the world
- One of the **largest Indo-Japan agriculture collaboration**, establishing unparalleled commercial reach
- **Exclusive vehicle** for manufacture and sale of certain Kubota's products in India and for global sourcing



# Benefits & Rational – Win Win for All Stakeholders...

## Dealer Partner

- **High product quality:** on the back of robust manufacturing and design processes.
- Global best practices on delivering **delightful customer experience.**
- **Cost-competitiveness** arising from our global scale of operations.

## Human Resource

- Immense learning from **standardization of process**, experience and exposure across various geographies
- Optimized management structure and reduction in overlaps and associated costs due to operation of multiple companies.

## Shareholders

- Strong Strategic Partnership to open **opportunities at a global level.**
- Optimization of the allocated capital and availability of funds which can be deployed more efficiently to pursue the operational growth opportunities.
- **Better returns** with consolidation of funds and optimized working capital utilization

Post Scheme approval EKL will be 3<sup>rd</sup> leading\* domestic player in India

1.7 Lacs Single Capacity & Common Supplier Base for cost optimization

# EKL Standalone Financials - Pre & Post Merger

Particulars	Unit	EKL		
		Pre-Merger*	Post 2 <sup>nd</sup> capital reduction	Post Merger
Revenue from operations	₹ Crore	7,196.9	7,196.9	9,026.7
Total Income	₹ Crore	7,365.7	7,365.7	9,203.6
EBIDTA	₹ Crore	995.5	995.5	1,025.0
<i>% to revenue from operations</i>	%	13.8%	13.8%	11.4%
PBT	₹ Crore	1,021.9	1,021.9	997.6
<i>% to revenue from operations</i>	%	14.2%	14.2%	11.1%
PAT	₹ Crore	765.6	765.6	722.3
<i>% to revenue from operations</i>	%	10.6%	10.6%	8.0%
Equity share capital (No of shares- Exit)	Nos.	13,19,40,604	11,04,98,261	11,18,77,753
EPS (Basic)	₹	58.91	69.29	64.56
Book Value per share	₹	597.10	695.05	701.82



# About the Companies

## About Escorts Kubota Limited

- Established in **1944**
- Escorts Kubota Limited is among India's leading engineering conglomerates, operating in the high-growth sectors of Agri Machinery, Material Handling, Construction Equipment and Railway Equipment
- The Group has earned the trust of over 5 million customers by way of product and process innovations over seven decades of its existence.
- Escorts Kubota endeavors to transform lives in rural and urban India by leading the revolution in agricultural mechanization, modernization of railway technology and transformation of Indian construction.
- **Revenue** :- ₹ 74.57 billion (FY 2022 - consolidated)
- For more details visit @ [www.escortsgroup.com](http://www.escortsgroup.com)

## About Kubota Corporation

- Established in **1890**
- **Kubota** Corporation (株式会社クボタ Kabushiki-kaisha **Kubota**) is a global manufacturing company, specialising in agriculture, water and living environment products with a worldwide network in over 100 countries.
- Kubota's research and development values thorough hands-on approach. As an agricultural and water expert, Kubota endeavors to attain the future of food, water, and the environment, realizing our customer's needs. Through proactive management, user-friendly products, and stable support, Kubota has been a leader in the global agriculture and water-related industries.
- 2/3rd revenue outside Japan markets
- Technology & Volume leadership <120 HP tractors
- Revenue:- ¥2,196.8 billion (CY 2021)
- For more details visit @ [www.kubota.com](http://www.kubota.com)



# About the Companies

## About Kubota Agriculture India Private Limited

- Established in **2008**
- 60:40 Joint venture between Kubota corporation Japan and Escorts Kubota Limited (formerly Escorts Limited)
- Engaged in the business of assembly, procurement, whether locally or through import, sales, servicing and consultancy within the territory of India, of tractors, combine harvesters and rice transplanters, and other agricultural machineries manufactured or assembled by KBT (including those manufactured or assembled by KBT's subsidiaries), as well as implements, accessories and spare parts of the foregoing.
- **Revenue** :- ₹ 18.20 billion (FY 2022)
- For more details visit @
  - <https://www.kubota.co.in/>
  - [https://www.escortsgroup.com/templates/escortsgroup\\_home/images/subsidiaries/KAI-2022-03-31-Balance-Sheet.pdf](https://www.escortsgroup.com/templates/escortsgroup_home/images/subsidiaries/KAI-2022-03-31-Balance-Sheet.pdf)

## About Escorts Kubota India Private Limited

- Established in **2019**
- 60:40 Manufacturing Joint venture between Kubota Corporation, Japan and Escorts Kubota Limited (formerly Escorts Limited).
- Engaged in the business of production of tractors.
- Revenue:- ₹. 6.89 billion (FY 2022)
- For more details visit @
  - <https://www.kubota.com/news/2018/20181211.html>
  - [https://www.escortsgroup.com/templates/escortsgroup\\_home/images/subsidiaries/EKI-2022-03-31-Balance-Sheet.pdf](https://www.escortsgroup.com/templates/escortsgroup_home/images/subsidiaries/EKI-2022-03-31-Balance-Sheet.pdf)





# THANK YOU |



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