



July 15, 2020

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 051 BSE – 500495	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai - 400 051 NSE – ESCORTS	Delhi Stock Exchange Limited DSE House, 3/1, Asaf Ali Road, New Delhi - 110 002 DSE – 00012
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Subject: Intimation of the outcome of the Board Meeting under Regulation 30 (read with Schedule III) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The Board of Directors of the Company (“**Board**”) in its meeting held on March 20, 2020, had considered and granted an in-principle approval to consider reduction of the issued, subscribed and paid-up equity share capital of the Company by cancelling and extinguishing 1,22,57,688 (One Crore Twenty Two Lakhs Fifty Seven Thousand and Six Hundred and Eighty Eight) equity shares of INR 10 (Indian Rupees Ten only) each, which are currently held by the Escorts Benefit and Welfare Trust (“**EBWT**” or the “**Trust**”), without payment of any consideration to the aforesaid Trust, subject to the provisions of Section 66, Section 52 and other applicable provisions of the Companies Act, 2013 (“**Act**”), National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 (“**NCLT Rules**”) and any other applicable provisions of law, the articles of association of the Company and subject to the approval of the shareholders of the Company by way of requisite majority and confirmation of the National Company Law Tribunal (“**NCLT**”), and such other applicable regulatory approvals as may be required, and subject to the terms and conditions, as may be prescribed by the appropriate authority, and subject to the completion of the issue, offer and allotment of 1,22,57,688 (One Crore Twenty Two Lakhs Fifty Seven Thousand and Six Hundred and Eighty Eight) equity shares of the Company to Kubota Corporation, Japan (“**Capital Reduction**”).

In furtherance to the above, the Board in its meeting held today *i.e.* July 15, 2020, after considering the recommendations of the Audit Committee, discussed and granted final approval to the Capital Reduction and approved the draft scheme for Capital Reduction (“**Scheme**”), under Section 66, Section 52 and other applicable provisions of the Act read with the NCLT Rules. The Scheme is subject to approval of the shareholders of the Company by way of requisite majority, NCLT and all other applicable regulatory approvals. The Capital Reduction shall ensure that the total equity share capital of the Company remains unchanged even after the proposed issue of shares by the Company to Kubota Corporation.

ESCORTS LIMITED

Corporate Secretarial & Law

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

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Corporate Identification Number - L74899HR1944PLC039088

Pursuant to the aforementioned Capital Reduction coming into effect, i.e., upon approval of the Scheme by the shareholders by way of requisite majority, NCLT and all other applicable regulatory authorities, the paid-up equity share capital of the Company will stand reduced from INR 134,83,45,660 (Indian Rupees One Hundred and Thirty Four Crores Eighty Three Lakhs Forty Five Thousand and Six Hundred and Sixty only) consisting of 13,48,34,566 (Thirteen Crores Forty Eight Lakhs Thirty Four Thousand and Five Hundred and Sixty Six) equity shares of INR 10 (Indian Rupees Ten only) each to INR 122,57,68,780 (Indian Rupees One Hundred and Twenty Two Crores Fifty Seven Lakhs Sixty Eight Thousand and Seven Hundred and Eighty) consisting of 12,25,76,878 (Twelve Crores Twenty Five Lakhs Seventy Six Thousand and Eight Hundred and Seventy Eight) equity shares of INR 10 (Indian Rupees Ten only).

The relevant documents for obtaining approval under Regulation 37 of the Listing Regulations, will be submitted to the stock exchanges and other concerned authorities in due course.

Disclosures in respect of the Capital Reduction as required under Regulation 30 of the Listing Regulations read with Para A.1 of the Securities and Exchange Board of India Circular (CIR/CFD/CMD/4/2015) dated September 9, 2015 ("SEBI Circular"), are enclosed as **Annexure A**.

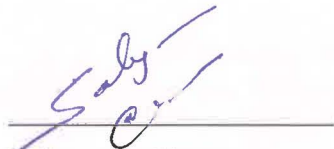
The Board meeting commenced at 10:35 a.m. and concluded at 11:12 a.m. 

This is for your information and appropriate dissemination.

Thanking you.

Yours faithfully,

For Escorts Limited



Satyendra Chauhan

Company Secretary & Compliance Officer

Place: Faridabad

Date: July 15, 2020

ANNEXURE A

Details which a listed entity needs to disclose in the event of scheme of capital reduction as specified in Para A of Part A of Schedule III of the SEBI Listing Regulations read with the SEBI Circular.

Sr. No.	Particulars	Details															
1.	Details and reasons for restructuring	<p>The restructuring involves the selective cancellation and reduction of 1,22,57,688 (One Crore Twenty Two Lakhs Fifty Seven Thousand and Six Hundred and Eighty Eight) fully paid-up equity shares held by EBWT for NIL consideration.</p> <p>The Company proposes to issue and allot 1,22,57,688 (One Crore Twenty Two Lakhs Fifty Seven Thousand and Six Hundred and Eighty Eight) fully paid-up equity shares to Kubota Corporation, Japan ("KBT") constituting 9.09% of the issued and paid up share capital of the Company. Upon such issue and allotment, the public shareholding shall get diluted.</p> <p>The proposed reduction of capital of EBWT (without payment of any consideration by the Company) for an equivalent number of shares proposed to be issued to KBT (i.e. 1,22,57,688 (One Crore Twenty Two Lakhs Fifty Seven Thousand and Six Hundred and Eighty Eight) fully paid-up equity shares) will ensure that the public shareholding does not get diluted and there is no monetary outgo for the Company.</p>															
2.	Quantitative and/ or qualitative effect of restructuring	There will be no cash outgo by the Company. The proposed reduction of capital shall not have any adverse effect on the interests of the shareholders or creditors of the Company. Instead, the capital reduction shall ensure that the total equity share capital of the Company remains unchanged even after the preferential allotment to KBT.															
3.	Details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring	None															
4.	Brief details of change in shareholding pattern (if any) of all entities	<p>• Existing shareholding of the Company before proposed preferential allotment to KBT:</p> <table border="1"> <thead> <tr> <th>Category</th><th>No. of shares</th><th>Percentage (%)</th></tr> </thead> <tbody> <tr> <td>Promoter</td><td>4,93,33,680</td><td>40.25%</td></tr> <tr> <td>Public</td><td>7,01,68,686</td><td>57.24%</td></tr> <tr> <td>Others</td><td>30,74,512</td><td>2.51%</td></tr> <tr> <td>Total</td><td>12,25,76,878</td><td>100.00%</td></tr> </tbody> </table>	Category	No. of shares	Percentage (%)	Promoter	4,93,33,680	40.25%	Public	7,01,68,686	57.24%	Others	30,74,512	2.51%	Total	12,25,76,878	100.00%
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