



Escorts Kubota Limited

(Formerly Escorts Limited)

INVESTOR PRESENTATION

August 2024

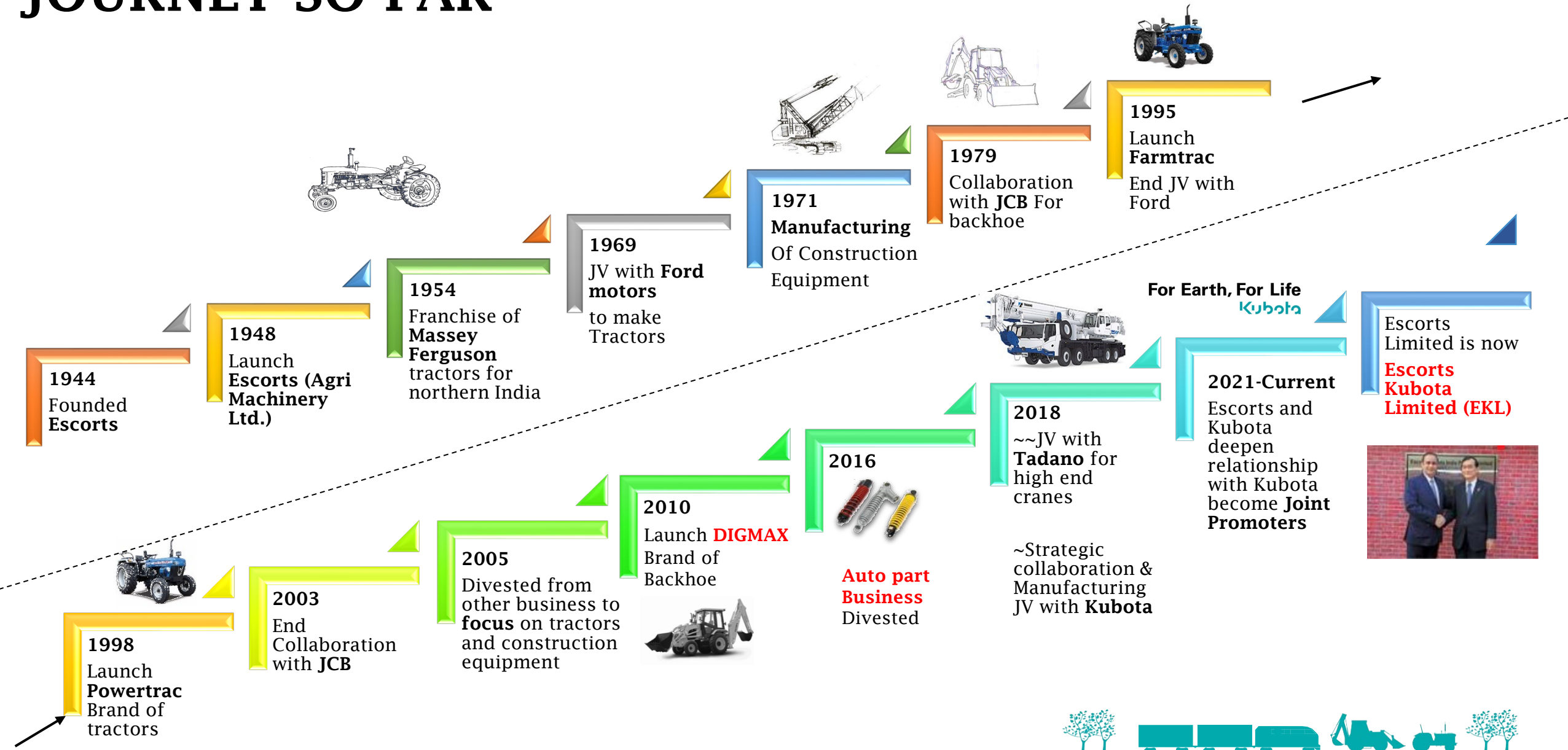


SAFE HARBOR STATEMENT

“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 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.”



JOURNEY SO FAR



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:

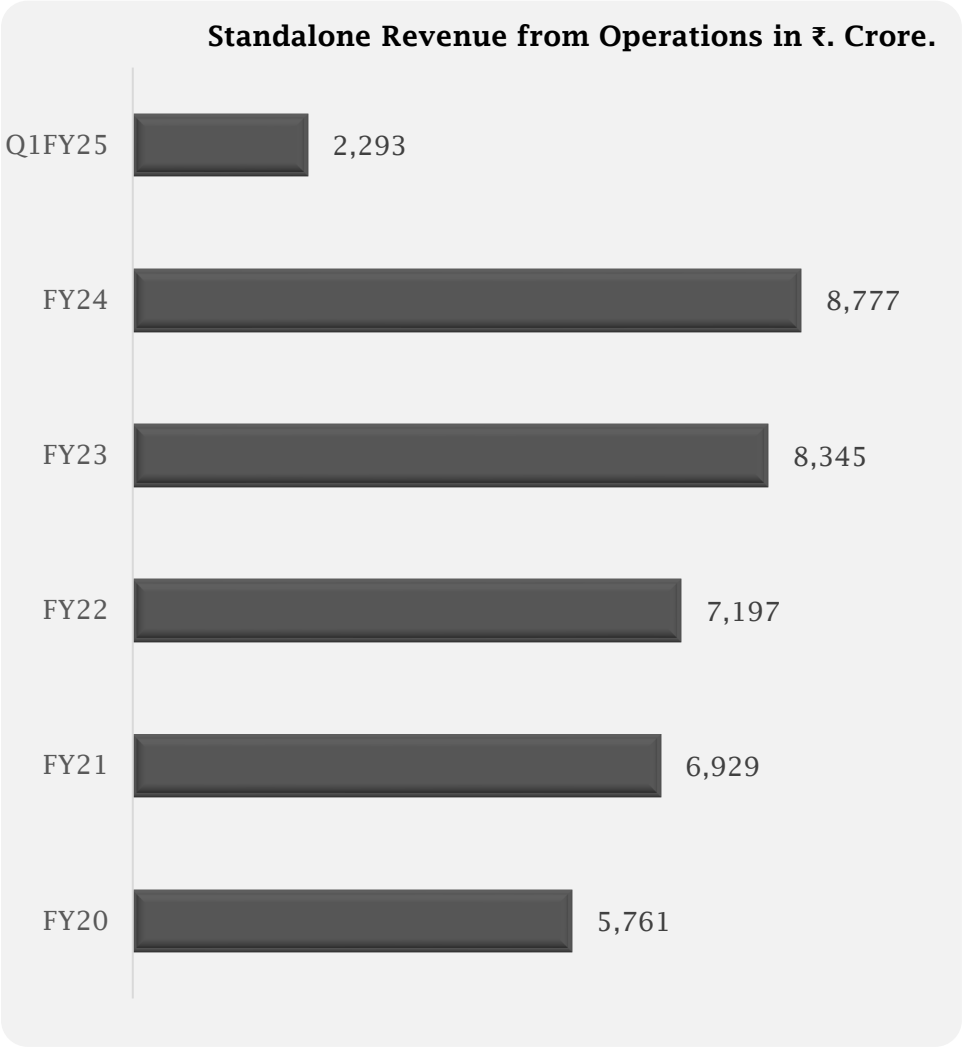
- 1. **Agri Machinery** - Tractors, Agri Solutions, Spare parts & Service and Engine Business
- 2. **Construction Equipment** - Material handing, Road compaction and Earth Moving Equipment.
- 3. **Railway Equipment** - Brake System, Couplers, Suspension System, Friction & rubber Products.

➤ **Headquartered In:** Faridabad, Haryana, India

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

➤ **Exchange Listing#** : Listed on NSE and BSE

➤ **Market Capitalization:** ~ Rs 46,140 Crores as on 31 July 2024



OUR CURRENT BUSINESSES



Escorts Kubota Limited

Total Income **FY24: ₹ 9,175.0 Cr.**
Q1FY25: ₹ 2,292.5 Cr.

Agri Machinery



Our advanced agri-machinery & crop solutions help enhance agricultural productivity and add value to a farmer's life

Segment Revenue **FY24: ₹ 6,110.1 Cr.**
Q1FY25: ₹ 1,676.0 Cr.

Construction Equipment



Our vast range of construction & material handling equipment supports India's infrastructure growth

Segment Revenue **FY24: ₹ 1,709.7 Cr.**
Q1FY25: ₹ 369.7 Cr.

Railway Equipment Division



RED's wide array of railway products aids the modernization of Indian Railways

Segment Revenue **FY24: ₹ 950.4 Cr.**
Q1FY25: ₹ 244.7 Cr.



MANUFACTURING FACILITIES



Agri Machinery

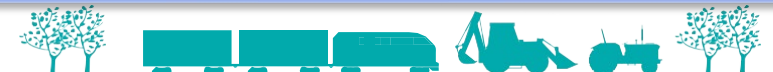
Three Plants: Farmtrac, Powertrac & Components with a current production capacity of **120,000 + tractor p.a.**
Poland Plant: 100% subsidiary having an installed capacity of **2,500 tractor p.a.**
50,000 capacity Manufacturing Plant under JV with Kubota

Construction Equipment

State of the art manufacturing and assembly facility with a capacity of **10,000 units p.a.**

Railway Equipment Division (RED)

A State of Art facility in Faridabad, designed to manufacture an array of safety and comfort products for rail transport.

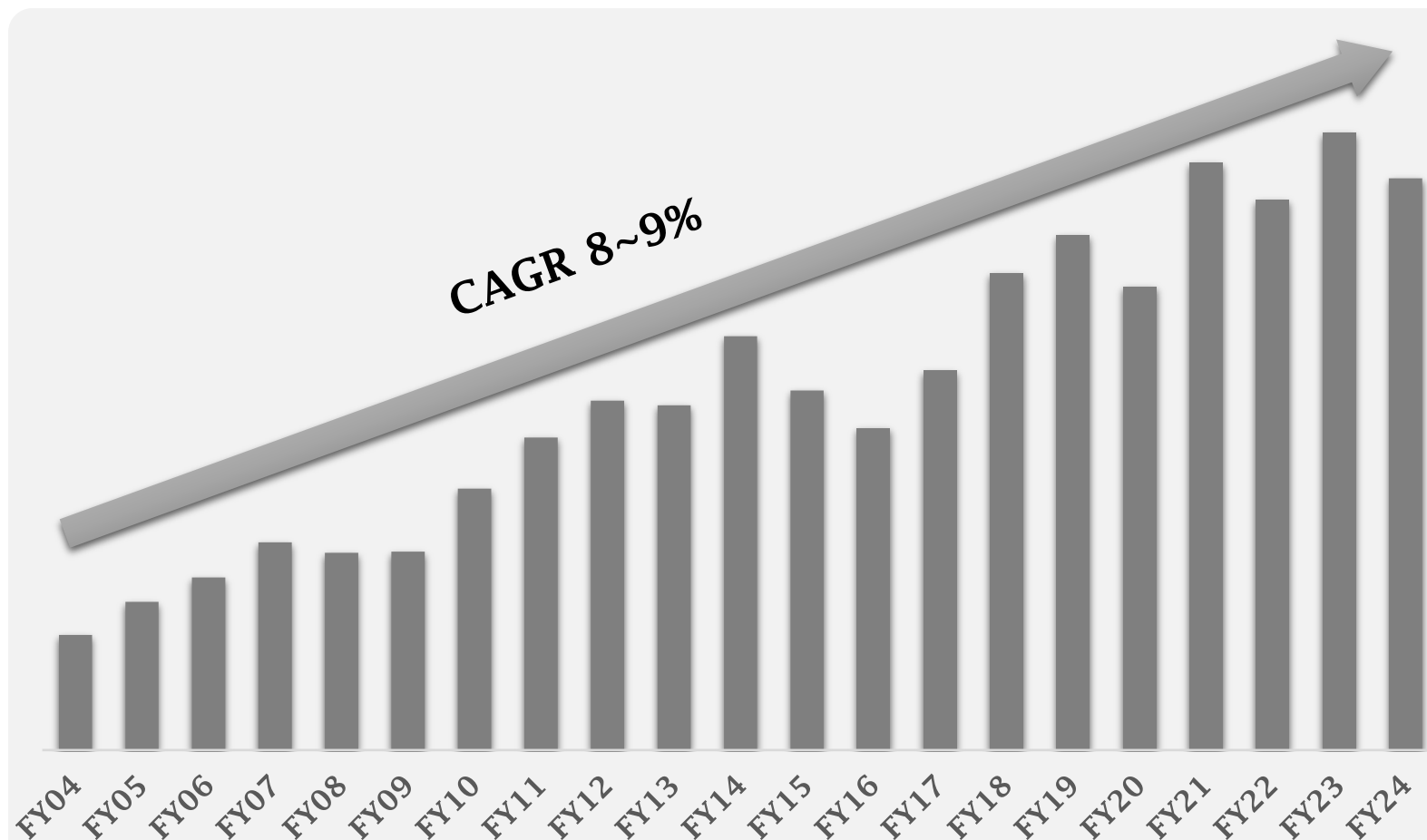


Agri Machinery



Powering The Dreams Of Farmer

↑ DOMESTIC TRACTOR INDUSTRY



Increasing Trend towards Mechanisation

Minimum Support Prices for Key Crops

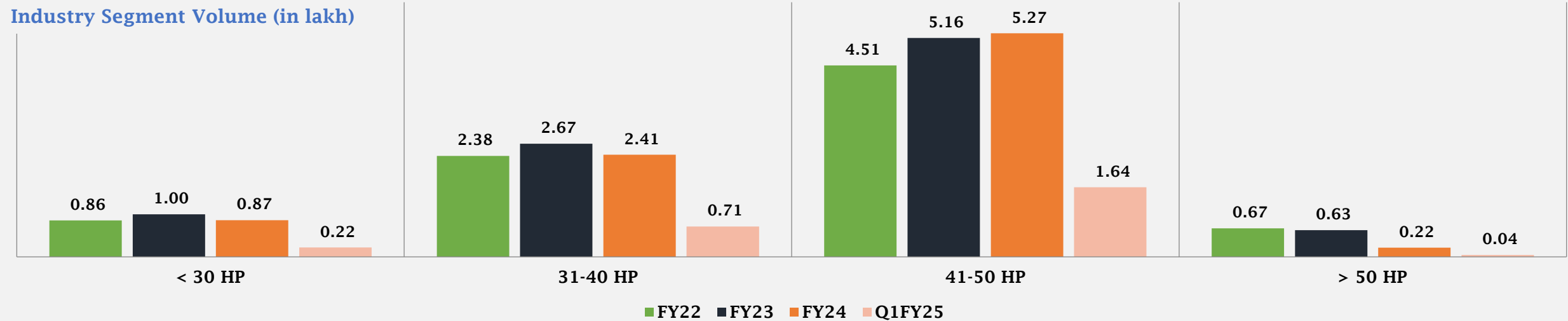
Scarcity of Labour

Ease of Credit Availability from Govt.

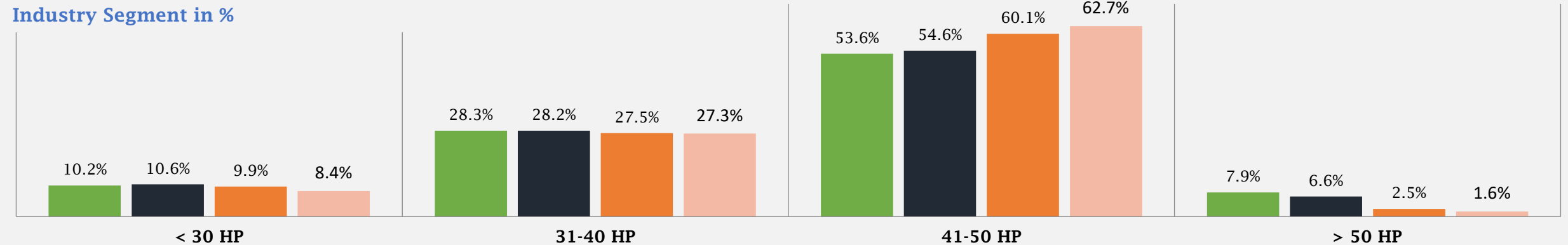
- ❖ India is the **largest** manufacturer of farm equipment
- ❖ **0.88 million** units in FY24.
- ❖ Customer exchange their tractor in every **6-8 years** in mature markets.

Domestic Industry Segmentation

Industry Segment Volume (in lakh)

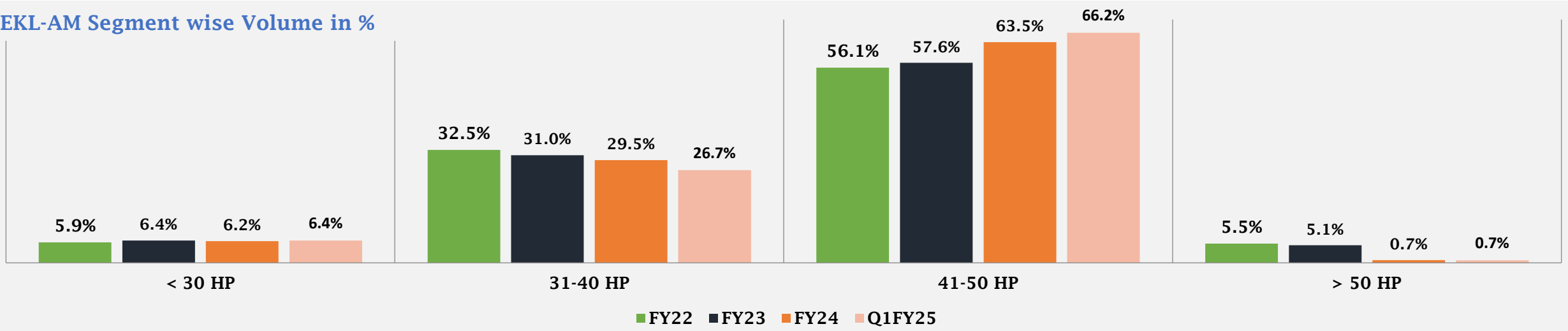


Industry Segment in %

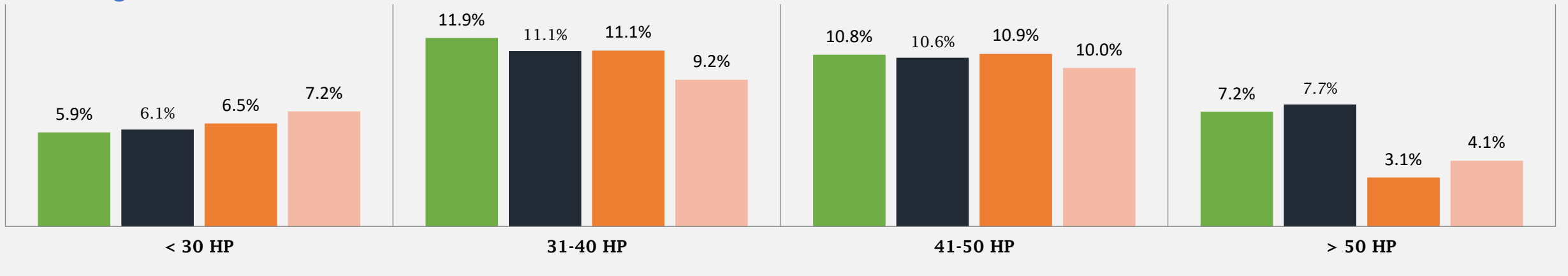


EKL-AM DOMESTIC SEGMENTATION

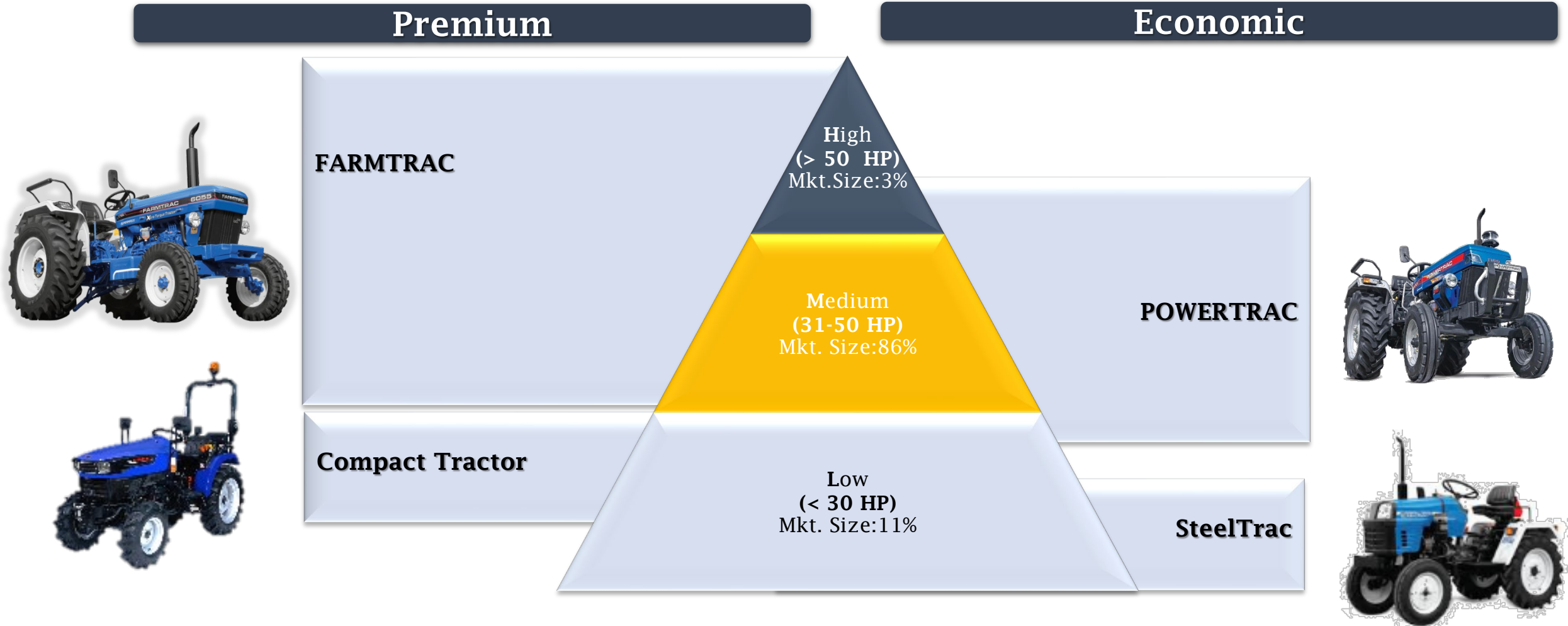
EKL-AM Segment wise Volume in %



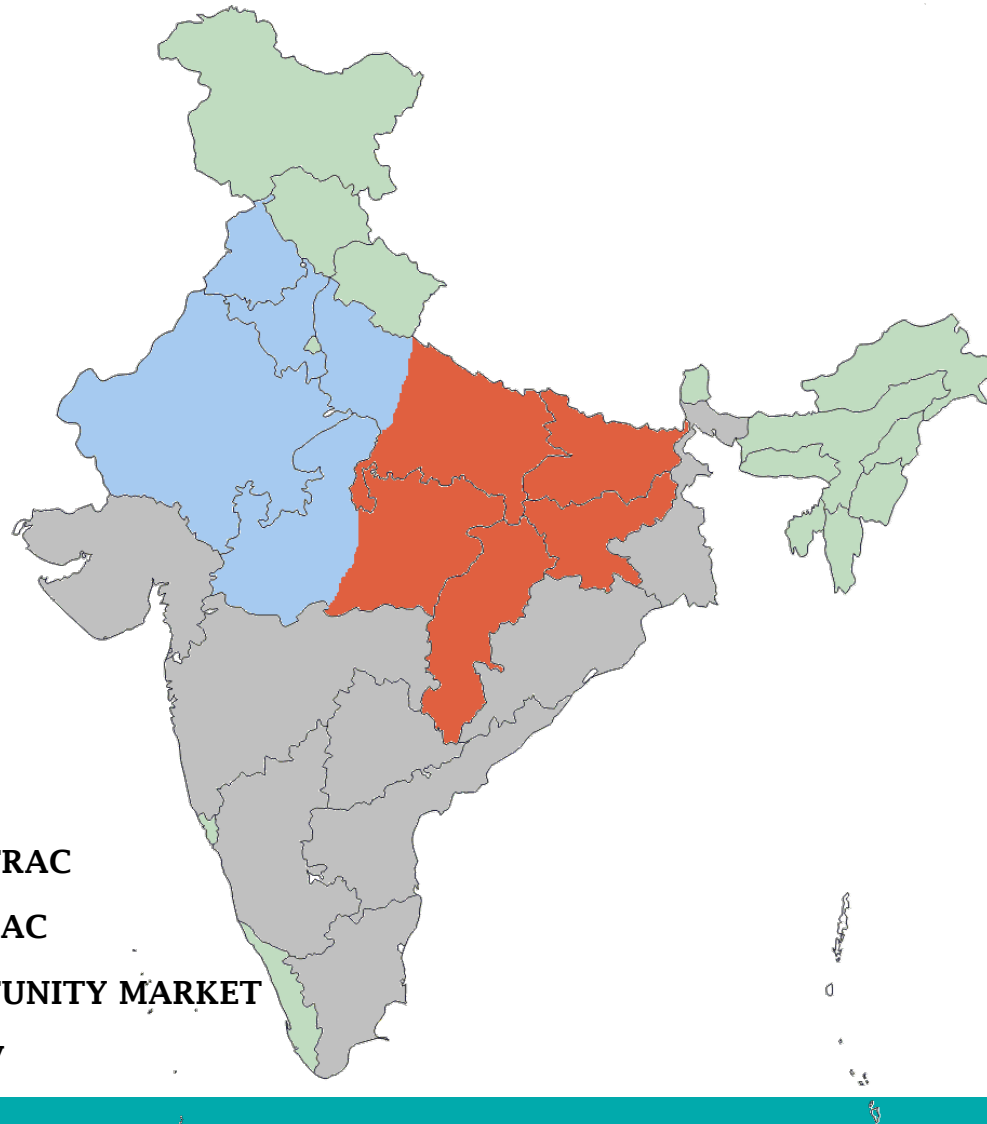
EKL-AM Segment wise Market Share in %



HOW WE ARE POSITIONED



WINNING MARKET



① **Strong Market, Strong Brand**

② **Strong Market, Weak Brand**

③ **Opportunity Market**

Current 1,200+ Active Dealer Network





CARE - 24X7



INDIA'S FIRST ONLINE TRACTOR PLATFORM

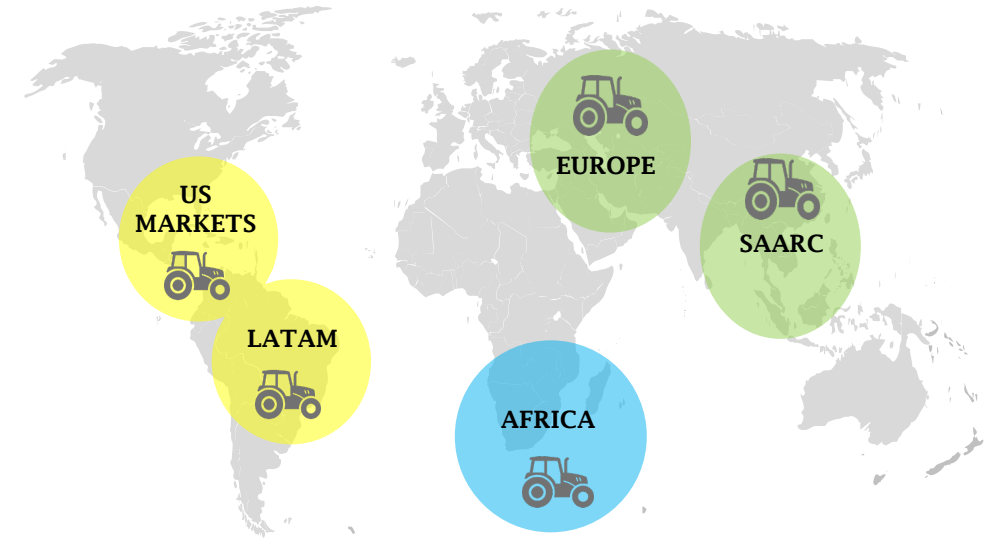
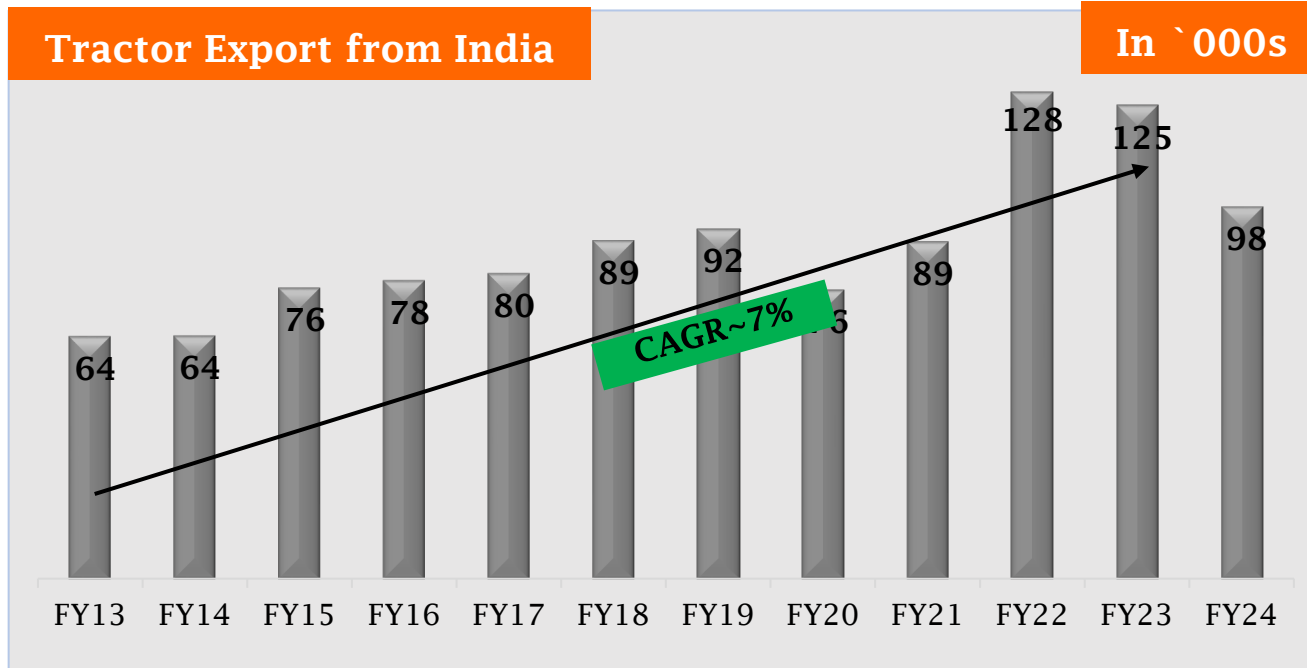
ADVANCED. CONVENIENT. TRANSPARENT.



DIGITRAC Contactless Sales



EXPORT MARKET SIZE & OPPORTUNITY



Tractor Exports from India expected to grow by CAGR 6~8%

Main Market under 120 HP Tractors

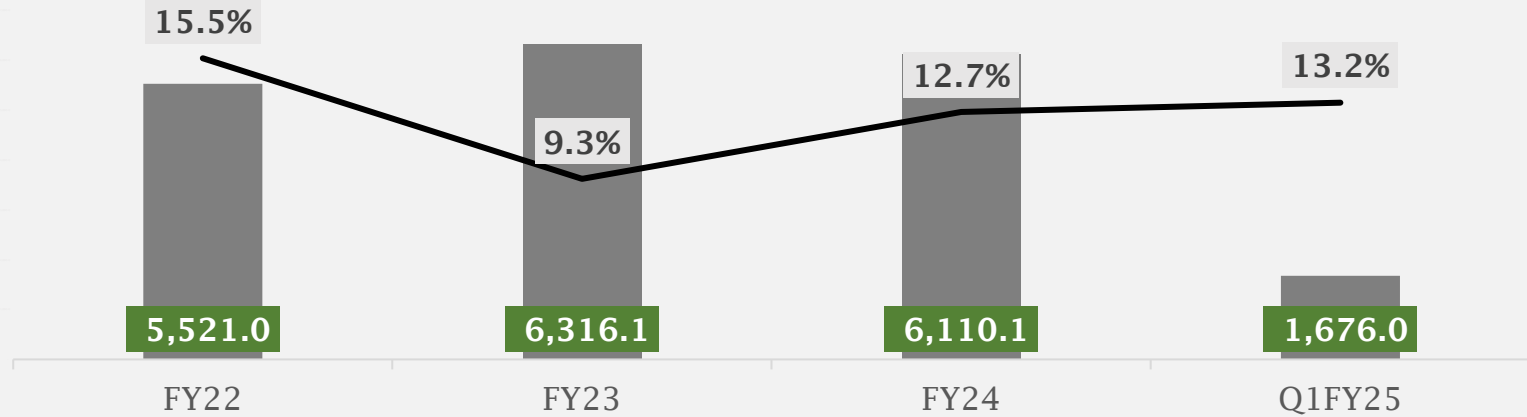
Hobby/Garden farming in Market (like USA)



AGRI MACHINERY JOURNEY SO FAR...

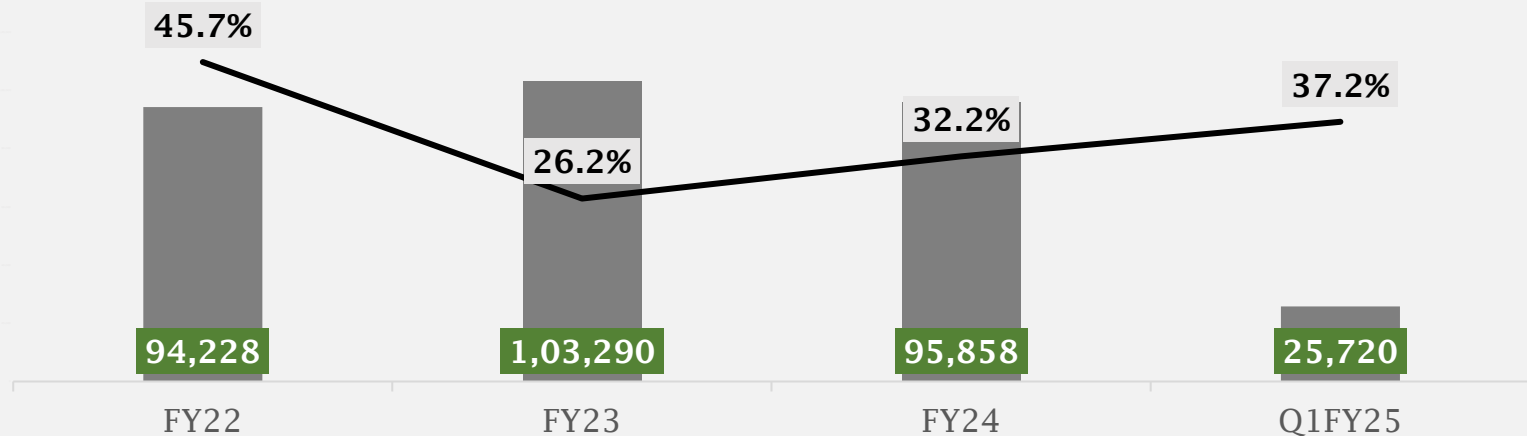
SEGMENT REVENUE (₹ Cr.)

EBIT %



VOLUMES (Nos.)

ROCE %



❖ Revenue Growth Initiatives

- ❖ EXPORT
- ❖ South & West penetration
- ❖ Emerging Business
- ❖ Engines Business
- ❖ Agri Solution
- ❖ Spare Parts
- ❖ Components Global Export

❖ Cost Rationalization

- ❖ Raw Material
- ❖ Manpower cost
- ❖ Other Cost



Construction Equipment

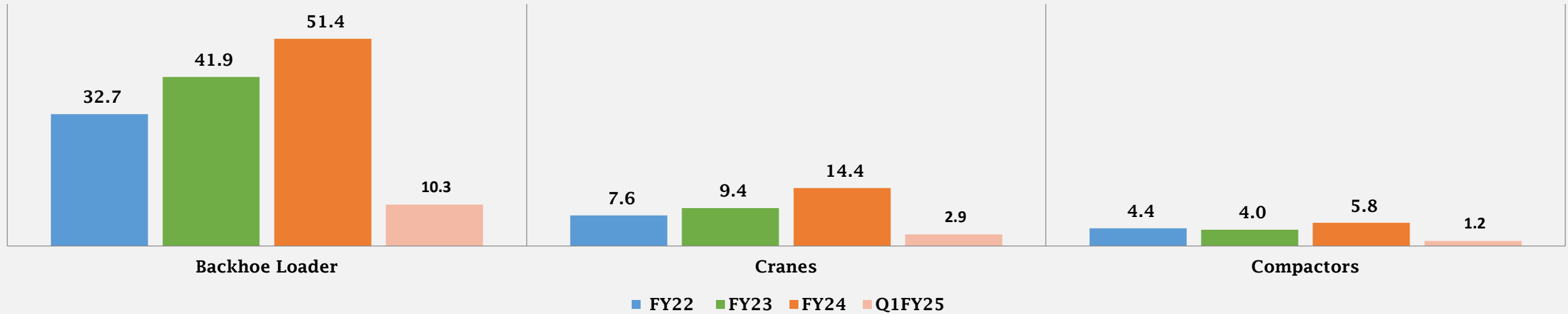
The image features two large construction cranes. On the left is a white crane with a long, articulated boom. On the right is an orange crane, also with a long boom, labeled 'TRX 2319' and 'ESCORTS'. The background is dark with glowing, curved lines and bokeh light effects, giving it a futuristic or high-tech feel. The cranes are positioned as if they are working on a large-scale project.

**Building a
Better Tomorrow**

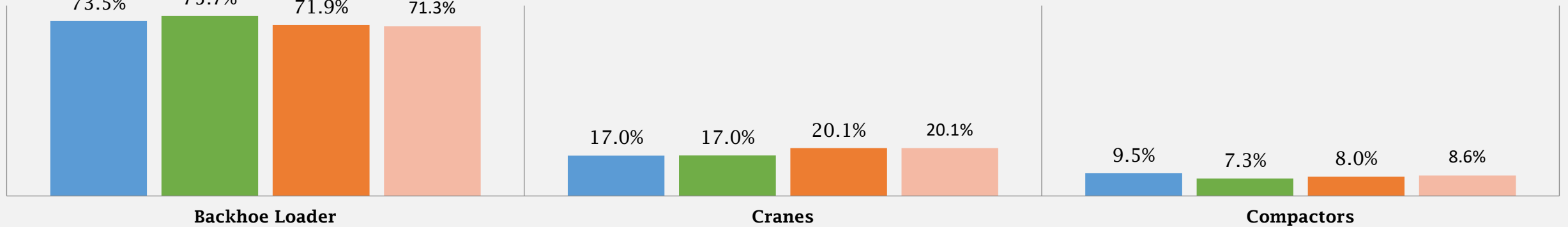
Preferred Partner In Nation Building

SERVED INDUSTRY SEGMENTATION

Served Industry Volume (in `000s)



Served Industry category wise in %



PRODUCT PORTFOLIO

1) Material Handling



2) Earth Moving



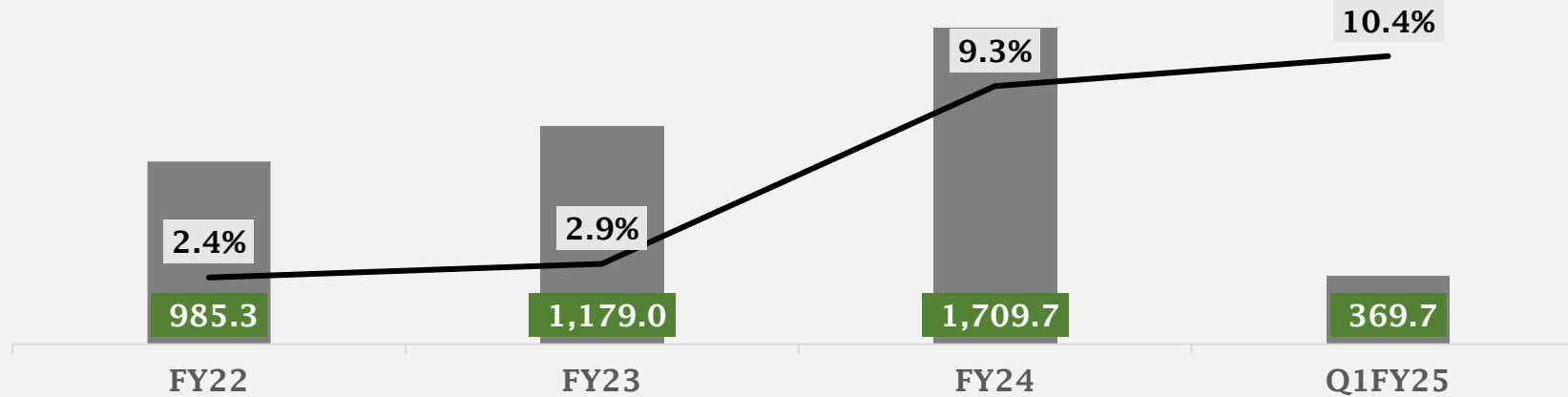
3) Road Construction



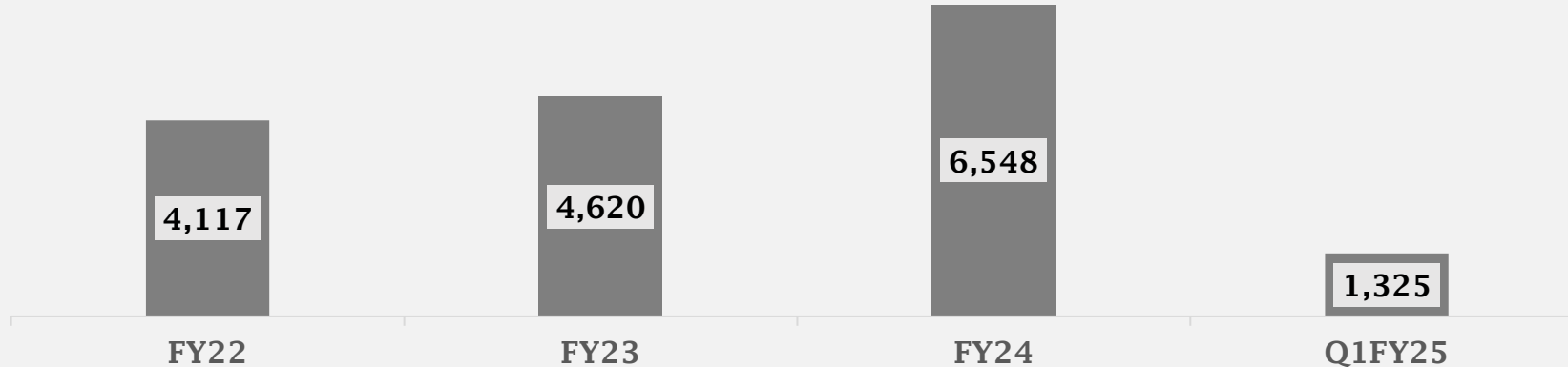
READY TO RIDE THE INDUSTRY BOOM

SEGMENT REVENUE (₹ Cr.)

EBIT %



VOLUMES (Nos.)



Focus on Cost Reduction :
Material Cost

Focus on Export reach
Enhancement

Dealership & Outlet reach
expansion



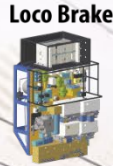
Railway Equipment Division



Mobility Solutions
Of the future

ENSURING SAFETY AND COMFORT IN RAIL TRANSPORT

We specialise in design, development and manufacturing of railway products like brake system, suspension system, dampers, rubber and friction products etc.



Dampers



- We are ISO TS/22163 (IRIS Rev : 03) certified for Design, Development & Manufacturing activities
- Certified to ISO 9001 :2015, ISO 14001 :2015, RDSO, UIC and AAR

Ensuring Safety and Comfort in Rail Transport



ON GROWTH TRACK

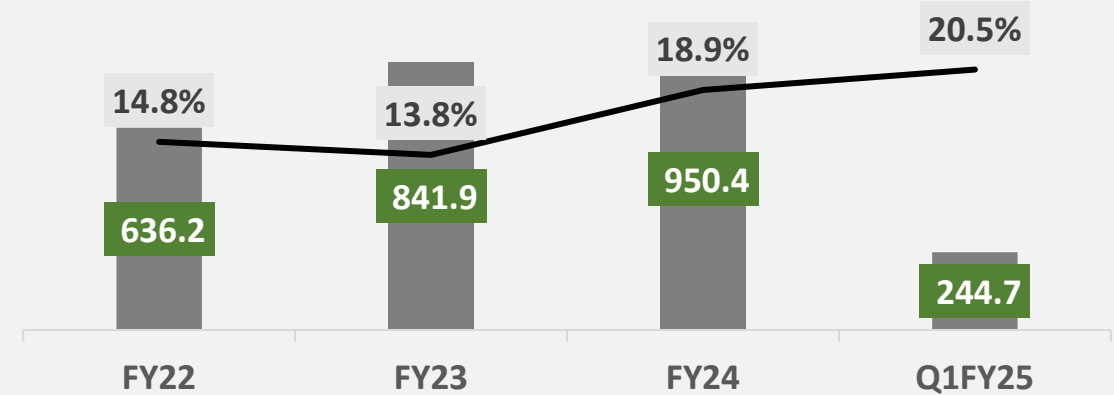
CONSISTENT ORDER BOOK

- ✓ Manpower Cost, Productivity Improvements
- ✓ Material Cost improvements
- ✓ New Product Revenue boost
- ✓ Building Strong Inhouse R&D

Order Book ~ ₹ 880 Cr.
as of June 2024

SEGMENT REVENUE (₹ Cr.)

EBIT %

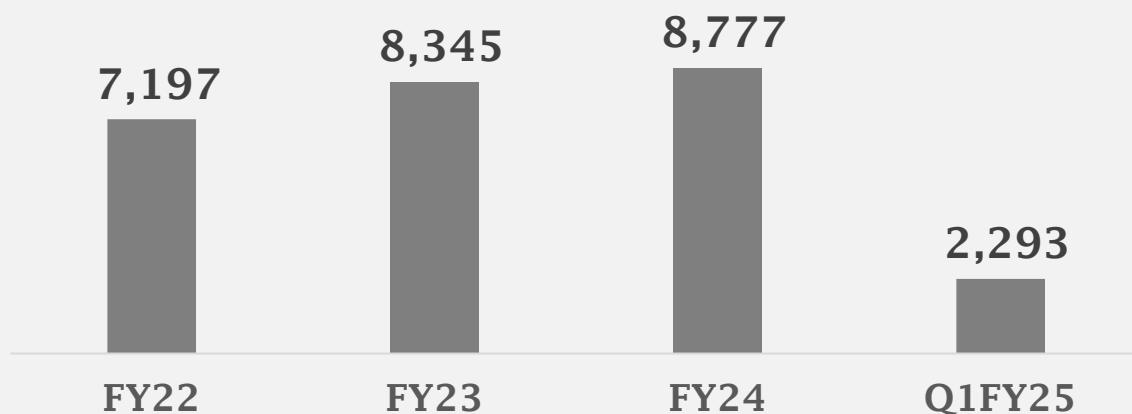


Escorts Kubota Ltd. Financials

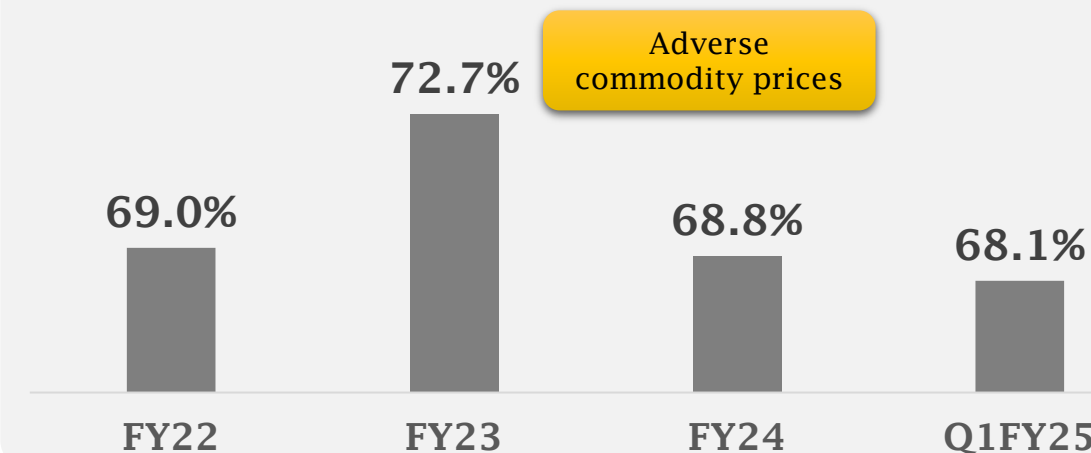


↑ KEY FINANCIAL METRICS ...

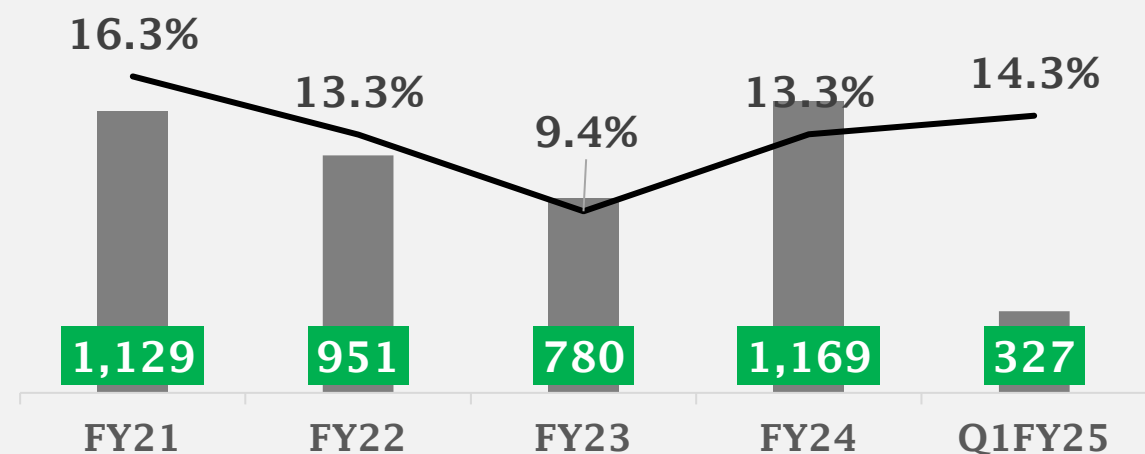
OPERATIONAL REVENUE (₹ Cr.)



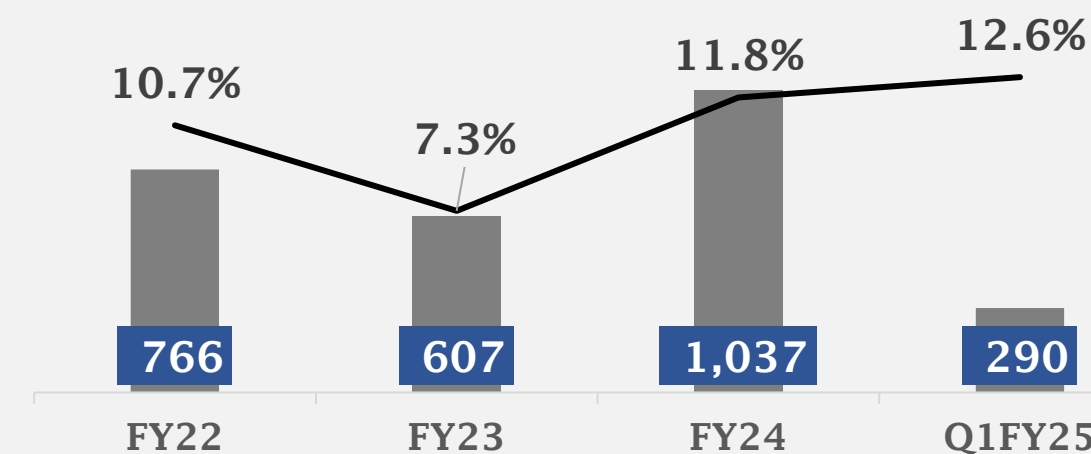
Material Cost %



EBITDA (₹ Cr.) %



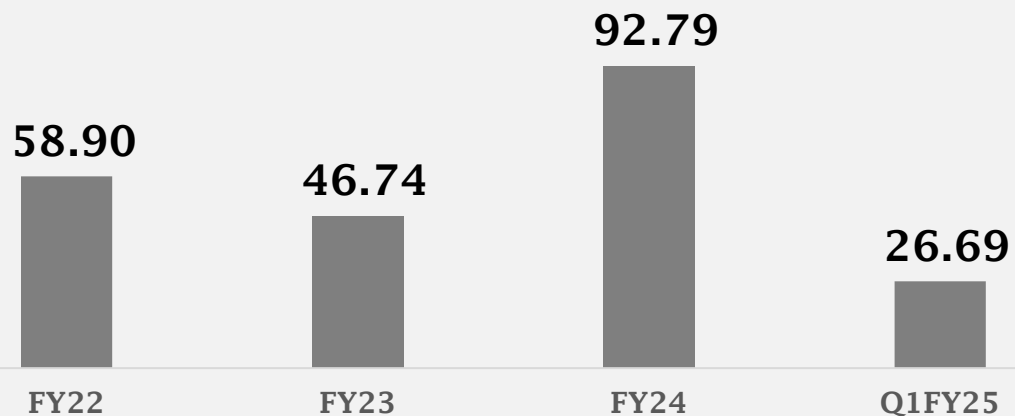
PAT (₹ Cr.) %



↑ KEY FINANCIAL METRICS ...

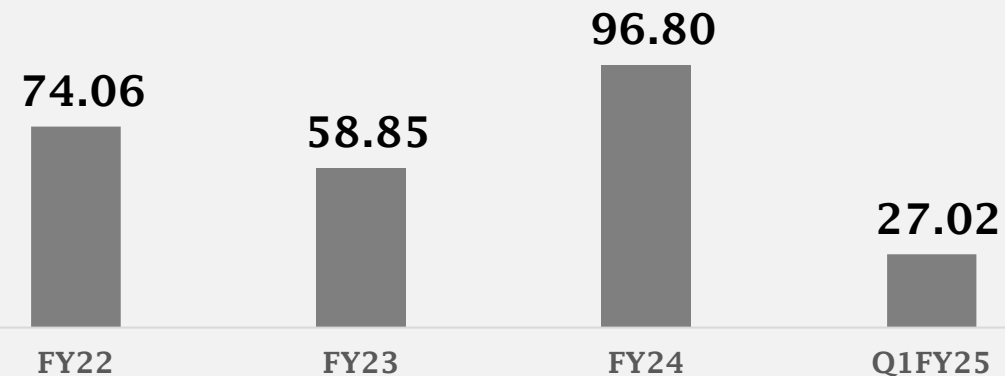
EPS (₹)

Standalone



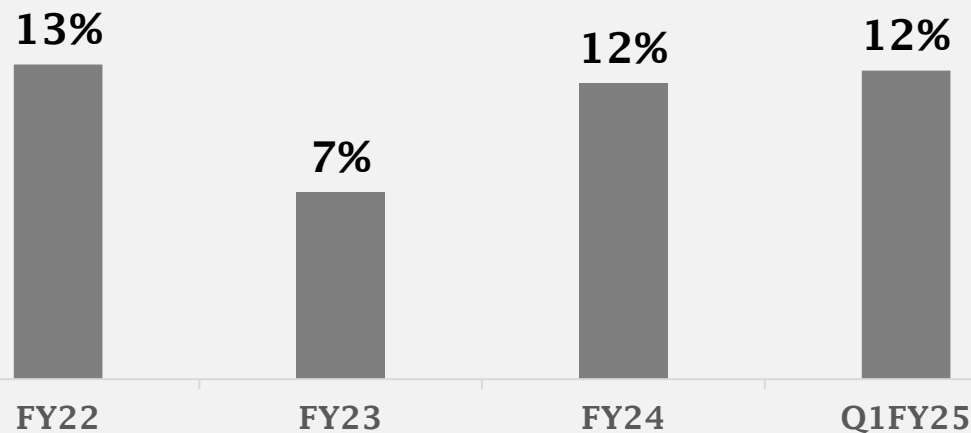
EPS (₹)

Consolidated



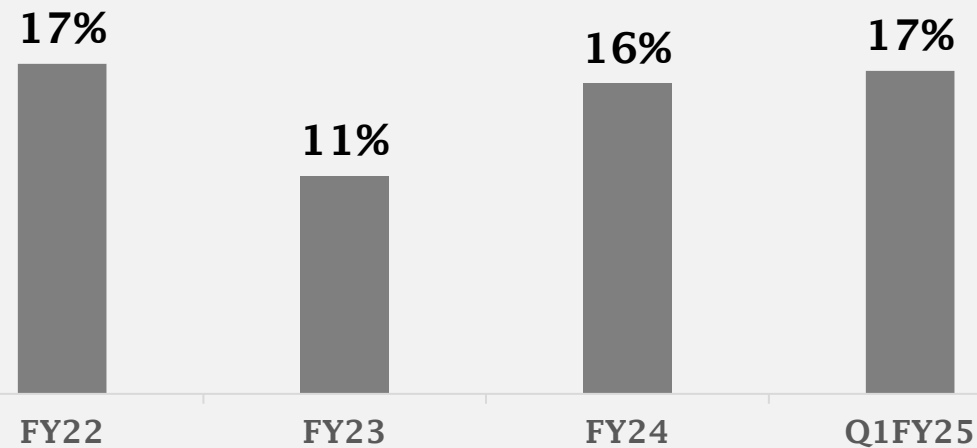
ROE

%



ROCE

%



Shareholding Pattern

In %

Category	June'2023	Sept'2023	Dec'2023	Mar'2024	June'2024
Promoters	67.6	67.6	67.6	67.6	67.6
Institutions#	15.5	16.0	15.3	15.6	16.8
Public	15.0	14.4	15.2	14.9	13.8
Non Promoter Non Public	2.0	1.9	1.9	1.9	1.7
Total	100.0	100.0	100.0	100.0	100.0

FPI/Financial Institutions/ Banks/Insurance Companies/QIB/AIF



rounded off to nearest single decimal

Top 10 Shareholders As on 30-6-2024	
Name	% to Equity
KUBOTA CORPORATION	53.50
HAR PARSHAD AND COMPANY PRIVATE LIMITED	9.71
HDFC TRUSTEE COMPANY LIMITED (PAN CONSOLIDATED HOLDING)	2.43
ESCORTS EMPLOYEES BENEFIT AND WELFARE TRUST (TRUSTEE - ANIL KUMAR CHANDRASHEKARAN)	1.73
BIG APPLE CLOTHING PRIVATE LIMITED	1.60
REKHA RAKESH JHUNJHUNWALA	1.58
AAA PORTFOLIOS PRIVATE LIMITED	1.53
QUANT MUTUAL FUND – Quant Active Fund (PAN CONSOLIDATED HOLDING)	1.23
Nikhil Nanda	1.08
Life Insurance Corporation of India	0.75
Total	75.14



Vibrant board



MR. NIKHIL NANDA

Chairman & Managing Director

- Alumnus of Wharton Business School, Philadelphia
- Responsible for driving Escorts' growth initiatives to strategically position it in the global arena



MR. HARDEEP SINGH

Non-Executive Director

- Chairman - Monitoring committee on MSP (Planning Commission) & Food Security Task Force, CII



MS. NITASHA NANDA

Whole Time Director

- Heading CSR Committee of the Board of Escorts Kubota Ltd. which also monitors ESG
- Serves as Board member in several companies



MR. SUNIL KANT MUNJAL

Independent Director

- One of the founder promoters of the **Hero Group**, the world's largest two-wheeler maker



MS. TANYA DUBASH

Independent Director

- Executive Director and Chief Brand Officer of **Godrej Industries Ltd.**
- Director Godrej Industries Limited, Godrej Consumer Products Limited and Godrej Agrovet Limited.



MR. SEIJI FUKUOKA

Whole Time Director (Deputy Managing Director)

- More than 28 years of diverse experience in Kubota Corporation.
- Was General Manager of the Tractor Business Administration & Control Dept. of Kubota between 2018 and 2021.



MR. HARISH S SALVE

Independent Director

- Mr. Salve is a senior counsel as well as an arbitrator in India and Barrister (UK) specialising in constitutional, commercial and taxation law. He was the youngest ever to be appointed as solicitor



MR. DAI WATANABE

Non-Executive Director

- More than 26 years of diverse experience in Kubota Corporation.
- Director and Senior Managing Executive Officer, General Manager of Farm and Industrial Machinery Consolidated Division of Kubota Corp.



MR. SHINGO HANADA

Non-Executive Director

- 35 years plus of diverse experience in Kubota Corporation.
- Currently Director and Senior Managing Executive Officer of Kubota Corp.



MR. NOBUSHIGE ICHIKAWA

Non-Executive Director

- 35 years plus of diverse experience in Kubota Corporation.
- Managing Executive Officer of Kubota Corp.



Vibrant board



MR. RAVINDRA CHANDRA BHARGAVA

Independent Director

- Non-Executive Chairman of Maruti Udyog Limited.
- Awarded the Padma Bhushan in 2016, 'Order of the Rising Sun Gold and Silver Star' in 2011, recipient of Forbes India Leadership Award for Lifetime Achievement



MR. VIMAL BHANDARI

Independent Director

- Commerce graduate from Mumbai University and a Chartered Accountant
- Over 35 years in a range of businesses in the financial services industry, of which twenty-five years have been at the Board of Directors level.



MS. REEMA RAMESHCHANDRA NANAVATI

Independent Director

- Has been working with the SEWA since over 35 years expanding its membership to over 2.1 million members, making it the single largest union of informal sector women workers



MR. YASUKAZU KAMADA

Non-Executive Director

- More than 40 years of diverse experience in Kubota Corporation.
- President of Kubota Holdings Europe B.V. and President & CEO of implements manufacturer Kverneland AS in Europe



MR. MANISH SHARMA

Independent Director

- More than 25 years of diverse experience in LG, Hotline, Samsung India and Haier India
- Currently chairs the Board for Panasonic India



MR. BHARAT MADAN

Whole Time Director & Chief Financial Officer

- 34 years plus of experience in financial accounting, audit, cash and capital management, forecasting and risk management, tax planning, financial modelling and analysis



MR. RUPINDER SINGH SODHI

Independent Director

- President of Indian Dairy Association (IDA)
- 40 years + of rich experience in leading & developing cooperative sector within Indian dairy industry, having served dairy farmers in several capacities.



MR. KINJI SAITO

Independent Director

- More than 43 years of diverse experience
- He is responsible for Global Automobile Marketing, Officer in charge of Global Automobile Marketing, Marine Operations and Motorcycle Operations in Suzuki Motor Corporation.
- Currently holding the position of Councilor, Chief Global Marketing at Suzuki Motor Corporation.



MANAGEMENT TEAM



Mr. Nikhil Nanda
Chairman and Managing Director

- Mr. Nanda has played a central role in leveraging the companies' inherent capabilities to strengthen its position as a company dedicated to frugal engineering.
- Under his leadership, the company has evolved from being a product-led company to an innovation and technology driver brand



Mr. Seiji Fukuoka
Deputy Managing Director

- More than 30 years of diverse experience in Kubota Corporation.
- He was General Manager of the Tractor Business Administration & Control Dept. of Kubota between 2018 and 2021.



Mr. Bharat Madan
Whole Time Director & Chief Financial Officer

- 35 years plus of experience in financial accounting, audit, cash and capital management, forecasting and risk management, tax planning, financial modelling and analysis



Mr. Sanjeev Bajaj
Chief Officer, Construction Equipment Business Division

- More than 26 years of rich and broad-based experience across revenue and profit centre management, warehousing operations, managing customer service organisations, spare parts and lubricant businesses..



Mr. Ankur Dev
Chief Officer, Railway Equipment Business Division

- 19+ years of rich experience across diverse sectors including manufacturing, auto, consumer durables, telecom and petroleum.
- He is a member of the CII, Railway Equipment Division



Mr. Amit Singhal
Chief Officer, Human Resource & General Affairs

- 20 years plus of experience in Strategic HR, Business Partnership, Employee Relations and Culture and Change management roles.
- He is a lifetime member of National Human Resource Development, New Delhi and an active member of CII State Council.



Narrations

- **EKL** - Escorts Kubota Limited
- **FY** - Fiscal Year represents the 12 months period from 1st April to 31st March.
- **Q1FY** - Represents the 3 months period from 1st April to 30th June.
- **Q2FY** - Represents the 3 months period from 1st July to 30th September.
- **Q3FY** - Represents the 3 months period from 1st October to 31st December.
- **Q4FY** - Represents the 3 months period from 1st January to 31st March.
- **9MFY** - Represents the 9 months period from 1st April to 30th December.
- **QoQ** - Represents Quarter on Quarter
- **YoY** - Represents Year on Year
- **AG** - Agri Machinery Products
- **CE** - Construction Equipment

- **RED** - Railway Equipment
- **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.



THANK
YOU |



Contact Details

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